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Agenda

Extraordinary Planning and Transportation Policy Working Group Meeting

Date: Tuesday, 4 November 2025
Time 7.00 pm
Venue: Council Chamber, Swale House, East Street, Sittingbourne, ME10 3HT

Membership:

Councillors Mike Baldock, Monique Bonney, Hayden Brawn (Vice-Chair), Ann Cavanagh, Charles Gibson (Chair), Kieran Golding, Alastair Gould, James Hunt, Peter MacDonald, Julien Speed and Mike Whiting.

Quorum = 3

Pages

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Issued on Monday, 27 October 2025

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Chief Executive, Swale Borough Council,
Swale House, East Street, Sittingbourne, Kent, ME10 3HT

Planning and Transportation Policy Working Group	
Meeting Date	4th November 2025
Report Title	Local Plan Review - Whole Plan Viability Assessment 2024
EMT Lead	Emma Wiggins Director of Regeneration and Neighbourhoods
SMT Lead	Joanne Johnson Head of Place
Lead Officer	Stuart Watson Project Manager Local Plan
Classification	**Open**
Recommendations	1. That members of Planning and Transportation Policy Working Group (PTPWG) are asked to note the findings of the Whole Plan Viability Assessment (WPVA) 2024 and the specific affordable housing policy implications for the Local Plan Review.

1. Purpose of Report and Executive Summary

1.1 During its preparation, the Local Plan (LP) needs to be tested to ensure the proposed development is deliverable (in terms of financial viability) in line with tests set out in the National Planning Policy Framework (NPPF) and National Planning Practice Guidance (PPG). This includes:

- assessing the cumulative impact of the emerging policies, including affordable housing;
- testing the deliverability of the key development site allocations that may come forward over the course of the Local Plan period;[1] and,
- considering the ability of development to accommodate developer contributions alongside other policy requirements.

1.2 The Whole Plan Viability Assessment 2024 (WPVA) is a key piece of evidence that goes towards meeting these national policy requirements. The WPVA sets out the likely deliverability of sites for consideration within the LP drafting process assessed against the emerging planning policy requirements the Council sets.

[1] The WPVA conclusions on deliverability are used to inform the overall suitability of sites being considered within the Councils emerging Housing and Economic Land Availability Assessment (HELAA). The HELAA sets out all sites that have been identified and made available to the Council for consideration in Local Plan drafting.

1.3 PTPWG members were briefed on the WPVA 2024 in July 2024, and this included a detailed question and answers session with the consultant who produced the study. Members of PTPWG noted the findings of the study including the emerging policy recommendations. Members at that meeting requested that the WPVA be published alongside the draft Plan Regulation 18 consultation.

1.4 The Council will carry out a Regulation 18 consultation in January 2026 that focuses on the Local Plan's vision, objectives and development management policies. Of significance, the January 2026 consultation will include a draft Affordable Housing Policy that will propose the percentage of homes for affordable housing being sought by the Council on greenfield and brownfield sites.

1.5 To offer stakeholders and other interested parties the best opportunity to understand and provide comments on the affordable housing policy it is essential to now publish the WPVA. The WPVA is the evidence base that supports the proposed affordable housing policy approach and as such should be subject to scrutiny as part of the LPR process.

2. Background

2.1 Consultants HDH Planning and Development were appointed to carry out a Whole Plan Viability Assessment (WPVA) to support the Local Plan Review (LPR). The WPVA uses the approach set out within National Planning Policy Guidance that viability should be tested using the Existing Use Value Plus (EUV+) approach. The PPG sets out the following definition for EUV+:

> *To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements.* ***Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called 'existing use value plus' (EUV+).***

2.2 As part of preparing the Councils Regulation 19 consultation in 2021 a series of policy requirements including matters like affordable housing provision and design standards where developed. Whilst that Plan was superseded in terms of what sites where being proposed, the policy requirements were considered robust in terms of policy direction and have been carried forward into the WPVA. The Council's policy direction will evolve through drafting of the Local Plan, development of its evidence base and through changes in national policy[2]. As a

[2] Since the WPVA draft in spring 2024, the requirement that 25% of affordable homes should be First Homes was removed from the NPPF. This requirement has been replaced with a more flexible approach

result, there will likely be the need to provide a partial update to the WPVA for the summer 2026 Regulation 19 consultation to reflect any changes.

2.3 The WPVA tests a number of housing development typologies[3] and 13 strategic sites that have been identified from the Council's emerging Housing Economic Land Availability Assessment (HELAA)[4]. A HELAA does not set out that a site will automatically gain planning permission or be allocated in the LPR as these are matters for planning applications and Plan drafting. Likewise, the WPVA is another key piece of evidence for the LPR and sets out the viability of sites against the LPR emerging policy criteria but in itself does not recommend what sites should be allocated.

2.4 To summarise, a WPVA tests whether after build costs including policy requirements and factoring likely sales values there is enough residual value from a proposed development to offer a price for land to the landowner at a premium value beyond existing use value. This test set outs the likely financial achievability of types of sites for the purposes of Plan drafting.

2.5 The WPVA desk top findings were produced in January 2024 and presented to a workshop of interested parties including industry specialists, infrastructure providers, adjacent local authorities and members of the Council. The findings presented at the workshop included the latest data sets on build costs, sales values and the LPR policy requirements from the 2021 Regulation 19 consultation. Interested parties were then given the opportunity to provide comments on the workshop to inform further drafting of the WPVA.

2.6 The most relevant findings of the WPVA are set out in this report below. Further details on the findings can be found in Chapter 12 of the WPVA (appendix 1). The chapter provides an overall summary of methodology, findings and recommendations for the LPR.

3. Whole Plan Viability Assessment 2024 Findings

3.1 With regards to residential development for the Local Plan Review (LPR), the Whole Plan Viability Assessment 2024 (WPVA) sets out that based on a 30% affordable housing requirement, brownfield typologies are likely to be unviable and that greenfield typologies on the whole are viable (WPVA paragraphs 10.10 and 10.11). The WPVA also sets out that the picture for strategic sites is less good

in the NPPF allowing local considerations including such matters as need and viability to determine what types of affordable home ownership tenures maybe suitable.

[3] The WPVA developed a series of site typologies based on existing land use, location within the Borough (urban, edge of urban and rural), site size and developable capacities. The typologies range from brownfield sites in urban areas to greenfield sites outside of built-up area confines, those typologies where the basis for the viability testing of non-strategic sites.

[4] HELAA is an evidence base that identifies a future supply of land which is suitable (against planning matters) for development, is made available by landowners and is financially achievable for development uses over a Local Plan period.

than greenfield typologies, largely due to the lower net developable area assumption and the higher allowance for strategic infrastructure and mitigation (i.e. s106) costs.

3.2 The WPVA modelled the strategic sites that were made available to the Council. The assessment of those sites was carried at a higher level then would be representative in any planning application, to inform LPR drafting including future policy approach and site selection. **It should be noted that the strategic sites findings in the WPVA do not reflect on any live planning applications and are solely for the purposes of the LPR drafting. They should not be used in planning applications until the adoption of the Local Plan.**

3.3 To address the viability of development and affordable housing provision the WPVA sets out a recommended policy approach for the LPR as:

Affordable Housing:	Greenfield Sites	30%.
	Brownfield Sites	10% (threshold 10 units)
	Potential Strategic Sites	25%

Affordable housing mix in line with the requirements for 10% AHO and 25% of affordable homes to be First Homes (30% discount) and the balance of AHO as shared ownership. The balance as Affordable Rent.

Design: 95% Part M4(2) Accessible and Adaptable and 5% Part M4(3) Wheelchair Accessible. Zero Carbon, Water Efficiency, 20% Biodiversity Net Gain.

Developer Contributions: Birdwise payments on all sites and open space payments on brownfield sites, plus allowance of £10,000 per unit on typologies and £25,000 per unit on the potential Strategic Sites.

3.4 The WPVA found for other residential uses that:

- **Self-Build** – it is unlikely that a requirement for self-build plots will adversely impact on viability.
- **Build to rent -** Development is unlikely to be viable, even without affordable housing.
- **Older People's Housing –**
    - Sheltered housing is shown as being viable with 30% affordable housing on greenfield sites, but only 10% on brownfield sites.

- Extra care housing is shown as being viable with 5% affordable housing on greenfield sites, but unviable on brownfield sites.

- The Integrated Retirement Community (IRC) typology is shown as being viable with 30% affordable housing on greenfield sites, and 20% affordable housing on brownfield sites.

- **Park Homes –** New Park Home schemes are likely to generate a financial surplus above the greenfield BLV assumption. The capacity for such development to bear developer contributions is likely to be limited at less than £3,500 per unit.

3.5 The WPVA also tested all employment uses against the Future Buildings Standard[5] and also ran a set of appraisals to test the impact of higher costs that may arise from higher environmental standards. The WPVA concludes that there is very limited scope to seek higher environmental standards on employment sites with the exception of the large scale industrial and distribution uses.

3.6 In terms of retail uses. the WPVA found that larger format retail and prime town centre uses are viable. The WPVA concludes by suggesting that caution should be applied in relation to setting policy requirements for employment and retail uses that would unduly impact on viability.

4. Proposals

4.1 That members of PTPWG are asked to note the findings of the Whole Plan Viability Assessment 2024 and the specific affordable housing policy implications for the Local Plan Review.

5. Alternative Options Considered and Rejected

5.1 The option of not updating the viability evidence for the Local Plan Review was considered and rejected. It is a requirement of national planning policy to ensure that a Local Plan is deliverable through its Plan period, a position that is tested through the Local Plan's examination process. Further, ensuring that the viability evidence base is up to date will also help inform the direction of the Local Plan's policy objectives as it moves forward in the drafting process.

[5] The Future Buildings Standard is a set of building regulations aimed at reducing carbon emissions and improving energy efficiency in new buildings. It applies to non-domestic buildings and includes proposals to mitigate overheating in residential buildings. The standard aims to ensure that new buildings are "net zero ready," meaning they use electric or other renewable energy sources and do not require additional work to achieve zero carbon emissions when the electricity grid is fully decarbonised.

6. Consultation Undertaken or Proposed

6.1 This is an evidence base document and therefore not subject to consultation. Comments about the document, like with any other evidence base document, can be submitted through the Local Plan consultation process starting with the Regulation 18 consultation scheduled for January 2026. The Council will then be able to reflect on the findings of this study and any comments received as part of the consultation process on Plan drafting.

7. Implications

Issue	Implications
Corporate Plan	The proposals in the report align with the following Corporate Plan action: • A Local Plan with local needs and capacity at its heart.
Financial, Resource and Property	No implications identified at this stage as this is within the agreed Local Plan budget.
Legal, Statutory and Procurement	No implications identified at this stage.
Crime and Disorder	No implications identified at this stage.
Environment and Climate/Ecological Emergency	The WPVA sets out financial considerations for policies matters on biodiversity net gain, zero carbon and water efficiency as part of the Local Plan Review.
Health and Wellbeing	No implications identified at this stage.
Safeguarding of Children, Young People and Vulnerable Adults	No implications identified at this stage.
Risk Management and Health and Safety	No implications identified at this stage.
Equality and Diversity	No implications identified at this stage.
Privacy and Data Protection	No implications identified at this stage.

8. Appendices

8.1 Appendix I: Whole Plan Viability Assessment 2024

Whole Plan Viability Assessment

May 2024

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1. Introduction

Scope

1.1 The *Bearing Fruits 2031: The Swale Borough Local Plan* was adopted in 2017. The Council is now undertaking a Local Plan Review. The Local Plan Review (LPR) will set the framework for the development needs for the whole of the Swale Borough area from 2022 – 2038. This will include addressing revisions to the National Planning Policy Framework and associated Practice Guidance, addressing the future development needs of the Borough including housing needs, the local economy, environmental considerations and community infrastructure needs and transport. The Plan will include strategic policies to address these matters and put forward a development strategy for the Borough. It will also include site specific allocations to meet identified need and retain, update or include new detailed topic development management policies to guide determination of planning applications.

1.2 HDH Planning & Development Ltd was appointed to update the Council's viability evidence and produce this Whole Plan Viability Assessment as required by the National Planning Policy Framework (NPPF) and the Planning Practice Guidance (PPG) in late 2022. Initially this was to be undertaken in two stages, as described below, although these are now brought together:

Stage 1 **Initial assessment.** An initial assessment of viability was previously undertaken to inform the direction of travel for the emerging policies for the LPR before formulation and in the consideration of proposed allocations before being finalised. Given that this initial work, completed in draft form only, was published in December 2020, the Council believes it would be prudent to update this information in light of the global economic challenges of recent years.

Stage 2 **Finalisation of draft Local Plan Viability Testing.** Once the draft policies and site allocations have been finalised, the above tasks should be refreshed to form the evidence base document for publication.

1.3 A technical consultation was carried out in January 2024. Representatives of the main developers, development site landowners, their agents, planning agents and consultants working in the area and housing associations were invited to comment on an early draft of this report.

1.4 As part of its preparation, the new Local Plan needs to be tested to ensure the planned development is deliverable, in line with tests set out in the National Planning Policy Framework (NPPF) and National Planning Practice Guidance (PPG). This includes:

- assessing the cumulative impact of the emerging policies, including affordable housing.
- testing the deliverability of the key development site allocations that may come forward over the course of the Local Plan period.

- considering the ability of development to accommodate developer contributions alongside other policy requirements.

1.5 This viability work is being undertaken to inform the development of policy and explore the impact, on the economics of development, of the options that are under consideration. This document sets out the methodology used, and the key assumptions adopted. It contains an assessment of the effect of the policy options, in the context of national policies and requirements, in relation to the planned development. This will allow the Council to further engage with stakeholders, to ensure that the new Plan is effective.

1.6 It was originally anticipated that a technical consultation would be held in April 2023. The timetable was delayed, in part due to the May 2023 elections and the subsequent 're-think' of the plan-making process. The pre-consultation draft was refreshed in October 2023, this report now updates the earlier information, including the changes to national standards that have been announced over the last 18 months or so, at to reflect the moments made through the technical consultation.

1.7 The methodology used in this report is consistent with the updated NPPF, the CIL Regulations (as amended) and the updated PPG. The *Levelling-up and Regeneration* Act became law in late October 2023. The Act will have a significant impact on the overall plan-making process but does not alter the place of viability in the current Local Plan process. The Act includes reference to a new national Infrastructure Levy that would be set, having regard to viability, and makes reference to the *Infrastructure Levy Regulations*. In March 2023, the Department for Levelling Up Housing & Communities published *Open consultation, Technical consultation on the Infrastructure Levy* (March 2023*)*. Under the proposals, CIL and the delivery of affordable housing would be combined into a single Infrastructure Levy, alongside the reform of the s106 regime. The Infrastructure Levy would be calculated as a proportion of a scheme's value above a threshold. This is considered further in Chapter 2 below.

1.8 It is important to note, at the start of a study of this type, that not all sites will be viable, even without any policy requirements (or CIL). It is inevitable that the Council's requirements will render some sites unviable. The question for this report is not whether some development site or other would be rendered unviable, it is whether the delivery of the overall Plan is likely to be deliverable. It will be necessary to consider the findings of this report in the wider context including the availability external funding and whether or not sites are in the public sector.

Report Structure

1.9 This report follows the following format:

Chapter 2 The reasons for, and approach to viability testing, including a review of the requirements of the NPPF, the CIL Regulations, and updated PPG.

Chapter 3 The methodology used.

Chapter 4 An assessment of the housing market, including market and affordable housing, with the purpose of establishing the worth of different types of housing in different areas.

Chapter 5 An assessment of the non-residential market.

Chapter 6 An assessment of the costs of land to be used when assessing viability.

Chapter 7 The cost and general development assumptions to be used in the development appraisals.

Chapter 8 A summary of the various policy requirements and constraints that influence the type of development that come forward.

Chapter 9 A summary of the range of modelled sites used for the financial development appraisals.

Chapter 10 The results of the appraisals and consideration of residential development.

Chapter 11 The results of the appraisals and consideration of non-residential development.

Chapter 12 Conclusions and summary.

HDH Planning & Development Ltd (HDH)

1.10 HDH is a specialist planning consultancy providing evidence to support planning and housing authorities. The firm's main areas of expertise are:

a. District wide and site-specific viability analysis.

b. Community Infrastructure Levy.

c. Housing Market Assessments.

1.11 The findings contained in this report are based upon information from various sources including that provided by the Council and by others, upon the assumption that all relevant information has been provided. This information has not been independently verified by HDH. The conclusions and recommendations contained in this report are concerned with policy requirements, guidance and regulations which may be subject to change. They reflect a Chartered Surveyor's perspective and do not reflect or constitute legal advice.

Caveat and Material Uncertainty

1.12 No part of this report constitutes a valuation, and the report should not be relied on in that regard.

1.13 Whilst the RICS withdrew the formal advice in relation to the uncertainty in March 2022, due to the nature of this assessment it is important to note the uncertainty in the current market. The impact from COVID-19 pandemic continues to impact on the global economy which continues to be faced with an unprecedented set of circumstances caused by the pandemic, uncertainty around world trade and the ongoing war in Ukraine and unrest in the Middle East, with the impact on energy costs and inflationary pressures in the economy. Consequently, in respect of this report, the assessment of viability is less certain so a higher degree of caution should be attached to the findings than would normally be the case.

1.14 For the avoidance of doubt this does not mean that the report cannot be relied upon. Rather, this note has been included to ensure transparency and to provide further insight as to the market context under which the report was prepared. The importance of keeping the findings under review as the plan-making process is highlighted.

Compliance

1.15 HDH Planning & Development Ltd is a firm regulated by the Royal Institution of Chartered Surveyors (RICS). As a firm regulated by the RICS it is necessary to have regard to RICS Professional Standards and Guidance. There are two principal pieces of relevant guidance being the *Financial viability in planning: conduct and reporting RICS professional statement, England (1st Edition, May 2019)* and *Assessing viability in planning under the National Planning Policy Framework 2019 for England, GUIDANCE NOTE* (RICS, 1st edition, March 2021).

1.16 *Financial viability in planning: conduct and reporting. 1st edition, May 2019* and *Assessing viability in planning under the National Planning Policy Framework 2019 for England* were reissued in April 2023 as a professional standard rather than a guidance note. Mandatory requirements are those which include the word 'must', while recommended best practices utilise the word 'should'. It is mandatory for RICS members carrying out Viability Assessments to adhere to PS 1 and PS 2 of the '*RICS Valuation – Global Standards, November 2021*'. This report has complied with PS 1 (Compliance with standards where a written valuation is provided) and PS 2 (Ethics, competency, objectivity and disclosures).

1.17 *Financial viability in planning: conduct and reporting. 1st edition, May 2019* was published in May 2019. This includes mandatory requirements for RICS members and RICS-regulated firms. HDH confirms that the May 2019 Guidance has been followed in full.

a. HDH confirms that in preparing this report the firm has acted with objectivity, impartially and without interference and with reference to all appropriate available sources of information.

b. HDH is following a collaborative approach involving the LPA, developers, landowners and other interested parties. An early draft of this report formed the basis of a consultation process undertaken in January 2024.

c. The instructions under which this project is undertaken is included as **Appendix 1** of this report.

d. HDH confirms it has no conflicts of interest in undertaking this project. HDH confirms that, in preparing this report, no performance-related or contingent fees have been agreed.

e. The presumption is that a viability assessment should be published in full. HDH has prepared this report on the assumption that it will be published in full.

f. HDH confirms that a non-technical summary will be provided (in the form of Chapter 12). Viability in the plan-making process is a technical exercise that is undertaken

specifically to demonstrate compliance (or otherwise) with the NPPF and PPG. It is firmly recommended that this report only be published and read in full.

g. HDH confirms that the planned programme allows for adequate time to allow engagement with stakeholders through this project.

h. This report includes sensitivity testing. The effect of different tenures, different affordable housing requirements are tested against different levels of developer contributions and different levels of developer contributions. The impact of price and cost change are also tested.

1.18 The Guidance includes a requirement that, '*all contributions to reports relating to assessments of viability, on behalf of both the applicants and authorities, must comply with these mandatory requirements. Determining the competency of subcontractors is the responsibility of the RICS member or RICS-regulated firm*'. Much of the information that informed this viability assessment was provided by the Council or its consultants. This information was not provided in a subcontractor role and, in accordance with HDH's instructions, this information has not been challenged nor independently verified.

Metric or Imperial

1.19 The property industry uses both imperial and metric data – often working out costings in metric (£ per sqm) and values in imperial (£ per acre and £ per sqft). This is confusing so metric measurements are used throughout this report. The following conversion rates may assist readers.

1m	=	3.28ft (3' and 3.37")	1ft	=	0.30m
$1m^2$	=	10.76sqft	1sqft	=	0.0929sqm
1ha	=	2.471acres	1acre	=	0.405ha

1.20 A useful broad rule of thumb to convert sqm to sqft is simply to add a final zero (i.e. times by 10).

2. Viability Testing

2.1 Viability testing is an important part of the planning process. The requirement to assess viability forms part of the National Planning Policy Framework (NPPF) and is a requirement of the Community Infrastructure Levy (CIL) Regulations. In each case the requirement is slightly different, but they have much in common. Over several years in the run up to this report, various national consultations have been carried out about different aspects of the plan-making process. These have included references to, and sections on, viability and are considered in this chapter.

National Planning Policy Framework

2.2 The Government published the updated NPPF in December 2023. This updated NPPF makes some significant changes to the planning system, however, does not change the place of viability testing in the plan-making process. The changes are not material to this report. Paragraph 34 of the NPPF says that Plans should set out what development is expected to provide, and that the requirement should not be so high as to undermine the delivery of the Plan.

> *Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). Such policies should not undermine the deliverability of the plan.*

2.3 As in the 2012 NPPF (and 2018, 2021 and 2023 NPPF), viability remains an important part of the plan-making process. The NPPF does not include detail on the viability process, rather stresses the importance of viability. The changes, made in July 2021, do touch on matters where viability will be a factor:

> *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.*
>
> *NPPF, Paragraph 22*
>
> *To ensure faster delivery of other public service infrastructure such as further education colleges, hospitals and criminal justice accommodation, local planning authorities should also work proactively and positively with promoters, delivery partners and statutory bodies to plan for required facilities and resolve key planning issues before applications are submitted.*
>
> *NPPF, Paragraph 100*

2.4 The Council will need to engage with the promoters of potential Strategic Sites and service and infrastructure providers as the plan-making process continues. This approach was strongly endorsed through the technical consultation[1].

2.5 The NPPF does not include detail on the viability process, rather stresses the importance of viability. The main change is a shift of viability testing from the development management stage to the plan-making stage.

> *Where up-to-date policies have set out the contributions expected from development, planning applications that comply with them should be assumed to be viable. It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage. The weight to be given to a viability assessment is a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force. All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available.*
>
> *NPPF Paragraph 58*

2.6 Consideration has been made to the updated PPG (see below). The Whole Plan Viability Assessment will become the reference point for viability assessments submitted through the development management process in the future.

2.7 Of particular importance to this viability assessment is deliverability. The effectiveness of plans was important under the 2012 NPPF, but a greater emphasis is put on deliverability in the NPPF which includes an updated definition:

> ***Deliverable**: To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within 5 years. In particular:*
>
> *a) sites which do not involve major development and have planning permission, and all sites with detailed planning permission should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within 5 years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).*
>
> *b) where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within 5 years.*
>
> *NPPF Glossary*

2.8 Under the heading *Identifying land for homes*, the importance of viability is highlighted:

> *Strategic policy-making authorities should have a clear understanding of the land available in their area through the preparation of a strategic housing (and employment) land availability assessment. From this, planning policies should identify a sufficient supply and mix of sites,*

[1] David Morris for Foxchurch Land (a JV between Catesby Estates and Appin Land) re a potential Strategic Site at Bobbing.

> *taking into account their availability, suitability and likely economic viability. Planning policies should identify a supply of:*
>
> *a) specific, deliverable sites for years one to five of the plan period[35]; and*
>
> *b) specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan.*
>
> *NPPF Paragraph 69*

2.9 Under the heading *Making effective use of land*, viability forms part of ensuring land is suitable for development:

> *Local planning authorities, and other plan-making bodies, should take a proactive role in identifying and helping to bring forward land that may be suitable for meeting development needs, including suitable sites on brownfield registers or held in public ownership, using the full range of powers available to them. This should include 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 and/or secure better development outcomes.*
>
> *NPPF Paragraph 125*

2.10 The *Levelling-up and Regeneration Act* became law in late October 2023. The Act will have a significant impact on the overall plan-making process, but does not alter the place of viability in the current Local Plan process.

2.11 The NPPF does not include technical guidance on undertaking viability work. This is included within the Planning Practice Guidance (PPG).

Planning Practice Guidance

2.12 The viability sections of the PPG (Chapter 10) were rewritten in 2018, and then subsequently further updated. The changes provide clarity and confirm best practice, rather than prescribe a new approach or methodology. Having said this, the underlying emphasis of viability testing has changed. The, now superseded, requirements for viability testing were set out in paragraphs 173 and 174 of the 2012 NPPF which said:

> *173 ... To ensure viability, the costs of any requirements likely to be applied to development, such as requirements for affordable housing, standards, infrastructure contributions or other requirements should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable.*
>
> *174 ... the cumulative impact of these standards and policies should not put implementation of the plan at serious risk, and should facilitate development throughout the economic cycle...*

2.13 The test was whether or not the policy requirements were so high that development was threatened. Paragraphs 10-009-20190509 and 10-010-20180724 change this:

> *... ensure policy compliance and optimal public benefits through economic cycles...*
>
> *PPG 10-009-20190509*
>
> *... and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission.*
>
> *PPG 10-010-20180724*

2.14 The purpose of viability testing is now to ensure that '*maximum benefits in the public interest*' has been secured. This is a notable change in emphasis, albeit in the wider context of striking a balance between the aspirations of developers and landowners, in terms of returns against risk.

2.15 The core requirement to consider viability links to paragraph 58 of the NPPF (as quoted above):

> *Plans should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards including the cost implications of the Community Infrastructure Levy (CIL) and planning obligations. Viability assessment should not compromise sustainable development but should be used to ensure that policies are realistic, and the total cumulative cost of all relevant policies will not undermine deliverability of the plan.*
>
> *PPG 23b-005-20190315*

2.16 This viability assessment takes a proportionate approach to considering the cumulative impact of policies and planning obligations.

2.17 The updated PPG includes 4 main sections:

Section 1 - Viability and plan making

2.18 The overall requirement is that:

> *...policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106...*
>
> *PPG 10-001-20190509*

2.19 This assessment takes a proportionate approach, building on the Council's existing evidence, and considers all the local and national policies that will apply to new development.

> *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. ... 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.*
>
> *PPG 10-002-20190509*

2.20 The policies in the emerging Plan are tested individually and cumulatively, to ensure that they are set at a realistic level.

> *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.*
>
> *PPG 10-002-20190509*

2.21 A technical consultation has formed part of this Whole Plan Viability Assessment process.

> *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.*
>
> *PPG 10-002-20190509*

2.22 A range of levels of policy requirements have been tested against a range of levels of developer contributions (including CIL).

> *It is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. Policy compliant means development which fully complies with up to date plan policies.*
>
> *PPG 10-002-20190509*

2.23 Consultation forms part of the Whole Plan Viability Assessment. In due course, as the site selection process develops, the Council will engage with the promoters of the preferred strategic sites.

2.24 The modelling in this assessment has been informed by the long list of sites submitted to the Council through the call for sites and sites submitted for consideration through the Local Plan consultation process. These are being assessed for allocation. The purpose of this viability assessment is to ensure the deliverability of the overall Plan.

> *Assessing the viability of plans does not require individual testing of every site or assurance that individual sites are viable. Plan makers can use site typologies to determine viability at the plan making stage. Assessment of samples of sites may be helpful to support evidence. In some circumstances more detailed assessment may be necessary for particular areas or key sites on which the delivery of the plan relies.*
>
> *PPG 10-003-20180724*

2.25 This study is based on typologies[2] that have been developed by having regard to the potential development sites that are most likely to be identified through the emerging plan. In addition, in due course, it will be necessary to include any Strategic Sites that may come forward, so as to inform a decision as to whether or not they are to be included in the Plan. At the time of this viability assessment, these are yet to be confirmed.

> *Average costs and values can then be used to make assumptions about how the viability of each type of site would be affected by all relevant policies. Plan makers may wish to consider*

[2] The PPG provides further detail at 10-004-20190509:

> *A typology approach is a process plan makers can follow to ensure that they are creating realistic, deliverable policies based on the type of sites that are likely to come forward for development over the plan period.*
>
> *In following this process plan makers can first group sites by shared characteristics such as location, whether brownfield or greenfield, size of site and current and proposed use or type of development. The characteristics used to group sites should reflect the nature of typical sites that may be developed within the plan area and the type of development proposed for allocation in the plan.*

> *different potential policy requirements and assess the viability impacts of these. Plan makers can then come to a view on what might be an appropriate benchmark land value and policy requirement for each typology.*
>
> *PPG 10-004-20190509*

2.26 This study draws on a wide range of data sources, including those collected through the development management process (see Chapter 3 below).

> *It is important to consider the specific circumstances of strategic sites. 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. Information from other evidence informing the plan (such as Strategic Housing Land Availability Assessments) can help inform viability assessment for strategic sites.*
>
> *PPG 10-005-20180724*

2.27 For the purpose of this viability assessment, Strategic Sites are those being considered for allocation, and if they were allocated, would be considered key sites on which the delivery of the Plan may rely. If the Council selects Strategic Sites, it will be necessary for them to be tested.

> *Plan makers should engage with landowners, developers, and infrastructure and affordable housing providers to secure evidence on costs and values to inform viability assessment at the plan making stage.*
>
> *It is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. Policy compliant means development which fully complies with up to date plan policies. A decision maker can give appropriate weight to emerging policies. It is important for developers and other parties buying (or interested in buying) land to have regard to the total cumulative cost of all relevant policies when agreeing a price for the land. Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan.*
>
> *PPG 10-006-20190509*

2.28 Consultation has formed part of the preparation of this viability assessment. It specifically considers the total cumulative cost of all relevant policies (local and national).

Section 2 - Viability and decision taking

2.29 It is beyond the scope of this assessment to consider viability in decision making.

2.30 This study will form the starting point for future development management consideration of viability.

Section 3 - Standardised inputs to viability assessment

2.31 The general principles of viability testing are set out under paragraph 10-010-20180724 of the PPG.

> *Viability assessment is a process of assessing whether a site is financially viable, by looking at whether the value generated by a development is more than the cost of developing it. This*

> *includes looking at the key elements of gross development value, costs, land value, landowner premium, and developer return. ...*
>
> *... Any viability assessment should be supported by appropriate available evidence informed by engagement with developers, landowners, and infrastructure and affordable housing providers. Any viability assessment should follow the government's recommended approach to assessing viability as set out in this National Planning Guidance and be proportionate, simple, transparent and publicly available. Improving transparency of data associated with viability assessment will, over time, improve the data available for future assessment as well as provide more accountability regarding how viability informs decision making.*
>
> *In plan making and decision making viability helps to strike a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission.*
>
> *PPG 10-010-20180724*

2.32 This report sets out the approach, methodology and assumptions used. These have been subject to consultation and have drawn on a range of data sources. Ultimately, the Council will use this report to judge the appropriateness of the new policies in the emerging Local Plan and the deliverability of the allocations.

> *Gross development value is an assessment of the value of development. For residential development, this may be total sales and/or capitalised net rental income from developments. Grant and other external sources of funding should be considered. For commercial development broad assessment of value in line with industry practice may be necessary.*
>
> *For broad area-wide or site typology assessment at the plan making stage, average figures can be used, with adjustment to take into account land use, form, scale, location, rents and yields, disregarding outliers in the data. For housing, historic information about delivery rates can be informative.*
>
> *PPG 10-011-20180724*

2.33 The residential values have been established using data from the Land Registry and other sources. These have been averaged as suggested. Non-residential values have been derived through consideration of capitalised rents as well as sales.

2.34 PPG paragraph 10-012-20180724 lists a range of costs to be taken into account.

- *build costs based on appropriate data, for example that of the Building Cost Information Service*
- *abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or costs associated with brownfield, phased or complex sites. These costs should be taken into account when defining benchmark land value*
- *site-specific infrastructure costs, which might include access roads, sustainable drainage systems, green infrastructure, connection to utilities and decentralised energy. These costs should be taken into account when defining benchmark land value*
- *the total cost of all relevant policy requirements including contributions towards affordable housing and infrastructure, Community Infrastructure Levy charges, and any other relevant policies or standards. These costs should be taken into account when defining benchmark land value*
- *general finance costs including those incurred through loans*

- *professional, project management, sales, marketing and legal costs incorporating organisational overheads associated with the site. Any professional site fees should also be taken into account when defining benchmark land value*
- *explicit reference to project contingency costs should be included in circumstances where scheme specific assessment is deemed necessary, with a justification for contingency relative to project risk and developers return*

2.35 All these costs are taken into account.

2.36 The PPG then sets out how land values should be considered, confirming the use of the Existing Use Value Plus (EUV+) approach.

> *To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called 'existing use value plus' (EUV+).*
>
> *PPG 10-013-20190509*

2.37 The PPG goes on to set out:

> *<u>Benchmark land value should:</u>*
>
> - *be based upon existing use value*
> - *allow for a premium to landowners (including equity resulting from those building their own homes)*
> - *reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees*
>
> *Viability assessments should be undertaken using benchmark land values derived in accordance with this guidance. Existing use value should be informed by market evidence of current uses, costs and values. Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value. There may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.*
>
> *This evidence should be based on developments which are fully compliant with emerging or up to date plan policies, including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.*
>
> *In plan making, the landowner premium should be tested and balanced against emerging policies. In decision making, the cost implications of all relevant policy requirements, including planning obligations and, where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.*
>
> *PPG 10-014-20190509*

2.38 The approach adopted in this study is to start with the EUV. The 'plus' element is informed by the price paid for policy compliant schemes to ensure an appropriate landowners' premium.

> *Existing use value (EUV) is the first component of calculating benchmark land value. EUV is the value of the land in its existing use. Existing use value is not the price paid and should disregard hope value. Existing use values will vary depending on the type of site and development types. EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield (excluding any hope value for development).*
>
> *Sources of data can include (but are not limited to): land registry records of transactions; real estate licensed software packages; real estate market reports; real estate research; estate agent websites; property auction results; valuation office agency data; public sector estate/property teams' locally held evidence.*
>
> *PPG 10-015-20190509*

2.39 This report has applied this methodology to establish the EUV.

2.40 The PPG sets out an approach to the developers' return:

> *Potential risk is accounted for in the assumed return for developers at the plan making stage. It is the role of developers, not plan makers or decision makers, to mitigate these risks. The cost of complying with policy requirements should be accounted for in benchmark land value. Under no circumstances will the price paid for land be relevant justification for failing to accord with relevant policies in the plan.*
>
> *For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development. A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk. Alternative figures may also be appropriate for different development types.*
>
> *PPG 10-018-20190509*

2.41 As set out in Chapter 7 below, this approach is followed.

Section 4 - Accountability

2.42 This section of the PPG sets out requirements on reporting. These are covered, by the Council, outside this report.

2.43 In line with paragraph 10-020-20180724 of the PPG that says that '*practitioners should ensure that the findings of a viability assessment are presented clearly. An executive summary should be used to set out key findings of a viability assessment in a clear way'*. Chapter 12 of this report is written as a standalone non-technical summary that brings the evidence together.

Community Infrastructure Levy Regulations and Guidance

2.44 The Council has not adopted CIL. In any event, the CIL Regulations are broad, so it is necessary to have regard to them and the CIL Guidance (which is contained within the PPG) when undertaking any plan-wide viability assessment and considering the deliverability of development.

2.45 The CIL Regulations came into effect in April 2010 and have been subject to subsequent amendment[3]. From April 2015, councils were restricted in pooling S106 contributions from more than five developments[4] (where the obligation in the s106 agreement / undertaking is a reason for granting consent). The CIL Regulations were amended from September 2019 lifting these restrictions, however payments requested under the s106 regime must still be (as set out in CIL Regulation 122):

a. necessary to make the development acceptable in planning terms;

b. directly related to the development; and

c. fairly and reasonably related in scale and kind to the development.

2.46 In October 2023 the *Levelling-up and Regeneration Act* became law. The Act includes reference to a new national Infrastructure Levy to replace CIL and reform the current developer contribution system. The limited information available suggests that the new Infrastructure Levy would be set, having regard to viability, and makes reference to the *Infrastructure Levy Regulations*. It may be necessary for the Council to review this report when the Regulations are published.

Wider Changes Impacting on Viability

2.47 There have been a number of changes at a national level since the Council's existing viability work.

[3] **SI 2010 No. 948**. The Community Infrastructure Levy Regulations 2010 *Made 23rd March 2010, Coming into force 6th April 2010.* **SI 2011 No. 987**. The Community Infrastructure Levy (Amendment) Regulations 2011 *Made 28th March 2011, Coming into force 6th April 2011.* **SI 2011 No. 2918**. The Local Authorities (Contracting Out of Community Infrastructure Levy Functions) Order 2011. *Made 6th December 2011, Coming into force 7th December 2011.* **SI 2012 No. 2975**. The Community Infrastructure Levy (Amendment) Regulations 2012. *Made 28th November 2012, Coming into force 29th November 2012.* **SI 2013 No. 982**. The Community Infrastructure Le vy (Amendment) Regulations 2013. *Made 24th April 2013, Coming into force 25th April 2013.* **SI 2014 No. 385**. The Community Infrastructure Levy (Amendment) Regulations 2013. *Made 24th February 2014, Coming into force 24th February 2014.* **S1 2015 No. 836**. COMMUNITY INFRASTRUCTURE LEVY, ENGLAND AND WALES, The Community Infrastructure Levy (Amendment) Regulations 2015. *Made 20th March 2015*. **SI 2018 No. 172** COMMUNITY INFRASTRUCTURE LEVY, ENGLAND AND WALES. The Community Infrastructure Levy (Amendment) Regulations 2018. Made 8th February 2018. Coming into force in accordance with regulation 1. **SI 2019 No. 966** COMMUNITY INFRASTRUCTURE LEVY, ENGLAND The Community Infrastructure Levy (Amendment) (England) Regulations 2019. Made - 22nd May 2019. **SI 2019 No. 1103** COMMUNITY INFRASTRUCTURE LEVY, ENGLAND AND WALES The Community Infrastructure Levy (Amendment) (No. 2) Regulations 2019 *Made 9th July 2019. Coming into Force 1st September 2019*. **SI 2020 No. 781** The Community Infrastructure Levy (Coronavirus) (Amendment) (England) Regulations 2020. *Made 21st July 2020, Coming into force 22nd July 2020*. **SI 2020 No. 1226** COMMUNITY INFRASTRUCTURE LEVY, ENGLAND, The Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2020. Made *5th November 2020. Coming into force 16th November 2020*.

[4] CIL Regulations 123(3)

Affordable Housing Thresholds

2.48 Paragraph 65 of the NPPF now sets out national thresholds for the provision of affordable housing:

> *Provision of affordable housing should not be sought for residential developments that are not major developments, other than in designated rural areas (where policies may set out a lower threshold of 5 units or fewer). To support the re-use of brownfield land, where vacant buildings are being reused or redeveloped, any affordable housing contribution due should be reduced by a proportionate amount.*

2.49 In this context, major development is as set out in the Glossary to the NPPF:

> ***Major development:*** *For housing, development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more. For non-residential development it means additional floorspace of 1,000m2 or more, or a site of 1 hectare or more, or as otherwise provided in the Town and Country Planning (Development Management Procedure) (England) Order 2015.*

2.50 Parts of the Borough are within a 'Designated Rural Area'[5], so a lower threshold than 10 units will be tested.

2.51 The NPPF sets out a policy for a minimum of 10% affordable home ownership units on larger sites.

> *Where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership[6], unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups. Exemptions to this 10% requirement should also be made where the site or proposed development:*
>
> *a) provides solely for Build to Rent homes;*
>
> *b) provides specialist accommodation for a group of people with specific needs (such as purpose-built accommodation for the elderly or students);*
>
> *c) is proposed to be developed by people who wish to build or commission their own homes; or*
>
> *d) is exclusively for affordable housing, an entry-level exception site or a rural exception site.*
>
> *Paragraph 66, NPPF*

2.52 This is assumed to apply.

[5] Designated rural areas applies to rural areas described under section 157(1) of the Housing Act 1985, which includes National Parks and Areas of Outstanding Natural Beauty (see PPG Paragraph 23b-023-20190901).

[6] Footnote 29 of the 2018 NPPF clarifies as 'As part of the overall affordable housing contribution from the site'.

2.53 In February 2020, the Government launched a consultation on First Homes. The outcome of this was announced in May 2021.

> *What is a First Home?*
>
> *First Homes are a specific kind of discounted market sale housing and should be considered to meet the definition of 'affordable housing' for planning purposes. Specifically, First Homes are discounted market sale units which:*
>
> *a. must be discounted by a minimum of 30% against the market value;*
>
> *b. are sold to a person or persons meeting the First Homes eligibility criteria (see below);*
>
> *c. on their first sale, will have a restriction registered on the title at HM Land Registry to ensure this discount (as a percentage of current market value) and certain other restrictions are passed on at each subsequent title transfer; and,*
>
> *d. after the discount has been applied, the first sale must be at a price no higher than £250,000 (or £420,000 in Greater London).*
>
> *First Homes are the government's preferred discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers through planning obligations.*
>
> *PPG: 70-001-21210524*

2.54 This is assumed to apply.

Accessible and Adaptable Standards

2.55 In July 2022, the Government announced the outcome of the 2020 consultation on raising accessibility standards of new homes[7] saying:

> *73. Government proposes that the most appropriate way forward is to mandate the current M4(2) (Category 2: Accessible and adaptable dwellings) requirement in Building Regulations as a minimum standard for all new homes – option 2 in the consultation. M4(1) will apply by exception only, where M4(2) is impractical and unachievable (as detailed below). Subject to a further consultation on the draft technical details, we will implement this change in due course with a change to building regulations.*

2.56 The Government will now consult further on the technical changes to the Building Regulations to mandate the higher M4(2) accessibility standard. No timescale has been announced. This is considered in Chapter 8 below.

Biodiversity Net Gain

2.57 The Environment Act received Royal Assent in November 2021 and mandates that new developments must deliver an overall increase in biodiversity; this is known as Biodiversity Net Gain. As noted[8] through the technical consultation, the PPG was updated in February

[7] Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK (www.gov.uk)

[8] Danielle Lawrence MRICS of DHA Planning.

2024[9] in this regard. The requirement is that developers ensure habitats for wildlife are enhanced and left in a measurably better state than they were pre-development. They must assess the type of habitat and its condition before submitting plans, and then demonstrate how they are improving biodiversity – such as through the creation of green corridors, planting more trees, or forming local nature spaces.

2.58 Green improvements on-site are preferred (and expected), but in the circumstances where they are not possible, developers will need to pay a levy for habitat creation or improvement elsewhere.

2.59 The costs of achieving Biodiversity Net Gain are considered in Chapter 8 below.

Environmental Standards

2.60 It is national policy to achieve the 'net zero' greenhouse gas emissions by 2050. The Department of Levelling up, Communities and Housing, published revisions to Conservation of Fuel and Power, Approved Document L of the Building Regulations as a 'stepping stone' on the pathway to Zero Carbon homes. It sets the target of an interim 31% reduction in CO_2 emissions over 2013 standards for dwellings. These changes now apply to new homes.

2.61 In December 2023, the Government published a further consultation on the details of the implementation of the Future Homes Standard. At the same time the Housing Minister, Lee Rowley, made a Written Parliamentary Statement[10] which set out the Government's position in this regard as follows:

> *… 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 that ensures:*
>
> - *That development remains viable, and the impact on housing supply and affordability is considered in accordance with the National Planning Policy Framework.*
> - *The additional requirement is expressed as a percentage uplift of a dwelling's Target Emissions Rate (TER) calculated using a specified version of the Standard Assessment Procedure (SAP).*
>
> *Where plan policies go beyond current or planned building regulations, those polices should be applied flexibly to decisions on planning applications and appeals where the applicant can demonstrate that meeting the higher standards is not technically feasible ….*

2.62 Whilst this direction does not preclude the introduction of policies that go beyond national standards, this does suggest that such policies will need to be well justified and subject to greater scrutiny. This is considered in Chapter 8 below. The Council is not planning to introduce policies which seek standards over national standards.

[9] Biodiversity net gain - GOV.UK (www.gov.uk)

[10] Written statements - Written questions, answers and statements - UK Parliament

2.63 In November 2021, the Government announced that, from 2022, all new homes would be required to include an electric vehicle charging point. This is assumed to apply.

White Paper: Planning for the Future (MHCLG, August 2020)

2.64 The Government has consulted on *White Paper: Planning for the Future* (MHCLG, August 2020) and various supporting documents. In terms of viability the two key paragraphs are:

> ***Assessments of housing need, viability and environmental impacts are too complex and opaque****: Land supply decisions are based on projections of household and business 'need' typically over 15- or 20-year periods. These figures are highly contested and do not provide a clear basis for the scale of development to be planned for. Assessments of environmental impacts and viability add complexity and bureaucracy but do not necessarily lead to environ improvements nor ensure sites are brought forward and delivered;*
>
> ***Local Plans should be subject to a single statutory "sustainable development" test****, and unnecessary assessments and requirements that cause delay and challenge in the current system should be abolished. This would mean replacing the existing tests of soundness, updating requirements for assessments (including on the environment and viability) and abolishing the Duty to Cooperate.*

2.65 Pillar Three of the White Paper then goes on to set out options around the requirements for infrastructure and how these may be funded. The key proposals are:

> *Proposal 19: The Community Infrastructure Levy should be reformed to be charged as a fixed proportion of the development value above a threshold, with a mandatory nationally- set rate or rates and the current system of planning obligations abolished.*
>
> *Proposal 21: The reformed Infrastructure Levy should deliver affordable housing provision*

2.66 The above suggests a downgrading of viability in the planning system, however, as it stands, the proposals in the White Paper are options which may or may not come to be adopted so, at the time of this report (May 2024) a viability assessment is a requirement.

Fire Safety Standards

2.67 A number of further national consultations were announced during the December 2022. These include proposed Changes to Approved Document B, sprinklers in care homes, and staircases in residential buildings. The proposed changes to the regulations around second staircases[11] would apply to buildings of over 18m (about 6 storeys). It is important to note that the Council is not planning for taller buildings of 6 storeys or more.

2.68 The costs of sprinklers are considered in Chapter 8 below.

[11] Government proposes second staircases to make buildings safer - GOV.UK (www.gov.uk)

National Model Design Code

2.69 The Government published the *National Model Design Code* as part of the PPG in 2021, when the NPPF was updated:

> *128. To provide maximum clarity about design expectations at an early stage, all local planning authorities should prepare design guides or codes consistent with the principles set out in the National Design Guide and National Model Design Code, and which reflect local character and design preferences. Design guides and codes provide a local framework for creating beautiful and distinctive places with a consistent and high quality standard of design. Their geographic coverage, level of detail and degree of prescription should be tailored to the circumstances and scale of change in each place, and should allow a suitable degree of variety.*
>
> *129. Design guides and codes can be prepared at an area-wide, neighbourhood or site-specific scale, and to carry weight in decision-making should be produced either as part of a plan or as supplementary planning documents. Landowners and developers may contribute to these exercises, but may also choose to prepare design codes in support of a planning application for sites they wish to develop. Whoever prepares them, all guides and codes should be based on effective community engagement and reflect local aspirations for the development of their area, taking into account the guidance contained in the National Design Guide and the National Model Design Code. These national documents should be used to guide decisions on applications in the absence of locally produced design guides or design codes.*

2.70 The National Design Code does not add to the cost of development in itself. Rather it sets out good practice in a consistent format. It will provide a checklist of design principles to consider for new schemes, including street character, building type and requirements addressing wellbeing and environmental impact. Local authorities can use the code to form their own local design codes.

February 2024 Ministerial Statement

2.71 A ministerial statement was made[12] with regards to planning in February 2023. This included the following relevant text:

> *In addition, a number of community infrastructure levy (CIL) charging authorities have set higher rates for minor sites (of less than 10 units, and lower in designated rural areas) to reflect the fact that affordable housing is not sought on these sites. This is not within the spirit of the Government's policy on small sites. The Government will be updating CIL guidance to make it clear that CIL-charging authorities should consider the impact of CIL rates on SME developers and should not set higher residential CIL rates on minor development. This will apply to new and revised charging schedules.*

2.72 This is noted and it is assumed that the Council would follow this statement, if it were to introduce CIL.

[12] Long-term Plan for Housing - Hansard - UK Parliament

Queen's Speech 2021 and 2022

2.73 A range of planning reforms were outlined in the papers supporting the 2021 Queen's Speech. For the purpose of this assessment, the key points are as follows:

> *Planning Bill "Laws to modernise the planning system, so that more homes can be built, will be brought forward…"*
>
> *The purpose of the Bill is to:*
>
> - *Create a simpler, faster and more modern planning system to replace the current one ...*
> - *Help deliver vital infrastructure whilst helping to protect and enhance the environment by introducing quicker, simpler frameworks for funding infrastructure and assessing environmental impacts and opportunities.*
>
> *The main benefits of the Bill would be:*
>
> - *Simpler, faster procedures for producing local development plans, approving major schemes, assessing environmental impacts and negotiating affordable housing and infrastructure contributions from development. ...*
>
> *The main elements of the Bill are: ... Replacing the existing systems for funding affordable housing and infrastructure from development with a new more predictable and more transparent levy.*

2.74 In the late summer of 2021, the Ministry of Housing Communities and Local Government was renamed as the Department for Levelling Up, Housing and Communities (DLUHC). Various ministers have commented about revisiting some of the subjects that had been consulted on, however, beyond statements that housebuilding remains a priority, no further detail have been released. The Council will need to keep this under review.

2.75 The Government's further thinking was set out in the 2022 Queen's Speech which included the following:

> *"A bill will be brought forward to drive local growth, empowering local leaders to regenerate their areas, and ensuring everyone can share in the United Kingdom's success. The planning system will be reformed to give residents more involvement in local development."*
>
> *The main benefits of the Bill would be:*
>
> - *Laying the foundations for all of England to have the opportunity to benefit from a devolution deal by 2030 – giving local leaders the powers they need to drive real improvement in their communities.*
> - *Improving outcomes for our natural environment by introducing a new approach to environmental assessment in our planning system. This benefit of Brexit will mean the environment is further prioritised in planning decisions.*
> - *Capturing more of the financial value created by development with a locally set, non-negotiable levy to deliver the infrastructure that communities need, such as housing, schools, GPs and new roads.*
> - *Simplifying and standardising the process for local plans so that they are produced more quickly and are easier for communities to influence.*

Levelling-up and Regeneration Act

2.76 At the end of October 2023, the *Levelling-up and Regeneration* Act become law. Many of the measures in the Act will be implemented, in due course, through secondary legislation and / or regulations. The provisions within the Act will have a significant impact on the overall plan-making process, but they do not alter the place of viability in the current Local Plan process.

2.77 The *Levelling-up and Regeneration Act* includes reference to a new national Infrastructure Levy. The Bill suggests that the Infrastructure Levy would be set, having regard to viability and makes reference to the *Infrastructure Levy Regulations*. *Infrastructure Levy Regulations* have yet to be published.

Technical consultation on the Infrastructure Levy

2.78 In March 2023, the Department for Levelling Up Housing & Communities published *Open consultation, Technical consultation on the Infrastructure Levy (*published 17 March 2023*)*[13] to seek views on technical aspects of the design of the Infrastructure Levy. The responses will inform the preparation and content of regulations, which will themselves be consulted on, should Parliament grant the necessary powers set out in the Levelling Up and Regeneration Bill.

2.79 The consultation suggests (paragraph 7.11) the levy would be fully rolled out from 2029, but there would be a 'test and learn' roll out starting in 2025. Under the proposals set out in the consultation, CIL and the delivery of affordable housing would be combined into a single levy, that would be calculated as a proportion of a scheme's value. Affordable housing could be provided on-site as an in-kind payment. Under the proposals some aspects of the current s106 regime would remain.

2.80 At this stage the relationship with s106 is not known, and the details of the Levy are not clear, so it would be premature to test the Levy on the limited information currently available. As set out earlier, it will be necessary for the Council to monitor the progress of the Regulations and, in due course, review this report.

Viability Guidance

2.81 There is no specific technical guidance on how to test viability in the NPPF or the updated PPG, although the updated PPG includes guidance in a number of specific areas. There are several sources of guidance and appeal decisions[14] that support the methodology HDH has

[13] Technical consultation on the Infrastructure Levy - GOV.UK (www.gov.uk)

[14] Barnet: APP/Q5300/ A/07/2043798/NWF, Bristol: APP/P0119/ A/08/2069226, Beckenham: APP/G5180/ A/08/2084559, Bishops Cleeve; APP/G1630/A/11/2146206 Burgess Farm: APP/U4230/A/11/2157433, CLAY FARM: APP/Q0505/A/09/2103599/NWF, Woodstock: APP/D3125/ A/09/2104658, Shinfield APP/X0360/ A/12/2179141, Oxenholme Road, APP/M0933/A/13/2193338, Former Territorial Army Centre, Parkhurst Road,

developed. This study follows the *Viability Testing in Local Plans – Advice for planning practitioners* (LGA/HBF – Sir John Harman) June 2012[15] (known as the **Harman Guidance**).

2.82 The planning appeal decisions and the HCA good practice publication[16] suggest that the most appropriate test of viability for planning policy purposes is to consider the Residual Value of schemes compared with the Existing Use Value (EUV), plus a premium. The premium over and above the EUV being set at a level to provide the landowner with an inducement to sell. This approach is now specified in the PPG. Additionally, the Planning Advisory Service (PAS) provides viability guidance and manuals for local authorities that supports this approach.



2.83 As set out at the start of this report, there are two principal pieces of relevant RICS guidance being the *Financial viability in planning: conduct and reporting RICS professional statement, England* (1st Edition, May 2019) and A*ssessing viability in planning under the National Planning Policy Framework 2019 for England, GUIDANCE NOTE* (RICS, 1st edition, March 2021).

2.84 Neither of these specify a step-by-step approach, rather they make reference to the NPPF and provide interpretation on implementation.

2.85 In line with the updated PPG, this assessment follows the EUV Plus (EUV+) methodology. The methodology is to compare the Residual Value generated by the viability appraisals, with the EUV plus an appropriate uplift to incentivise a landowner to sell. The amount of the uplift over and above the EUV must be set at a level to provide a return to the landowner. To inform

Islington APP/V5570/W/16/3151698, Vannes: Court of Appeal 22 April 2010, [2010] EWHC 1092 (Admin) 2010 WL 1608437.

[15] Viability Testing in Local Plans has been endorsed by the Local Government Association and forms the basis of advice given by the, CLG funded, Planning Advisory Service (PAS).

[16] *Good Practice Guide*. Homes and Communities Agency (July 2009).

the judgement as to whether the uplift is set at the appropriate level, reference is made to the value of the land both with and without the benefit of planning consent. This approach is in line with that recommended in the Harman Guidance.

2.86 In September 2019, the House Builders Federation (HBF) produced further guidance in the form of *HBF Local Plan Viability Guide* (Version 1.2: Sept 2019). This guidance draws on the Harman Guidance and the 2012 RICS Guidance, (which the RICS is updating as it is out of date), but not the more recent May 2019 RICS Guidance. This HBF guidance stresses the importance of following the guidance in the PPG and of consultation, both of which this report has done. HDH has some concerns around this guidance, as it does not reflect '*the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission*' as set out in paragraph 10-009-20190509 of the PPG. The HBF Guidance raises several 'common concerns'. Regard has been had to these under the appropriate headings through this report.

3. Methodology

Viability Testing – Outline Methodology

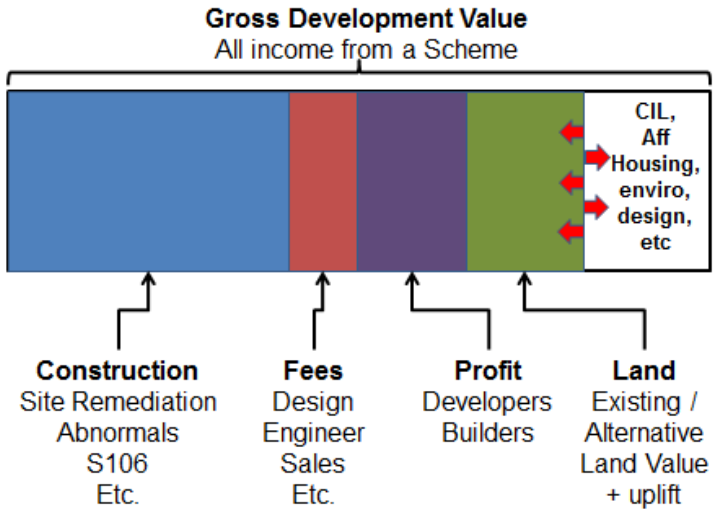
3.1 This report follows the Harman Guidance and RICS Guidance, and was be put to industry and stakeholders for technical consultation in January 2024. The comments made are addressed through this report.

3.2 The availability and cost of land are matters at the core of viability for any property development. The format of the typical valuation is:

Gross Development Value
(The combined value of the complete development)
LESS
Cost of creating the asset, including a profit margin
(Construction + fees + finance charges)
=
RESIDUAL VALUE

3.3 The result of the calculation indicates a land value, the Residual Value. The Residual Value is the top limit of what a developer could offer for a site and still make a satisfactory return (i.e. profit).

3.4 In the following graphic, the bar illustrates all the income from a scheme. This is set by the market (rather than by the developer or local authority). Beyond the economies of scale that larger developers can often enjoy, the developer has relatively little control over the costs of development, and whilst there is scope to build to different standards the costs are largely out of the developer's direct control – they are what they are.



3.5 The essential balance in viability testing is around the land value and whether or not land will come forward for development. The more policy requirements and developer contributions a planning authority asks for, the less the developer can afford to pay for the land. The purpose of this assessment is to quantify the costs of the Council's policies (including CIL), to assess the effect of these, and then make a judgement as to whether or not land prices are reduced to such an extent that the Plan is not deliverable. It is necessary to take a cautious approach and ensure that policies are not set at the limits of viability.

3.6 The land value is a difficult topic since a landowner is unlikely to be entirely frank about the price that would be acceptable, always seeking a higher one. This is one of the areas where an informed assumption has to be made about the 'uplift' above the EUV which would make the landowner sell.

3.7 This study is not trying to mirror any particular developer's business model – rather it is making a broad assessment of viability in the context of plan-making and the requirements of the NPPF (and CIL Regulations). The approach taken in this report is different from the approach taken by developers when making an assessment to inform commercial decision making, particularly on the largest sites to be delivered over many years.

Limitations of viability testing in the context of the NPPF

3.8 High-level viability testing does have limitations. The assessment of viability is a largely quantitative process based on financial appraisals – there are however types of development where viability is not at the forefront of the developer's mind, and they will proceed even if a 'loss' is shown in a conventional appraisal. By way of example, an individual may want to fulfil a dream of building a house and may spend more than the finished home is worth, a community may extend a village hall even though the value of the facility, in financial terms, is not significantly enhanced, or the end user of an industrial or logistics building may build a new factory or depot that will improve its operational efficiency even if, as a property development, the resulting building may not seem to be viable.

3.9 This is a challenge when considering policy proposals. It is necessary to determine whether or not the impact of a policy requirement on a development type that may appear only to be marginally viable will have any material impact on the rates of development or whether the developments will proceed anyway. Some development comes forward for operational reasons rather than for property development purposes.

The meaning of Landowner Premium

3.10 The phrase *landowner premium* is new in the updated PPG.

> *Benchmark land value should:*
>
> - *be based upon existing use value*
> - *allow for a premium to landowners (including equity resulting from those building their own homes)*
> - *reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and*

> *Viability assessments should be undertaken using benchmark land values derived in accordance with this guidance. Existing use value should be informed by market evidence of current uses, costs and values. Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value. There may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.*
>
> *This evidence should be based on developments which are fully compliant with emerging or up to date plan policies, including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.*
>
> *In plan making, the landowner premium should be tested and balanced against emerging policies. In decision making, the cost implications of all relevant policy requirements, including planning obligations and, where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.*
>
> *PPG 10-014-20190509*

3.11 The term *landowner's premium* has not been defined through the appeal, Local Plan examination or legal processes– although various approaches have been accepted by planning inspectors. The level of return to the landowner is discussed and the approach taken in this study is set out in the later parts of Chapter 6 below.

3.12 This report is about the economics of development however, viability brings in a wider range than just financial factors. The following graphic is taken from the Harman Guidance and illustrates some of the non-financial as well as financial factors that contribute to the assessment process. Viability is an important factor in the plan-making process, but it is one of many factors.



Existing Available Evidence

3.13 The NPPF, the PPG, the CIL Regulations and CIL Guidance (within the PPG) are clear that the assessment of viability should, wherever possible, be based on existing available evidence rather than new evidence. The evidence that is available from the Council has been reviewed.

3.14 The main reports are:

a. *Local Plan Viability Testing, Economic Viability Study* (PBA, September 2014).

b. *Local Plan Viability Testing, Addendum Report Part 1: Community Infrastructure Levy Update* (PBA, September 2015) and *Local Plan Viability Testing, Addendum Report Part 2: Community Infrastructure Levy Update* (PBA, September 2015).

c. *Local Plan Viability Study – Draft Version 1* (Aspinall Verdi, December 2020). This report was not published.

3.15 These built on a series of earlier reports and are taken as a starting point.

3.16 The Council also holds development appraisals that have been submitted by developers in connection with specific developments to support negotiations around the provision of affordable housing or s106 contributions. The approach taken is to draw on this existing evidence and to consolidate it – see **Appendix 5**. In some cases, the appraisals are based on detailed cost plans that are not directly comparable with the BCIS. Only the figures that are comparable on a like-for-like basis are presented.

3.17 It is important to note that some of these figures are the figures submitted by developers for discussion at the start of the viability process, and are not necessarily the figures agreed between the parties.

3.18 The Council also holds evidence of what is being collected from developers under the s106 regime. This is being collected by the Council outside this study[17].

Stakeholder Engagement

3.19 The PPG and the CIL Guidance require stakeholder engagement. The preparation of this viability assessment includes specific consultation and engagement with the industry. A consultation process was undertaken during January 2024 when a presentation was given, and an early draft of this report and a questionnaire were circulated. Residential and non-

[17] Paragraphs 10-020-20180724 to 10-028-20180724 of the PPG introduce reporting requirements in this regard. In particular 10-027-20180724 says:

> *How should monitoring and reporting inform plan reviews?*
>
> *The information in the infrastructure funding statement should feed back into reviews of plans to ensure that policy requirements for developer contributions remain realistic and do not undermine deliverability of the plan.*

residential developers (including housing associations), landowners and planning professionals were invited to comment **Appendix 2** includes a list of the consultees. **Appendix 3** includes the consultation presentation and **Appendix 4** the questionnaire circulated with the draft report.

3.20 The comments of the consultees are reflected through this report and the assumptions adjusted where appropriate. The event was held online and was well attended. 10 written responses were received. The main general points from the consultation were:

a. That the residential sub-areas must be clearly defined, and that a finer grained approach may be more appropriate [18] [19].

b. That the developers' return assumptions should be revisited[20] [21] [22].

c. That self and custom build was not 'taken account of'[23]. The Council is not currently developing a policy in this regard, however these types of delivery are now assessed (see Chapter 10).

3.21 Some of the comments made were of a general nature[24], for example concerning policy wording, rather than being in relation to the methodology or assumptions used. These will be picked up the Council outside the focused viability process.

3.22 The consultation process has been carried out in accordance with the requirements of the updated PPG, the Harman Guidance and the RICS Guidance. There will be further, more formal, opportunities to comment in this Whole Plan Viability Assessment, as the draft Plan proceeds through the plan-making process.

Viability Process

3.23 The assessment of viability as required under the NPPF and the CIL Regulations is a quantitative and qualitative process. The updated PPG requires that (at PPG 10-001-20190509) '*...policy requirements should be informed by evidence of infrastructure and affordable housing need, and a proportionate assessment of viability that takes into account*

[18] David Morris for Foxchurch Land (a JV between Catesby Estates and Appin Land) re a potential Strategic Site at Bobbing.

[19] Steve Baughen of Fernham Homes re various sites.

[20] David Morris for Foxchurch Land (a JV between Catesby Estates and Appin Land) re a potential Strategic Site at Bobbing.

[21] Danielle Lawrence MRICS of DHA Planning.

[22] Steve Baughen of Fernham Homes re various sites.

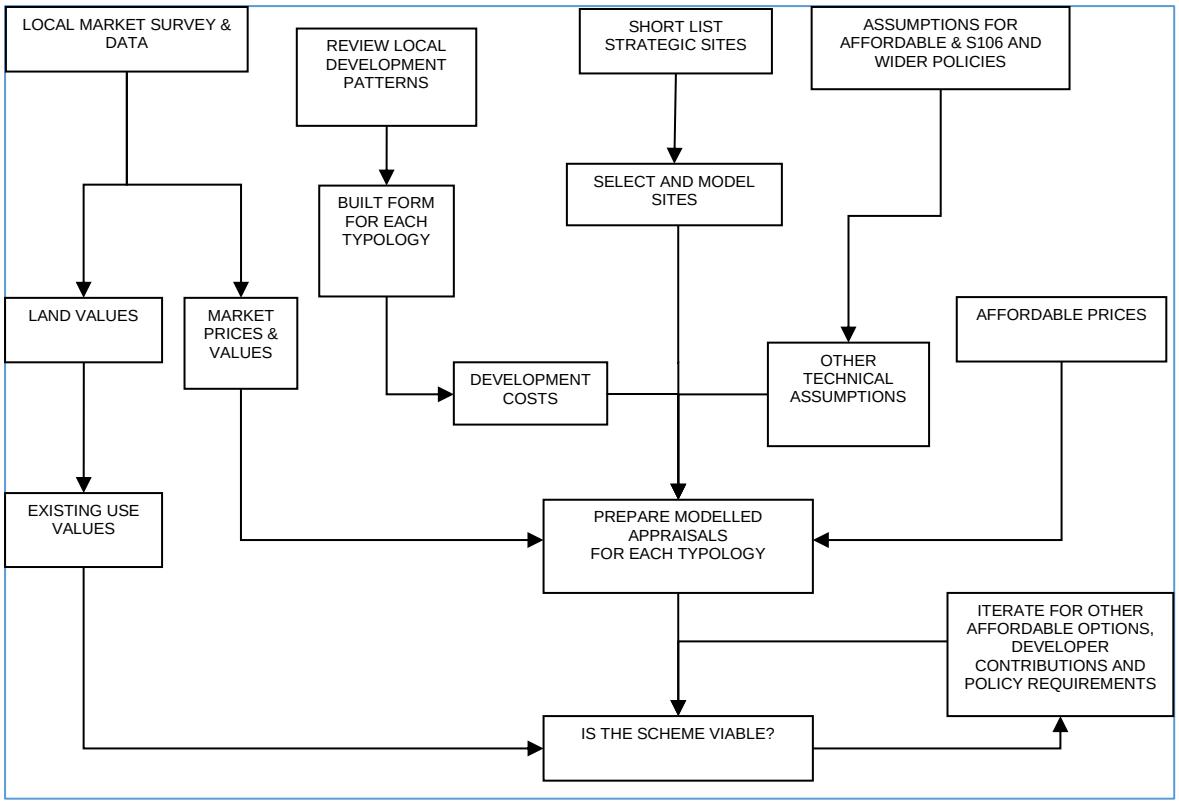
[23] John MvGee of Calpark Estates.

[24] Kevin Brown of National Highways, Kent & Sussex Planning Lead.

all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106'.

3.24 The basic viability methodology is summarised in the figure below. It involves preparing financial development appraisals for a representative range of typologies, and the Strategic Sites, and using these to assess whether development, generally, is viable. The typologies were modelled based on discussions with Council officers, the existing available evidence supplied to us by the Council, and on HDH's experience of development. Details of the modelling are set out in Chapter 9 below. This process ensures that the appraisals are representative of typical development in the Council area over the plan-period.

Figure 3.1 Viability Methodology



Source: HDH 2023

3.25 The local housing markets were surveyed to obtain a picture of sales values. Land values were assessed to calibrate the appraisals and to assess EUVs. Local development patterns were considered, to arrive at appropriate built form assumptions. These in turn informed the appropriate build cost figures. Several other technical assumptions were required before appraisals could be produced. The appraisal results were in the form of £/ha 'residual' land values, showing the maximum value a developer could pay for the site and still make an appropriate return. The Residual Value was compared to the EUV for each site. Only if the Residual Value exceeded the EUV, and by a satisfactory margin (the Landowners' Premium), could the scheme be judged to be viable. The amount of margin is a difficult subject, it is discussed, and the approach taken in this study is set out, in the later parts of Chapter 6 below.

3.26 The following potential Strategic Sites are modelled individually.

Table 3.1 Potential Strategic Sites

		Units	Area Ha
South and West of Iwade (Site B)	Iwade	1,381	65.760
West of Bobbing village	Bobbing	4,173	198.720
Land at Stickfast Lane	Bobbing	2,411	114.820
Fax Farm	Dunkirk	1,201	57.210
Winterbourne Fields	Dunkirk	1,742	82.960
SE Faversham	Faversham SE	2,745	130.720
East of Faversham Expansion	Faversham E	2,665	126.890
Iwade - Solar Farm	Iwade	2,873	136.790
Rushenden South	IoS Sheerness	3,130	149.040
South East Sittingbourne	Sittingbourne SE	16,814	800.690
Land at South-West Minster	IoS Minster-on-Sea	2,235	106.430
Ashford Road, North Street	Faversham S	6,490	309.040
Between A2 Bapchild and Northern Relief Road	Bapchild	1,925	91.680

Source: SBC (April 2024)

3.27 The appraisals are based on existing and emerging policy options as summarised in Chapter 8 below. The preparation of draft policies within the Local Plan Review is still ongoing, so the policy topics used in this assessment may be subject to change. For appropriate sensitivity testing, a range of options are tested. If the Council allocates different types of site, or develops significantly different policies to those tested in this study, it may be necessary to revisit viability and consider the impact of any further or different requirements.

3.28 A bespoke viability testing model designed and developed by HDH specifically for area wide viability testing is used, as required by the NPPF and CIL Regulations[25]. The purpose of the viability model and testing is not to exactly mirror any particular business model used by those companies, organisations or people involved in property development. The purpose is to capture the generality, and to provide high level advice to assist the Council in assessing the deliverability of the Local Plan.

[25] This Viability Model is used as the basis for the Planning Advisory Service (PAS) Viability Workshops. It is made available to Local Authorities, free of charge, by PAS and has been widely used by Councils across England. The model includes a cashflow so that sales rates can be reflected.

4. Residential Market

4.1 This chapter sets out an assessment of the housing market, providing the basis for the assumptions on house prices. The study is concerned not just with the prices but the differences across different areas. Market conditions will broadly reflect a combination of national economic circumstances, and local supply and demand factors, however, even within a town there will be particular localities, and ultimately, site-specific factors, that generate different values.

The Residential Market

4.2 Swale is a north Kent council that is bordered by Medway Council (west), Maidstone Borough (south), Ashford Borough (south east) and Canterbury (east). The Borough is varied and contains a number of different housing markets, subject to a range of influences:

a. Sittingbourne is the principal town, however Faversham to the east and, to a lesser extent, the seaside town of Sheerness, are also significant settlements. Boughton, Teynham, Newington, Iwade, Eastchurch and Leysdown are the main rural settlements.

b. Much of the Borough is deeply rural. The northern part includes the Isle of Sheppey which has relatively weak transport links and has its own distinct character. Due to its nature, parts of the Borough are subject to constraints associated with Ramsar sites, Special Areas of Conservation, Special Protection Areas and a Marine Conservation Zone. Having said this, these do give the area a particular character and add to the attractiveness.

c. Overall, Swale has strong transportation links east/west along the M2 and A2 and for rail services between London and Canterbury/the coast including High Speed services. The north-south links via A249 and A251 are weaker.

d. Historically, Sittingbourne was an industrial town that was based on the brick industry and chalk quarrying, both of which were assisted by the access to the Thames Estuary. The various waterside-based industries such as barge building developed along the Swale (the waterway between the mainland and the Isle of Sheppey). This area also developed a significant paper manufacturing industry.

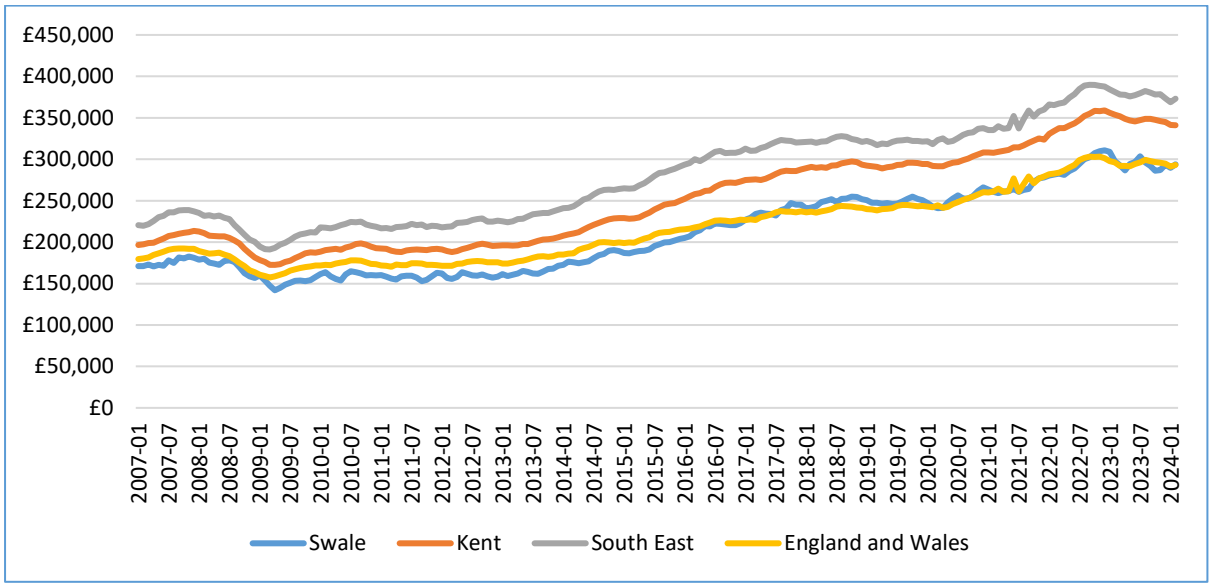
4.3 Overall, the market is perceived to be active, with a strong market for the right scheme in the right place, with the Council delivering about 717 new homes per year[26]. Having said this, some areas are challenging and the relatively low house prices in some areas do make the delivery of new housing less easy.

[26] Housing Land Supply Position Statement 2023/2024 (swale.gov.uk).

National Trends and the relationship with the wider area

4.4 The local housing market peaked in November 2007 and then fell considerably in the 2008/2009 recession during what became known as the 'Credit Crunch'. Since then, house prices have increased steadily, but are now widely perceived to have peaked. Locally, average house prices in the area returned to their pre-recession peak in August 2014 and are now about 63% above the 2007 peak. This substantial increase is in line with the increase across the South East region (64%) and a little more than the increase across England and Wales (59%).

Figure 4.1 Average House Prices (£)



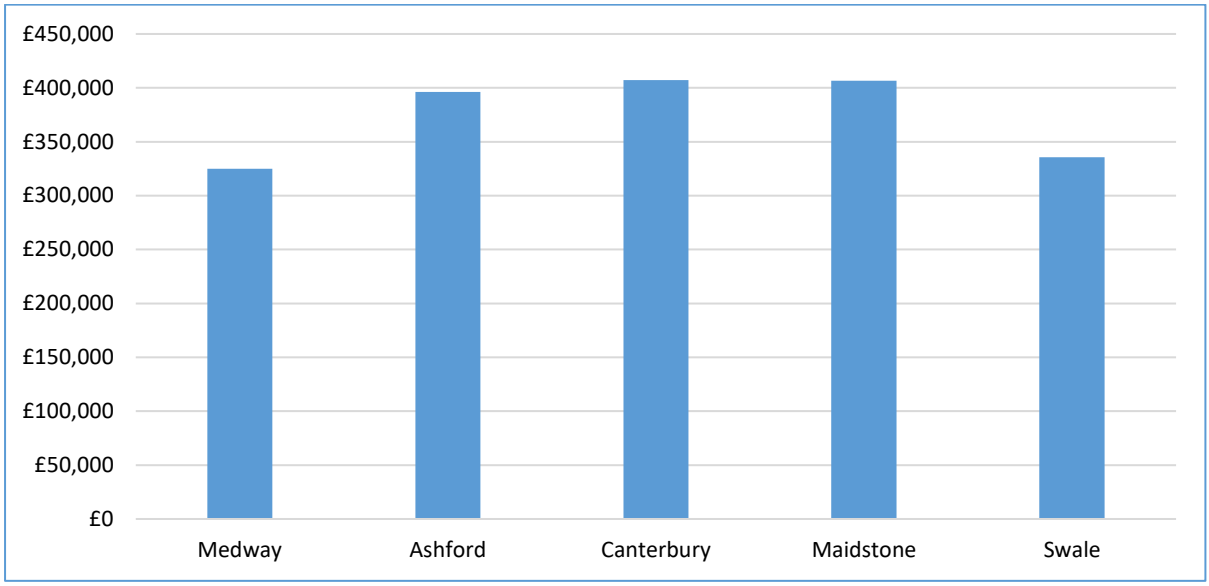
Source: Land Registry (April 2024). Contains public sector information licensed under the Open Government Licence v3.0.

4.5 In this regard, a landowner[27] commented that '*the Land Registry Index for Swale indicates a fall in house prices across the Borough since the Whole Plan Viability Consultation was published. This will need to be monitored during the period leading to final publication'*. The latest figures are now used and sensitivity testing has been carried out.

4.6 The average prices in Swale are somewhat less than in most nearby authority areas.

[27] Richard Ashdown of ULL Property for the Duchy of Cornwall.

Figure 4.2 Average House Prices (£)



Source: Mean house prices for administrative geographies: HPSSA dataset 12 (Release 20th September 2023). Contains public sector information licensed under the Open Government Licence v3.0

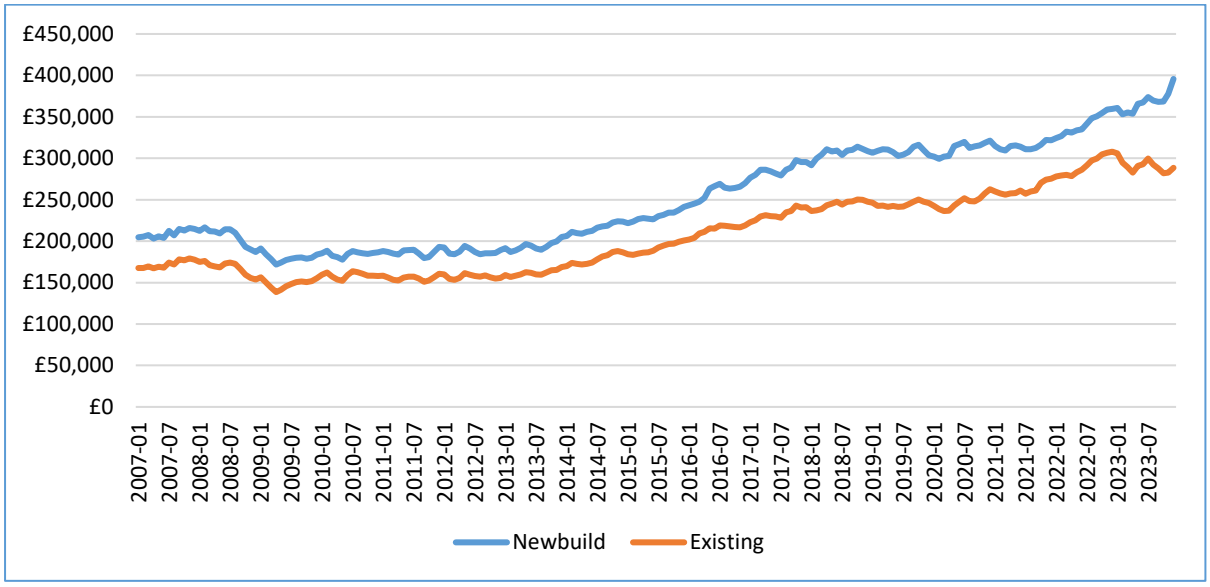
4.7 Based on data published by the Office for National Statistics (ONS), when ranked across England and Wales, the average house price for Swale is 168th (out of 331) at £335,689[28]. To set this in context, this is almost in the middle of the rank. the council at the middle of the rank (166th – West Suffolk), has an average price of £337,186. In Swale, the median price is lower than the average, at £335,689[29].

4.8 This study concerns new homes. The figure above shows that prices have fallen over the last year or so, but have still seen a significant recovery since the bottom of the market in 2009. Having said this, the Land Registry data shows that the price of newbuild homes have increased more quickly than existing homes, and have not shown a reduction in values.

[28] Mean house prices for administrative geographies: HPSSA dataset 12 (Release 20th September 2023).

[29] Median house prices for administrative geographies: HPSSA dataset 9 (Release 20th September 2023)

Figure 4.3 Change in House Prices. Swale. Existing v Newbuild

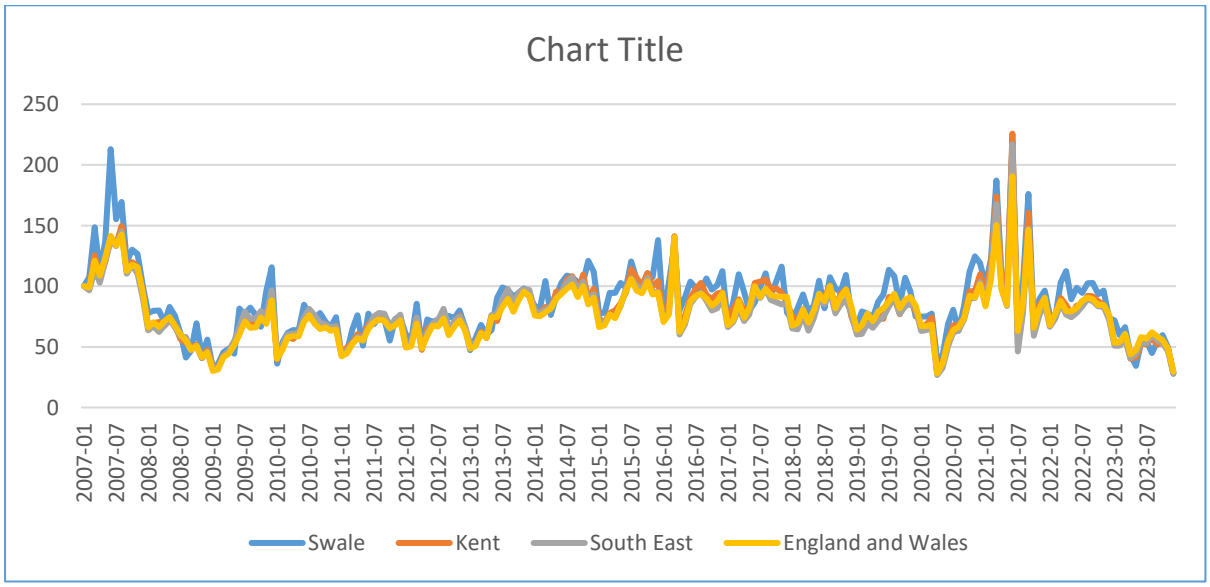


Source: Land Registry (April 2024). Contains public sector information licensed under the Open Government Licence v3.0.

4.9 The Land Registry shows that the average price paid for newbuild homes in Swale (£395,753) is £107,203 (or 37%) more than the average price paid for existing homes (£288,550).

4.10 The rate of sales (i.e. sales per month) in the area is in line with the wider country. At the time of this report, the most recent data published by the Land Registry is for December 2023.

Figure 4.4 Sales per Month – Indexed to January 2007



Source: Land Registry (April 2024). Contains public sector information licensed under the Open Government Licence v3.0.

4.11 The rise in house prices over the last 12 or so years has, at least in part, been enabled by the historically low mortgage rates offered to home buyers. In addition, the housing market has been actively supported by the Government through products and initiatives such as Help-to-Buy and a Stamp Duty 'holiday' that was introduced to support prices during the COVID-19

pandemic. The housing market and wider economy has been through various uncertainties, including that of the COVID-19 pandemic. A range of views as to the impact on house prices of the pandemic and Brexit were expressed which covered nearly the whole spectrum of possibilities, but the general consensus was that there would be a fall in house prices. As can be seen from the above, prices actually increased substantially. The pandemic, Brexit and more recently Russia's invasion of Ukraine, all add uncertainty.

4.12 There is a degree of uncertainty in the housing market as reported by the RICS. The March 2024 RICS UK Residential Market Survey[30] said:

> *Outlook for sales volumes continues to improve with enquiries and listings up modestly over the month*
>
> - *Sales expectations improve slightly at both the three and twelve-month time horizons*
> - *New buyer enquiries continue to rise at a gentle pace, with new listings activity also picking up*
> - *House price indicator moves into neutral territory while twelve-month expectations point to an upward trend emerging*
>
> *The March 2024 RICS UK Residential Survey results remain indicative of a steady improvement in overall sales market conditions. Indeed, buyer demand continues to edge higher, while near- term expectations point to activity gaining further traction over the coming months. Alongside this, house prices have stabilised at the headline level, with forward-looking metrics suggesting that an upward trend may emerge later in the year.*
>
> *Looking at buyer demand, an aggregate net balance of +8% of respondents reported an increase in new buyer enquiries during March. This is up from a reading of +4% in the previous iteration of the survey, and marks the third consecutive month in which this measure has been above zero. What's more, the current figure represents the most positive return for the demand series since February 2022.*
>
> *At the same time, the newly agreed sales metric has, as yet, not seen quite the same turnaround. The latest net balance of -5% is consistent with a broadly stable trend in agreed sales having seen little change from the reading of -4% last month. Nevertheless, a net balance of +13% of survey participants now foresee sales volumes rising over the coming three months. This compares with a figure of +6% posted in last month's results. Moreover, on a twelve-month view, a net balance of +46% of contributors envisage sales activity rising (up from an already solid reading of +42% beforehand).*
>
> *On the supply front, the flow of new listings coming onto the sales market increased for a fourth successive report, evidenced by a net balance of +13% of respondents citing a pick-up in new instructions over the month. Similarly, contributors continued to note that the number of appraisals undertaken of late is above that of the previous year (net balance +21%). Interestingly, having languished in negative territory throughout every monthly report released in 2023, this indicator has signalled an improvement in market appraisal levels for three straight months.*
>
> *Alongside this, a net balance of -4% was returned in March for the survey's headline indicator tracking house price trends. As such, this suggests a largely stable picture is in place for house prices at the aggregate level currently, with the previous negative readings diminishing to some degree in each of the last six reports (recovering from a recent low of -67% back in September of last year). When disaggregated, all regions/ countries have seen their readings for the house*

[30] https://www.rics.org/uk/news-insight/research/market-surveys/uk-residential-market-survey/

price series either turn less negative or move into positive territory when compared to the start of the year. In the case of Scotland and Northern Ireland, the house price net balance moved further into expansionary territory at +21% and +60% respectively (from +10% and +53% in February).

Looking ahead, respondents continue to foresee house prices returning to growth over the next twelve months, as implied by the net balance of +38% posted in March (marginally higher than the figure of +36% reported previously). What's more, all parts of the UK are anticipated to see a rise in house prices over the year to come, with sentiment particularly robust in Northern Ireland, London and Scotland.

Across the lettings market, the aggregate gauge of tenant demand remains modestly positive at a net balance of +19% (marginally up on a reading of +16% last month). Even so, tenant demand does not appear to have quite the same momentum as found through the latter stages of last year, with this measure easing from a peak of +59% in July 2023. That said, the supply of rental properties becoming available remains restricted, as the landlord instructions indicator once again exhibits a weak net balance reading of -19%. Consequently, a net balance of +34% of contributors still expect rental prices to rise in the coming three months (albeit this is the least elevated reading since January 2021).

4.13 HM Treasury brings together some of the forecasts in its regular *Forecasts for the UK economy: a comparison of independent forecasts* report.

Table 4.1 Consolidated House Price Forecasts

Table 2 - 2024: Growth in prices and monetary indicators (% change)											
Forecasters and dates of forecasts			CPI (Q4 on Q4 year ago, %)	RPI (Q4 on Q4 year ago, %)	Average earnings (Q4 on Q4 year ago, %)	Sterling index (Jan 2005=100)	Official Bank rate (level in Q4, %)	Oil price (Brent, $/bbl)	Nominal GDP	House price inflation (Q4 on Q4 year ago, %)	
City forecasters											
Barclays Capital	Apr	*	1.9	3.9	-	-	4.00	90.0	-	-	
Bloomberg Economics	Mar		2.2	-	-	-	4.00	-	-	-	
Capital Economics	Apr	*	0.6	0.9	3.9	78.8	4.00	75.0	2.3	3.0	
Citigroup	Aug		1.7	3.1	2.5	-	3.75	-	-	1.8	
Deutsche Bank	Feb'23		1.7	3.6	-	-	3.25	-	-	-	
Goldman Sachs	Feb'23		1.7	-	-	-	3.75	100.0	-	-	
HSBC	April	*	2.2	3.2	4.2	-	4.50	-	-	-	
JP Morgan	April	*	2.3	-	-	-	4.50	-	-	-	
KPMG	April	*	1.9	-	-	-	4.25	86.3	-	-	
Morgan Stanley	Dec		2.4	3.7	3.1	-	-	-	-	-	
Natwest Markets	Mar		1.5	2.3	4.0	-	4.25	80.0	2.6	-	
Nomura	Mar		1.6	-	-	-	4.25	-	-	-	
Pantheon	Mar		2.2	3.5	-	-	4.50	-	-	-	
Schroders Investment Management	Mar'23		3.7	4.1	-	-	2.00	-	3.0	-2.8	
Societe Generale	Sep		3.3	3.8	4.5	-	4.00	97.3	4.2	-	
UBS	Apr	*	2.2	3.1	3.1	-	4.50	-	2.5	-	
Non-City forecasters											
British Chambers of Commerce	Apr	*	2.3	-	3.0	-	4.50	-	-	-	
Beacon Economic Forecasting	Apr	*	2.8	2.7	4.3	83.5	4.75	86.3	4.7	-9.9	
CBI	Apr	*	2.5	3.2	4.9	80.9	-	84.6	3.7	-4.5	
CEBR	Apr	*	2.1	2.9	5.6	82.1	4.67	-	-	-2.0	
Economic Perspectives	Apr'23		4.3	5.4	-	75.0	3.00	80.0	5.5	-6.0	
Experian Economics	Apr	*	2.2	3.0	3.5	85.3	4.75	81.4	0.4	-1.1	
EIU	Oct		-	-	-	-	5.25	81.5	-	-	
Heteronomics	Apr	*	2.7	3.8	3.7	77.1	5.00	83.0	-	1.5	
ICAEW	Mar		2.0	-	-	-	4.50	-	-	-	
ITEM Club	Feb		2.0	1.4	2.8	81.7	4.25	-	-	-0.2	
Kern Consulting	Apr'23		3.8	-	-	-	-	80.0	-	-	
Liverpool Macro Research	Apr	*	3.0	4.6	3.6	80.0	4.00	-	-	-	
NIESR	Feb		2.0	4.2	2.7	-	4.50	-	-	-3.3	
Oxford Economics	Apr	*	1.8	3.2	3.6	82.2	4.50	82.2	2.8	0.4	k
OECD	Feb		-	-	-	-	4.75	-	-	-	
IMF	Jan		-	-	-	-	-	-	-	-	
Average of forecasts made in the last 3 months (excludes OBR forecasts)											
Independent			2.1	3.1	3.8	81.3	4.41	83.2	2.7	-1.8	
New (marked *)			2.2	3.1	3.9	81.2	4.46	83.6	2.7	-1.8	
City			1.9	2.8	3.8	78.8	4.28	82.8	2.5	3.0	
Range of forecasts made in the last 3 months (excludes OBR forecasts)											
Highest			3.0	4.6	5.6	85.3	5.00	90.0	4.7	3.0	
Lowest			0.6	0.9	2.7	77.1	4.00	75.0	0.4	-9.9	
Median			2.2	3.2	3.6	81.7	4.50	83.0	2.6	-1.1	
OBR	Mar		1.4	2.1	3.4	-	4.15	77.0	2.3	-2.7	

Source: April 2024. Forecasts for the UK economy: a comparison of independent forecasts No 441 (HM Treasury, November 2023).

4.14 Property agents Savills are forecasting the following changes in house prices, suggesting that while prices may fall in 2024, they may also return to growth in 2025:

Table 4.2 Savills Property Price Forecasts

	2024	2025	2026	2027	2028	5 Year
Mainstream UK	-3.0%	3.5%	5.0%	6.5%	5.0%	17.9%
South East	-3.5%	3.0%	4.5%	6.5%	5.5%	16.7%
Prime Regional	-1.5%	3.0%	4.5%	6.0%	5.5%	18.6%
Mainstream UK Rents	6.0%	3.5%	3.0%	2.5%	2.0%	18.1%

Source: Savills Mainstream House Price Forecasts (November 2023) and Savills Prime Residential Property Forecasts[31]

4.15 In this context is relevant to note that the Nationwide Building Society reported in March 2024:

Annual house price growth edges up in March

- *UK house prices up 1.6% compared with a year ago*
- *Northern Ireland best performing region, with prices up 4.6%*
- *South West weakest performing region, with prices down 1.7% over the year*
-

Headlines	Mar-24	Feb-24
Monthly Index*	523.6	524.7
Monthly Change*	-0.2%	0.7%
Annual Change	1.6%	1.2%
Average Price (not seasonally adjusted)	£261,142	£260,420

** Seasonally adjusted figure (note that monthly % changes are revised when seasonal adjustment factors are re-estimated)*

4.16 The Nationwide produces regional figures on a quarterly basis. This suggests data suggests, for Outer South East an annual -1.0% change in Q1 2024 and an annual -4.5% change in the previous quarter.

4.17 Halifax Building Society reported a more positive situation in March 2024:

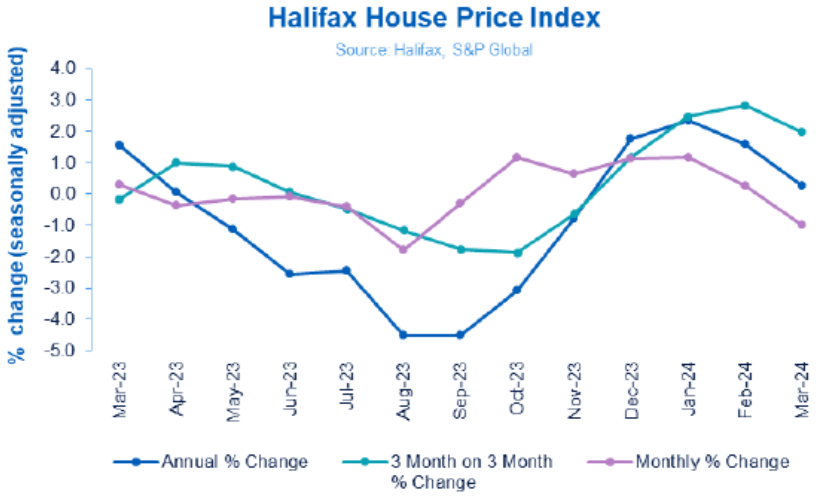


Annual growth slows, but house prices remain up on last year

- *Property prices grew by +0.3% annually (vs +1.6% last month)*
- *House prices up +2.0% on previous quarter*

[31] Savills UK | Mainstream Residential Forecasts 2024-28, Savills UK | Prime Residential Forecasts 2024-28

- *Average house prices fell by -1.0% in March on a monthly basis, following a rise of +0.3% in February*
- *Typical UK home now costs £288,430, around £2,900 less than last month*
- *Northern Ireland remains strongest performing nation or region in the UK*

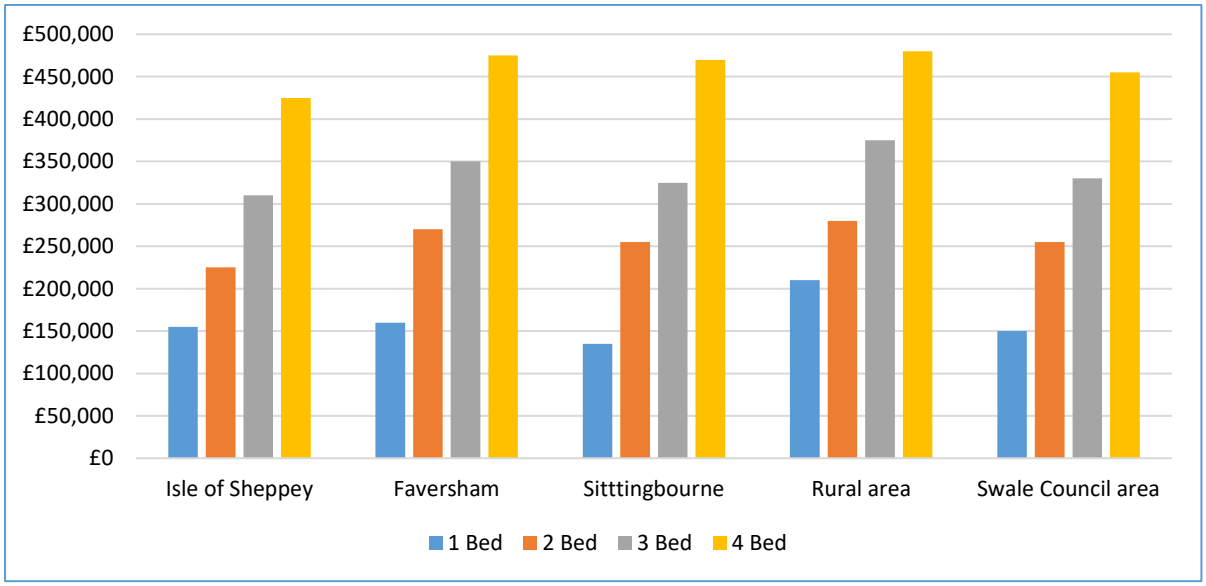


4.18 There is clearly continued uncertainty in the market, and the substantial growth reported over the last few years seems unlikely to continue.

The Local Market

4.19 A survey of asking prices across the Council area was carried out in February 2023 and refreshed in December 2023. Through using online tools such as rightmove.co.uk and zoopla.co.uk, median asking prices were estimated.

Figure 4.5 Median Asking Prices (£)



Source: Rightmove.co.uk (December 2023)

4.20 The above data are asking prices which reflect the seller's aspiration of value, rather than the actual value, they are however a useful indication of how prices vary across areas.

4.21 As part of the research, data from Landmark has been used. This brings together data from the following sources and allows the transactions recorded by the Land Registry to be analysed by floor area and number of bedrooms using the following data sources:

Table 4.3 Landmark Data Sources

Attribute	Source
Newbuild	HMLR Price Paid
Property Type	HMLR Price Paid
Sale Date	HMLR Price Paid
Sale Value	HMLR Price Paid
Floor Area Size(m)	Metropix
	EPC
Bedroom Count	Metropix
	LMA Listings (Property Heads)
Price per square meter (Sale Value / Floor Area)	HMLR Price Paid
	Metropix
	EPC

Source: Landmark

4.22 This data includes the records of 6,046 sales since the start of 2020. Of these, floor areas are available for 5,567 sales, and the number of bedrooms is available for 2,537 sales. There is a significant delay in the Land Registry updating the dataset, with only 44 sales recorded in 2022 and in 2023.

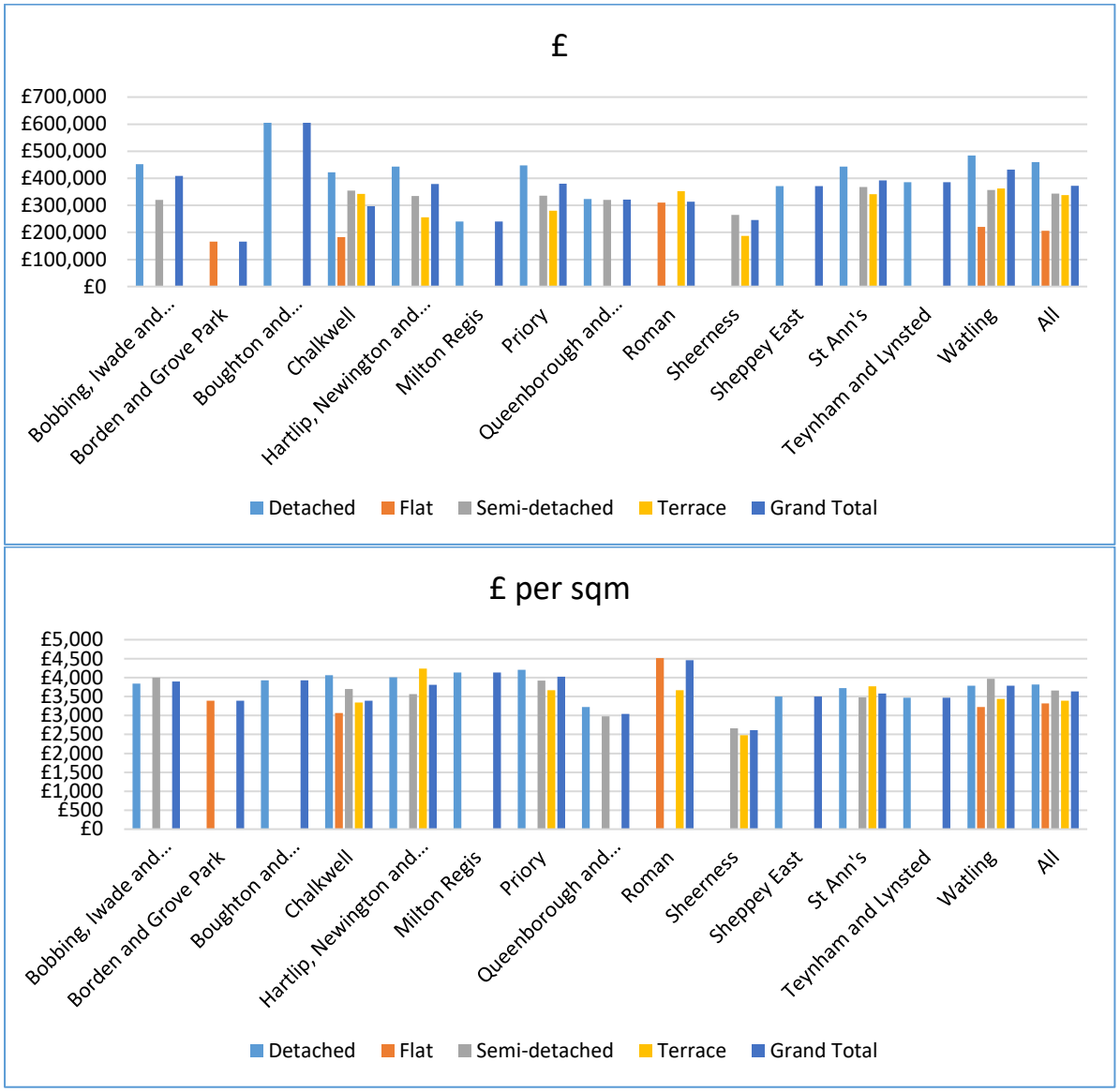
Table 4.4 Landmark Data – Sample Sizes

	Count of Sale Value	Count of Floor Area	Count of Bedrooms
Newbuild	**629**	**629**	**4**
2020	330	330	4
2021	255	255	0
2022	44	44	0
Non Newbuild	**5,417**	**4,938**	**2,569**
2020	1,731	1,524	919
2021	2,362	2,169	1,078
2022	1,324	1,245	572
All	**6,046**	**5,567**	**2,573**
2020	2,061	1,854	923
2021	2,617	2,424	1,078
2022	1,368	1,289	572

Source: Landmark (February 2023)

4.23 The data is available for newbuild and existing homes and by ward and can be summarised as follows:

Figure 4.6 Residential Prices Paid – From January 2020 to February 2023. Newbuild



Source: Landmark (February 2023)

4.24 The full data tables are set out in **Appendix 6** below. This data can be disaggregated by year and between newbuild and existing homes.

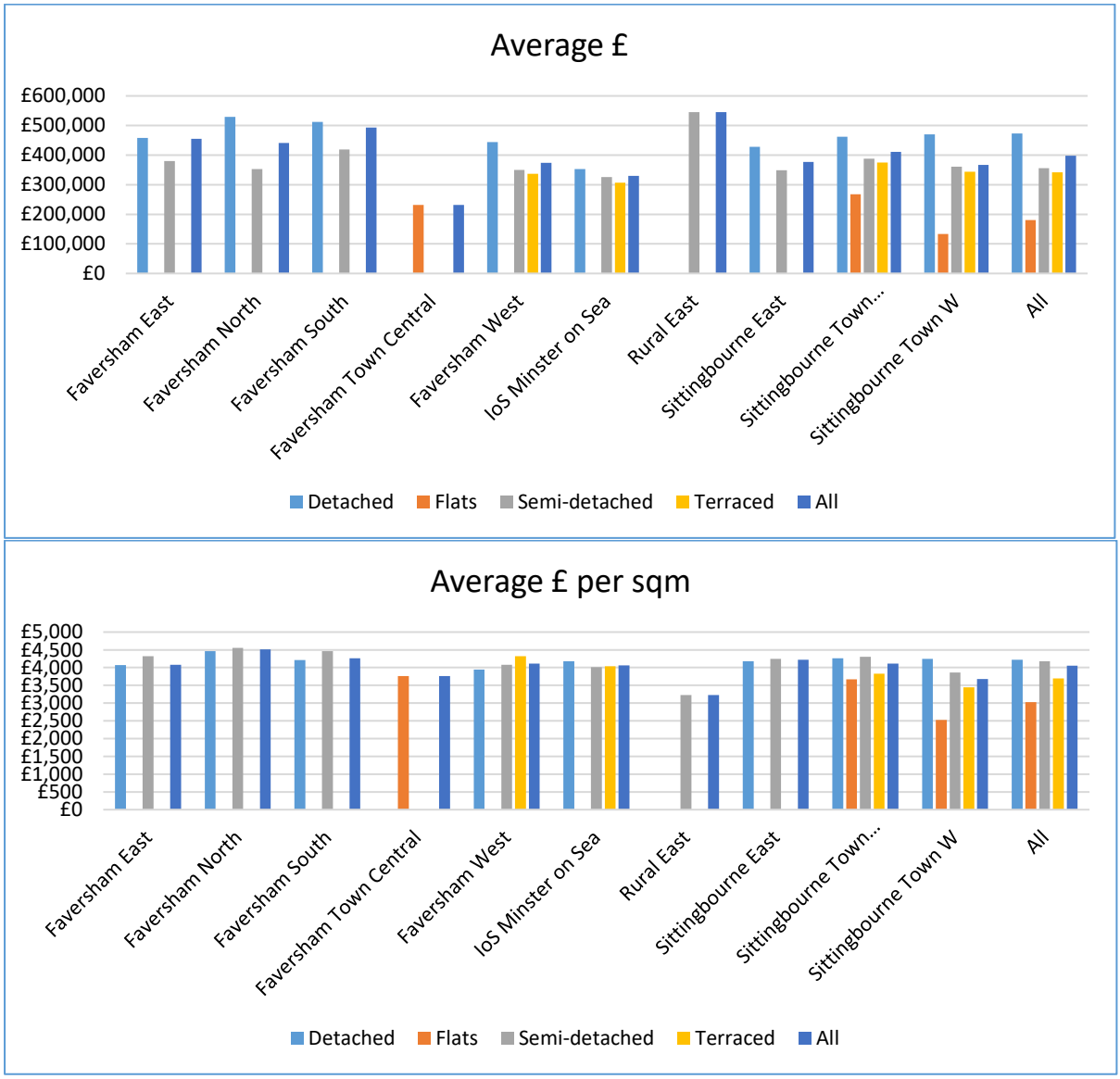
4.25 Following the technical consultation, in April 2024, this data was supplemented with more up-to-date data from the Land Registry recording 395 transactions from 2022 and 57 transactions from 2023. This data is married with the floor area data from the EPC Register to derive the price paid on a £ per sqm basis. The data includes several outliers that are not representative of the newbuild market. Those homes with a price of less than £2,000 per sqm and over £5,000 per sqm have been disregarded.

Table 4.5 Average Newbuild Price Paid 2022 to 2024

	Detached	Flats	Semi-detached	Terraced	All
Faversham East	£458,295		£380,000		£454,891
Faversham North	£529,556		£353,389		£441,472
Faversham South	£512,319		£418,572		£493,276
Faversham Town Central		£231,800			£231,800
Faversham West	£444,359		£350,062	£336,995	£374,211
IoS Minster on Sea	£352,450		£325,346	£307,154	£329,590
Rural East			£545,500		£545,500
Sittingbourne East	£427,623		£348,429		£377,226
Sittingbourne Town Central	£462,232	£267,967	£387,495	£375,412	£410,545
Sittingbourne Town W	£470,022	£133,548	£361,322	£343,518	£367,298
All	**£472,858**	**£180,628**	**£355,826**	**£341,659**	**£397,747**
	Detached	Flats	Semi-detached	Terraced	All
Faversham East	£4,071		£4,318		£4,082
Faversham North	£4,460		£4,559		£4,509
Faversham South	£4,209		£4,465		£4,261
Faversham Town Central		£3,763			£3,763
Faversham West	£3,946		£4,077	£4,324	£4,112
IoS Minster on Sea	£4,177		£4,011	£4,040	£4,063
Rural East			£3,228		£3,228
Sittingbourne East	£4,183		£4,248		£4,224
Sittingbourne Town Central	£4,265	£3,668	£4,306	£3,832	£4,110
Sittingbourne Town W	£4,244	£2,523	£3,861	£3,443	£3,682
All	**£4,222**	**£3,030**	**£4,181**	**£3,697**	**£4,051**

Source: Land Registry and EPC Register (April 2024)

Figure 4.7 Average Newbuild Price Paid 2022 to 2024

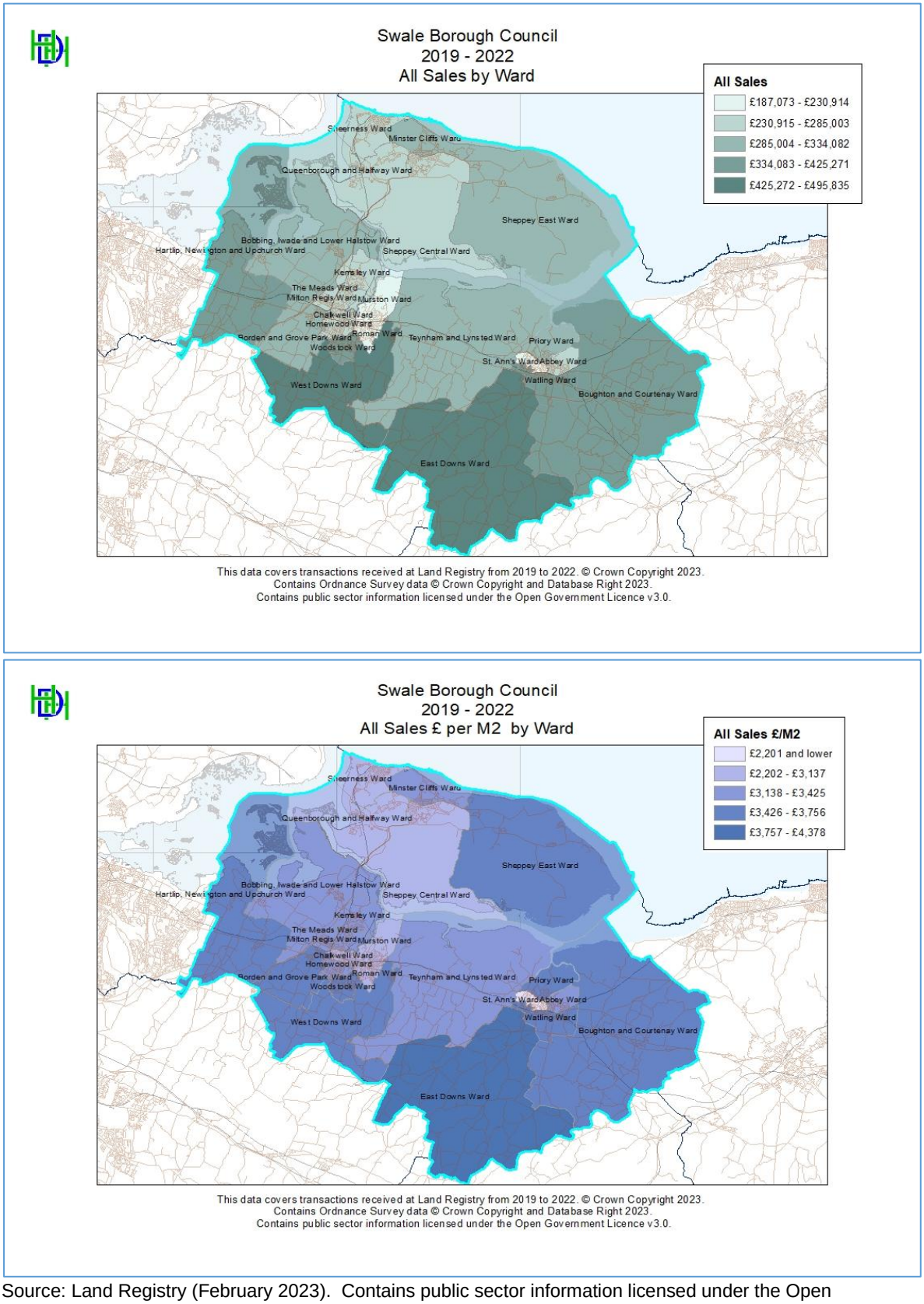


Source: Land Registry and EPC Register (April 2024)

4.26 In deriving the assumptions in this report, weight is put on the more recent data to ensure the more recent changes in values is reflected in the assumptions.

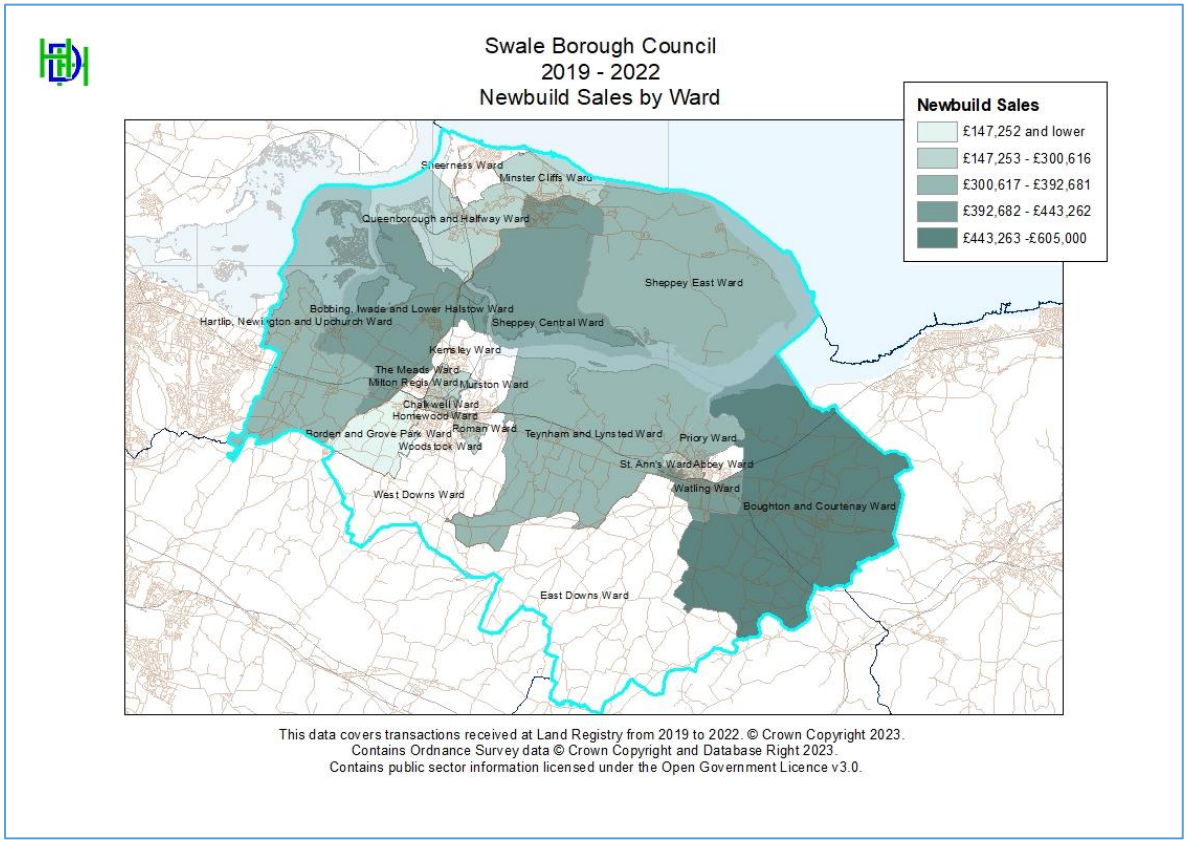
4.27 The average price paid varies across the area as illustrated in the following maps. The maps show that the distribution of newbuild development is concentrated in relatively few areas. It is important to note that some of the sample sizes are small so care should be taken when considering a fine-grained approach.

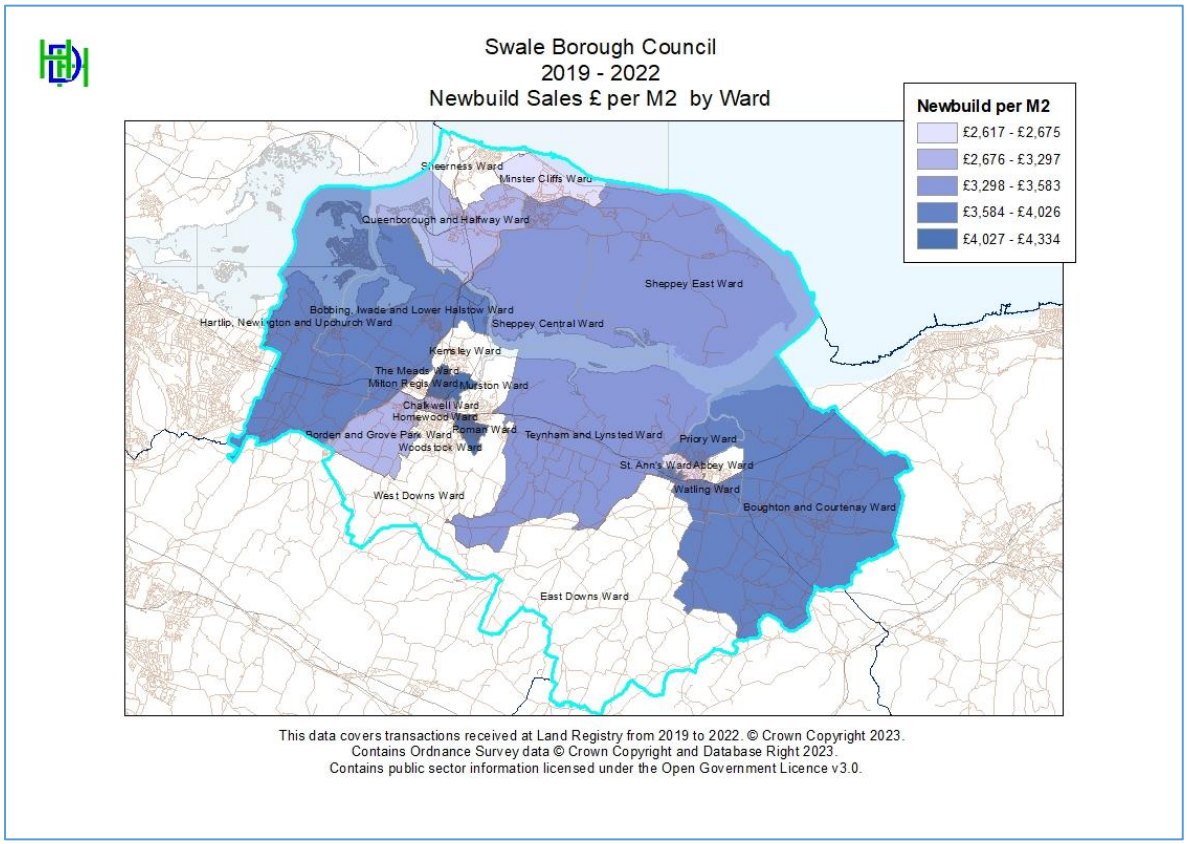
Figure 4.8a Average Price Paid (£) – All Properties – By Ward



Source: Land Registry (February 2023). Contains public sector information licensed under the Open Government Licence v3.0.

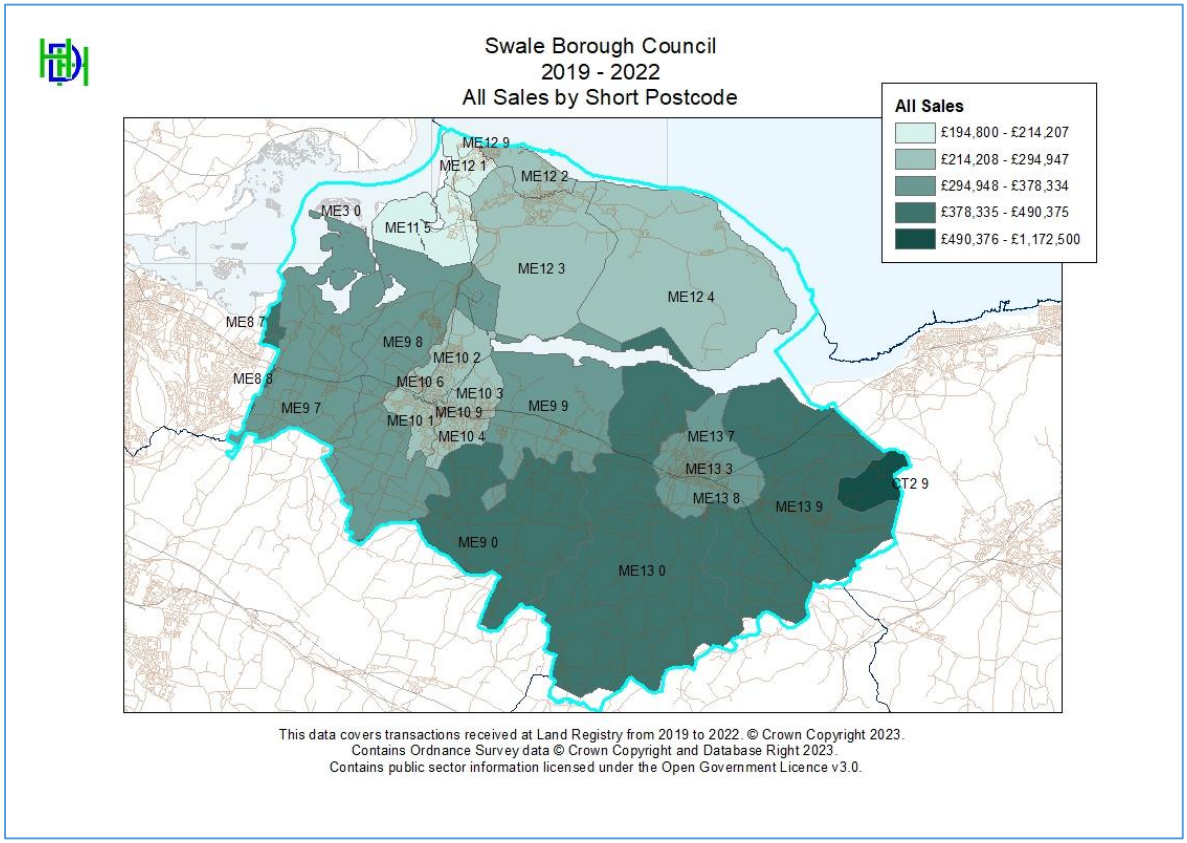
Figure 4.8b Average Price Paid (£/m²) – Newbuild Properties – By Ward

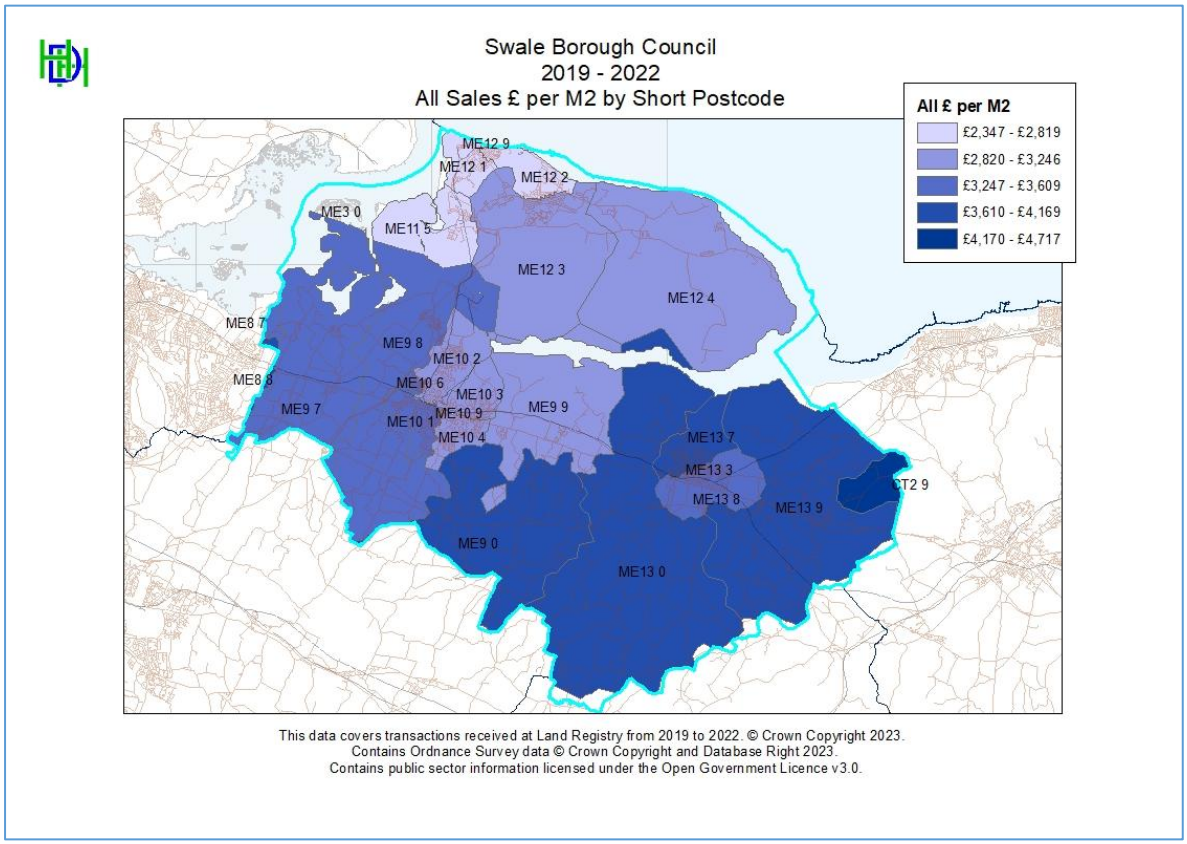




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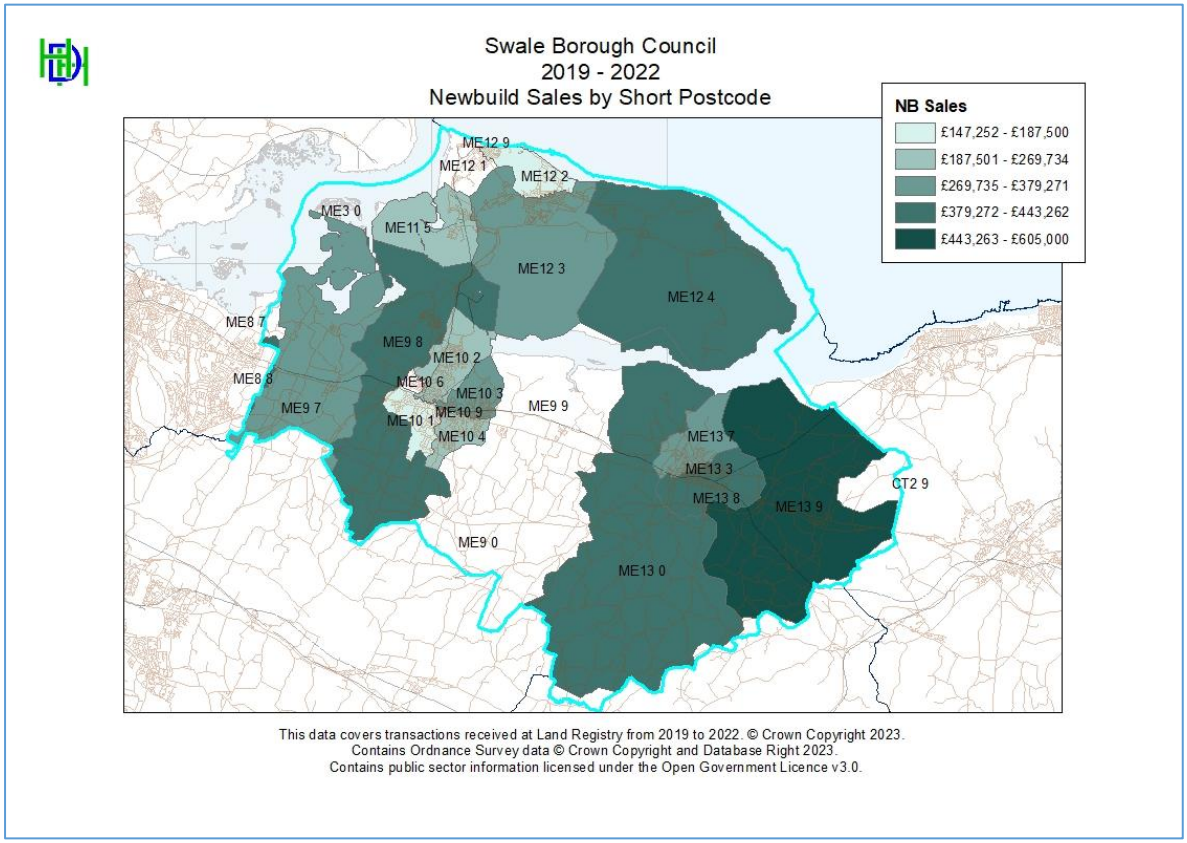
Figure 4.8c Average Price Paid (£) – All Properties – By Postcode

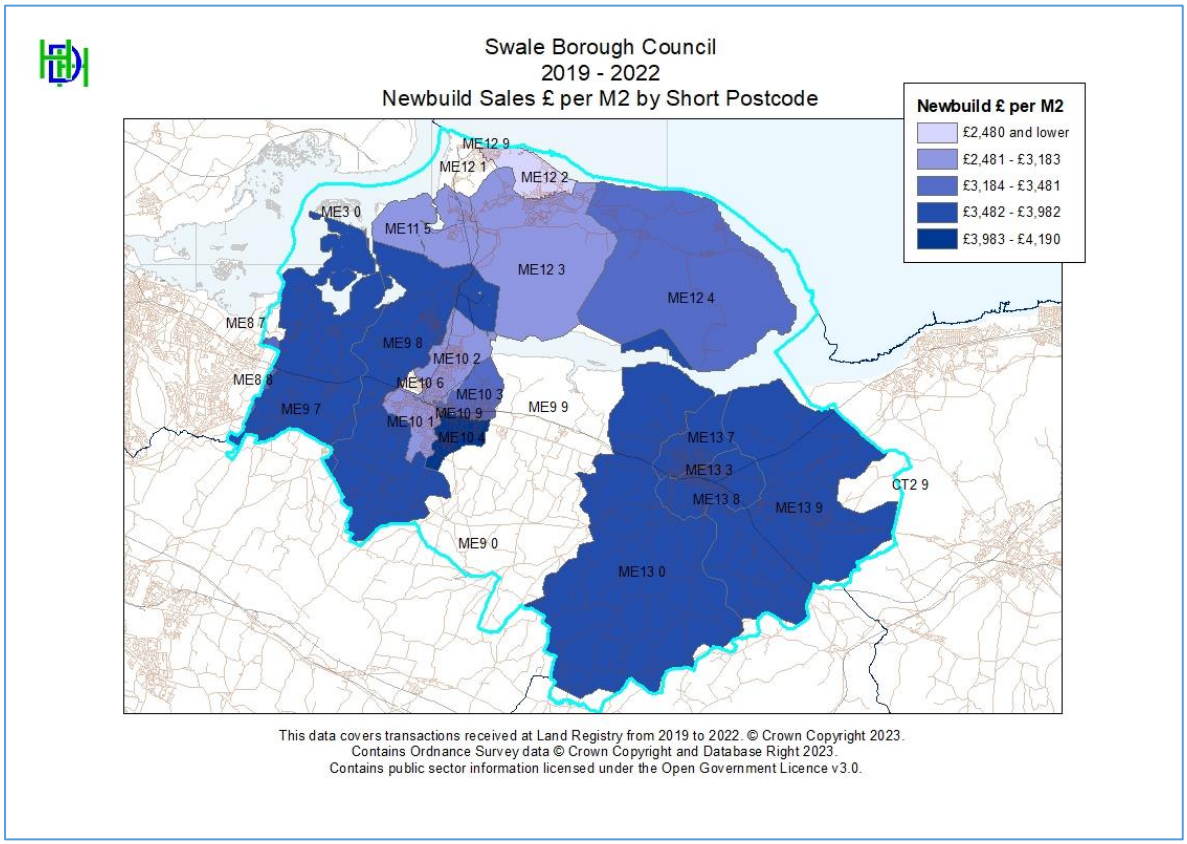




Source: Land Registry (February 2023). Contains public sector information licensed under the Open Government Licence v3.0.

Figure 4.8d Average Price Paid (£/m²) – Newbuild Properties – By Postcode





Source: Land Registry (February 2023). Contains public sector information licensed under the Open Government Licence v3.0.

4.28 The ONS provides data at ward level for median house prices as set out in the following table. The lack of data is a result of the limited distribution of newbuild development.

Table 4.6 Median Price Paid by Ward - Year Ending March 2023

	Newbuild					Existing			
	Detached	Semi-detached	Terraced	Flats		Detached	Semi-detached	Terraced	Flats
Milton Regis	:	:	:	:		£400,500	£295,000	£267,750	:
Hartlip, Newington and Upchurch	:	:	:	:		£612,500	£380,000	£285,000	£155,000
Murston	:	:	:	:		:	£280,000	£258,000	£170,000
Abbey	:	:	:	:		:	£345,000	£342,500	£220,000
Priory	:	:	:	:		£400,000	£302,500	£305,000	:
Queenborough and Halfway	:	:	:	:		£355,000	£285,000	£250,000	£132,500
Roman	:	:	:	:		£385,000	£290,000	£252,500	£137,500
Borden and Grove Park	:	:	:	:		£565,000	£343,000	£267,500	:
Homewood	:	:	:	:		£460,000	£347,250	£272,500	£173,000
Boughton and Courtenay	:	:	:	:		£567,500	£372,500	£322,500	:
Chalkwell	:	:	£384,995	:		:	£303,500	£258,500	£166,000
East Downs	:	:	:	:		£650,000	£475,000	:	:
Minster Cliffs	:	:	:	:		£440,000	£325,000	£305,000	:
St Ann's	£456,995	£374,995	:	:		£400,000	£368,000	£302,500	£151,000
Kemsley	:	:	:	:		£435,000	£310,000	£261,000	£190,000
Bobbing, Iwade and Lower Halstow	:	:	:	:		£482,000	£330,000	£290,000	£195,000
Sheerness	:	:	:	:		:	£270,000	£210,000	£130,000
Sheppey East	:	:	:	:		£350,000	£275,000	£233,000	:
Watling	:	:	:	:		£592,000	£395,000	£290,000	£175,500
Teynham and Lynsted	:	:	:	:		£428,500	£325,000	£248,000	£165,000
West Downs	:	:	:	:		£825,000	£447,000	:	:
Sheppey Central	:	:	:	:		£377,500	£297,500	£275,000	£176,250
Woodstock	:	:	:	:		£565,000	£402,500	£405,000	:
The Meads	:	:	:	:		£459,000	£360,000	£269,000	£158,500

Source: HPSSA Dataset 37 (Data Release 20th September 2023)

Newbuild Asking Prices

4.29 This study is concerned with new development, so the key input for the appraisals is the price of new units. A survey of new homes for sale was carried out in February 2023 and again in December 2023 and April 2024.

a. In February 2023, there were 60 new homes being advertised for sale in the Council area. The analysis of these showed that asking prices for newbuild homes started at £162,500 and went up to £775,000. The average was about £429,000 (£4,221 per sqm).

b. In December 2023, there were 94 new homes being advertised for sale in the Council area. The analysis of these showed that asking prices for newbuild homes started at £1162,500 and went up to £950,000. The average was about £407,000 (£4,097 per sqm).

c. In April 2024, there were 128 new homes being advertised for sale in the Council area. The analysis of these shows that asking prices for newbuild homes start at £270,000 and go up to over £1,200,000. The average is about £460,000 (£4,274 per sqm).

4.30 These are summarised in the following table and set out in detail in **Appendix 7**.

Table 4.7a Average Newbuild Asking Prices £/m² – February 2023

Developer / Agent		Detached	Flat	Semi-detached	Terraced
Anderson					
Faversham Lakes	£	£600,000		£386,667	
	£/m²	£4,800		£4,720	
Bovis					
Davington Fields	£	£484,995			
	£/m²	£4,030			
DWH					
Applegate Park	£	£604,995			
	£/m²	£4,144			
Esquire Developments					
Hill Farm	£	£586,667		£405,000	
	£/m²	£4,500		£4,309	
Jones Homes					
Kingsborough Manor	£	£619,995			
	£/m²	£4,000			
Keepmoat					
Belgrave Place	£	£365,000		£331,875	
	£/m²	£4,620		£4,289	
Linden Homes					
Ospringe Gardens	£	£467,495		£415,662	£359,995
	£/m²	£4,140		£4,529	£4,500
Miles&Barr					
Ashdown	£			£450,000	
	£/m²			£5,114	
Redrow					
Amber Fields	£	£497,138		£394,995	£394,995
	£/m²	£4,369		£4,937	£3,657
Regent Quay	£	£484,995			£409,995
	£/m²	£3,785			£3,565
Rosechurch Homes					
Edgelake	£	£465,000		£402,500	
	£/m²	£4,306		£4,096	
Sanctuary Homes					
Saxon Court, Watling Gate	£		£189,300		
	£/m²		£3,224		
Watling Gate	£	£286,500		£288,500	
	£/m²	£4,856		£4,508	
Wards					
The Street	£			£450,000	
	£/m²			£3,409	
Woodcombe Mews	£				£412,500
	£/m²				
Other	£	£460,000			
	£/m²	£5,412			
WKHA					
Faversham Lakes	£			£310,000	
	£/m²				
All	£	**£507,980**	**£189,300**	**£379,888**	**£399,282**
	£/m²	**£4,346**	**£3,224**	**£4,434**	**£3,789**

Source: Market Survey (February 2023) (The blanks indicate where no asking price and or GIA is available.

Table 4.7b Average Newbuild Asking Prices £/m² – December 2023

		Detached	Flat	Semi-detached	Terraced
Anderson					
Faversham Lakes	£	£586,667		£405,000	
	£/m²	£5,210		£4,867	
Bovis					
Davington Fields	£	£462,495			
	£/m²	£3,851			
DWH					
Applegate Park	£	£550,495		£397,495	
	£/m²	£3,811		£3,681	
Esquire Developments					
Hill Farm	£	£582,500		£405,000	
	£/m²	£4,477		£4,309	
Jones Homes					
Shurland Park	£	£412,500		£340,000	£298,929
	£/m²				
Keepmoat					
Belgrave Place	£	£225,000		£245,750	
	£/m²	£2,848		£3,326	
Linden Homes					
Ospringe Gardens	£			£373,599	
	£/m²			£4,564	
Matthew Homes					
Blake Gardens	£	£426,000		£350,000	
	£/m²	£3,569		£3,302	
Persimmon					
Orchard Meadows	£	£403,328		£355,000	
	£/m²	£4,782		£4,663	
Redrow					
Amber Fields	£	£531,250		£380,000	£375,000
	£/m²	£4,269		£4,750	£3,472
Regent Quay	£	£498,333	£163,750	£417,500	£390,000
	£/m²	£3,885	£3,275	£3,537	£3,391
Rosechurch Homes					
Edgelake	£			£322,500	
	£/m²			£3,886	
RPC Land					
Greystones	£	£925,000			
	£/m²	£3,838			
Sanctuary Homes					
Beckett Court	£		£174,200		
	£/m²		£3,435		
ALL					
	£	£513,823	£171,214	£352,553	£317,500
	£/m²	£4,190	£3,390	£4,199	£3,432

Source: Market Survey (December 2023) (The blanks indicate where no asking price and or GIA is available.

Table 4.7c Average Newbuild Asking Prices £/m² – April 2024

		Detached	Flat	Semi-detached	Terraced
Anderson					
Faversham Lakes	£	£665,000		£374,000	
	£/m²	£4,521		£4,857	
Custom Build Homes					
Callum Park	£	£1,073,000			
	£/m²	£4,514			
DWH					
Applegate Park	£	£557,995			
	£/m²	£3,909			
Esquire Developments					
Featherbed Farm	£	£533,571		£399,995	
	£/m²	£4,401		£4,255	
Hill Farm	£	£650,714		£395,000	
	£/m²	£4,305		£4,202	
Jones Homes					
Shurland Park	£			£318,333	£291,250
	£/m²			£4,162	£3,757
Keepmoat					
Belgrave Place	£	£350,000		£308,571	
	£/m²	£4,430		£4,142	
Linden Homes					
Ospringe Gardens	£	£0		£364,333	
	£/m²	£0		£4,663	
Matthew Homes					
Blake Gardens	£	£421,667			
	£/m²	£3,600			
Persimmon					
Orchard Meadows	£	£421,667		£355,556	
	£/m²	£4,567		£4,384	
Otterham Park	£	£438,333			£362,273
	£/m²	£4,478			£4,473
Quealy & Co					
Fairlake View	£	£447,475		£342,499	
	£/m²	£4,143		£4,126	
Redrow					
Amber Fields	£	£535,000		£400,000	
	£/m²	£4,211		£5,000	
Regent Quay	£	£499,286		£435,000	
	£/m²	£3,951		£3,595	
Rosechurch Homes					
Edgelake	£	£454,988		£384,316	
	£/m²	£4,213		£4,139	
RPC Land					
Greystones	£	£900,000			
	£/m²	£3,734			
Streets					
The Street	£			£425,000	
	£/m²			£3,195	
All	**£**	**£563,513**		**£359,213**	**£343,333**
	£/m²	**£4,265**		**£4,284**	**£4,282**

Source: Market Survey (April 2024) (The blanks indicate where no asking price and or GIA is available.

4.31 This more recent data can be summarised by area as follows:

Table 4.7d Average Newbuild Asking Prices by area. £/m² – April 2024

		Detached	Semi Detached	Terraced	All
Faversham North	£	£665,000	£374,000		**£483,125**
	£/sqm	£4,521	£4,857		**£4,731**
Faversham West	£		£364,333		**£364,333**
	£/sqm		£4,663		**£4,663**
Isle of Sheppey	£	£403,750	£313,077	£291,250	**£326,190**
	£/sqm	£3,807	£4,152	£3,757	**£4,004**
Sittingbourne East	£	£452,483	£383,938		**£411,356**
	£/sqm	£4,190	£3,820		**£3,968**
Sittingbourne Town	£	£499,286	£435,000		**£491,250**
	£/sqm	£3,951	£3,595		**£3,906**
Sittingbourne West	£	£553,612	£372,333		**£494,499**
	£/sqm	£4,302	£4,372		**£4,325**
Rural West	£	£680,667		£362,273	**£545,962**
	£/sqm	£4,441		£4,473	**£4,454**
All	**£**	**£563,513**	**£359,213**	**£343,333**	**£461,102**
	£/sqm	**£4,265**	**£4,284**	**£4,282**	**£4,274**

Source: Market Survey (April 2024) (The blanks indicate where no asking price and or GIA is available.

4.32 During the course of the research, sales offices and agents were contacted to enquire about the price achieved relative to the asking prices, and the incentives available to buyers. In most cases the feedback was that significant discounts are not available, and were unlikely to be available. This reflects the situation in the wider country where larger housebuilders tend to say that the asking price is the price to be paid. The situation was somewhat different in the existing market where agents report sales prices are, in most cases, up to 10% below asking prices, although in April 2024, agents were generally reporting that discounts were about half of this.

Price Assumptions for Financial Appraisals

4.33 It is necessary to form a view about the appropriate prices for the schemes to be appraised in this study. The preceding analysis does not reveal simple clear patterns with sharp boundaries. It is necessary to relate this to the pattern of development expected to come forward in the future. Bringing together the evidence above (which is varied) the following approach is taken.

a) Brownfield Sites. Development is likely to be of a higher density than greenfield sites and be based around schemes of flats, semi-detached housing and terraces.

b) Flatted Schemes. This is considered to be a separate development type that is only likely to take place in Sittingbourne. These are modelled as conventional development and as Build to Rent (see below).

c) Greenfield Sites. These are likely to be developed as a broad mix including family housing. They are likely to include only a low proportion of flats.

4.34 It is important to note that this is a broad-brush, high-level study to test the emerging sites as required by the NPPF. The values between new developments and within new developments will vary considerably. No single source of data should be used in isolation, and it is necessary to draw on the widest possible sources of data. In establishing the assumptions, the prices (paid and asking) of existing homes are given greater emphasis when establishing the pattern of price difference across the area and the data from newbuild homes (paid and asking) is given greater emphasis in the actual assumption.

4.35 Care is taken not to simply attribute the values of second-hand / existing homes to new homes. As shown by the data above, new homes do not always follow the values of existing homes, particularly in those areas where the existing housing stock is less aspirational. It is also necessary to appreciate that there has been a significant increase in values over the last year that is not yet reflected in the ONS data sources.

4.36 The above data shows variance across the area, however it is necessary to consider the reason for that variance. An important driver of the differences is the situation rather than the location of a site. Based on the existing data, the value will be more influenced by the specific site characteristics, the immediate neighbours, and the environment, as well as where the scheme is located. This is well demonstrated by the variance in values in appraisals submitted through the development process.

4.37 In the *Draft Local Plan Viability Study* (Aspinall Verdi, December 2020) the following assumptions were used:

Table 4.8 Proposed Housing Development - Sale Prices 2020

Typology	Unit size	unit price	£psm
Lower value area			
1-bed flat	50	£180,000	£3,600
2-bed flat	60	£200,000	£3,333
2 bed house	70	£240,000	£3,429
3 bed house	90	£330,000	£3,667
4 bed house	120	£430,000	£3,583
Higher value area			
1-bed flat	50	£180,000	£3,600
2-bed flat	60	£215,000	£3,583
2 bed house	70	£270,000	£3,857
3 bed house	90	£360,000	£4,000
4 bed house	120	£465,000	£3,875

Source: Table 2.10 – Appendix 2 Property Market Report. *Draft Local Plan Viability Study* (Aspinall Verdi, December 2020)

4.38 Based on prices paid, the asking prices from active developments, and informed by the general pattern of all house prices across the study area, and the wider data presented, the prices put to the consultation are as in the table below.

Table 4.9 December 2023, Pre-consultation Price Assumptions £ per sqm

East Area	
Housing	£3,750
Flats	£3,500
West Area	
Greenfield	£3,900
Flats	£3,500

Source: HDH (December 2023)

4.39 In this regard, through the technical consultation[32], attention was drawn to long term value growth potential from place-making on Strategic Sites with reference being made to RICS research[33]. It is clear and widely accepted that good design and placemaking, across larger schemes, does result in values that are driven by the scheme itself, rather than just being a

[32] Francis Truss of Carter Jonas, for Shaptor Capital, re Winterbourne Fields.

[33] Placemaking and Value (rics.org)

reflection of the wider second-hand market. Whilst this is noted, the value assumptions are not adjusted in this regard, thus taking a cautious approach.

4.40 A site promoter[34] noted that there were sub-markets in the district and these should be clearly defined. Similarly, a regional developer[35] noted the sub-areas must be well defined, they considered there to be 5 value areas, although no supporting information was submitted:

a. The Isle of Sheppey

b. Sittingbourne

c. West and south west of Sittingbourne: Borden, Bobbing, Iwade, Newington etc

d. East of Sittingbourne: Bapchild, Teynham, Rodmershan etc

e. Faversham

4.41 It is agreed that prices do vary across the Borough and that there are further sub-markets. It is however also clear that these are difficult to evidence due to the relative lack of data. Further, newbuild house prices are not simply a factor of the general location of a scheme. The situation is also important. Two sites in a similar area of the Borough may have significantly different values due to their situation, the value being driven by the outlook, the neighbours and specifics of each site.

4.42 In updating the price assumptions, particular emphasis has been placed on the most recent newbuild Price Paid Data from the Land Registry and the updated new build asking prices. In considering the newbuild asking prices it has been assumed that the price achieved will be about 5% below the asking price, although some of this discount may be through sales incentives rather than being reflected in the actual price paid.

4.43 The following areas are used:

a. **Isle of Sheppey** – being all the Isle of Sheppey

b. **Sittingbourne and West** – being the town of Sittingbourne, the sites to the southwest and west of the town and in the rural areas to the west of the town. This includes sites associated with Rainham.

c. **Sittingbourne East** – being the sites to the north, northeast and south of the town and the areas to the east of the town. This excludes the sites associated with Faversham.

d. **Faversham and East** – being the town of Faversham, sites associated with the town and the area to the east, towards Canterbury.

[34] David Morris for Foxchurch Land (a JV between Catesby Estates and Appin Land) re a potential Strategic Site at Bobbing.

[35] Steve Baughen of Fernham Homes re various sites.

Table 4.10 April 2024, Post-consultation Price Assumptions £ per sqm

	Large Greenfield and Rural	Urban	Flatted Only
Isle of Sheppey	4,000	4,000	3,700
Sittingbourne and West	4,000	4,100	3,700
Sittingbourne East	4,225	4,100	3,700
Faversham and East	4,300	4,200	3,700

Source: HDH (April 2024)

Ground Rents

4.44 Over the last 20 or so years many new homes have been sold subject to a ground rent. Such ground rents have recently become a controversial and political topic. In this study, no allowance is made for residential ground rents[36].

Build to Rent

4.45 This is a growing development format, that is subject to specific guidance within the PPG. The Build to Rent sector is a different sector to mainstream housing.

4.46 The value of housing that is restricted to being Private Rented Sector (PRS) housing is different to that of unrestricted market housing. The value of the units in the PRS (where their use is restricted to PRS and they cannot be used in other tenures) is, in large part, the worth of the income that the completed let unit will produce. This is the amount an investor would pay for the completed unit or scheme. This will depend on the amount of the rent and the cost of managing the property (letting, voids, rent collection, repairs etc.). This is well summarised in *Unlocking the Benefits and Potential of Built to Rent*, A British Property Federation report commissioned from Savills, academically reviewed by LSE, and sponsored by Barclays (February 2017):

> *A common comment from BTR players is that BTR schemes tend to put a lower value on development sites than for sale appraisals. Residential development is different to commercial in that it has two potential end users - owners and renters. Where developers can sell on a retail basis to owners (or investors paying retail prices - i.e. buy to let investors) this has been the preferred route to market as values tend to exceed institutional investment pricing, which is based on a multiple of the rental income. This was described as "BTR is very much a yield-based pricing model.*

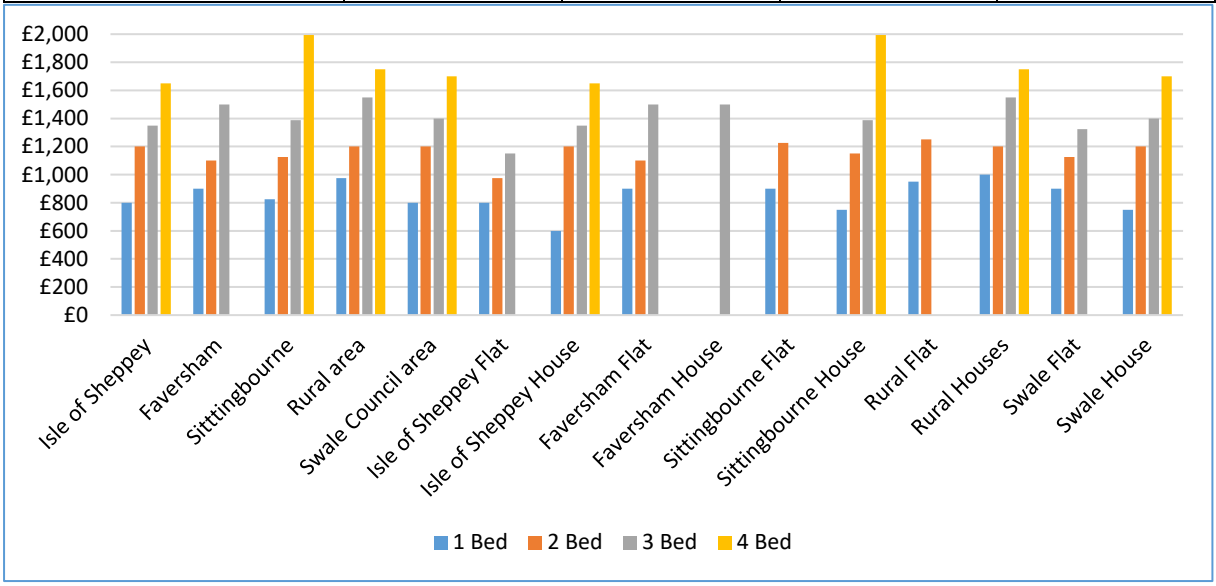
4.47 In estimating the likely level of rent, a survey of market rents across the area was undertaken. Generally, the rents in December 2023 are between 5% and 10% more than those in February

[36] In October 2018 the Communities Secretary announced that majority of newbuild houses should be sold as freehold and new leases to be capped at £10. https://www.gov.uk/government/news/communities-secretary-signals-end-to-unfair-leasehold-practices

2023. In this regard, through the technical consultation, a regional developer[37] noted that it was important to differentiate the values between houses and flats. This has been done.

Table 4.11 Median Asking Rents advertised on Rightmove (£/month)

HOUSES	1 Bed	2 Bed	3 Bed	4 Bed
Isle of Sheppey	£600	£1,200	£1,350	£1,650
Faversham			£1,500	
Sittingbourne	£750	£1,150	£1,387	£1,995
Rural area	£1,000	£1,200	£1,550	£1,750
Swale Council area	£750	£1,200	£1,400	£1,700
FLATS	**1 Bed**	**2 Bed**	**3 Bed**	**4 Bed**
Isle of Sheppey	£800	£975	£1,150	
Faversham	£900	£1,100	£1,500	
Sittingbourne	£900	£1,225		
Rural area	£950	£1,250		
Swale Council area	£900	£1,125	£1,325	



Source: Rightmove.co.uk (April 2024)

4.48 It is important to note that the above rents are for all units across the market. It is likely that Build to Rent units will be amongst the highest quality in the market, offering high quality and reliable management and a greater certainty of tenure.

[37] Steve Baughen of Fernham Homes re various sites.

4.49 Care must be taken when considering the above to recognise the outliers. The Valuation Office Agency (VOA) collects data on rent levels:

Table 4.12 Rents reported by the VOA – Swale, October 2022 to September 2023

	Count of rents	Mean	Lower quartile	Median	Upper quartile
Room	20	£601	£550	£590	£650
Studio	10	£599	£550	£600	£695
1 Bedroom	110	£756	£680	£750	£800
2 Bedroom	260	£909	£818	£895	£995
3 Bedroom	220	£1,080	£900	£1,050	£1,250
4+ Bedroom	50	£1,443	£1,250	£1,400	£1,650

Source: VOA Private rental market summary statistics in England (Released 20th December 2023)

4.50 In calculating the value of PRS units it is necessary to consider the yields. Several sources of information have been reviewed.

a. Savills in its *UK Build to Rent Market Update- Q1 2024* (Savills, April 2024) does not report a yield. The Q4 2022 suggests a Prime Regional Multifamily yield of 4%.

b. Cushman & Wakefield in its *Q2 2023 Build to Rent Report* suggests a net yield of about 3.75%

c. Knight Frank in its *Residential Yield Guide* (February 2024) reported a 4.5% yield for Build to Rent in Tier 1 Regional Cities and a 4.75% yield for Build to Rent in Tier 2 Regional Cities.

   A 4.5% yield for Regional - Single Family Housing and a 4.0% yield for South East Single Family Housing are also reported. These are unchanged from those reported in November 2023.

d. CBRE is reporting multifamily prime yields of 4.15% to 4.5% its *UK Property Market Snapshot Q1 2024*. This compares to 3.6% to 4.5% in its *UK Property Market Snapshot Q2 2023*.

4.51 Having considered a range of sources, a net yield of 5% has been assumed (increased from 4.5% assumed in the pre-consultation draft), being at the cautious end of the range, and reflecting the fact that, whilst Sittingbourne and Faversham are well connected to London, they are not prime locations for Build to Rent investment. In this regard, through the technical consultation, a site promoter[38] questioned this approach and asked why it is cautious. In

[38] David Morris for Foxchurch Land (a JV between Catesby Estates and Appin Land) re a potential Strategic Site at Bobbing.

valuation, a higher yield leads to a lower value. By using a yield at the higher end of the range suggested in the above, a lower value will be derived.

4.52 A 20% allowance is made for management, maintenance and voids. In considering the rents to use in this assessment it is necessary to appreciate that much of the existing rental stock is relatively poor, so new PRS units are likely to have rental values that are well in excess of the averages, with yields that are below the averages.

Table 4.13 Capitalisation of Private Rents

Houses	**1 bed**	**2 bed**	**3 bed**	**4 bed**
Rent (£/month)	£800	£1,200	£1,400	£1,700
Rent (£/annum)	£9,600	£14,400	£16,800	£20,400
Net Rent	£7,680	£11,520	£13,440	£16,320
Value	£170,667	£256,000	£298,667	£362,667
sqm	50	70	84	97
£ per sqm	**£3,413**	**£3,657**	**£3,556**	**£3,739**
Flats	**1 bed**	**2 bed**	**3 bed**	
Rent (£/month)	£900	£995	£1,250	
Rent (£/annum)	£10,800	£11,940	£15,000	
Net Rent	£8,640	£9,552	£12,000	
Value	£192,000	£212,267	£266,667	
sqm	50	70	84	
£ per sqm	**£3,840**	**£3,032**	**£3,175**	

Source: HDH (April 2024)

4.53 This approach derives a value for private rent, under Build to Rent, of £3,600 per sqm or so for housing and £3,350 per sqm for flatted development.

Affordable Housing

4.54 A core output of this assessment is advice as to the level of the affordable housing requirement, so it is necessary to estimate the value of such housing. In this assessment it is assumed that affordable housing is constructed by the site developer and then sold to a Registered Provider (RP).

4.55 In the *Draft Local Plan Viability Study* (Aspinall Verdi, December 2020) affordable housing was assumed to have the following values:

- Affordable Rent at 45% of market values
- Shared Ownership at 75% of market values
- First Homes at 70% of market values

4.56 The values of affordable housing have been considered from first principles.

Social Rent

4.57 The value of social rented property is a factor of the rent – although the condition and demand for the units also have an impact. Social Rents are set through a national formula that smooths the differences between individual properties and ensures properties of a similar type pay a similar rent:

Table 4.14 General Needs (Social Rent)

Average weekly net rent (£ per week) by unit size for Swale - Large PRPs[39]			£ per week		
Unit Size	**Net rent**	**Social rent rate**	**Service charge**	**Gross rent**	**Unit count**
Non-self-contained	-	-	-	-	-
Bedsit	£81.64	£81.65	£6.06	£87.70	30
1 Bedroom	£88.52	£88.36	£9.86	£96.54	1,544
2 Bedroom	£102.28	£101.59	£6.64	£105.56	2,077
3 Bedroom	£113.83	£113.47	£4.60	£114.98	2,759
4 Bedroom	£128.84	£128.21	£5.06	£130.82	166
5 Bedroom	£137.78	£137.45	£9.99	£141.11	9
6+ Bedroom	£143.06	£148.75	£3.11	£144.10	3
All self-contained	£104.53	£104.10	£7.47	£108.01	6,588
All stock sizes	**£104.53**	**£104.10**	**£7.47**	**£108.01**	**6,588**
Owned stock. Large PRPs only - unweighted. Excludes Affordable Rent and intermediate rent, but includes other units with an exception under the Rent Policy Statement. Stock outside England is excluded.					

Source: Table 9, SDR 2023 – Data Tool

4.58 This study concerns only the value of newly built homes. There seems to be relatively little difference in the amounts paid by Registered Providers (RPs) for such units across the area. In this study, the value of Social Rents is assessed assuming 10% management costs, 4% voids and bad debts and 6% repairs. These are capitalised at 4.5%.

[39] PRPs are providers of social housing in England that are registered with RSH and are not Local Authorities. This is the definition of PRPs in the Housing and Regeneration Act 2008.

Table 4.15 Capitalisation of Social Rents

	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms
Rent (£/month)	£384	£443	£493	£558
Rent (£/annum)	£4,603	£5,319	£5,919	£6,700
Net Rent	£3,682	£4,255	£4,735	£5,360
Value	£81,832	£94,552	£105,230	£119,105
sqm	50	70	84	97
£ per sqm	**£1,637**	**£1,351**	**£1,253**	**£1,228**

Source: HDH (December 2023)

4.59 On this basis, a value of £1,300 per sqm across the study area is derived for Social Rent.

Affordable Rent

4.60 Under Affordable Rent, a rent of no more than 80% of the market rent for that unit can be charged. The value of the units is, in large part, the worth of the income that the completed let unit will produce. This is the amount an investor (or another RP) would pay for the completed unit. In estimating the likely level of Affordable Rent, a survey of market rents across the Borough has been undertaken and is presented under the Build to Rent heading above.

4.61 As part of the reforms to the social security system, housing benefit / local housing allowance is capped at the 3rd decile of open market rents for that property type, so in practice Affordable Rents are unlikely to be set above these levels. The cap is set by the Valuation Office Agency (VOA) by Broad Rental Market Area (BRMA). Where this is below the level of Affordable Rent at 80% of the median rent, it is assumed that the Affordable Rent is set at the LHA Cap. The majority of the Borough is within the Medway and Swale BRMA.

Table 4.16 BRMA LHA Caps (£/week)

	Canterbury BRMA	Maidstone BRMA	Medway & Swale BRMA
Shared Accommodation	£97.81	£102.37	£94.36
One Bedroom	£155.34	£172.60	£155.34
Two Bedrooms	£205.97	£208.27	£195.62
Three Bedrooms	£253.15	£276.16	£216.33
Four Bedrooms	£302.63	£356.71	£299.18

Source: VOA (April 2024)

4.62 These caps are somewhat higher than those put to the technical consultation, and are generally more than the Affordable Rents being charged as reported in the most recent HCA data release (although this data covers both newbuild and existing homes).

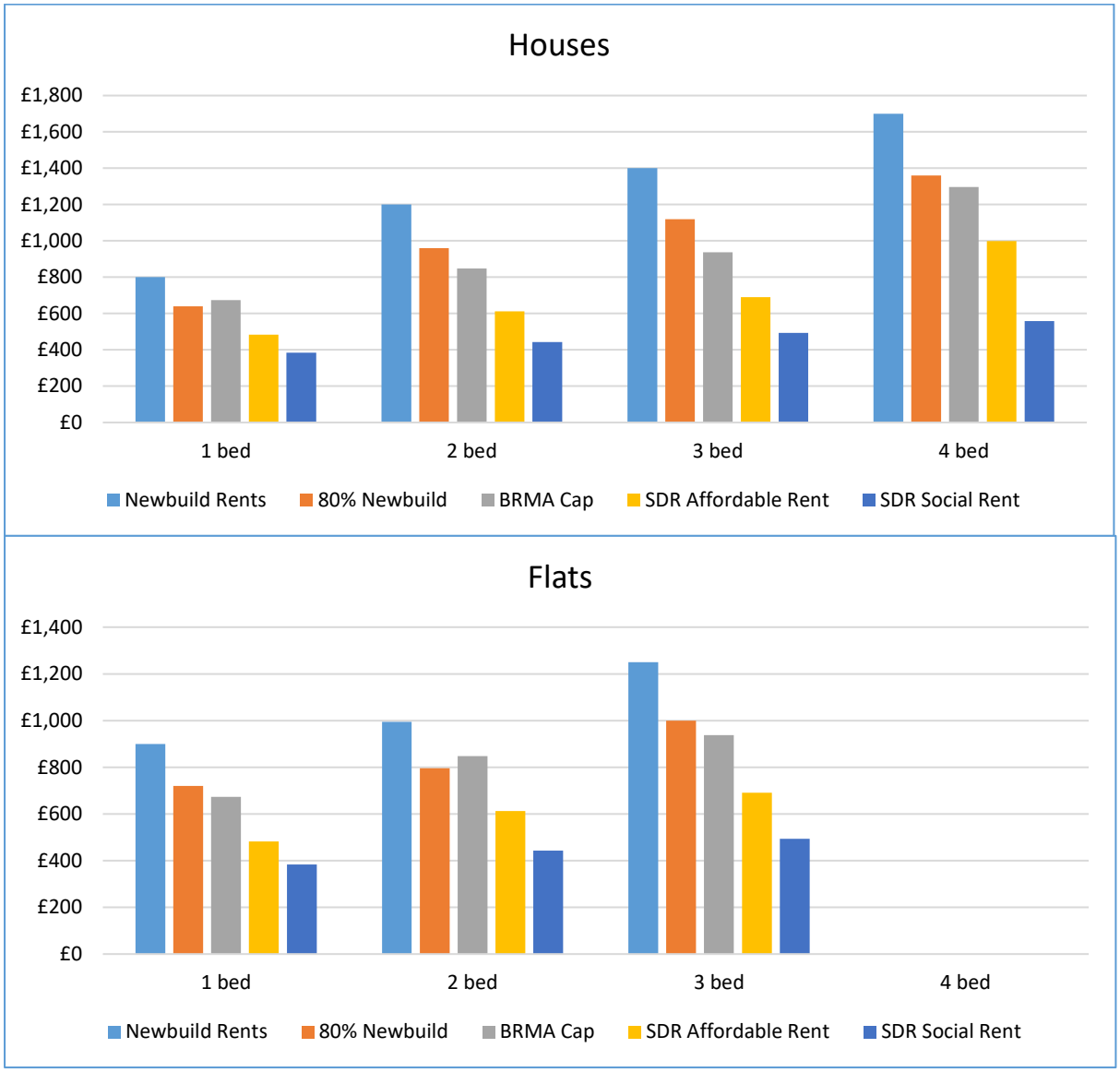
Table 4.17 Affordable Rent General Needs

Average weekly gross rent (£ per week) and unit counts by unit size for Swale	£ per week	
Unit Size	**Gross rent**	**Unit count**
Non-self-contained	-	-
Bedsit	£97.30	2
1 Bedroom	£111.40	206
2 Bedroom	£141.31	569
3 Bedroom	£159.34	504
4 Bedroom	£230.38	51
5 Bedroom	-	-
6+ Bedroom	-	-
All self-contained	£146.85	1,332
All stock sizes	**£146.85**	**1,332**
Owned stock. All PRPs owning Affordable Rent units - unweighted. Stock outside England is excluded.		

Source: Table11, SDR 2023 – Data Tool

4.63 The rents, across tenures, can be summarised as follows.

Figure 4.9 Rents by Tenure – £/Month



Source: Market Survey, SDR and VOA (April 2024)

4.64 Initially, in calculating the value of Affordable Rent, 10% management costs, 4% voids and bad debts and 6% repairs have been allowed for. The net rents have been capitalised to provide an income at 4.5%. It is assumed that the Affordable Rent is no more than the LHA cap. On this basis affordable rented property has the following worth.

Table 4.18 Capitalisation of Affordable Rents

	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms
Gross Rent (£/month)	£593	£748	£848	£1,197
Gross Rent (£/annum)	£7,120	£8,975	£10,172	£14,360
Net Rent	£5,696	£7,180	£8,138	£11,488
Value	£126,584	£159,559	£180,840	£255,295
sqm	50	70	84	97
£ per sqm	£2,532	£2,279	£2,153	**£2,632**

Source: HDH (February 2023)

4.65 Using this method to assess the value of affordable housing, under the Affordable Rent tenure, a value of £2,400 per sqm[40] is derived.

4.66 Through the technical consultation, a site promoter[41] suggested that this could be misleading and the value should be linked to the unit size. Whilst it is noted that the 1 and 4 bedroom units have higher values than the 2 and 3 bedroom units, this approach is considered proportionate in a high-level study of this type.

4.67 A regional developer[42] commented:

> *The values for rental values are not accurate.*
>
> *For example at Newington, on a blended scheme of 50% Affordable Rent : 50% Shared Ownership FH affordable homes values equated to £1,800 m2 as compared to the stated £2,400. At Lady Dane Farm, Faversham the best offer received on the basis of 50% Affordable Rent : 50% Shared Ownership equated to £1,772 m2.*
>
> *Shared ownership: FH's experience is that it is closer to 60-62% OMV. Experience as well is that 50% purchase at outset is far too high, and 25-30% is more accurate.*

4.68 The assumptions used in similar local studies have been reviewed.

[40] In this regard, through the technical consultation, a site promoter (David Morris for Foxchurch Land (a JV between Catesby Estates and Appin Land) re a potential Strategic Site at Bobbing) quired the calculation. Using the 2 bed unit as an example, Net Rent of £7,180 per year x 1 ÷ 4.5% (4.5% being the yield) = £159,559. £159,559 ÷ 70sqm (the size of the unit) = £,2,279 per sqm. £2,400 taken as an average across the units.

[41] David Morris for Foxchurch Land (a JV between Catesby Estates and Appin Land) re a potential Strategic Site at Bobbing.

[42] Steve Baughen of Fernham Homes re various sites.

Table 4.19 Neighbouring and Nearby Authority Affordable Housing Value Assumptions

	Affordable for Rent	Shared Ownership
Dartford Dixon Searle Feb-21	3 bed house @ £2,142/sqm, 3bed flat @ £2,344/sqm	65% OMV
Gravesham GVA Jan-16	30% to 40% OMV	Starter Homes @ 80% OMV
Medway HDH Planning Dec-21	Social rent	£1,400/sqm / 40% OMV
	Affordable rent	£2,350/sqm, 50% to 60% OMV
	Intermediate	70% OMV
Maidstone Aspinall Verdi Sep-21	Social / affordable rent	50% OMV
	Shared Ownership	70%
	First Homes	70%^
Ashford NCS Mar-23	Social rent	40% OMV
	Affordable rent	50% OMV
	Intermediate	60% OMV
Canterbury HDH Planning May-22	Social rent	£1,790/sqm
	Affordable rent	£2,500/sqm
	Intermediate	70% OMV
Dover HDH Planning Nov-20	Social rent	£1,270/sqm
	Affordable rent	£1,930/sqm
	Intermediate	70% OMV

Source: LPA Viability Assessments (most recently published – April 2024)

4.69 The assumptions used for Social Rent are between 35% and 40% of market value, and for Affordable Rent, the assumptions are between 60% and 65% of market value, so are broadly in line with assumptions used elsewhere.

Affordable Home Ownership

4.70 Affordable Home Ownership includes Shared Ownership and shared equity products[43] as well as First Homes. A value of 70% of open market value for these units has been assumed. These values were based on purchasers buying an initial 30% share of a property and a

[43] For the purpose of this assessment, it is assumed that the 'affordable home ownership' products, as referred to in paragraph 65 of the NPPF, fall into this definition,

2.5%[44] per annum rent payable on the equity retained. The rental income is capitalised at 4% having made a 5% management allowance.

4.71 Through the technical consultation an agent noted[45] '*a value of 70% of open market value has been assumed for affordable home ownership. We would argue that 55% of open market value is more realistic – this is on the basis of challenging market conditions which is seeing affordable housing providers offer lower values for sites*'. Wider feedback suggests that a value of 55% may be more appropriate for affordable housing for rent.

4.72 A regional developer[46] commented:

> *Shared ownership: FH's experience is that it is closer to 60-62% OMV. Experience as well is that 50% purchase at outset is far too high, and 25-30% is more accurate.*

4.73 As set out above, it is assumed that a 30% initial share is purchased, rather than 50%. The 70% assumption has been reviewed, based on varied sale portions. The following table shows 'typical' values for Shared Ownership housing at a range of proportions sold:

Table 4.20 Value of Shared Ownership Housing at 30% to 80% of Proportion Sold

Market Value			% Sold		Rent			Value		
m2	£/m2	£	%	£	%	£/year	£	£	£/m2	**% OMV**
95	3,900	370,500	30%	111,150	2.50%	6,484	153,989	265,139	2,791	**71.56%**
95	3,900	370,500	40%	148,200	2.50%	5,558	131,991	280,191	2,949	**75.63%**
95	3,900	370,500	50%	185,250	2.50%	4,631	109,992	295,242	3,108	**79.69%**
95	3,900	370,500	60%	222,300	2.50%	3,705	87,994	310,294	3,266	**83.75%**
95	3,900	370,500	70%	259,350	2.50%	2,779	65,995	325,345	3,425	**87.81%**
95	3,900	370,500	80%	296,400	2.50%	1,853	43,997	340,397	3,583	**91.88%**
95	3,500	332,500	30%	99,750	2.50%	5,819	138,195	237,945	2,505	**71.56%**
95	3,500	332,500	40%	133,000	2.50%	4,988	118,453	251,453	2,647	**75.63%**
95	3,500	332,500	50%	166,250	2.50%	4,156	98,711	264,961	2,789	**79.69%**
95	3,500	332,500	60%	199,500	2.50%	3,325	78,969	278,469	2,931	**83.75%**
95	3,500	332,500	70%	232,750	2.50%	2,494	59,227	291,977	3,073	**87.81%**
95	3,500	332,500	80%	266,000	2.50%	1,663	39,484	305,484	3,216	**91.88%**

Source: HDH (April 2024)

4.74 No change in made in this regard.

4.75 In relation to First Homes, a 30% discount and a £250,000 cap are assumed to apply. Greater levels of discount will be tested.

[44] A rent of up to 3% may be charged – although we understand that in this area 2.75% is more usual.

[45] Danielle Lawrence MRICS of DHA Planning.

[46] Steve Baughen of Fernham Homes re various sites.

Grant Funding

4.76 It is assumed that grant is not available for market housing schemes of the type assessed in this viability assessment. Funding may be available in exceptional circumstances, for example to facilitate regeneration infrastructure.

Older People's Housing

4.77 Housing for older people is generally a growing sector due to the demographic changes and the aging population. The sector brings forward two main types of product that are defined in paragraph 63-010-20190626 of the PPG:

> ***Retirement living or sheltered housing****: This usually consists of purpose-built flats or bungalows with limited communal facilities such as a lounge, laundry room and guest room. It does not generally provide care services, but provides some support to enable residents to live independently. This can include 24 hour on-site assistance (alarm) and a warden or house manager.*
>
> ***Extra care housing or housing-with-care:*** *This usually consists of purpose-built or adapted flats or bungalows with a medium to high level of care available if required, through an onsite care agency registered through the Care Quality Commission (CQC). Residents are able to live independently with 24 hour access to support services and staff, and meals are also available. There are often extensive communal areas, such as space to socialise or a wellbeing centre. In some cases, these developments are known as retirement communities or villages - the intention is for residents to benefit from varying levels of care as time progresses.*

4.78 HDH has received representations from the Retirement Housing Group (RHG)[47] a trade group representing private sector developers and operators of retirement, care and Extracare homes. Through the technical consultation it was noted[48] that this is currently being updated. The Guidance sets out a case that Sheltered Housing and Extracare Housing should be tested separately. The RHG representations assume the price of a 1 bed Sheltered unit is about 75% of the price of existing 3 bed semi-detached houses and a 2 bed Sheltered property is about equal to the price of an existing 3 bed semi-detached house. In addition, it assumes Extracare Housing is 14% more expensive than Sheltered Housing.

4.79 A typical price of a 3 bed semi-detached home has been taken as a starting point. On this basis it is assumed Sheltered and Extracare Housing has the following worth:

[47] COMMUNITY INFRASTRUCTURE LEVY (retirementhousinggroup.com)

[48] Natasha Styles of the Planning Bureau, for McCarthy Stone.

Table 4.21 Worth of Sheltered and Extracare

Sittingbourne			
	Area (sqm)	£	£/sqm
3 bed semi-detached		**325,000**	
1 bed Sheltered	52	243,750	4,688
2 bed Sheltered	72	325,000	4,514
1 bed Extracare	55	277,875	5,052
2 bed Extracare	75	370,500	4,940
Faversham			
3 bed semi-detached		**350,000**	
1 bed Sheltered	52	262,500	5,048
2 bed Sheltered	72	350,000	4,861
1 bed Extracare	55	299,250	5,441
2 bed Extracare	75	399,000	5,320

Source: HDH (December 2023)

4.80 A review of older people's schemes within the Borough and surrounding area has been undertaken, however few are being advertised at the time of this report. In February 2023 there was a small scheme of 9 local occupancy retirement bungalows at Orchard View at Lower Halstow. Two 2 bedroom units were being advertised at £425,000 (£5,986 per sqm) and at £415,000 (£5,390 per sqm). Several of these units were still being marketed in December 2023.

4.81 Based on the above, a value of £4,900 per sqm is assumed for Sheltered Housing and Extracare Housing. Extracare Housing is likely to have a higher value, however it has not been possible evidence this locally, so no differentiation has been made. No allowance is made for ground rents.

4.82 The value of units as affordable housing has also been considered. It has not been possible to find any directly comparable schemes where housing associations have purchased social units in a market-led Extracare development. Private sector developers have been consulted. They have indicated that, whilst they have never disposed of any units in this way, they would expect the value to be in line with other affordable housing – however they stressed that the buyer (be that the local authority or housing association) would need to undertake to meet the full service and care charges.

5. Non-Residential Market

5.1 This chapter sets out an assessment of the markets for non-residential property within the Swale Borough Council area, providing a basis for the assumptions of prices to be used in financial appraisals for the sites tested in the study. Previous assumptions have been referenced for information and sense checking purposes. There is no need to consider all types of development in all situations – and certainly no point in testing the types of scheme that are unlikely to come forward as planned development.

5.2 Across the Borough, market conditions broadly reflect a combination of national economic circumstances and local supply and demand factors. However, even within the area, there will be particular localities, and ultimately site-specific factors, that generate different values and costs.

National Overview

5.3 The various non-residential markets in Swale reflect national trends.

Occupier and investor demand still subdued although forward-looking sentiment improves marginally

- *Occupier and investor demand metrics remain downbeat away from the industrial sector*
- *The gap between prime and secondary office rental expectations continues to widen*
- *The largest share of respondents now feel the market has reached the bottom of the current cycle*

The Q4 2023 RICS UK Commercial Property Monitor results continue to portray a market struggling for momentum, even if most of the indicators tracked in the survey have improved slightly (or turned less negative) relative to the previous report. In keeping with this, although views remain

mixed, the largest share of respondents (33%) now sense the market has reached the bottom of the current cycle, which represents modest increase on the 24% who were of this opinion last quarter.

Occupier Market

The all-property aggregate measure of occupier demand posted a net balance reading of -7% in Q4. Although slightly less negative than figures of -12% and -10% seen in Q3 and Q2 respectively, the latest feedback remains consistent with a generally subdued trend in headline tenant demand. Looking at the sector breakdown, both the office and retail segments remain relatively weak, returning net balance readings of -12% and -18% (albeit these are a little less downcast than values of -19% and -25% seen beforehand). Meanwhile, industrial demand edged up according to a net balance of +6% of respondents (+3% last time). That said, the Q4 reading is still relatively soft compared to recent years.

Alongside this, space available for occupancy continued to increase with regards to both the office and retail sectors. At the same time, industrial vacancies held broadly steady this quarter. Nevertheless, the value of incentive packages on offer to tenants continued to rise right across the board, albeit this pick-up was more pronounced within the office and retail sectors and only modest for industrials.

Looking ahead, near-term rental growth expectations remain more or less flat at the all-sector level, posting a net balance of -2% in Q4 compared to a reading of -4% in Q3. Likewise, headline rental growth projections for the year ahead are also flat (net balance zero), albeit this

aggregate figure masks continued divergence across the various sub-sectors. Indeed, rents for Industrial space are still anticipated moving higher over the course of the next twelve months, with respondents' views largely unchanged from the previous results (net balance +48% for prime industrials and +14% for secondary).

Conversely, secondary retail rental expectations remain entrenched in negative territory, returning a net balance of -41% compared to a reading of -50% last time around. That said, the outlook for prime retail rents appears to have stabilised, with the twelve-month expectations net balance moving to -4% from a value of -13% previously. In fact, this reading marks the least negative view on prime retail rents since Q1 2018. In parallel with this, the office sector appears even more polarised, as rental expectations moved further into positive territory for prime space during Q4 (net balance +30% vs +21% in Q3), but remained firmly negative for secondary office rents (net balance -44%).

When looking at the regional results, the national picture is largely mirrored throughout most parts of the country. For London however, the prime office and retail markets stand out as exhibiting stronger rental expectations than the UK- wide averages (while secondary office space appears to be under even greater pressure across the capital).

Investment market

Overall investment demand remains relatively soft at present, evidenced by the all-property investment enquiries indicator posting a net balance reading of -19%. This is only marginally less negative than the figure of -21% in Q3, with the office and retail sectors continuing to weigh most heavily on the aggregate picture. Similarly, overseas investment enquiries also continue to slip, with all sectors seeing a decline (to a greater of lesser degree) in Q4.

On a slightly more encouraging note, the net balance for the credit conditions measure came in at -5% in Q4, marking a significant easing in negativity relative to readings of -44% and -75% seen in Q3 and Q2 respectively. As such, this represents the least negative reading going back to Q1 2022, while the prospect of a loosening in the lending climate has the potential to stimulate something of a recovery in investment activity as the year progresses.

With respect to capital values, only the prime industrial sector displays clearly positive expectations for the year to come, posting a net balance of +36% compared to last quarter's reading of +24%. On the same basis, respondents do foresee a modest uplift in prime office values (net balance +11%), although the outlook remains firmly negative for their secondary counterparts (net balance -46%). At the same time, secondary industrial and prime retail values are seen holding broadly steady over the next twelve months, while secondary retail units are expected to see further capital value declines.

By way of contrast, several of the more alternative sectors tracked display a positive assessment for capital value growth prospects over 2024. Leading the way, data centres, life sciences, aged care facilities and student housing all returned net balances in excess of +40% for capital value expectations, while multifamily residential expectations were not far behind at +39%. In each instance, twelve-month projections were upgraded from last quarter. At the other end of the spectrum, the outlook is only marginally positive for hotels, while leisure values are seen falling slightly.

RICS – Q4 2023: UK Commercial Property Market Survey[49]

Swale Non-Residential Market

5.4 As with the housing market, the various non-residential markets in Swale reflect national trends, but there are local factors that underpin the market. To some extent, the Swale is an

[49] Accessed at: Global Commercial Property Monitors (rics.org)

in-between place, being between Canterbury and the settlements to the west, including Maidstone. The non-residential market is described in detail in the SBC Employment Land Review Update (Stantec, October 2023) (ELR) so that detail is not repeated here.

a. Historically, Sittingbourne was an industrial town that was based on the brick industry and chalk quarrying, both of which were assisted by the access to the Thames Estuary. The various waterside based industries, such as barge building, developed along the Swale (the waterway between the mainland and the Isle of Sheppey). This area also developed a significant paper manufacturing industry.

b. Overall, Swale has strong road transportation links east/west along the M2 and A2 and has rail services between London and Canterbury/the coast including High Speed services. The North/South links via A249 and A251 are weaker.

c. Whilst having direct access to the M2, the Borough has not become a focus for larger scale logistics and industrial uses seen elsewhere on the motorway network, such as those seen a little closer to London to the west.

d. On the whole, the businesses based in the Borough are either based here for historical reasons, have grown here, and / or serve the local markets. The Borough has not been a destination for expanding business from elsewhere.

5.5 This assessment of viability is concerned with new property that is likely to be purpose built. There is little evidence of a significant variance in price for newer premises more suited to modern business, although very local factors (such as the access to transport network) are important.

5.6 Various sources of market information have been analysed, the principal sources being the local agents/auctioneers, research published by national agents, and through the Estates Gazette's Property Link website (a commercial equivalent to Rightmove and Zoopla). In addition, information from CoStar (a property industry intelligence subscription service) has been used. Clearly much of this commercial space is 'second-hand' and not of the configuration, type and condition of new space that may come forward in the future, so is likely to command a lower rent than new property in a convenient well accessed location with car parking and that is well suited to the modern business environment.

5.7 **Appendix 8** includes up-to-date market data collected (in February 2023) for the above-mentioned sectors and summarised in the pages that follow.

Offices

5.8 The Swale office market is described in the 2023 ELR:

> *The Swale office market remains small even in the context of Kent, which itself has a comparatively small office market. The largest occupiers found in Swale are either the public sector or occupiers located here for historic reasons.*
>
> *4.71 As identified in the previous study and remains the case, demand for office space across the Borough is from a range of sectors with no one sector, nor location driving demand. The Borough still does not attract footloose regional or national requirements. Demand for office*

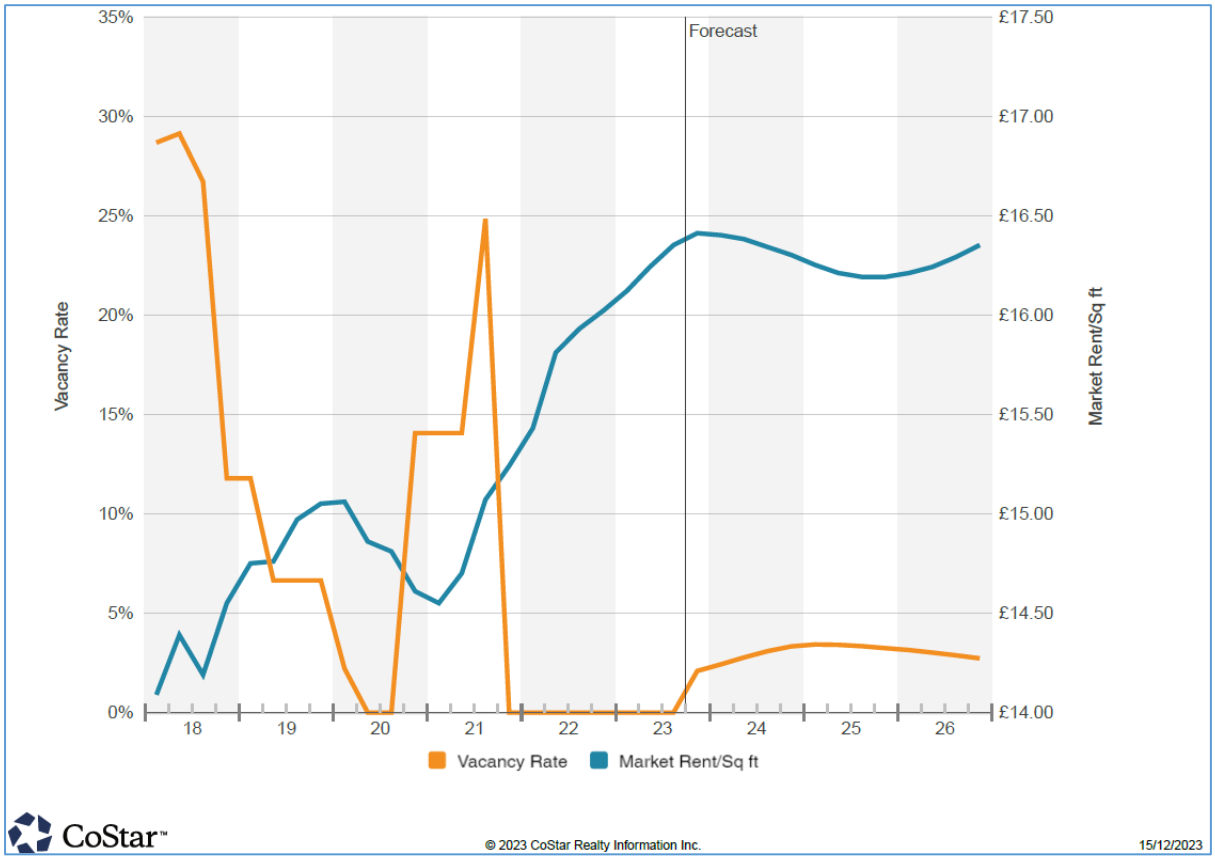
space in the Borough is on a small scale and tends to be from businesses already located in Swale and serving local markets.

4.76 ... The majority of space currently available is in Sittingbourne with the balance of space in the rural areas. The space is secondary, with the better quality space being the Creative Community Hub, Sittingbourne. In addition, we see industrial space at Prospect Court being advertised as office space, despite its more industrial nature.

5.9 The Borough has a low supply of office stock, with the majority of the accommodation found in Sittingbourne, Faversham and Sheerness, and at the Kent Science Park (to the south of Sittingbourne) which provides high quality office/R&D space.

5.10 CoStar data shows an increase in rents in the office sector over the last five years, albeit one with a dip during the COVID-19.

Figure 5.1 Offices - Vacancy Rates v Rent (£/sqft)



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5.11 The 2023 ELR reported in relation to rents:

The previous assessment identified that rents for good quality second- hand space ranged between £172 -£183 psm (£16.00 – £17.00 psf), and this was achieved at Conqueror Court. Elsewhere, agents reported that rents were £65 -£129 psm (£6.00 -£12.00 psf). The rents were below what was required to stimulate viable development, which at the time would need to be over £215 psm (£20.00 psf), on the basis of a pre-let on institutional lease terms to a blue-chip covenant. To enable speculative development rents would have had to have been £323 psm (£30 psf), but rents are far below this because the occupier market is weak. The Draft Local

Plan Viability Study (Aspinall Verdi, December 2020) based the analysis of the office market an appropriate a rent of £18psf and a yield of 8.00%.

5.12 CoStar reports a very broad range of rents from about £50 per sqm per year to over £320 per sqm per year, having said this, most of these are either older buildings or mixed use. Overall, the average is about £205 per sqm per year.

5.13 In February 2023 and December 2023 very few high quality modern offices were being advertised for let. EGI is showing asking rents of £225 per sqm per year or so for high quality small offices in rural conversions. Quinn Estates / Savills are advertising new offices space at Bourne Place (Central Sittingbourne) with a guide rent of about £250 per sqm per year (plus a service charge of about £17 per sqm per year), although incentives are available. There are examples above this range, however these tend to be for shorter terms or flexible occupancy. New purpose-built development is likely to achieve a rent of £215 per sqm per year or so.

5.14 CoStar is not reporting any yield data, however, based on wider experience, a figure of 7% for smaller offices and 6.5% in the business park situation would be anticipated.

5.15 On this basis new office development would have a value of £2,900 per sqm for smaller offices, more likely to be in central locations, and £3,100 per sqm in the office park situation (having allowed for a rent free / void period of 1 year).

Industrial and Distribution

5.16 The Swale industrial market is described in the 2023 ELR:

4.13 The previous study stated that Swale has traditionally been considered more affordable compared to Medway and Maidstone, but in the years immediately before that study, the Borough's supply had reduced resulting in rents increasing in line with the surrounding areas. Therefore, the Borough was losing its competitive advantage of being more affordable than surrounding areas.

4.14 Vacancy rates were low across the Borough, and despite new sites being developed, this new space was not considered sufficient to fulfil demand throughout the plan period. The 2018 ELR recommended that new sites needed to be allocated to accommodate growth and help maintain the Borough's competitive advantage.

4.37 The previous assessment explained that rents at the most recent development of Phase 4 of Eurolink were £78 psm (£7.25 psf), with older phases seeing rents between £70 -£75 psm (£6.50 -£7.00 psf). At Glenmore Business Park and Precision Park micro units of between 93 – 186 sq m (1,000 – 2,000 sq ft) were achieving rents of between £97 -£108 psm (£9.00 – 10.00 psf). Rents in Sheerness/Queenborough were between £32 -£54 psm (£3.00 -£5.00 psf)….

4.39 At the time of the previous assessment, the only yield evidence was around Sittingbourne, with the report stating a yield of 6.5%. CoStar evidence shows that yields have fallen, although the only evidence is portfolio sales, rather than individual properties…

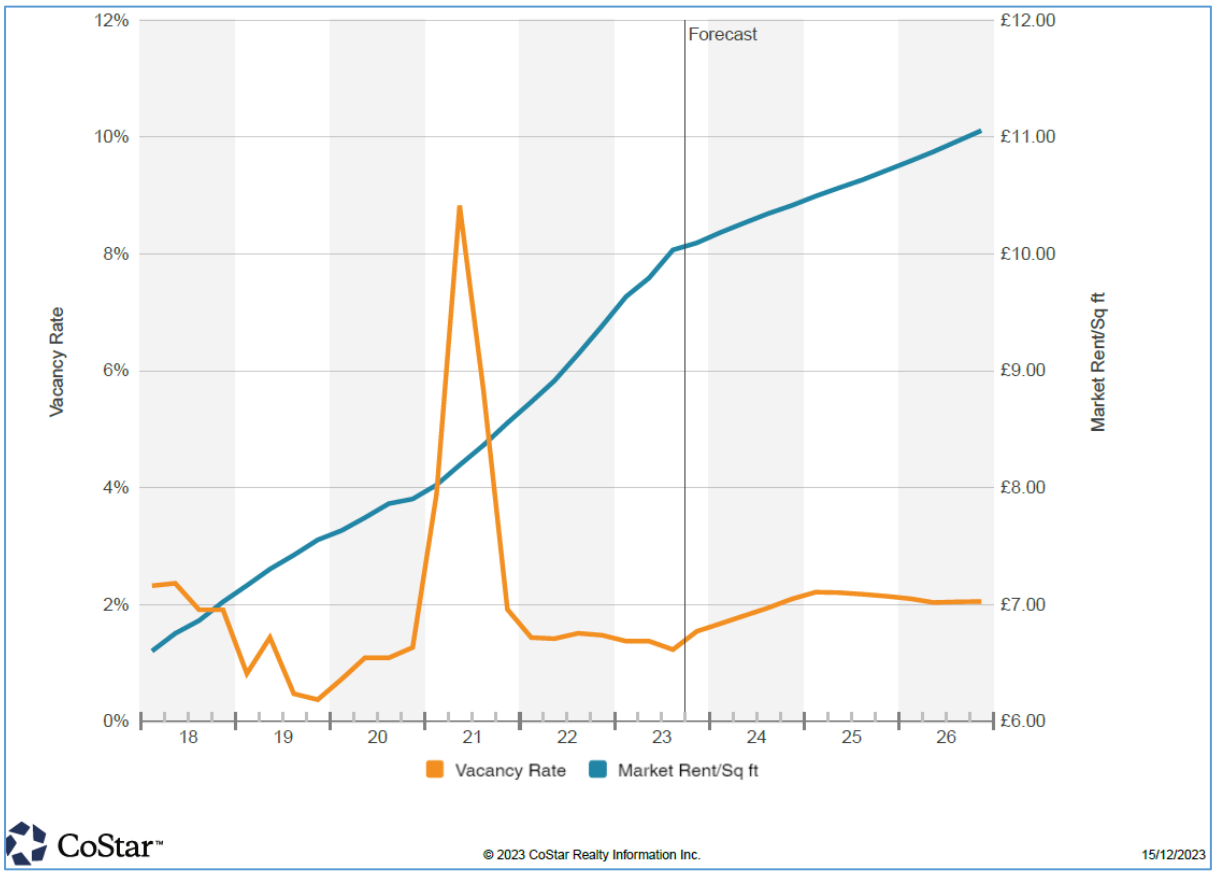
4.40 We see at the above rents it is sufficient to maintain and refurbish existing stock and the higher rents combined with the yields are sufficient to stimulate speculative development.

4.41 With regards to capital values, the previous report stated that around Faversham these were £1,345 psm (£125 psf) and between £1,500 -£1,615 psm (£140 -£150 psf) in Sittingbourne. As we see from the CoStar evidence below capital values have not changed:

5.17 The Borough has two principal areas of industrial and / or distribution development. These are in Sittingbourne. The Eurolink area which has been developed since the 1970s and lies to the east of Milton Creek, and the Trinity Trading Estate to the West of the Milton Creek. There are numerous other locations including to the north of Faversham, the development associated with the Sheerness Docks and elsewhere.

5.18 This sector of the market has seen a notable change over the last few years with a significant growth in logistics following the pandemic, although this has 'cooled' with the increased costs of borrowing. CoStar data also shows an increase in levels of vacancy rates and a steady increase in rents over the last five years. Informal soundings from agents suggest that vacancy rates have not increased significantly:

Figure 5.2 Industrial - Vacancy Rates v Rent (£/sqft)



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5.19 The *Draft Local Plan Viability Study* (Aspinall Verdi, December 2020) based the analysis of the industrial market was based on the following assumptions.

- Industrial units 200 sqm (2,153 sqft)
  - Rent £108 psm (£10.00 psf)
  - Yield 7.50%
- Industrial/distribution units 1,000 sqm (10,764 sqft)
  - Rent £97 psm (£9.00 psf)

- Yield 7.00%
- Industrial/distribution units 5,000 sqm (53,820 sqft)
  - Rent £75 psm (£7.00 psf)
  - Yield 6.50%
- Strategic Distribution 15,000 sqm (161,460 sqft)
  - Rent £81 psm (£7.50 psf)
  - Yield 5.50%

5.20 There are several significant distribution centres in the Borough, including (amongst others):

a. Morrison distribution unit at Ridham/ Kemsley – c. 900,000 sq ft over two units

b. Aldi distribution unit at Neatscourt, Isle of Sheppey – c. 672,000 sq ft

c. Gist distribution unit at Faversham town centre – c. 107,000 sq ft

5.21 CoStar reports a very broad range of rents from about £45 per sqm per year to about £200 per sqm per year, however, as with offices above, many of these are older buildings. Overall, the average is about £100 per sqm per year.

5.22 EGI is showing asking rents of £165 per sqm per year or so for high quality small units[50] and £130 per sqm per year for larger units[51]. There are examples above this range, however these tend to be for mixed use buildings. New larger, purpose-built development is likely to achieve a rent of £130 per sqm per year or so.

5.23 CoStar has very limited data on yields. Based on wider experience, a figure of 7% for smaller units and 5.5% in the business park situation would be expected.

5.24 On this basis, new industrial development would have a value of £2,200 per sqm for smaller industrial units, and £2,250 per sqm in the industrial park situation (having allowed for a rent free / void period of 1 year).

5.25 Very large units have been considered in more detail. The market is a national market so wider data has been drawn on.

a. Savills, in *Big Shed Briefing* (Savills, January 2024), reports rents of £9.50 per sqft to £35.00 per sqft in London and the South East. Prime investment yields, on a national basis, of about 5.2% for Industrial Distribution and Industrial Multi-let units is given.

b. CBRE, in *UK Logistics Market Summary Q4 2023* (CBRE, February 2024) reports prime 'Big Box' rent in the South East of £27.50 per sqft pa and a 5.25%.

[50] For example Unit A1 Smeed Dean Centre (Petchey Holdings).

[51] For example 5 Dolphin Park, Cremers Road, Eurolink

c. Knight Frank, in *LOGIG: London & South East,2023 Review* (Knight Frank 2023), reports prime rents of £27.50 per sqft and yields of 5.25%.

5.26 On this basis, new large logistics buildings (having allowed for a rent free / void period of 12 months) are assumed to have a value of £4,880 per sqm.

Appraisal Assumptions

5.27 The following assumptions were presented as part of the technical consultation with local stakeholders:

Table 5.1 Commercial Value Assumptions. £ per sqm

	Rent £/m2	Yield	Rent free period	Value	Assumption
Offices Central	£215	7.00%	1.0	£2,870	£2,900
Offices Park	£215	6.50%	1.0	£3,106	£3,100
Industrial	£130	5.50%	1.0	£2,240	£2,250
Smaller Industrial	£165	7.00%	1.0	£2,203	£2,200
Logistics	£270	5.25%	1.0	£4,886	£4,880

Source: HDH (April 2024)

5.28 In this regard, through the technical consultation, a site promoter[52] suggested that 'a reasonable assumption of values for non-commercial uses'. They went on to say that it is important that the Local Plan includes an element of flexibility in setting developer contributions when such uses are proposed. In particular, this applies to logistics that has seen a recent 'realignment' recently.

5.29 A landowner[53] commented as follows:

> *For larger strategic developments with commercial (principally local retail and small office) uses, there is a long lead-in period while these uses become financially viable. We would expect long letting periods at the start which need to be reflected in the Borough-wide viability assessment for larger developments. Investment yields are also likely to be higher for the same reason.*

5.30 No alternative suggestions were made and no supporting information submitted. The above assumptions are carried into this iteration of this assessment.

[52] David Morris for Foxchurch Land (a JV between Catesby Estates and Appin Land) re a potential Strategic Site at Bobbing.

[53] Richard Ashdown of ULL Property for the Duchy of Cornwall.

6. Land Values

6.1 Chapters 2 and 3 set out the background to, and the methodology used, in this study to assess viability. An important element of the assessment is the value of the land. Under the method set out in the updated PPG and recommended in the Harman Guidance, the worth of the land before consideration of any increase in value, from a use that may be permitted through a planning consent, is the Existing Use Value (EUV). This is used as the starting point for the assessment.

6.2 In this chapter, the values of different types of land are considered. The value of land relates closely to its use, and will range considerably from site to site. As this is a high-level study, the three main uses, being agricultural, residential and industrial, have been researched. The amount of uplift that may be required to ensure that land will come forward and be released for development has then been considered.

6.3 In this context it is important to note that the PPG says (at 10-016-20180724) that *the 'Plan makers should establish a reasonable premium to the landowner for the purpose of assessing the viability of their plan. This will be an iterative process informed by professional judgement and must be based upon the best available evidence informed by cross sector collaboration. For any viability assessment data sources to inform the establishment the landowner premium should include market evidence and can include benchmark land values from other viability assessments*'. It is therefore necessary to consider the EUV as a starting point.

6.4 In the *Draft Local Plan Viability Study* (Aspinall Verdi, December 2020), the following Threshold Land Value assumptions were used:

> *6.24 Greenfield land values in the higher value zone is based on £100,000 per gross acre (£247,100 per gross hectare). These values represent between 16 and 9 times an existing use value of between £6,204 and £11,090 per gross acre (£15,330 and £27,404 per gross hectare). When compared to sites over 30 hectares, the value represents between 14 and 13 times an existing use value of between £6,722 and £7,632 per gross acre (£16,611 and £18,858 per gross hectare). As outlined in Table 6-12.*
>
> *6.25 Brownfield land values are based on £400,000 per gross acre (£988,400 per gross hectare) benchmark land value, inclusive of a 10% landowner premium.*

Existing Use Values

6.5 To assess development viability, it is necessary to analyse Existing Use Values. EUV refers to the value of the land in its current use before planning consent is granted, for example, as agricultural land. AUV refers to any other potential use for the site, for example, a brownfield site may have an alternative use as industrial land.

6.6 The updated PPG includes a definition of land value as follows:

> *How should land value be defined for the purpose of viability assessment?*
>
> *To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the*

landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements. This approach is often called 'existing use value plus' (EUV+).

In order to establish benchmark land value, plan makers, landowners, developers, infrastructure and affordable housing providers should engage and provide evidence to inform this iterative and collaborative process.

PPG: 10-013-20190509

What is meant by existing use value in viability assessment?

Existing use value (EUV) is the first component of calculating benchmark land value. EUV is the value of the land in its existing use. Existing use value is not the price paid and should disregard hope value. Existing use values will vary depending on the type of site and development types. EUV can be established in collaboration between plan makers, developers and landowners by assessing the value of the specific site or type of site using published sources of information such as agricultural or industrial land values, or if appropriate capitalised rental levels at an appropriate yield (excluding any hope value for development).

Sources of data can include (but are not limited to): land registry records of transactions; real estate licensed software packages; real estate market reports; real estate research; estate agent websites; property auction results; valuation office agency data; public sector estate/property teams' locally held evidence.

PPG: 10-015-20190509

6.7 The land value should reflect emerging policy requirements and planning obligations. The value of the land for a particular typology (or site) needs to be compared with the EUV. If the Residual Value does not exceed the EUV, plus the Landowner's Premium, then the development is not viable; if there is a surplus (i.e. profit) over and above the 'normal' developer's profit/return having paid for the land, then there is scope to make developer contributions. For the purpose of the present study, it is necessary to take a comparatively simplistic approach to determining the EUV. In practice, a wide range of considerations could influence the precise value that should apply in each case, and at the end of extensive analysis, the outcome might still be contentious.

6.8 The 'model' approach is outlined below:

i. For sites in agricultural use, then agricultural land represents the EUV. It is assumed that greenfield sites of 0.5ha or more fall into this category.
ii. For paddock and land on the urban fringe, a 'paddock' value is adopted. This is assumed for greenfield sites of less than 0.5ha.
iii. Where the development is on brownfield land or previously developed land (PDL), industrial values have been assumed.

Residential Land

6.9 In August 2020, MHCLG published *Land value estimates for policy appraisal 2019*[54]. This was prepared by the Valuation Office Agency (VOA) and sets out land values at April 2019. The Swale figure is £3,280,000/ha[55]. This figure assumes nil affordable housing. As stressed in the paper, this is a hypothetical situation and '*the figures on this basis, therefore, may be significantly higher than could be reasonably obtained in the actual market*'.

6.10 There are few large development sites being marketed in the area however there are a number of small sites being marketed in the area at the time of this study.

[54] https://www.gov.uk/government/publications/land-value-estimates-for-policy-appraisal-2019

[55] The VOA assumed as follows:

- Any liability for the Community Infrastructure Levy (CIL), even where it was planning policy as at 1 April 2019, has been excluded.
- It has been assumed that full planning consent is already in place; that no grants are available and that no major allowances need to be made for other s106/s278 costs.
- The figures provided are appropriate to a single, hypothetical site and should not be taken as appropriate for all sites in the locality.
- In a small number of cases schemes do not produce a positive land value in the Model. A 'floor value' of £370,000 (outside London) has been adopted to represent a figure at less than which it is unlikely (although possible in some cases) that 1 hectare of land would be released for residential development.
- This has been taken on a national basis and clearly there will be instances where the figure in a particular locality will differ based on supply and demand, values in the area, potential alternative uses etc. and other factors in that area.
- Each site is 1 hectare in area, of regular shape, with services provided up to the boundary, without contamination or abnormal development costs, not in an underground mining area, with road frontage, without risk of flooding, with planning permission granted and that no grant funding is available.
- The site will have a net developable area equal to 80% of the gross area (excluding London).
- For those local authorities outside London, the hypothetical scheme is for a development of 35, two storey, 2/3/4 bed dwellings with a total floor area of 3,150 square metres.
- For those local authorities in London, the hypothetical scheme varies by local authority area and reflects the type/scale of development expected in that locality. The attached schedules provide details of gross/net floor areas together with number of units and habitable rooms.

These densities are taken as reasonable in the context of this exercise and with a view to a consistent national assumption. However, individual schemes in many localities are likely to differ from this and different densities will impact on values achievable.

Table 6.1 Small Development Sites – Asking Prices

			Units	Ha	Asking Price	£/unit	£/ha	
Feb-23 & Dec-23	The Square,	Sittingbourne	28.00	0.41	£1,550,000	£55,357	£3,823,384	Planning submitted for 28 flats and retail. Conversion of Kemsley Arms pub.
Feb-23 & Dec-23	East Street	Sittingbourne	8.00	0.08	£650,000	£81,250	£8,125,000	Planning for 8 flats and small pub. Reduced from £695k in February 23.
Feb-23	Newbridge Avenue	Sittingbourne	1.00	0.02	£80,000	£80,000	£4,000,000	2 bed house subject to planning.
Feb-23	Station Road	Faversahm	32.00	0.59	£2,000,000	£62,500	£3,389,831	Historic railway sheds for conversion.
Feb-23	St Catherine's Drive	Faversahm	1.00	0.09	£125,000	£125,000	£1,388,889	Plot subject to planning.
Feb-23	Warden Road	Isle of Sheppey		3.23	£400,000		£123,839	8 acres with 5 touring caravan pitches.
Dec-23	Swanstree Avenue	Sittingbourne	135.00	5.90	£9,000,000	£66,667	£1,525,424	Market Garden with consent. 30% affordable.
Dec-23	Bartletts Close	Halfway	16.00	0.55	£1,300,000	£81,250	£2,363,636	Consent for 16. Mix of terrace, semi and detached.
Dec-23	Highfield Road	Minster On Sea	16.00	1.47	£900,000	£56,250	£612,245	Consent for 16 1&2 bed bungalows.
Dec-23	Wards Hill Road	Minster On Sea	2.00	0.15	£300,000	£150,000	£2,047,782	Consent to replace existing bungalow with pair of semi-detached.

Source: Market Survey (February 2023 & December 2023)

6.11 Informal discussions with agents suggest that there is strong demand for smaller plots across the market, from large ‘grand designs’ projects to modest singe plot sites. It was suggested

that 'oven ready' plots were likely to achieve at least £125,000, and probably significantly more.

6.12 Recent transactions based on planning consents over the last few years and price paid information from the Land Registry have been researched and are set out in **Appendix 9.** The data is summarised in the following table, the amount of affordable housing in the scheme is shown, being the key indicator of policy compliance (as required by the PPG). Only the sites for which the data is available are presented here, all sites are included in **Appendix 9**.

Table 6.2 Price Paid for Consented Development Land

Address	Proposal	Units	Ha	Aff %	Price £/ha	Price £/unit
Land West of Crown Quay Lane (N/E Corner only for 98 dwellings)	405 dwellings	353	10.68	10%	£936,330	£28,329
Parcel G, Land at Harps Farm	Res Matts for 171 dwellings	171	4.31	0%	£1,578,654	£39,789
Adj Quinton Farmhouse, Quinton Road	155 dwellings (amended layout to 18/500257).	155	7.95	10%	£864,780	£44,355
Land at Station Road	Dem of 56 & 58 Station Road and erect 130 dwellings	130	4.4	40%	£972,442	£32,913
Ospringe Brickworks (Northern area) Sumpter Way	Res Matts for 127 dwellings	127	3.25	30%	£1,576,923	£40,354
Land at Southsea Avenue	72 dwellings	72	2.55	0%	£410,431	£14,536
East of Ham Road	Res Matts for 26 dwellings & 9 flats	35	1.57	100%	£1,210,191	£54,286
Land at Belgrave Road, Halfway	153 dwellings	153	5.31	10%	£941,620	£32,680
The Slips, Scocles Road	REM for 62 dwellings	62	2.778	100%	£919,726	£41,210
Brogdale Place, Brogdale Road	R/M for 63 dwells	63	3.5	30%	£2,207,143	£122,619
Mill and Wharf Sites, Milton Rd/Mill Way/Charlotte St	Res Matts s/s 11/0159 for 150 dwellings	150	2.51	3%	£1,673,307	£28,000
99 High Street and land to the North	124 new dwellings	124	7.25	30%	£674,483	£39,435
Land at Lady Dane Farm, Love Lane	Approval of reserved matters for 196 proposed dwellings	196	10.7	30%	£1,094,211	£59,735
Land north of Graveney Road	72 houses and 33 flats	105	2.95	16%	£1,459,715	£41,011

Source: SBC and Land Registry (February 2023

6.13 These values are on a whole site basis (gross area). The average is about £1,175,000/ha (£44,000/unit) however this includes some notable outliers (including some with no affordable housing).

6.14 In considering the above, the PPG 10-014-20190509 says:

> *Viability assessments should be undertaken using benchmark land values derived in accordance with this guidance. Existing use value should be informed by market evidence of current uses, costs and values. Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value. There may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.*
>
> *This evidence should be based on developments which are fully compliant with emerging or up to date plan policies, including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.*
>
> *In plan making, the landowner premium should be tested and balanced against emerging policies. In decision making, the cost implications of all relevant policy requirements, including planning obligations and, where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.*

6.15 The price paid is the maximum the landowner could achieve. The landowner is unlikely to suggest a buyer may be paying an unrealistic amount. The BLV is not the price paid (nor the average of prices paid).

6.16 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. In the case of non-residential uses, a similar approach is to that taken for residential land except in cases where there is no change of use. Where industrial land is being developed for industrial purposes, a BLV of the value of industrial land is assumed.

Previously Developed Land

6.17 *Land value estimates for policy appraisal* provides the following values, although it is important to note that neither Redbridge nor Bexley are very similar to Swale:

Table 6.3 Employment Land Values – Swale (£/ha)		
Industrial Land		£1,100,000
Commercial Land: Office Edge of City Centre	Redbridge	£2,470,000
	Bexley	£2,470,000
Commercial Land: Office Out of Town – Business Park	Redbridge	£4,500,000
	Bexley	£4,250,000

Source: Land value estimates for policy appraisal (MHCLG, August 2020)

6.18 CoStar (a property market data service) includes details of industrial land. These are summarised in **Appendix 10**, although the sample size is limited. This limited evidence aligns with that set out in the above table.

6.19 A figure of £1,100,000/ha is assumed for industrial land across the area.

Agricultural and Paddocks

6.20 *Land value estimates for policy appraisal* (MHCLG, August 2020) provides a value figure for agricultural land in the area of £25,000/ha. This assumption has been checked:

a. Savills' *The Farmland Market*[56] reports a figure of £8,390 per acre (£20,731 per ha) for the South East.

b. Strutt and Parker's *English Estates & Farmland Market Review Autumn 2023*[57] suggests a value of £10,900 per acre (£26,900 per ha) for arable land and £8,000 per acre (£19,800 per ha) for pasture.

c. Knight Fank's *Farmland Index Q3 2023*[58] suggests average values of £22,118 per ha.

d. Carter Jonas' *Farmland Market Update*[59] reports, for the South East, average values £10,750 per acre (£26,560 per ha) for arable land, £9,000 per acre (£22,240 per ha) for pasture land, and £22,000 per acre (£54,360 per ha) for lifestyle land.

6.21 For agricultural land, a value of £25,000 per ha is assumed to apply here.

6.22 Sites on the edge of a town or village may be used for an agricultural or grazing use but have a value over and above that of agricultural land due to their amenity use. They are attractive to neighbouring households for pony paddocks or simply to own to provide some protection and privacy. A higher value of £50,000/ha is used for sites of up to 0.5ha on the edge of the built-up area.

6.23 Through the technical consultation, a regional developer[60] suggested a paddock value of £74,000 per ha '*based on extensive work, including that undertaken by a regional/national consultant to inform FH land purchases*'. This is agreed.

Existing Use Value Assumptions

6.24 In this assessment the following Existing Use Value (EUV) assumptions are used. These are applied to the gross site area.

[56] spotlight---the-farmland-market-2022.pdf (savills.co.uk)

[57] English Estates & Farmland Market Review | Autumn 2023 - Strutt & Parker (struttandparker.com)

[58] English Farmland Index - Q3 2023 | Knight Frank Research

[59] Farmland market update | Q3 2023 (carterjonas.co.uk)

[60] Steve Baughen of Fernham Homes re various sites.

Table 6.4 Existing Use Value Land Prices - 2023

PDL	£1,100,000/ha
Agricultural	£25,000/ha
Paddock	£74,000/ha

Source: HDH (April 2024)

Benchmark Land Values

6.25 The setting of the Benchmark Land Values (BLV) is one of the more challenging parts of a plan-wide viability assessment. The updated PPG makes specific reference to BLV, so it is necessary to address this. As set out in Chapter 2 above, the updated PPG says:

> *Benchmark land value should:*
>
> - *be based upon existing use value*
> - *allow for a premium to landowners (including equity resulting from those building their own homes)*
> - *reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and*
>
> *Viability assessments should be undertaken using benchmark land values derived in accordance with this guidance. Existing use value should be informed by market evidence of current uses, costs and values. Market evidence can also be used as a cross-check of benchmark land value but should not be used in place of benchmark land value. There may be a divergence between benchmark land values and market evidence; and plan makers should be aware that this could be due to different assumptions and methodologies used by individual developers, site promoters and landowners.*
>
> *This evidence should be based on developments which are fully compliant with emerging or up to date plan policies, including affordable housing requirements at the relevant levels set out in the plan. Where this evidence is not available plan makers and applicants should identify and evidence any adjustments to reflect the cost of policy compliance. This is so that historic benchmark land values of non-policy compliant developments are not used to inflate values over time.*
>
> *In plan making, the landowner premium should be tested and balanced against emerging policies. In decision making, the cost implications of all relevant policy requirements, including planning obligations and, where relevant, any Community Infrastructure Levy (CIL) charge should be taken into account.*
>
> *Where viability assessment is used to inform decision making under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan. Local authorities can request data on the price paid for land (or the price expected to be paid through an option agreement).*
>
> *PPG 10-014-20190509*

6.26 With regard to the landowner's premium, the PPG says:

> *How should the premium to the landowner be defined for viability assessment?*
>
> *The premium (or the 'plus' in EUV+) is the second component of benchmark land value. It is the amount above existing use value (EUV) that goes to the landowner. The premium should provide a reasonable incentive for a land owner to bring forward land for development while allowing a sufficient contribution to comply with policy requirements.*
>
> *Plan makers should establish a reasonable premium to the landowner for the purpose of assessing the viability of their plan. This will be an iterative process informed by professional*

> *judgement and must be based upon the best available evidence informed by cross sector collaboration. Market evidence can include benchmark land values from other viability assessments. Land transactions can be used but only as a cross check to the other evidence. Any data used should reasonably identify any adjustments necessary to reflect the cost of policy compliance (including for affordable housing), or differences in the quality of land, site scale, market performance of different building use types and reasonable expectations of local landowners. Policy compliance means that the development complies fully with up to date plan policies including any policy requirements for contributions towards affordable housing requirements at the relevant levels set out in the plan. A decision maker can give appropriate weight to emerging policies. Local authorities can request data on the price paid for land (or the price expected to be paid through an option or promotion agreement).*
>
> *PPG 10-016-20190509*

6.27 In this pre-consultation iteration of this viability assessment, the following Benchmark Land Value assumptions are used (these are applied on a gross site area):

a.	Brownfield/Urban Sites:	EUV Plus 20%.	
b.	Greenfield Sites:	Generally	EUV Plus £350,000/ha.
		Strategic Sites	EUV x 10

6.28 In this regard, through the technical consultation, a site promoter[61] confirmed that 'these seem reasonable for greenfield sites, representing 15 times EUV for agricultural land'.

6.29 Likewise an agent noted[62]:

> *Table 6.4 of the report refers to agricultural land as having an existing use value of £25,000/ha and paddocks £50,000/ha. Paragraph 6.26 then assumes for greenfield sites an EUV+ of £350,000/ha which based on table 6.4, would suggest that a premium of 14. Whilst we do not dispute this approach, we would highlight that Planning Practice Guidance does not indicate what the uplift should be, and this will vary according to site specific and policy circumstances.*

6.30 Alternatively, a regional developer[63] commented that *'experience is that strategic site BLVs will be similar to general greenfield sites: EUV +£350k*'. No supporting evidence was submitted, and no alternative suggestions made.

6.31 The assumptions used in other nearby authorities are as follows:

[61] David Morris for Foxchurch Land (a JV between Catesby Estates and Appin Land) re a potential Strategic Site at Bobbing.

[62] Danielle Lawrence MRICS of DHA Planning.

[63] Steve Baughen of Fernham Homes re various sites.

Table 6.5 Neighbouring and Nearby Authority BLV Assumptions

Dartford Dixon Searle Feb-21	Greenfield	£250k to £500k
	Brownfield	£1m to £5m
Gravesham GVA Jan-16	Greenfield	
	Brownfield	£865k / £1,185k + 20%. Small £2,471k, Town Centre, £3450k
Medway HDH Planning Dec-21	Greenfield	EUV + £350k
	Brownfield	EUV +20%
Maidstone Aspinall Verdi Sep-21	Greenfield	£247/ha (EUV x 12.5) / £310k/ha (EUV x 12.5)
	Brownfield	£815k to £2.2m (EUV + 10%)
Ashford NCS Mar-23	Greenfield	50% Uplift (ie Shinfield)
	Brownfield	50% Uplift (ie Shinfield)
Canterbury HDH Planning May-22	Greenfield	EUV + £350k
	Brownfield	EUV +20%
Dover HDH Planning Nov-20	Greenfield	EUV (£22k/ha) + £400k/ha
	PDL	EUV (£1,2m/ha) + 20%

Source: LPA Viability Assessments (most recently published – April 2024)

6.32 The proposed approach is broadly in line with that used locally. No change is made.

6.33 It is necessary to make a differential between general development the potential Strategic Sites. Strategic Sites frequently have substantially higher strategic infrastructure and mitigation costs than smaller sites, and, in line with paragraphs 10-012-20180724 and 10-014-20190509 of the PPG, these should be reflected in the Benchmark Land Value.

6.34 Having considered these comments, sensitivity testing of the BLV assumption has been undertaken, however have not altered the approach used in the base appraisals.

7. Development Costs

7.1 This chapter considers the costs and other assumptions required to produce financial appraisals for the development typologies.

Development Costs

Construction costs: baseline costs

7.2 The cost assumptions are derived from the Building Cost Information Service (BCIS) data – using the figures re-based for the Council area. The cost figure for 'Estate Housing – Generally' is £1,517 per sqm (**Appendix 11**). This is an increase of 5.2% from £1,442 per sqm in February 2023, and an increase of 24% (from £1,221 per sqm) since the *Draft Local Plan Viability Study* (Aspinall Verdi, December 2020) was undertaken. The use of the BCIS data is suggested in the PPG (paragraph 10-012-20180724), however, it is necessary to appreciate that the volume housebuilders are likely to be able to achieve significant saving due to their economies of scale.

7.3 As set out in Chapter 2 above, the Government recently updated Part L of Regulations following the consultation on 'The Future Homes Standard'. This is linked to achieving the 'net zero' greenhouse gas emissions by 2050. This is considered in Chapter 8 below.

7.4 The appropriate build cost is applied to each house type, with the cost of Estate Housing Detached being applied to detached housing, the costs of flats being applied to flats and so on. Appropriate costs for non-residential uses are also applied. The lower quartile cost is used for schemes of over 200 units where economies of scale can be achieved, and the median cost is used for smaller schemes.

7.5 Through the technical consultation an agent noted[64]:

> *Whilst the assessment is intended to provide a high-level snapshot, we would highlight that for the purpose of future, site-specific financial viability assessments (FVAs), the BCIS rates should be drawn from the relevant building function (i.e. detached, semi-detached, etc.) as this will provide a more accurate indication.*

7.6 This is agreed and this opportunity is taken to confirm that this is the approach that has been taken. They went on to comment:

> *As you will be aware, BCIS costs are based on analysis over the period specified, so will not reflect new regulations such as the recently updated Part L requirements referred to in paragraph 7.3. From our experiences of other FVAs and discussions with larger housebuilders, the lower quartile rate of £1,350 psm is not reflective of current market conditions.*

[64] Danielle Lawrence MRICS of DHA Planning.

7.7 This is agreed, as set out in Chapter 8 below, adjustments are made for increased mandatory standards (e.g. Part L and Part M of Building Regulations etc).

7.8 Alternatively, a regional developer[65] commented:

> *FH consider that if the aspiration for Swale borough is to have high quality schemes in terms of design then the median cost should be used for schemes of over 200 homes, rather than just smaller developments. The directors of FH worked for a range of volume housebuilders (Berkeley, Crest Nicholson, Countryside) and are adamant that median costs should be used if the aspiration is for appropriate high quality design.*

7.9 A landowner[66] commented that it was not appropriate to use the lower quartile cost. The rationale behind this was that 'the significant additional infrastructure required means the build costs are generally higher than the assumptions made'. It is important to note that separate allowances are made for site costs and for strategic infrastructure costs.

7.10 The assumptions used in other nearby authorities are as follows:

[65] Steve Baughen of Fernham Homes re various sites.

[66] Richard Ashdown of ULL Property for the Duchy of Cornwall.

Table 7.1 Neighbouring and Nearby Authority Base Construction Cost Assumptions

Dartford Dixon Searle Feb-21	BCIS median
	Abnormal within contingency
Gravesham GVA Jan-16	BCIS
	No allowance for abnormal costs
Medway HDH Planning Dec-21	BCIS median
	Abnormal 5% Brownfield, 10% waterfront
Maidstone Aspinall Verdi Sep-21	BCIS median, + Garage @ £6k
	Abnormal £110k /net ha
Ashford NCS Mar-23	Cost plan
	Abnormal by typology
Canterbury HDH Planning May-22	< 250 BCIS median, >250 BCIS LQ
	Abnormal brownfield 5%, 2% large greenfield
Dover HDH Planning Nov-20	BCIS Median, BCIS LQ on Strategic Sites Abnormal 5% Brownfield

Source: LPA Viability Assessments (most recently published – April 2024)

7.11 Bearing in mind the comments made, the median costs are used in the base analysis. Sensitivity testing is carried out using the lower quartile costs on the larger (200 units plus) sites.

Other normal development costs

7.12 In addition to the BCIS £/m^2 build cost figures described above, allowance needs to be made for a range of site costs (roads, drainage and services within the site, parking, footpaths, landscaping and other external costs). Many of these items will depend on individual site circumstances and can only properly be estimated following a detailed assessment of each site. This is not practical within this broad-brush study and the approach taken is in line with the PPG and the Harman Guidance.

7.13 Nevertheless, it is possible to generalise. Drawing on experience, it is possible to determine an allowance related to total build costs. This is normally lower for higher density than for lower density schemes since there is a smaller area of external works, and services can be used more efficiently – larger greenfield sites tend to have lower net developable areas, so more land requires work.

7.14 A scale of allowances for site costs has been developed for the residential sites, ranging from 5% of build costs for the smaller sites and flatted schemes within the urban area, to 15% for the larger greenfield schemes.

7.15 Through the technical consultation[67] it was suggested that 10% be used for the specialist older peoples housing. This is in line with the assumptions used, no change is made.

7.16 Detached houses are modelled with garages.

Abnormal development costs and brownfield sites

7.17 With regard to abnormal costs, paragraph 10-012-20180724 of the PPG says:

> *... abnormal costs, including those associated with treatment for contaminated sites or listed buildings, or costs associated with brownfield, phased or complex sites. These costs should be taken into account when defining benchmark land value ...*

7.18 This needs to be read with paragraph 10-014-20180724 of the PPG that says that:

> *Benchmark land value should: ... reflect the implications of abnormal costs; site-specific infrastructure costs; and professional site fees and ...*

7.19 The consequence of this, when considering viability in the planning, is that abnormal costs should be added to the cost side of the viability assessment, but also reflected in (i.e. deducted from) the BLV. This has the result of balancing the abnormal costs on both elements of the appraisal.

7.20 This approach is consistent with the treatment of abnormal costs that was considered at Gedling Council's Examination in Public. As set out in Gedling, it may not be appropriate for abnormal cost to be built into appraisals in a high-level assessment of this type. Councils should not plan for the worst-case option – rather for the norm. For example, if two similar sites were offered to the market and one was previously in industrial use with significant contamination, and one was 'clean' then the landowner of the contaminated site would have to take a lower land receipt for the same form of development due to the condition of the land. The Inspector said:

> *… demolition, abnormal costs and off site works are excluded from the VA, as the threshold land values assume sites are ready to develop, with no significant off site secondary infrastructure required. While there may be some sites where there are significant abnormal construction costs, these are unlikely to be typical and this would, in any case, be reflected in a lower threshold land value for a specific site. In addition such costs could, at least to some degree, be covered by the sum allowed for contingencies.*

7.21 In some cases, where the site involves redevelopment of land which was previously developed, there is the potential for abnormal costs to be incurred. Abnormal development

[67] Natasha Styles of the Planning Bureau, for McCarthy Stone.

costs might include demolition of substantial existing structures; flood prevention measures at waterside locations; remediation of any land contamination; remodelling of land levels; and so on. An additional allowance is made for abnormal costs associated with brownfield sites of 5% of the BCIS costs.

7.22 A regional developer[68] questioned where the 5% came from, noting that abnormal costs can be higher. The assumptions used in other nearby authorities are included in Table 7.1 above.

7.23 In summary, abnormal costs will be reflected in land value. Those sites that are less expensive to develop will command a premium price over and above those that have exceptional or abnormal costs.

Fees

7.24 For residential and non-residential development, professional fees are assumed to amount to 8% of build costs to include cost of preparing the planning application and land promotion. Separate, additional, allowances are made for planning fees, acquisition, sales and fees.

7.25 Through the technical consultation an agent[69] and regional developer[70]that 8% to 10%, depending on site specific circumstances would be more appropriate. A specialist developer of older people's housing[71] suggested a 10% allowance be made on brownfield sites.

7.26 The assumptions used in other nearby authorities are as follows:

[68] Steve Baughen of Fernham Homes re various sites.

[69] Danielle Lawrence MRICS of DHA Planning.

[70] Steve Baughen of Fernham Homes re various sites.

[71] Natasha Styles of the Planning Bureau, for McCarthy Stone.

Table 7.2 Neighbouring and Nearby Authority Professional Fees Assumptions

Dartford Dixon Searle Feb-21	Professional	10%
	Acquisition	2.25% + SDLT
	Sales	3% +£750
Gravesham GVA Jan-16	Professional	10%
	Non Res	5% to 10%
	Sales	1.5% + 0.2%
Medway HDH Planning Dec-21	Professional	8%
	Acquisition	1% + 0.5% + SDLT
	Sales	3.50%
Maidstone Aspinall Verdi Sep-21	Professional	10%
	Acquisition	1% + 0.5% +SDLT
	Sales	3% + 0.5%
Ashford NCS Mar-23	Professional	8%
	Acquisition	
	Sales	
Canterbury HDH Planning May-22	Professional	8%
	Acquisition	1% + 0.5% + SDLT
	Sales	3.50%
Dover HDH Planning Nov-20	Professional	8%
	Acquisition	1% + 0.5% + SDLT
	Sales	3.50%

Source: LPA Viability Assessments (most recently published – April 2024)

7.27 Bearing in mind the comments made, the allowance for fees has been increased to 10%.

Contingencies

7.28 For previously undeveloped and otherwise straightforward sites, a contingency of 2.5% (calculated on the total build costs, including abnormal costs) has been allowed for, with a higher figure of 5% on more risky types of development, previously developed land. So, the 5% figure was used on the brownfield sites, and the 2.5% figure on the remainder.

7.29 Through the technical consultation an agent suggested that[72] .2.5% was 'light'. Alternatively, regional developer[73] suggested 5% should be used across all situations. A landowner[74] commented that at least 5% should be assumed.

7.30 The assumptions used in other nearby authorities are as follows:

Table 7.3 Neighbouring and Nearby Authority Base Contingency Assumptions

Dartford Dixon Searle Feb-21	Housing	3% to 10% (5%)
	Non Residential	5%
Gravesham GVA Jan-16	Housing	5%
	Non Residential	5%
Medway HDH Planning Dec-21	Greenfield	2.50%
	Brownfield	5%
Maidstone Aspinall Verdi Sep-21	All	5% (3% to 5%)
Ashford NCS Mar-23	All	3%
Canterbury HDH Planning May-22	Greenfield	2.50%
	Brownfield	5%
Dover HDH Planning Nov-20	Greenfield	2.5%, 5% on Strategic Sites
	Brownfield	5%

Source: LPA Viability Assessments (most recently published – April 2024)

7.31 In this iteration of this report, the 5% is also applied to the Strategic Sites.

S106 Contributions and the costs of strategic infrastructure

7.32 Swale Council has not adopted CIL. The Council seeks Developer Contributions, for strategic infrastructure and mitigation, under the s106 regime, in line with restrictions set out on CIL

[72] Danielle Lawrence MRICS of DHA Planning.

[73] Steve Baughen of Fernham Homes re various sites.

[74] Richard Ashdown of ULL Property for the Duchy of Cornwall.

Regulation 122, these are treated separately from abnormal costs. Additional costs are allowed for, as set out in Chapter 8 below.

Financial and Other Appraisal Assumptions

VAT

7.33 It has been assumed throughout, that either VAT does not arise, or that it can be recovered in full[75].

Interest rates

7.34 The appraisals assume 7.5% p.a. for total debit balances (to include interest and associated fees). No allowance is made for any equity provided by the developer. This does not reflect the current working of the market, nor the actual business models used by developers. In most cases the smaller (non-plc) developers are required to provide between 30% and 40% of the funds themselves, from their own resources, so as to reduce the risk to which the lender is exposed. The larger plc developers tend to be funded through longer term rolling arrangements across multiple sites.

7.35 Developers that have a strong balance sheet, and good track record, can undoubtedly borrow less expensively than this, but this reflects banks' view of risk for housing developers in the present situation. In the residential appraisals, a simple cashflow is used to calculate interest.

7.36 The assumption of 7.5%, is an 'all-in cost' to cover interest rate and associated finance fees, and the assumption that interest is chargeable on all the funds employed, has the effect of overstating the total cost of interest, particularly on the larger schemes, as most developers are required to put some equity into most projects. In this study a cautious approach is being taken.

7.37 Through the technical consultation an agent commented[76]:

> *Whilst we note that the previous Local Plan Viability Study (December 2020) was not produced by HDH Planning & Development, this assumed interest of 7.5% when the Bank of England base rate was set up 0.1%. It has since risen to 5.25% which will inevitably increase lending costs. The Viability Study should therefore assume an interest rate of base plus a % which would typically be a minimum of base rate plus 5%.*
>
> *We understand that the report is intending to provide an indication of the development as a snapshot in time but would suggest that 8% is more appropriate, although this is still considered optimistic based on our discussions with developers and lenders.*

[75] VAT is a complex area. Sales of new residential buildings are usually zero-rated supplies for VAT purposes (subject to various conditions). VAT incurred as part of the development can normally be recovered. Where an Appropriate 'election' is made, VAT can also be recovered in relation to commercial development – although VAT must then be charged on the income from the development.

[76] Danielle Lawrence MRICS of DHA Planning.

7.38 A regional developer[77] commented:

> *Whilst national housebuilders can secure interest of 7.5%, SMEs and regional housebuilders (such as FH) can only secure 9.25% plus fees, which often equate to 10%. Therefore should be range, or a point between 7.5% and 10%.*

7.39 The assumptions used in other nearby authorities are as follows:

Table 7.4 Neighbouring and Nearby Authority Interest Assumptions

Dartford Dixon Searle Feb-21	6.5%
Gravesham GVA Jan-16	7%
Medway HDH Planning Dec-21	6%
Maidstone Aspinall Verdi Sep-21	7.5%
Ashford NCS Mar-23	6%
Canterbury HDH Planning May-22	6%
Dover HDH Planning Nov-20	6%

Source: LPA Viability Assessments (most recently published – April 2024)

7.40 No change is made in this regard.

Developers' return

7.41 An allowance needs to be made for developers' return and to reflect the risk of development. As set out in Chapter 2 above, this is an area of significant change since the Council's earlier viability work that was used to support CIL. Paragraph 10-018-20190509 of the updated PPG now sets out the approach to be taken and says:

[77] Steve Baughen of Fernham Homes re various sites.

How should a return to developers be defined for the purpose of viability assessment?

Potential risk is accounted for in the assumed return for developers at the plan making stage. It is the role of developers, not plan makers or decision makers, to mitigate these risks. The cost of fully complying with policy requirements should be accounted for in benchmark land value. Under no circumstances will the price paid for land be relevant justification for failing to accord with relevant policies in the plan.

For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies. Plan makers may choose to apply alternative figures where there is evidence to support this according to the type, scale and risk profile of planned development. A lower figure may be more appropriate in consideration of delivery of affordable housing in circumstances where this guarantees an end sale at a known value and reduces risk. Alternative figures may also be appropriate for different development types.

7.42 The purpose of including a developers' return figure is not to mirror a particular business model, but to reflect the risk a developer is taking in buying a piece of land, and then expending the costs of construction before selling the property. The use of developers' return in the context of area wide viability testing of the type required by the NPPF and CIL Regulation 14, is to reflect that level of risk.

7.43 Broadly there are four different approaches that could be taken:

a. To set a different rate of return on each site to reflect the risk associated with the development of that site. This would result in a lower rate on the smaller and simpler sites – such as the greenfield sites, and a higher rate on the brownfield sites.

b. To set a rate for the different types of unit produced – say 20% for market housing and 6% for Affordable Housing, as suggested by the HCA.

c. To set the rate relative to costs – and thus reflect the risks of development.

d. To set the rate relative to the gross development value.

7.44 In deciding which option to adopt, it is important to note that the intention is not to recreate any particular developer's business model. Different developers will always adopt different models and have different approaches to risk.

7.45 The argument is sometimes made that financial institutions require a 20% return on development value and if that is not shown they will not provide development funding. In the pre-Credit Crunch era there were some lenders who did take a relatively simplistic view to risk analysis but that is no longer the case. Most financial institutions now base their decisions behind providing development finance on sophisticated financial modelling that it is not possible to replicate in a study of this type. They require a developer to demonstrate a sufficient margin, to protect the lender in the case of changes in prices or development costs. They will also consider a wide range of other factors, including the amount of equity the developer is contributing (both on a loan-to-value and loan-to-cost basis), the nature of development and the development risks that may arise due to demolition works or similar, the warranties offered by the professional team, whether or not the directors will provide personal guarantees, and the number of pre-sold units.

7.46 This is a high-level study where it is necessary and proportionate to take a relatively simplistic approach, so, rather than apply a differential return (i.e. site-by-site or split), it is appropriate to make some broad assumptions and, as set out above, the updated PPG says '*For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies ... A lower figure may be more appropriate in consideration of delivery of affordable housing'*. In the initial, pre-consultation iteration of this assessment, the developers' return was assessed as 17.5% of the value of market housing and a 6% is applied to the value affordable housing. Additionally, 17.5% is applied to First Homes as the sales risk lies with the developer.

7.47 In this regard, through the technical consultation, a site promoter[78] suggested that 'developer's return should be increased to 18% of GDV for market housing'. No rational or explanation was provided.

7.48 Similarly, an agent commented[79]:

> *… assumes a return of 17.5% for market housing which is mid-range of the assumptions set out in PPG. Whilst we understand that the report provides a high-level overview, an allowance should be made to reflect site specific circumstances and any changes in market conditions. For example, current Developer's returns are circa 20% on GDV at present due to market conditions and the local plan needs to reflect changing markets and cannot be static*

7.49 A regional developer[80] commented:

> *Developers return (based on a blended market and affordable housing scheme) is 20%. Assuming less is unrealistic. Any housebuilder delivering appropriate quality development will not operate under 20%.*

7.50 Through the technical consultation[81] as specialist developer of older people's housing, suggested that 20% be used, being based on various appeal decisions. Appeal decisions cover numerous alternatives. Bearing in mind the Borough's aging population, and the other sector specific assumptions made through this report, it is not believed that developing specialist older people's housing is more risky than other types of development.

7.51 A landowner[82] commented:

> *We disagree with the assumption of 6% return for affordable housing. This level of return relates to a contractor's (not a developer's) margin, because there is deemed to be certainty of payment akin to a building contract. While this level of certainty has never reflected reality, it is particularly the case today when many Registered Providers have moved away from acquiring*

[78] David Morris for Foxchurch Land (a JV between Catesby Estates and Appin Land) re a potential Strategic Site at Bobbing.

[79] Danielle Lawrence MRICS of DHA Planning.

[80] Steve Baughen of Fernham Homes re various sites.

[81] Natasha Styles of the Planning Bureau, for McCarthy Stone.

[82] Richard Ashdown of ULL Property for the Duchy of Cornwall.

Section 106 homes. Whole developments are stalled because the developer cannot identify an RP; where there is a planning obligation to contract with an RP prior to commencement, or prior to occupation of a certain number of private homes, the risk is too great to commit significant funds to the construction process is a higher risk than private sales, not lower.

7.52 A 15% return was assumed for non-residential development, and for Build to Rent.

7.53 The assumptions used in other nearby authorities are as follows:

Table 7.5 Neighbouring and Nearby Authority Developer Return Assumptions

Dartford Dixon Searle Feb-21	Market Housing	17.5%
	Affordable	6.0%
	Non Res	15.0%
Gravesham GVA Jan-16	Market Housing	20.0%
	Affordable	6.0%
	Non Res	20.0%
Medway HDH Planning Dec-21	Market Housing	17.5%
	Affordable	17.5%
	Non Res	15.0%
Maidstone Aspinall Verdi Sep-21	Market Housing	20.0%
	Affordable	6.0%
	Non Res	BTR 13%, 20% employment & retail
Ashford NCS Mar-23 **Canterbury**	Market Housing	20.0%
	Affordable	6.0%
	Non Res	15.0%
	Market Housing	17.5%
HDH Planning May-22	Affordable	17.5%
	Non Res	15.0%
Dover	Market Housing	17.5%
HDH Planning Nov-20	Affordable	17.5%
	Non Res	15.0%

Source: LPA Viability Assessments (most recently published – April 2024)

7.54 In this iteration of this report, the market housing assumption has been increased to 20%.

7.55 It is important to appreciate that this is an assessment for planning purposes, as set per the requirements of the PPG, rather than for lending purposes. As mentioned under the Interest heading above, no allowance is made for equity provided by the developer, so this does not reflect the current working of the market nor the actual business models used by developers. In most cases the smaller (non-plc) developers are required to provide between 30% and 40% of the funds themselves, from their own resources, so as to reduce the risk to which the lender is exposed. The larger plc developers tend to be funded through longer term rolling arrangements across multiple sites. The cushion within the appraisals, to protect a

developer's lender against changes in the market or costs, will depend on a wide range of factors, including how much equity the developer in providing (the loan-to-value ratio), the borrower's track record and the complexity of the project. It is appropriate to work within the guidance of the PPG.

Voids

7.56 On a scheme comprising mainly individual houses, one would normally assume only a nominal void period as the housing would not be progressed if there was no demand. In the case of apartments in blocks, this flexibility is reduced. Whilst these may provide scope for early marketing, the ability to tailor construction pace to market demand is more limited.

7.57 For the purpose of the present study, a three-month void period is assumed for residential developments.

Phasing and timetable

7.58 A pre-construction period of six months (from site acquisition, following the grant of planning consent) is assumed for all of the sites. Each dwelling is assumed to be built over a nine-month period. The phasing programme for an individual site will reflect market take-up and would, in practice, be carefully estimated taking into account the site characteristics and, in particular, the size and the expected level of market demand. The rate of delivery will be an important factor when considering the allocation of sites so as to manage the delivery of housing and infrastructure. Two aspects are relevant, firstly the number of outlets that a development site may have, and secondly the number of units that an outlet may deliver.

7.59 Delivery rates are informed by the Council's Housing Land Supply Position Statement 2023/2024[83].

[83] Housing Land Supply Position Statement 2023/2024 (swale.gov.uk)

Table 7.6 Local Build Out Rates (Units per Year)

Site size (dwellings)	0-4	5-9	10-24	25-49	50-99	100-249	250-499
Average	**2**	**6**	**10**	**17**	**27**	**45**	**72**
2022/23	2	6	11	21	11	48	76
2021/22	2	6	4	7	42	46	102
2020/21	2	5	14	10	41	37	72
2019/20	2	6	7	14	25	39	61
2018/19	1	4	12	37	11	46	20
2017/18	2	6	11	15	8	38	151
2016/17	1	5	8	13	47	52	88
2015/16	1	6	12	16	29	52	6

Source: Table 5.5.1 Housing Land Supply Position Statement 2023/2024

7.60 The higher density flatted schemes are assumed to come forward more quickly. These assumptions are conservative and do, properly, reflect current practice. This is the appropriate assumption to make to be in line with the PPG and the Harman Guidance.

7.61 In this regard, through the technical consultation, a site promoter[84] commented '*it is important to be mindful of the impact that the cost-of-living crisis, rise in interest rates, affordability of mortgages and end of the Help to Buy scheme have had on sales rates*'. This is agreed. Using average rates over multiple years, has the advantage of smoothing exceptional years.

7.62 For the older people's housing schemes, a slower rate of sales has been assumed, with 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. An allowance being made for block management over the sales period (£5,000/unit), in line with a comment made through the consultation[85].

Site Acquisition and Disposal Costs

Site holding costs and receipts

7.63 Each site is assumed to proceed immediately (following a 6-month mobilisation period) and so, other than interest on the site cost during construction, there is no allowance for holding costs, or indeed income, arising from ownership of the site.

[84] David Morris for Foxchurch Land (a JV between Catesby Estates and Appin Land) re a potential Strategic Site at Bobbing.

[85] Natasha Styles of the Planning Bureau, for McCarthy Stone.

Acquisition costs

7.64 A simplistic approach is taken, it is assumed an allowance 1% for acquisition agents' and 0.5% legal fees.

7.65 Stamp duty is calculated at the prevailing rates.

Disposal costs

7.66 For market and for affordable housing, sales and promotion and legal fees are assumed to amount to 3.5% of receipts. For disposals of affordable housing, these figures can be reduced significantly depending on the category, so in fact the marketing and disposal of the affordable element is probably less expensive than this.

7.67 Through the technical consultation[86] it was suggested that a 6% assumption be used for specialist older people's housing. The rational for this was not explained. Bearing in mind allowance is made for empty property costs, no change is made.

[86] Natasha Styles of the Planning Bureau, for McCarthy Stone.

8. Planning Policy Requirements

8.1 The *Bearing Fruits 2031: The Swale Borough Local Plan* was adopted in 2017. The Council is now undertaking a Local Plan Review. The Local Plan Review (LPR) will set the framework for the development needs for the whole of the Swale Borough area from 2022 – 2038. In 2021 the Council undertook a consultation on the *Local Plan Review 2021, Pre-Submission Document (Regulation 19)* February 2021. Amongst other things, the purpose of the review is to[87]:

- deliver the spatial objectives of the Swale Borough corporate strategy that better reflects Council objectives including responding to the Council's Climate and Ecological Emergency and subsequent Action Plan;
- reflect changes to national planning policy and guidance, particularly the new National Planning Policy Framework introduced in February 2019 and the requirement to review local plans every 5 years;
- extend the plan-period to 2038 in order to ensure that there will be a 15 year time horizon from adoption for strategic policies as recommended in the NPPF in order to anticipate and respond to long term requirements and opportunities, such as those arising from major improvements in infrastructure;
- provide for additional new housing, employment and other development that will be required to meet future needs over the extended plan-period as required by the Government.

8.2 The specific purpose of this study is to consider and inform the development of the emerging Local Plan and then, in due course, to assess the cumulative impact of the policies on the planned development. This viability work is being undertaken to inform the development of policy and explore the consequences, on the economics of development, of the options that are under consideration. It contains an assessment of the effect of the policy options, in the context of national policies and requirements, in relation to the planned development. This will allow the Council to further engage with stakeholders, to ensure that the new Plan is effective.

8.3 In this report the policies, as set out in the emerging *Local Plan Review 2021, Pre-Submission Document (Regulation 19)* February 2021 and options as discussed with the Council and having regard to the changes in national policy, have been reviewed. It is important to note that, at this stage, some of the options that are considered are included for completeness, and

[87] As set out in paragraph 1.0.5 of the *Local Plan Review 2021, Pre-Submission Document (Regulation 19)* February 2021,

that these are simply options that may or may not be progressed into the new Local Plan. In particular, the Council has asked that the following policy areas are considered:

- Climate change
- Developer contributions

8.4 In the following sections the requirements in *Local Plan Review 2021, Pre-Submission Document (Regulation 19)* February 2021 are reviewed and how they impact on viability (if at all).

Strategic Policies

Policy ST 1 Development needs for the Borough

8.5 This is a general policy that does not impact on viability.

Policy ST 2 Swale Settlement Strategy

8.6 This is a general policy that directs development, but does not impact on viability.

Policy ST 3 Delivering sustainable development in Swale

8.7 This is a high level policy that sets out general principles that are built on in subsequent policies. These requirements are considered under the relevant policies as set out below.

Policy ST 4 Building a strong, competitive economy

8.8 This is a general policy that does not impact on viability.

Policy ST 5 Delivering a wide choice of high-quality homes

8.9 Whilst this is a high level policy that refers to subsequent policies setting out detail it does include some specific requirements:

> *4. Provide dwellings that meet minimum space standards M4(2) on 75% of all dwellings and the accessible standards M4(3) on the remaining 25% of dwellings;*

8.10 Lifetime Homes Standards have been superseded and the scope for councils to introduce additional standards are constrained to those within the optional Building Regulations. The additional costs of the further standards (as set out in the draft Approved Document M amendments included at Appendix B4[88]) are set out below. The key features of the 3 level

[88] https://www.gov.uk/government/publications/access-to-and-use-of-buildings-approved-document-m

standard (as summarised in the DCLG publication *Housing Standards Review – Final Implementation Impact Assessment* (DCLG, March 2015)[89], reflect accessibility as follows:

- Category 1 – Dwellings which provide reasonable accessibility.
- Category 2 – Dwellings which provide enhanced accessibility and adaptability (Part M4(2)).
- Category 3 – Dwellings which are accessible and adaptable for occupants who use a wheelchair (Part M4(3)).

8.11 The cost of a wheelchair adaptable dwelling based on the Wheelchair Housing Design Guide for a 3 bed house, is taken to be £10,111 per dwelling[90]. The cost of Category 2 is taken to be £521[91] (this compares with the £1,097 cost for the Lifetime Homes Standard). These costs have been indexed[92] by 45% to £14,660 per dwelling and £755 per dwelling respectively.

8.12 As set out in Chapter 2 above, in July 2022, the Government announced the outcome of the 2020 consultation on raising accessibility standards of new homes[93] saying *'that the most appropriate way forward is to mandate the current M4(2) (Category 2: Accessible and adaptable dwellings) requirement in Building Regulations as a minimum standard for all new homes'.* The Government will now consult further on the technical changes to the Building Regulations to mandate the higher M4(2) accessibility standard. No timescale has been announced.

8.13 In this regard, through the technical consultation, a regional developer[94] commented:

> *It is not considered appropriate to have private homes as M4(2): there is no certainty that consultation will occur on all homes being to M4(2), or that this will be implemented. It is therefore considered appropriate to model on the basis of all affordable/social rent with an appropriate amount as M4(3).*

8.14 Whilst this is noted, it is necessary to develop local policies in the context of wider national policies, so this cost is tested.

89 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/418414/150327_-_HSR_IA_Final_Web_Version.pdf

90 Paragraph 153 *Housing Standards Review – Final Implementation Impact Assessment* (DCLG, March 2015).

91 Paragraph 157 *Housing Standards Review – Final Implementation Impact Assessment* (DCLG, March 2015).

92 BCIS Index March 2014 316.3, March 2024 458.1.

93 Raising accessibility standards for new homes: summary of consultation responses and government response - GOV.UK (www.gov.uk)

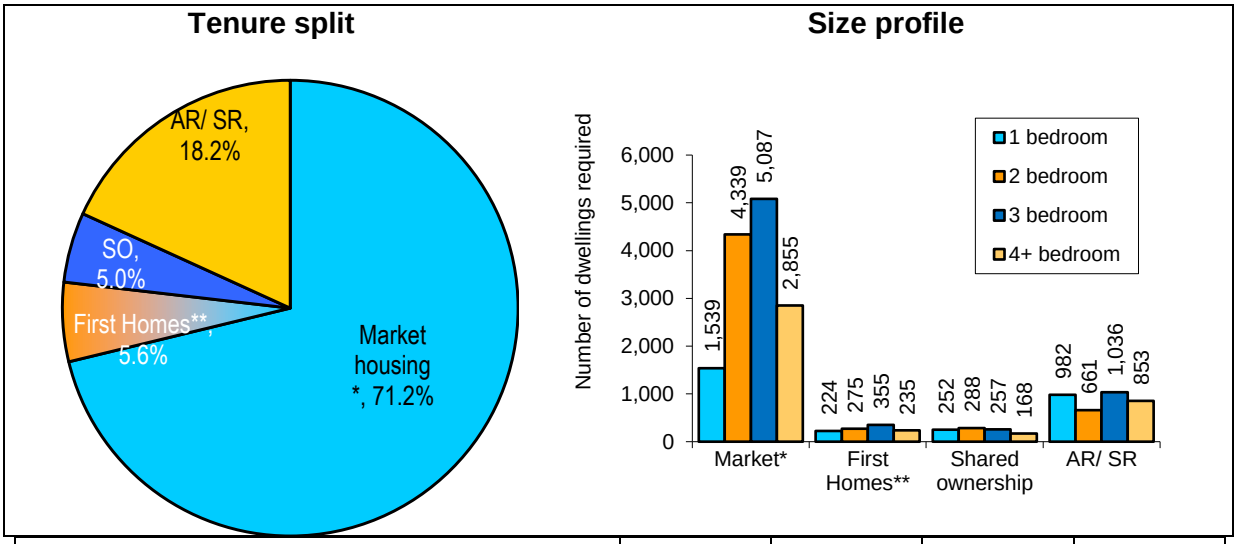
94 Steve Baughen of Fernham Homes re various sites.

8.15 In line with the Government's announcement, it is assumed that all new homes are to be designed to be Accessible and Adaptable (M4(2). In addition, 1.5% of all new homes are assumed to be designed to be Wheelchair Adaptability M4(3).

> *5. Achieve the mix of housing types needed as reflected in the findings of the Strategic Housing Market Assessment or similar needs assessment, and for affordable homes to use the information from the Council's Housing Register to ascertain specific needs at that time;*

8.16 The Council's emerging housing evidence suggests the following tenure and size mix:

Figure 8.1 Minimum Requirement for New Housing in Swale over the Plan Period



New housing required 2022 to 2040		*1 bed*	*2 bed*	*3 bed*	*4 bed*
Market housing*	**13,819**	1,539	4,339	5,087	2,855
First Homes**	**1,089**	224	275	355	235
Shared ownership (SO)	**965**	252	288	257	168
Affordable Rent (AR)/ Social Rent (SR)	**3,531**	982	661	1,036	853
Total	19,404	2,996	5,563	6,734	4,111
Specialist housing required 2022 to 2040* **	788 units of sheltered housing for older people/ retirement housing				
	196 units of Extracare units/ supported living housing				
Registered Care spaces required 2022 to 2040** 583 (nursing and residential care homes)					

Source: Emerging SHMA Update *Market housing includes both owner-occupied and private rented **First Homes figures represent potential demand rather than a requirement. These figures represent the distribution of housing that should be delivered. ***These form part of the new homes to be delivered. ****These are provided to house those in institutional accommodation and are in addition to the total requirement for 19,404 new homes.

8.17 The above tenure mix is then refined to take into account First Homes:

Table 8.1 Derivation of Recommended Affordable

Tenure	*Original distribution*	*Revised distribution**
First Homes	19.5%	25.0%
Shared ownership	17.3%	11.8%
Affordable Rent/ Social Rent	63.2%	63.2%

Source: SHMA Update (HDH, August 2022) *Revised to take account of the Government guidance indicating that *'a minimum of 25 per cent of all affordable housing units secured through developer contributions should be First Homes*.'

8.18 The following housing mix is used within each tenure to inform the housing mix in the modelling. This is not applied rigidly as regard is also had to the nature of the scheme.

Table 8.2 Size Mix by Tenure

New housing required 2022 to 2040	***1 bed***	***2 bed***	***3 bed***	***4 bed***
Market housing*	11%	31%	37%	21%
First Homes**	21%	25%	33%	22%
Shared ownership (SO)	26%	30%	27%	17%
Affordable Rent (AR)/ Social Rent (SR)	28%	19%	29%	24%
Total	15%	29%	35%	21%

Source: SHMA Update (HDH, August 2022)

8.19 A regional developer[95] commented that '*Table 8.2 is unrealistic in assuming 3 or 4 bed homes'.* Whilst this is noted, it is important to appreciate that the above housing mix is based on the analysis of the Council's housing need so this is what would be sought by the Council. No alternative housing mix was suggested.

8.20 A landowner[96] commented:

> *In planning and developing large strategic sites it is important to have flexibility in affordable housing tenures to help build social cohesion and adapt to changing needs over time.*
>
> *The Whole Plan Viability Update has assumed 30% affordable housing, with a split of 63% Affordable/Social Rent and 37% Intermediate. With emerging new policy on affordable housing we consider flexibility to provide a range of tenures is important, as is the case for private dwellings.*

8.21 Whilst this is noted, the purpose of this assessment is to test the emerging policies which should be clear and unambiguous. The base testing is informed by the emerging policies.

[95] Steve Baughen of Fernham Homes re various sites.

[96] Richard Ashdown of ULL Property for the Duchy of Cornwall.

8.22 The draft Plan does not seek Nationally Described Space Standard (NDSS) technical requirements. In March 2015, the Government published *Nationally Described Space Standard – technical requirements*. This says:

> *This standard deals with internal space within new dwellings and is suitable for application across all tenures. It sets out requirements for the Gross Internal (floor) Area of new dwellings at a defined level of occupancy as well as floor areas and dimensions for key parts of the home, notably bedrooms, storage and floor to ceiling height.*

8.23 The following unit sizes are set out[97]:

Table 8.3 National Space Standards. Minimum Gross Internal Floor Areas and Storage (sqm)

number of bedrooms	number of bed spaces	1 storey dwellings	2 storey dwellings	3 storey dwellings	built-in storage
1b	1p	39 (37)*			1
	2p	50	58		1.5
2b	3p	61	70		2
	4p	70	79		
3b	4p	74	84	90	2.5
	5p	86	93	99	
	6p	95	102	108	
4b	5p	90	97	103	3
	6p	99	106	112	
	7p	108	115	121	
	8p	117	124	130	
5b	6p	103	110	116	3.5
	7p	112	119	125	
	8p	121	128	134	
6b	7p	116	123	129	4
	8p	125	132	138	

Source: Table 1, Technical housing standards – nationally described space standard (March 2015)

8.24 In this study the units are assumed to be in line with the NDSS or larger.

97 https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/524531/160519_Nationally_Described_Space_Standard____Final_Web_version.pdf

Policy ST 6 Good Design

8.25 This is a general policy that does not introduce standards over and above those set out in the National Design Guide so does not impact on viability.

8.26 If the Council were to introduce local design guidelines it would be necessary to assess their impact on the viability of development.

Policy ST 7 Health and Wellbeing

8.27 This is a high level policy that refers to subsequent policies setting out detail. It does also include a requirement to undertake and implement a Health Impact Assessment for relevant proposals that are:

a. required to undertake Environmental Impact Assessments; or

b. within Swale's most deprived wards; or

c. identified as required by the Local Plan.

8.28 Whilst this is a requirement that goes over and above the absolute minimum requirements, the professional fees assumptions, as set out in Chapter 7, are sufficient to cover this.

Policy ST 8 Planning for Infrastructure

8.29 This is a critical policy in relation to the delivery of development. It includes a requirement that:

> *Development proposals, including those allocated in this plan, which give rise to the need for infrastructure improvements will be expected to mitigate their impact either individually or cumulatively and at a rate and scale to meet the needs that arise from that development or a phase of that development. As such development may require to be phased to ensure the co-ordination with delivery of necessary infrastructure. Where appropriate, developers will be expected to collaborate on the provision of infrastructure needed to serve more than one site.*

8.30 SBC has not adopted Community Infrastructure Levy so no allowance for CIL is made in this assessment. SBC collects financial planning obligations which are based on one of the following:

a. A request from KCC / CCG (ICB) based on their own commissioning plans.

b. Sports / Play contributions based on the adopted SPD and £593 per dwelling if these are appropriate and required. These are assumed to apply on the brownfield sites that do not have capacity or on-site open provision.

c. SPA mitigation in accordance with the SAMMS (Birdwise) and the current annual tariff figure (£328.27 per dwelling[98]).

8.31 Any other site-specific mitigation will be dependent on the proposal and on a case-by-case basis.

8.32 SBC is not a unitary authority, the majority of infrastructure (education, health, social care, highways & transport etc) is the remit of other bodies such as KCC. KCC undertook a consultation on updating its Developer Contributions Guide between December 2022 and February 2023 and has now adopted the KCC Developer Contributions Guide (2023). This sets out the following requirements:

[98] Planning and Planning Policy - Strategic Access Management and Monitoring Strategy (SAMMS) (swale.gov.uk)

Table 8.4 Summary of KCC Developer Contributions

Service Area	Threshold for Seeking S106 Contributions	Expected Contribution
Adult Social Care	10 dwellings and above or a site size of 0.5Ha or more.	£180.88 per dwelling
Community Learning and Skills	10 dwellings and above or a site size of 0.5Ha or more.	£34.21 per dwelling
Education – Primary – New Build	10 dwellings and above or a site size of 0.5Ha or more.	£7,081.20per applicable* House and
		£1,770.30 per applicable* Flat
Education – Primary – Expansion	10 dwellings and above or a site size of 0.5Ha or more.	£5,412.74 per applicable* House and
		£1,353.18 per applicable* Flat
Education – Secondary – New Build	10 dwellings and above or a site size of 0.5Ha or more.	£5,587.19 per applicable* House
		£1,396.80 per applicable* Flat
Education – Secondary – Expansion	10 dwellings and above or a site size of 0.5Ha or more.	£5,329.27 per applicable* House and
		£1,332.32 per applicable* Flat
Special Educational Needs and Disabilities	10 dwellings and above or a site size of 0.5Ha or more.	£559.83 per applicable* House and
		£139.96 per applicable* Flat
Education Land	10 dwellings and above or a site size of 0.5Ha or more.	To Be Advised
Flood Risk Management and Sustainable Drainage	Strategic Development	To Be Advised
Heritage and Archaeology – Community Archaeology Provision	Sites which are strategic in size or sited in areas of significant archaeological potential	To Be Advised
Highways and Transportation	Any development impacting upon the highway	Highway works required to mitigate impacts demonstrated within the applications Transport Statement/Assessment via s278, S38 Agreements. Highway Works and/or Travel Plan interventions vias106 contributions and/or commuted sums for maintenance. What about sustainable transport? – s106?
Integrated Children's Services – Youth and Earl Help Services	10 dwellings and above or a site size of 0.5Ha or more.	£74.05 per dwelling
Libraries, Registration & Archives	10 dwellings and above or a site size of 0.5Ha or more.	£62.63 per dwelling
S106 Monitoring Fee	All S106 agreements	£500 per payment trigger

Public Rights of Way (PRoW)	Assessed on a case-by-case basis	To Be Advised
Way (PRoW)	by-case basis	
Waste Disposal and Recycling	10 dwellings and above or a site size of 0.5Ha or more.	£194.13 per dwelling (maximum - dependent on projects required for the locality)

Source: Table 1 KCC Developer Contributions Guide (2023)

8.33 The above come to about £22,720 per house and £6,540 per flat. As set out in Chapter 2 above, payments requested under the s106 regime must still be (as set out in CIL Regulation 122):

a. necessary to make the development acceptable in planning terms;

b. directly related to the development; and

c. fairly and reasonably related in scale and kind to the development.

8.34 It is unlikely that all the contributions will be required from each site. As set out in Chapter 5 above, recent planning applications have been researched and are set out in **Appendix 9** below. This shows that of sites that made a s106 contribution, and many did not, the payments varied from £3,600 per unit to just under £18,000 per unit, with the average being about £9,000 per unit.

7.68 In the pre-consultation draft of this report, an assumption of £10,000 per unit was applied to all sites. In this iteration an assumption of £10,000 per unit is applied to the typologies and £25,000 per unit to the potential Strategic Sites in the base appraisals. Sensitivity testing up to £50,000 per unit will be carried out. In this regard, through the technical consultation, a site promoter[99] confirmed this approach 'seemed sensible'.

7.69 Alternatively, an agent commented[100]:

> *This appears to be based on the planning applications researched in Appendix 10 of the report, as stated in paragraph 8.29. It is highlighted that the majority of these applications were approved prior to the adoption of KCC's Developer's Contribution Guide in July 2023, which introduced higher rates for each service area. In addition, earlier applications will not reflect indexation which has risen significantly in recent years. An assumption of £10,000 per unit is therefore optimistic and in our experience can be significantly more.*

8.35 Similarly, a regional developer[101] commented:

[99] David Morris for Foxchurch Land (a JV between Catesby Estates and Appin Land) re a potential Strategic Site at Bobbing.

[100] Danielle Lawrence MRICS of DHA Planning.

[101] Steve Baughen of Fernham Homes re various sites.

> *FH's experience at Lady Dane Farm, Faversham and School Lane Newington and is that Development Contributions of £10,000 per unit is far too low. It has been £15,000 - 19,000 a unit (including both private and affordable homes) without indexation, respectively. With indexation factored in it is £22,000 - £24,000 a plot.*

8.36 The testing includes costs within this range.

8.37 National Highways[102] also commented through the technical consultation, saying:

> *Currently the Viability work does not include any references to the Swale evidence base with regards the potential location and form of Strategic Road Network (SRN) infrastructure required as a result of Local Plan policies and/or proposals.*
>
> *Given the often-significant costs and timelines for SRN improvements, this need to be rectified.*
>
> *While the M2J5 is being upgraded via RIS and two A249 junction are/will be improved via HIF, there are still links and junctions on the SRN within and beyond Swale that are likely to require improvements via the Local Plan.*

8.38 They went on to say:

> *We suggest that LPAs produce (possibly in the background) spreadsheet based IDPs that clearly set out the where, what, when, how, who promotes, who pays (apportionment or in whole), who delivers and why of infrastructure including SRN improvements. Ideally this is mirrored by allocation/ large site mini IDPs. That way it is simpler to assess when all forms of infrastructure will be required and hence whether development or other funding mechanisms will be in place at the right time to ensure their delivery.*

8.39 At this stage, the Council is in the process of completing the Infrastructure Delivery Plan (IDP). It is assumed that highways costs are within the wider developer contribution assumptions. Sensitivity testing on payments of up to £40,000 per unit is carried out.

Policy ST 9 Promoting Sustainable Transport and Active Travel

8.40 This is a high level policy that sets out general principles that are built on in other policies. In itself, this policy does not include provisions that will add to the cost of development.

Policy ST 10 Conserving and enhancing the natural environment

8.41 This is a high level policy that sets out general principles that are built on in other policies. In itself, this policy does not include provisions that will add to the cost of development.

Policy ST 11 Conserving and enhancing the historic environment

8.42 This is a high level policy that sets out general principles that are built on in other policies. In itself, this policy does not include provisions that will add to the cost of development.

[102] Kevin Brown, National Highways, Kent & Sussex Planning Lead.

Land allocations for new development

8.43 The testing in this assessment is based on typologies. The policies in this section[103], on the whole, relate to specific sites. As appropriate, if the Council allocates Strategic Sites, such sites will be tested individually in due course (as and when they have been identified). In this regard, through the technical consultation, a site promoter[104] welcomed this approach.

8.44 The section[105] then goes on to set out the details of various regeneration sites for development. These set out general principles of development in these areas rather than set out requirements that may adversely impact on viability.

Development management policies

Policy DM 1 General development criteria

8.45 This is a general policy that does not impact directly on viability.

Policy DM 2 Good Design

8.46 This is a general policy that does not impact directly on viability, beyond the requirements set out in policies that are subsequently referred to, with the following specific requirements:

> *Private gardens will be located at the rear of a house and will be a minimum of 10.5m in length;*
>
> *Communal gardens for houses may be provided in addition to private gardens and in which case the minimum private garden size may be foregone;*
>
> *For two-or-more-bedroom flats communal residents' gardens will be provided on the basis of a minimum area of 25m^2 per flat. They will be screened by above-eye-level walls or hedges from the public realm and will contain a sitting-out-area that receives sunshine during at least part of the day. Unusable strips of space between car parks or roads and buildings will not be counted as part of the communal garden provision; and*
>
> *For town centre blocks of flats and one-bedroomed flats where there is access to good local open space or access to a green roof terrace or balconies the provision may be foregone.*

[103] Policy A 1 Saved allocations for housing and mixed use, Policy A 1a Allocations on sites within existing settlements, Policy A 2 Kent Science Park, Policy A 3a Ridham and Kemsley, Sittingbourne, Policy A 3b Neatscourt, Queenborough, Isle of Sheppey, Policy A 3c Land South of Kemsley Mill, Policy A 3d Land at West Minster, Sheerness, Policy A 3e Land at Cowstead Corner, Queenborough, Policy A 3f Land at Selling Road, Faversham, Policy A 3g Land at Graveney Road, east of Faversham, Policy MU 1 East of Faversham Expansion, Policy AO 1 Teynham Area of Opportunity, Policy A 4 Land at Neames Forstal, Selling, Policy A 5 Lamberhurst Farm, Yorkletts.

[104] David Morris for Foxchurch Land (a JV between Catesby Estates and Appin Land) re a potential Strategic Site at Bobbing.

[105] Policy Regen 1 The Port of Sheerness Regeneration Area, Policy Regen 2 Sittingbourne Town Centre, Policy Regen 3A Queenborough and Rushenden Regeneration Area, Policy Regen 3B Rushenden South Area

8.47 Whilst these requirements are unlikely to impact on the overall site cost assumptions set out, in this assessment it is assumed that these requirements can be met on-site within the wider density assumptions.

Policy DM 3 Mitigating and adapting to climate change through sustainable design and construction

8.48 Since the pre-consultation draft of this report was prepared, the Government has launched a consultation on how national standards in this regard may be implemented. This section has been comprehensively updated. To some extent this draft policy has been superseded by changes in national requirements. Essentially, the policy seeks *'Development proposals should demonstrate a commitment to both mitigate and adapt to climate change in accordance with the Council's net-zero by 2030 target'.* Whilst this will apply to development in the longer term, it will not apply before the new Plan is due to be reviewed.

8.49 In the shorter term, the draft Plan seeks:

> *All new developments will demonstrate a commitment to reducing operational carbon, for instance by the use of air source heat pumps and moving away from a reliance on fossil fuels. A 50% reduction of operational carbon compared to 2013 Building Regulations is expected of all development. This requirement will rise to 75% from 2025 and 100% from 2030.*

8.50 This goes a little beyond national requirements, but is less onerous in 2025, by when National Standards will have been increased.

8.51 This is an area of policy that the Council is investigating and considering seeking standards over and above national standards. In any event, as set out in Chapter 2 above, this is an area of increasing national standards.

8.52 The Department of Levelling up, Communities and Housing published revisions to Conservation of Fuel and Power, Approved Document L of the Building Regulations as a 'stepping stone' on the pathway to Zero Carbon homes that sets the target of an interim 31% reduction in CO_2 emissions over 2013 standards for dwellings that apply to new homes that submit plans after June 2022 or have not begun construction before June 2023. It is assumed to apply to all new homes in this assessment.

8.53 The costs will depend on the specific changes made and are considered in Chapter 3 of the 2019 Government Consultation[106]. This suggests that the costs, having been indexed, would add about 3%[107] to the base cost of construction, however these have now been in place for a while, and are not fully reflected in the BCIS costs (the BCIS costs are based on past

[106] The Future Homes Standard 2019 Consultation on changes to Part L (conservation of fuel and power) and Part F (ventilation) of the Building Regulations for new dwellings (MHCLG, October 2019).

[107] BCIS April 2024 459.0 BCIS Oct 2018 354.2 = 30%. £3,134+30%=£4,075. £4,075/90 sqm = £45/sqm. £45/sqm / BCIS Estate Housing £1,517 = 2.9%

schemes). In this assessment the base cost of construction has been lifted by 2% to reflect these higher costs of construction.

8.54 The revisions to Approved Document L are a step towards the introduction of the Future Homes Standard in 2025. Since the consultation draft report was drafted, the Government published, in December 2023, a further consultation on the details of the implementation of the Future Homes Standard. At the same time the Housing Minister, Lee Rowley, made a Written Parliamentary Statement[108] set out the Government's position in this regard as follows:

> *… 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 that ensures:*
>
> - *That development remains viable, and the impact on housing supply and affordability is considered in accordance with the National Planning Policy Framework.*
> - *The additional requirement is expressed as a percentage uplift of a dwelling's Target Emissions Rate (TER) calculated using a specified version of the Standard Assessment Procedure (SAP).*
>
> *Where plan policies go beyond current or planned building regulations, those polices should be applied flexibly to decisions on planning applications and appeals where the applicant can demonstrate that meeting the higher standards is not technically feasible ….*

8.55 Whilst this direction does not preclude the introduction of policies that go beyond national standards, this does suggest that such policies will need to be well justified and subject to greater scrutiny.

8.56 Paragraph 6.10 of *The Future Homes Standard 2023 consultation on the energy efficiency requirements of the Building Regulations affecting new and existing dwellings. Consultation-Stage Impact Assessment* sets out the following costs:

> *6.6 A summary of the impacts considered under this Impact assessment (IA) is provided below in Table 3, relative to the counterfactual – the counterfactual is the 2021 notional building specification, which has a gas boiler, lower efficiency solar panels and wastewater heat recovery, or a heat pump (see Routes to Compliance (para 5.23 - 5.25) section). This is with the exception of mid-high rise, which is an ASHP and gas boiler hybrid communal heat network. Broadly, Option 1 is a home with a heat pump and more efficient solar panels. Option 2 meets our public commitments through the use of heat pumps only. All figures are Net Present Values (NPV) over 10 years of policy and a subsequent 60-year life of the buildings. Negative NPVs are given in parenthesis and represent costs. The figures represent the aggregate impact across the building mix…*
>
> *6.10. … In 2022 prices, on a per-home basis (3-bed semi-detached), Option 1 leads to a ~£6,200 (4%) increase in upfront capital costs, whereas Option 2 only leads to a ~£1,000 (1%) increase….*

[108] Written statements - Written questions, answers and statements - UK Parliament

Additional Capital Costs

6.16. The increase in capital costs from the proposed 2025 standards, compared with the continuation of existing 2021 standards (gas boiler and solar pv home), are shown in Table 5. Further breakdown of the costs of the different elements is provided in Appendix C.

Table 5: Additional Capital Costs relative to 2021 Gas Boiler and Solar PV Counterfactual (£)*

	Option 1	***Option 2***
Detached house	*£6,390*	*£-200***
Semi-detached house	*£6,170*	*£950*
Mid-Terraced house	*£5,960*	*£740*
Low Rise Flats (<11m)	*£4,460*	*£2,760*
Mid Rise Flats (>11m) (same for both option)	*£190*	*£190*
Weighted Average (based on assumed build mix)	*£4,360*	*£640*
**Gross Undiscounted Costs in 2022 prices, excluding gas asset value cost in counterfactual. If included this would lead to the costs presented in table 5 falling. ** a minus equals a cost saving.*		

6.17. Over the longer-term, Currie & Brown estimate that the costs associated with both heat pumps and solar PV will fall, as supply chains mature and become more integrated, and learning rates take effect. By the end of the policy appraisal period (10 years), it is assumed that the cost of a heat pump will be around 70% of the initial cost, whilst for Solar PV they will be around 60% of the initial cost.

8.57 Separately, the *Future Homes Hub, Ready for Zero, Evidence to inform the 2025 Future Homes Standard – Task Group Report* (February 2023) was published before the Government consultation, so is based on testing a wider sets of options than are being considered at a national level. The following costs are estimated:

Table 8.5 Additional Costs for Options Towards Zero Carbon

		Arcadis Cost uplift compared with Ref 2021	Arcadis Cost uplift compared with Ref 2025	Energy bills variance from Ref 2021 (£700/yr)*
CS1	to be consistent with the expectation that the FHS home should reduce carbon emissions by a minimum of 75% from 2013	2%	-3%	Circa 190/yr more
CS2	to align closely with the current Part L 2021 but electrify the heating	7%	2%	Circa £260/yr less
CS2a	As for CS2a but with Batteries on PV and Infra-red heating	10%	5%	Circa £50/yr less (Significant under-estimate)**
CS3	to be mainstream recognised low energy techniques and technologies for a very low energy specification, whilst allowing design flexibility	15%	9%	Circa £360/yr less
CS4	to minimise space and water heating, drawing on UK and European low energy building best practice	19%	13%	Circa £450/yr less
CS5	to improve the fabric efficiency to the level that a comfortable temperature is maintained without a heating system	17%	11%	Circa £410/yr less

Source: Future Homes Hub, Ready for Zero, Evidence to inform the 2025 Future Homes Standard – Task Group Report (February 2023)

8.58 These costs are somewhat greater than those in the more recent Government consultation, however they do predate the Government announcement and are not directly comparable.

8.59 SBC has not undertaken specific work to establish the costs of moving beyond Building Regulations, however the current changing policy situation is summarised as follows.

Table 8.6 Overview of the two options currently in the Future Homes Standard consultation:

	Existing Part L 2021	FHS Option 1	FHS Option 2	Zero Carbon
Fabric	Baseline: Improved insulation & glazing than Part L 2013.	Further improvement from Part L 2021 (improvement to airtightness). No change to insulation or glazing.	No improvement from Part L 2021.	Significant improvements from Part L 2021. Mild improvement on FHS Option 1.
Heating	Gas boiler	Heat pump	Heat pump	Heat pump
PV	40% of ground floor area	40% of ground floor area. Greater efficiency than in Part L 2021.	None – removed.	To match 100% of energy demand – typically ~50-70% of ground floor area
Ventilation	Natural	Mechanical	Natural	Mechanical with heat recovery
Wastewater heat recovery?	Yes	Yes	No	No
Cost uplift from Part L 2021	N/A – baseline	4%	1%	4 – 7% depending on home type

Source: January 2024

8.60 The additional costs, over and above the current BCIS costs are summarised as follows:

a. The 2021 changes to Part L of Building Regulations (31% CO_2 saving) to add 2% to the BCIS base costs.

b. The Future Home Standard Option 2 is expected to add 3% (i.e. 2%+1%) to the current BCIS base costs.

c. The Future Home Standard Option 1 is expected to add 6% (i.e. 2%+4%) to the current BCIS base costs.

d. The cost of Zero Carbon would add 8% to the costs of construction. This is taken to be the base assumption.

8.61 As well as the above, a further scenario has been tested with an additional cost of 10%.

8.62 The performance of non-residential development has normally been assessed using the BREEAM system[109], however, in parallel to the consultation on the Future Homes Standard, a similar process is being undertaken in relation the Future Buildings Standard. Within the supporting documentation the following additional costs are set out.

Table 8.7 Estimates of additional capital costs

	Increase in capital costs			
Building type	**Option 1**		**Option 2**	
	(£/m² GIFA, 2022 prices)		(£/m² GIFA, 2022 prices)	
Deep-plan, air-conditioned office	74	2.1%	67	1.9%
Shallow-plan, naturally ventilated office	96	3.9%	84	3.4%
Hospital	63	1.4%	58	1.3%
Hotel	111	3.7%	99	3.3%
Secondary school	93	3.1%	72	2.4%
Retail Warehouse	113	6.3%	53	3.0%
Distribution Warehouse	109	6.0%	49	2.7%
Average (based on build mix)	**99**	**4.1%**	**61**	**2.5%**

Sources: Table 7, The Future Buildings Standard 2023 consultation on the energy efficiency requirements of the Building Regulations affecting New Non-Domestic Buildings. Consultation-Stage Impact Assessment Currie & Brown provided cost estimates; Adroit Economics provided new build estimates.

8.63 The additional cost of building to BREEAM Very Good standard is negligible as outlined in research[110] by BRE. The additional costs of BREEAM Excellent standard ranges from just under 1% and 5.5%, depending on the nature of the scheme, with offices being a little under 2%. If it is assumed that new non-residential development will be to BREEAM Excellent, and this increases the construction costs by 2% or so.

8.64 The additional costs, over and above the current BCIS costs are summarised as follows:

a. The Future Building Standard Option 2 is expected to add 3.5% to the cost of offices and 3% to the cost of industrial and distribution uses.

b. The Future Building Standard Option 1 is expected to add 4% to the cost of offices and 6% to the cost of industrial and distribution uses.

[109] Building Research Establishment Environmental Assessment Method (BREEAM) was first published by the Building Research Establishment (BRE) in 1990 as a method of assessing, rating, and certifying the sustainability of buildings.

[110] *Delivering sustainable buildings: Savings and payback*. Yetunde Abdul, BRE and Richard Quartermaine, Sweett Group. Published by IHS BRE Press, 7 August 2014.

c. The cost of 'Zero Carbon' would add 6% to the cost of offices and 8% to the cost of industrial and distribution uses.

8.65 It is timely to note that building to higher standards that result in lower running costs does result in higher values[111], although no premium is assumed in this study (for either residential or non-residential development).

8.66 In this regard, through the technical consultation, it was noted[112] that *'there may be economies of scale/ innovation in such costs for schemes delivered over a long period (for instance, Savill's[113] state that 'as these technologies become more widely used, the costs are expected to reduce*''. This is agreed, however, taking a cautious approach, the current estimates of costs are used.

8.67 In this regard, through the technical consultation, a regional developer[114] commented that '*whilst it is prudent to model on the basis of the 2025 Part L, this could change, and therefore perhaps appropriate to "sensitivity" test'*. Testing has been carried out on this basis.

8.68 It is timely to note that building to higher standards that result in lower running costs does result in higher values[115], although no premium is assumed in this study (for either residential Policy DM 4 Sustainable energy production, distribution and storage

8.69 This policy seeks:

> *… All development over 100 dwellings or 3,000m2 will be accompanied by an Energy Masterplan. This will set out how energy will be generated, distributed and stored across the site and, where appropriate, connect to existing or planned heat networks. … 3. Heat networks are encouraged as a low-carbon heating method …*

8.70 Currently there are no significant heat sources within Swale that can be useful sources of renewable energy, particularly from the incineration of waste and from bio-sources. New District Heating Schemes, within the towns, would therefore require the construction of a central heat plant as well as the distribution network infrastructure.

[111] See *EPCs & Mortgages, Demonstrating the link between fuel affordability and mortgage lending* as prepared for Constructing Excellence in Wales and Grwp Carbon Isel / Digarbon Cymru (funded by the Welsh Government) and completed by BRE and *An investigation of the effect of EPC ratings on house prices* for Department of Energy & Climate Change (June 2013.)

[112] Francis Truss of Carter Jonas, for Shaptor Capital, re Winterbourne Fields.

[113] Savills UK | The cost and premium for new eco-homes

[114] Steve Baughen of Fernham Homes re various sites.

[115] See *EPCs & Mortgages, Demonstrating the link between fuel affordability and mortgage lending* as prepared for Constructing Excellence in Wales and Grwp Carbon Isel / Digarbon Cymru (funded by the Welsh Government) and completed by BRE and *An investigation of the effect of EPC ratings on house prices* for Department of Energy & Climate Change (June 2013.)

8.71 There are few published costs of District Heating Schemes in modern estate housing. There are savings to be made from not installing gas and boilers in each unit, but these are more than offset by the costs of laying the heat pipes through the site, heat metering etc. Informal discussions with suppliers suggest that the additional costs may be in the range of £3,000 to £7,000 per unit, which is supported by the limited published data[116], depending on the size and shape of the project. This has not been included in the base appraisals, but this additional cost will be tested.

Policy DM 5 Proposals for Main Town Centre Uses

8.72 This is a general Development Management policy that does not impact directly on viability.

Policy DM 6 Shopfronts, signs and advertisements

8.73 This is a general Development Management policy that does not impact directly on viability.

Policy DM 7 Loss of employment floorspace and land

8.74 This is a general Development Management policy that does not impact directly on viability.

Policy DM 8 The rural economy

8.75 This is a general enabling policy that does not impact directly on viability.

Policy DM 9 New holiday parks or extensions to existing parks and the occupancy of holiday parks

8.76 This is a general Development Management policy that does not impact directly on viability.

Policy DM 10 Managing transport demand and impact

8.77 This policy seeks:

> *All developments that have the potential to generate significant amounts of movement by any mode should be supported by a Transport Statement or Transport Assessment. Where recommended as mitigation, a draft Travel Plan should be submitted, and a Full Travel Plan secured by planning condition.*

8.78 It goes on to set out the detail of what is required. The preparation of a Transport Statement or Transport Assessment is a normal requirement and would be covered in the general allowances for fees.

[116] *Assessment of the Costs, Performance, and Characteristics of UK Heat Networks* (DoE&CC, 2015) provides some guidance for infrastructure to distribute heat, but not generation.

8.79 It is assumed that any requirements are covered under the payments set out under Policy ST 8 Planning for Infrastructure above.

Policy DM 11 Vehicle Parking

8.80 This is a general Development Management policy that does not impact directly on viability. It is assumed that this requirement will not impinge of the Council's wider site capacity and density assumptions.

Policy DM 12 Rural Lanes

8.81 This is a general Development Management policy that does not impact directly on viability.

Policy DM 13 Broadband Infrastructure Provision

8.82 The requirements to provide gigabit capable broadband have, to a large extent, been superseded by the 2022 updated Building Regulations Part R Infrastructure for electronic communications. On this basis, it is assumed that the costs are covered in the wider cost assumptions and do not add to the overall costs of development.

Policy DM 14 Small and medium sites for housing development

8.83 This is a general enabling policy that does not impact directly on viability.

Policy DM 15 Affordable Housing

8.84 This is a core policy for the purpose this assessment, as affordable housing is one of the principal policy costs. The draft wording seeks:

> *Affordable Housing*
>
> 1. *Residential development proposals will be required to make affordable housing provision as follows:*
>   - i. *on sites of 15 or more dwellings on brownfield land within settlement confines, 20% of the total dwellings will be in the form of affordable housing;*
>   - ii. *on sites of 10 or more on greenfield land, 30% of the total dwellings will be in the form of affordable housing.*
> 2. *For sites of 10 or more dwellings, provision should be made on site in the first instance with a financial contribution being negotiated to make up the full requirement as appropriate.*
> 3. *In exceptional circumstances, and in accordance with the Housing Supplementary Planning Document to be prepared by the Borough Council, where proposals fall short of the policy target as a result of viability considerations, an open-book approach will be taken and the onus will be on the developer/landowner to clearly demonstrate the circumstances justifying a lower affordable housing contribution. If on-site affordable housing provision cannot be delivered, affordable housing provision may be commuted to a financial contribution to be used off-site, singly or in combination with other contributions.*
> 4. *Where no registered provider or appropriate alternative provider is available, the full affordable housing provision requirement will be cascaded to another provider and/or site or via a commuted sum, its calculation having regard to the full amount of market housing that has been achieved on the site.*

5. *The Council will seek an appropriate tenure mix of affordable housing to include social rented, affordable rent, intermediate rent and shared ownership affordable units in line with the identified needs of the area.*

2.87 This is tested. The NPPF (paragraph 65) sets out a policy for a minimum of 10% affordable home ownership units on larger sites (10 plus) and the PPG sets out that '*First Homes are the government's preferred discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers through planning obligations*'. These requirements are assumed to apply.

8.85 As set out under Policy ST 5, delivering a wide choice of high-quality homes above the housing mix is informed by the SHMA.

8.86 Through the technical consultation it was noted[117] that this, updated policy, seeks a greater level of affordable housing on the Strategic Sites than earlier Local Plans. Whilst this may be the case, it is appropriate to test the emerging policies as drafted, and if necessary, advise as to whether or not they are appropriate in terms of viability.

8.87 A range of tenure mixes will be tested.

Policy DM 16 Rural exception housing

8.88 This is a general enabling policy that does not impact directly on viability.

Policy DM 17 Open space, sport and recreation provision

8.89 This policy sets out the following requirements on sites of 10 units and larger:

[117] Francis Truss of Carter Jonas, for Shaptor Capital, re Winterbourne Fields.

Table 8.8 Open space and recreation standards

Type of space	Quantity to maintain existing levels of provision (ha per 1000 population)	Proposed need (ha)	Distance from new development (1) (2) (3)
Parks and gardens	1.36	22.79	2km of a destination site. 800m of a local site. 400m of a neighbourhood site.
Natural and semi-natural greenspace	4.20	70.39	2km of a destination site. 800m of a local site. 400m of a neighbourhood site.
Amenity greenspace	0.49	8.21	400m
Provision for children and young people	0.06	1.01	400m
Allotments	0.18	3.02	800m

Source: Table 7.0.2 Local Plan Review 2021, Pre-Submission Document (Regulation 19) February 2021

8.90 These areas are incorporated into the modelling of greenfield sites. On brownfield sites it is assumed that open space is provided off-site through a commuted sum.

Policy DM 18 Park homes

8.91 This is a general Development Management policy that does not impact directly on viability.

Policy DM 19 Gypsy, Traveller and Travelling Showpeople accommodation

8.92 This is a general enabling and Development Management policy that does not impact directly on viability.

Policy DM 20 Dwellings for rural workers

8.93 This is a general enabling and Development Management policy that does not impact directly on viability.

Policy DM 21 Extensions to, and the replacement of, dwellings in the countryside

8.94 This is a general enabling and Development Management policy that does not impact directly on viability.

Policy DM 22 Alterations and extensions

8.95 This is a general Development Management policy that does not impact directly on viability.

Policy DM 23 Extending the garden of a dwelling in the countryside

8.96 This is a general Development Management policy that does not impact directly on viability.

Policy DM 24 Biodiversity and geodiversity conservation and biodiversity net gain

8.97 This is an area of policy that has progressed at a national level since the *Local Plan Review 2021, Pre-Submission Document (Regulation 19)* February 2021 was drafted. The national requirement for 10% Biodiversity Net Gain, as required by the Environment Act, is assumed to apply in the base appraisals. Under this policy the Council is seeking 20% Biodiversity Net Gain.

8.98 The requirement is that developers ensure habitats for wildlife are enhanced and left in a measurably better state than they were pre-development. They must assess the type of habitat and its condition before submitting plans, and then demonstrate how they are improving biodiversity – such as through the creation of green corridors, planting more trees, or forming local nature spaces.

8.99 Green improvements on-site would be preferred (and expected), but in the rare circumstances where they are not possible, developers will need to pay a levy for habitat creation or improvement elsewhere.

8.100 The costs of this type of intervention are modest and will be achieved through the use of more mixed planting plans, that use more locally appropriate native plants. To a large extent, the costs of grass seeds and plantings will be unchanged. More thought and care will however go into the planning of the landscaping. There will be an additional cost of establishing the baseline 'pre-development' situation, as a survey will need to be carried out.

8.101 The Government's impact assessment[118] suggests an average cost of scenarios including where all the provision is on-site and where all is off-site.

[118] Table 14 and 15 Biodiversity net gain and local nature recovery strategies: impact Assessment. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/839610/net-gain-ia.pdf

Table 8.9 Cost of Biodiversity Net Gain – South East - 2017 based costs

	Scenario A 100% on-site	**Scenario C** 100% off-site
Cost per ha of residential development	£3,456/ha	£63,841/ha
Cost per ha of non-residential development	£3,150/ha	£47,885/ha
Cost per greenfield housing unit	£162/unit	£3,305/unit
Cost per brownfield housing unit	£56/unit	£660/unit
Residential greenfield delivery costs as proportion of build costs	0.1%	2.4%
Residential brownfield delivery costs as proportion of build costs	<0.1%	0.5%
% of industrial land values	0.3%	3.0%
% of commercial land values (office edge of city centre)	0.2%	2.3%
% of commercial land values (office out of town - business park)	0.2%	2.6%

Source: Tables 14 to 23 : Biodiversity net gain and local nature recovery strategies – Impact Assessment

8.102 It is assumed provision will be on-site on greenfield sites and off-site on brownfield sites. The percentage uplift costs are used as the costs per ha/unit are a little historic.

8.103 There are few other published studies in this regard, however Kent County Council recently published *Viability Assessment of Biodiversity Net Gain in Kent FINAL REPORT SQW* (June 2022)[119]. This used a different methodology to that in the Government's impact assessment set out above, however suggests the following costs, in addition to achieving 10% BNG:

[119] Viability-Assessment-of-Biodiversity-Net-Gain-in-Kent-June-2022.pdf (kentnature.org.uk)

Table 8.10 KCC comparison of BNG costs £ per dwelling

Typology	15% onsite per dwelling	20% onsite per dwelling	15% offsite per dwelling	20% offsite per dwelling
5,000 unit greenfield - houses	+£55.79	+£92.29	+£631.85	+£778.69
500 unit greenfield - houses	+£85.56 Additional land	+£216.31 Additional land	+£1,062.85	+£1,167.95
100 unit greenfield - houses	+£943.00 Additional land	+£1,071.57 Additional land	+£394.70	+£458.54
25 unit greenfield - houses	+£5,549.96 Additional land	+£5,913.31 Additional land	+£874.76	+£1,077.59
500 unit brownfield - houses	+£12.00	+£27.00	+£100.37	+£124.22
100 unit brownfield – houses flats	+£4.50	+£9.00	+£10.17	+£13.59
25 unit brownfield - flats	+£0.00	+£42.00	+£506.30	+£508.58

Source: Table 1: Viability Assessment of Biodiversity Net Gain in Kent FINAL REPORT SQW (June 2022)

8.104 The above suggests that that, on the whole, on-site provision of additional BNG, over and above the national requirement of 10%, is modest. The report also considered non-residential development:

> *We tested three commercial scenarios as part of our modelling. Using the baseline inputs we found industrial development to be viable in some cases and marginally unviable in others. For smaller industrial typology depending on the build cost development becomes viable when rents are between £11 - £13 psf (at the baseline yield) or if yields are between 5.25 – 6.5% (at the baseline rent). For the larger industrial typology depending on the build cost development becomes viable when rents are between £7.50 - £9.50 psf (at the baseline yield) or if yields are between 4.75 – 6.00% (at the baseline rent).*
>
> *Office development is unviable in our baseline scenario. Sensitivity testing shows that there would have to be substantial decreases to build costs and increases to capital values (most importantly yield compression) to render development viable.*

8.105 20% provision has been tested, assuming the cost of providing 20% BNG is 150% of the cost of 10% BNG. .As above, it is assumed provision will be on-site on greenfield sites and off-site on brownfield sites.

Policy DM 25 Conserving and enhancing valued landscapes

8.106 This is a general Development Management policy that does not impact directly on viability.

Policy DM 26 Kent Downs AONB strategy

8.107 This is a general Development Management policy that does not impact directly on viability.

Policy DM 27 The separation of settlements - Important Local Countryside Gaps

8.108 This is a general Development Management policy that does not impact directly on viability.

Policy DM 28 Local Green Spaces

8.109 This is a general Development Management policy that does not impact directly on viability.

Policy DM 29 Woodland, orchards, trees and hedgerows

8.110 This is a general enabling and Development Management policy that does not impact directly on viability.

Policy DM 30 Agricultural land

8.111 This is a general Development Management policy that does not impact directly on viability.

Policy DM 31 The Coast

8.112 This is a general Development Management policy that does not impact directly on viability.

Policy DM 32 Coastal change management

8.113 This is a general Development Management policy that does not impact directly on viability.

Policy DM 33 Air Quality

8.114 This is a general Development Management policy that does not impact directly on viability beyond the costs covered elsewhere in this assessment.

Policy DM 34 Pollution and Land Instability

8.115 This is a general Development Management policy that does not impact directly on viability.

Policy DM 35 Water Quality and Water Resources

8.116 In the base assumptions, it is assumed that measures to reduce the use of water, in line with the enhanced building regulations, will be introduced. The costs are modest, likely to be less than £5/dwelling[120]. This cost was based in 2014 so has been indexed[121] to £7/dwelling.

8.117 The Council is also considering going further than this. It is assumed that this would be achieved through features such as rainwater harvesting. There are few published costs,

[120] Paragraph 285 Housing Standards Review, Final Implementation Impact Assessment, March 2015. Department for Communities and Local Government.

[121] BCIS Index March 2014 316.3, December 2023 452.0.

although figures of £2,000 to £3,000 are sometimes quoted[122]. The provision of rainwater harvesting requires the capture of rainfall. This is normally done through an underground tank. A second cold water system is then installed. As this is not at 'mains' pressure, this normally utilises a pump and pressure cylinder.

8.118 This cost is not incorporated into the base assumptions, but will be tested as a scenario.

Policy DM 36 Flood Risk

8.119 This is a general Development Management policy that does not impact directly on viability.

Policy DM 37 Sustainable Drainage

8.120 Sustainable Urban Drainage Systems (SUDS) are often a requirement. SUDS aim to limit the waste of water, reduce water pollution and flood risk relative to conventional drainage systems. In this study, it is anticipated that new development will be required to incorporate Sustainable Urban Drainage Schemes (SUDS). SUDS and the like can add to the costs of a scheme – although in larger projects these can be incorporated into public open space. It is assumed that the costs of SUDS are included within the additional costs on brownfield sites, however on the larger greenfield sites it is assumed that SUDS will be incorporated into the green spaces (subject to local ground conditions), and be delivered through soft landscaping within the wider site costs.

Policy DM 38 Development Involving Listed Buildings

8.121 This is a general Development Management policy that does not impact directly on viability.

Policy DM 39 Development affecting a conservation area

8.122 This is a general Development Management policy that does not impact directly on viability.

Policy DM 40 Historic landscapes including parks and gardens

8.123 This is a general Development Management policy that does not impact directly on viability.

Policy DM 41 Area of high townscape value

8.124 This is a general Development Management policy that does not impact directly on viability.

Policy DM 42 Development affecting a locally listed heritage asset

8.125 This is a general Development Management policy that does not impact directly on viability.

[122] For example by the UK Rainwater Harvesting Association.

Policy DM 43 Archaeological Heritage

8.126 This is a general Development Management policy that does not impact directly on viability.

Policy DM 44 The keeping and grazing of horses

8.127 This is a general Development Management policy that does not impact directly on viability.

Neighbourhood plans

8.128 As it stands (at February 2023) the only adopted Neighbourhood Plan is the Faversham Creek Neighbourhood Plan. This and other emerging Neighbourhood Plans are reviewed.

Boughton-under-Blean and Dunkirk

8.129 A neighbourhood plan is currently being prepared to cover the Parishes of Boughton-under-Blean and Dunkirk.

8.130 The draft policies include a requirement for 40% affordable housing on sites of 5 or larger. It also seeks to ensure that First Homes are reserved for people with a local connection for at least 6 months. The Draft Neighbourhood Plan also seeks that *'New developments will be carbon neutral and contribute to energy reduction'*. These policies are tested as part of the wider testing in this report.

8.131 The document then goes on to seek that *'new developments will require that purchasers and occupiers of homes within the areas identified for new development, should be: i Individuals or families with a proven local connection. ii People whose health dictates a move within the parishes'*.

8.132 Similar clauses for Local Occupancy Restrictions have been used in the Lake District National Park for 20 years or so. In the Lake District the requirement is that the occupier has been living or working locally for at least 3 years. The Yorkshire Dales National Park Authority has a similar scheme, although the time frame is more flexible. The North York Moors National Park Authority (YDNPA) also has a scheme whereby new homes outside the main settlements are subject to a Local Occupancy Clause.

8.133 The YDNPA estimates that the LOC reduces the value of a home by 15% to 20%[123] and the NYMNPA estimates that the LOC reduces the value of a home by 20% to 25%[124].

8.134 Introducing a policy that restricts the range of buyers that may purchase a house will reduce demand and that in turn will reduce values which will have an adverse impact on viability. It is difficult to predict what the impact will be, this will depend on the conditions that may be

[123] Occupancy-restriction-statement-March-2018.doc (live.com)

[124] Housing policies (northyorkmoors.org.uk)

applied. In this assessment a scenario is tested where the market homes are subject to a Local Occupancy Clause that reduces the value by up to 30%, however it would be expected that the impact of a Primary Residence Condition would be less than a Local Occupancy Clause.

Faversham Town Council

8.135 Faversham Town Council made an application to Swale Borough Council to designate a neighbourhood area in Spring 2020. It is understood that this remains at an early stage.

Faversham Creek

8.136 The Draft Plan includes draft *Policy NP 1 Faversham Creek Neighbourhood Plan*. The Faversham Creek neighbourhood plan was 'made' in 2017.

8.137 Generally, this concerns design issues that seek high quality design rather than specific requirements.

8.138 Policy HO2 requires 35% affordable housing. This policy is tested as part of the wider testing in this report.

Hernhill

8.139 Hernhill Parish Council made an application to Swale Borough Council to designate a neighbourhood area in Autumn 2019. It is understood that this remains at an early stage.

Minster, Isle of Sheppey

8.140 Minster Parish Council has made an application to Swale Borough Council to designate land in Minster, Isle of Sheppey, a neighbourhood plan area. It is understood that this remains at an early stage.

Borden

8.141 Borden Parish Council submitted an application to designate the whole parish of Borden as a neighbourhood area on 03 March 2021, with additional information provided on 09 March 2021. It is understood that this remains at an early stage.

9. Modelling

9.1 In the previous chapters, the general assumptions to be inputted into the development appraisals are set out. In this chapter, the modelling is set out. It is stressed that this is a high-level study that is seeking to capture the generality rather than the specific.

Residential Development

9.2 SBC is considering which sites to allocate, which will be informed by a *Housing and Employment Land Availability Assessment* (HELAA). A call for sites has been completed and the sites are currently being sifted and assessed for their suitability. This is still a relatively early stage so remains an ongoing process. In this assessment the analysis is based on the long list of sites as at December 2023.

9.3 In the Council's historic published SHLAA the modelling is based on the following high level assumptions:

Table 9.1 Residential Density Assumptions

Situation	Density Assumption
Central Urban Areas	60 dwelling per ha
Wider Urban Areas	50 dwellings per ha
Greenfield Sites	30 to 40 dwellings per ha

Source: SBC

Table 9.2 Net Developable Area Assumptions

Site Size	Net Developable Area
0.15ha to 0.4ha	100%
0.4ha to 2.0ha	80%
2.0ha and above	70%

Source: SBC

9.4 In this regard, through the technical consultation, a site promoter[125] commented:

> *In particular, when taking into account the Councils desire for 20% Biodiversity Net Gain (BNG)) and the requirement to seek to achieve this on site, delivering 100%, 80% and 70% net developable would be very ambitious when sites are expected to deliver 20% BNG on site. The council should engage with Kent County Council to see how the implementation of the 20% BNG requirement on site has affected net developable areas before concluding on this,*

[125] David Morris for Foxchurch Land (a JV between Catesby Estates and Appin Land) re a potential Strategic Site at Bobbing.

otherwise any SHLAA exercise would potentially overestimate the delivery of dwellings from each site.

9.5 Similarly, a regional developer[126] commented:

BNG: FH's experience is that 10% on site BNG reduces developable area by up to 30% on grassland greenfield sites. 20% BNG will be greater. A requirement for 20% BNG will undoubtedly reduce housing yields.

9.6 Whilst this is noted, it is understood that the Council has considered the capacity of sites in the round, taking such factors into consideration. They also noted:

PDL densities are unlikely, particularly for wider urban areas given character of Sittingbourne and Faversham.

Range of net developable area assumptions should be increased for greenfield sites to take into account on-site BNG (65 – 70% NDA for 0.4 ha and above.

9.7 The SHELAA database includes (excluding those sites that have been ruled out) about 200 sites. These range up to about 800ha and have a capacity of up to about 24,000 units. It is however important to note that many of these sites have not yet been assessed for their suitability for development. This long list has been used to inform the modelling:

Table 9.3 Distribution of Draft HELAA Sites by Site Type

	Sites		Area (ha)		Capacity (Units)	
Brownfield	29	14.15%	84.78	2.38%	2,543	2.38%
Greenfield	160	78.05%	2,962.01	83.22%	88,841	83.21%
Mixed	16	7.80%	512.68	14.40%	15,380	14.41%
All	**205**	**100.00%**	**3,559.47**	**100.00%**	**106,764**	**100.00%**
	Sites		Area (ha)		Capacity	
Rural	42	20.49%	939.57	26.40%	28,187	26.40%
Urban	44	21.46%	180.64	5.07%	5,419	5.08%
Urban fringe	119	58.05%	2,439.26	68.53%	73,158	68.52%
All	**205**	**100.00%**	**3,559.47**	**100.00%**	**106,764**	**100.00%**

Source: Draft SHELAA Dataset (SBC January 2024)

[126] Steve Baughen of Fernham Homes re various sites.

Table 9.4 Distribution of Draft HELAA Sites by Parish

	Brownfield			Greenfield			Mixed			ALL		
	Count	Area (ha)	Capacity	Count	Area (ha)	Capacity	Count	Area (ha)	Capacity	Count	Area (ha)	Capacity
Bapchild	0			2	17.26	518	0			2	17.26	518
Bobbing	0			6	27.63	829	1	0.41	12	7	28.04	841
Bobbing/ Iwade	0			4	403.82	12,114	0			4	403.82	12,114
Borden	0			7	63.50	1,905	0			7	63.50	1,905
Borden/ Tunstall	0			3	29.63	889	0			3	29.63	889
Boughton-under-Blean	0			2	1.06	32	2	2.68	80	4	3.74	112
Boughton-under-Blean/ Hernhill	0			1	5.21	156	0			1	5.21	156
Boughton-under-Blean/ Selling	0			1	6.32	190	0			1	6.32	190
Dunkirk	0			4	141.97	4,259	0			4	141.97	4,259
Eastchurch	0			2	39.16	1,175	0			2	39.16	1,175
Eastchurch/ Minster-on-Sea	0			1	17.27	518	0			1	17.27	518
Faversham	8	7.47	224	11	51.37	1,541	2	5.59	168	21	64.44	1,933
Faversham/ Graveney with Goodnestone	0			2	135.29	4,059	0			2	135.29	4,059
Faversham/ Norton/ Luddenham	0			1	36.17	1,085	0			1	36.17	1,085
Faversham/ Ospringe	0			1	40.83	1,225	0			1	40.83	1,225
Faversham/ Selling/ Boughton-under-Blean	0			1	130.72	3,922	0			1	130.72	3,922
Hartlip	0			4	12.36	371	0			4	12.36	371
Iwade	0			1	0.19	6	1	0.46	14	2	0.65	19
Iwade/ Lower Halstow	0			1	136.79	4,104	0			1	136.79	4,104
Leysdown	3	9.72	291	1	2.86	86	1	2.58	77	5	15.15	455
Lower Halstow	0			5	1.73	52	0			5	1.73	52
Lynsted with Kingsdown	0			16	59.51	1,785	1	1.46	44	17	60.96	1,829
Minster-on-Sea	1	7.79	234	12	49.82	1,495	0			13	57.61	1,728
Newington	0			12	45.55	1,366	0			12	45.55	1,366
Newington/ Hartlip	1	1.53	46	0			0			1	1.53	46
Norton	0			1	9.06	272	0			1	9.06	272
Oare	0			1	3.25	98	0			1	3.25	98
Ospringe	0			2	9.24	277	1	3.50	105	3	12.75	382
Queenborough	5	23.38	702	3	5.40	142	1	149.04	4,471	9	177.82	5,315
Queenborough/ Sheerness	0			0			1	30.92	928	1	30.92	928
Rodmersham/ Tonge/ Bapchild/ Tunstall/ Sittingbourne/ Teynham/ Milstead/ Bredgar	0			1	800.69	24,021	0			1	800.69	24,021
Selling	0			2	1.63	49	0			2	1.63	49
Sheerness	2	22.84	685	8	54.78	1,643	1	1.51	45	11	79.13	2,374
Sheerness/ Minster-on-Sea	0			3	171.55	5,147	0			3	171.55	5,147
Sheldwich/ Faversham/ Ospringe/ Selling	0			0			1	309.04	9,271	1	309.04	9,271
Sittingbourne	9	12.04	361	7	25.14	754	0			16	37.18	1,116
Sittingbourne/ Bobbing	0			1	61.21	1,836	0			1	61.21	1,836
Sittingbourne/ Iwade	0			2	68.39	2,052	0			2	68.39	2,052
Sittingbourne/ Rodmersham	0			1	26.01	780	0			1	26.01	780
Sittingbourne/ Tonge	0			1	50.92	1,528	0			1	50.92	1,528
Teynham	0			8	63.70	1,911	1	1.86	56	9	65.55	1,967
Tonge	0			3	26.11	783	1	1.99	60	4	28.10	843
Tonge/ Bapchild	0			1	91.68	2,750	0			1	91.68	2,750
Tunstall	0			1	3.52	106	0			1	3.52	106
Upchurch	0			12	27.10	813	1	1.66	50	13	28.76	863
Warden	0			1	6.62	199	0			1	6.62	199
ALL	29	84.78	2,543	160	2,962.01	88,841	16	512.68	15,380	205	3,559.47	106,764

Source: Draft SHELAA Dataset (SBC January 2024)

9.8 There are several changes to Building Regulations that have been announced. These included proposed Changes to Approved Document B, sprinklers in care homes, and second

staircases in residential buildings. The proposed changes to the regulations around second staircases[127] will apply to buildings of over 18m (about 6 storeys) from September 2026.

9.9 In this regard, through the technical consultation, it was noted[128] that '*wider policy requirements (green space, Biodiversity Net Gain) means that the net developable area for strategic schemes is often below the 70% noted for +2.0ha sites and the resultant density (on the net developable area) can flex to maximise housing numbers in this context*'. It is understood that the Council anticipate taking BNG into account as the site capacity assumptions are refined through the plan-making progress, to ensure on-site provision.

9.10 The modelling is summarised as follows:

a. Brownfield Typologies

- Policy compliant housing mix from the SHMA
- Site Density as per Table 9.1
- Net Gross assumption as per Table 9.2
- Assumes open space is provided off-site.

b. Greenfield Typologies

- Policy compliant housing mix from SHMA
- Site Density as per Table 9.1
- Net Gross assumption as per Table 9.2 – where the calculation is insufficient to accommodate the minimum open space requirements then the open space is increased to allow on-site provision. This has the effect of reducing the net developable area.

c. Strategic Sites

- Based on the gross site area from HELAA dataset as supplied by the Council.
- Assumed 60% net developable area. This is sufficient to allow for on-site open space and the provision of infrastructure.
- Assumed policy compliant housing mix from SHMA

9.11 It is important to note that this modelling derives a site capacity that is less than the assumptions on the Council's HELAA. The HELAA dataset is based on 30 units per gross ha. This approach does allow for the on-site provision of open space, on greenfield sites, as per the emerging policy requirements.

[127] Government proposes second staircases to make buildings safer - GOV.UK (www.gov.uk)

[128] Francis Truss of Carter Jonas, for Shaptor Capital, re Winterbourne Fields.

9.12 Based on the HELAA, a set of typologies has been developed. These include a range of site density assumptions.

Table 9.5 Modelled Typologies and Potential Strategic Sites

Large Brown 300	Units	300	Large PDL site. SHMA mix, houses and flats. 70% net developable - Open space (4.34ha), in part offsite
	Gross	8.571	
	Net	6.000	
1	Density	50.0	
Brown 90	Units	90	PDL site. SHMA mix, houses and flats. 80% net developable - Open space (1.302ha), in part off -site
	Gross	2.250	
	Net	1.800	
2	Density	50.0	
Brown 30	Units	30	PDL site. SHMA mix, houses and flats. 80% net developable - Open space (0.434ha), in part off-site
	Gross	0.750	
	Net	0.600	
3	Density	50.0	
Brown 15	Units	15	PDL site. SHMA mix, houses and flats. 100% net developable - Open space (0.0.217ha), in part off-site
	Gross	0.300	
	Net	0.300	
4	Density	50.0	
Brown 9	Units	9	PDL site. 100% net developable. Below POS thresholds.
	Gross	0.225	
	Net	0.225	
5	Density	40.0	
Brown 6	Units	6	PDL site. 100% net developable. Below POS thresholds. Modelled with affordable housing.
	Gross	0.150	
	Net	0.150	
6	Density	40.0	
Central 60	Units	60	Town centre PDL site. Terraced and flats, 80% net developable. POS off-site (0.868ha).
	Gross	1.250	
	Net	1.000	
7	Density	60.0	
Central 24	Units	24	Town centre PDL site. Terraced and flats, 80% net developable. POS off-site (0.362ha).
	Gross	0.500	
	Net	0.400	
8	Density	60.0	

Central 9	Units	9	Town centre PDL site. Terraced and flats, 100% net developable. Below POS thresholds.
	Gross	0.150	
	Net	0.150	
9	Density	60.0	
Brown 90 HD	Units	90	PDL site. Flatted scheme. 80% net developable. POS off-site (1.302ha).
	Gross	1.607	
	Net	1.286	
10	Density	70.0	
Brown 24 HD	Units	24	PDL site. Flatted scheme. 100% net developable. POS off-site (0.347ha).
	Gross	0.343	
	Net	0.343	
11	Density	70.0	
Large Green 400 LD	Units	400	Lower density large greenfield. SHMA mix, mostly housing, POS onsite (5.787ha), 69% net developable.
	Gross	19.048	
	Net	13.333	
12	Density	30.0	
Large Green 400 HD	Units	400	Higher density large greenfield. SHMA mix, mostly housing, POS on -site (5.787ha), 63% net developable.
	Gross	14.286	
	Net	10.000	
13	Density	40.0	
Green 150	Units	150	Greenfield. SHMA mix, mostly housing, POS on-site (2.170ha), 66% net developable.
	Gross	6.122	
	Net	4.286	
14	Density	35.0	
Green 30	Units	30	Greenfield. SHMA mix, mostly housing, POS on-site (0.434ha), 70% net developable.
	Gross	1.250	
	Net	1.000	
15	Density	30.0	
Green 12	Units	12	Greenfield. SHMA mix, mostly housing, POS on-site (0.174ha), 70% net developable.
	Gross	0.400	
	Net	0.400	
16	Density	30.0	
Green 6	Units	6	Greenfield. 100% net developable - below POS Threshold
	Gross	0.200	
	Net	0.200	
17	Density	30.0	

South and West of Iwade (Site B)	Units	1,381	Potential Strategic Site. Agricultural use. 60% net developable, 35units per ha assumed. Open space requirement (19.979ha) provided on-site.
	Gross	1,381	
	Net	65.760	
18	Density	39.456	
West of Bobbing village	Units	4,173	Potential Strategic Site. Agricultural use. 60% net developable, 35units per ha assumed. Open space requirement (60.371ha) provided on-site.
	Gross	198.720	
	Net	119.232	
19	Density	35.0	
Land at Stickfast Lane	Units	2,411	Potential Strategic Site. Agricultural use. 60% net developable, 35units per ha assumed. Open space requirement (34.880ha) provided on-site.
	Gross	114.820	
	Net	68.892	
20	Density	35.0	
Fax Farm	Units	1,201	Potential Strategic Site. Agricultural use. 60% net developable, 35units per ha assumed. Open space requirement (17.375ha) provided on-site.
	Gross	57.210	
	Net	34.326	
21	Density	35.0	
Winterbourne Fields	Units	1,742	Potential Strategic Site. Agricultural use. 60% net developable, 35units per ha assumed. Open space requirement (20.202ha) provided on-site.
	Gross	82.960	
	Net	49.776	
22	Density	35.0	
SE Faversham	Units	2,745	Potential Strategic Site. Agricultural use. 60% net developable, 35units per ha assumed. Open space requirement (39.712ha) provided on-site.
	Gross	130.720	
	Net	78.432	
23	Density	35.0	
East of Faversham Expansion	Units	2,665	Potential Strategic Site. Agricultural use. 60% net developable, 35units per ha assumed. Open space requirement (38.555ha) provided on-site.
	Gross	126.890	
	Net	76.134	
24	Density	35.0	
Iwade - Solar Farm	Units	2,873	Potential Strategic Site. Agricultural use. 60% net developable, 35units per ha assumed. Open space requirement (41.564ha) provided on-site.
	Gross	136.790	
	Net	82.074	
25	Density	35.0	
Rushenden South	Units	3,130	Potential Strategic Site. Mixed uses, but mainly agricultural. 60% net developable, 35units per ha assumed. Open space requirement (41.564ha) provided on-site.
	Gross	149.040	
	Net	89.424	
26	Density	35.0	

South East Sittingbourne	Units	16,814	Potential Strategic Site. Agricultural use. 60% net developable, 35units per ha assumed. Open space requirement (243.248ha) provided on-site.
	Gross	800.690	
	Net	480.414	
27	Density	35.0	
Land at South-West Minster	Units	2,235	Potential Strategic Site. Agricultural use. 60% net developable, 35units per ha assumed. Open space requirement (32.334ha) provided on-site.
	Gross	106.430	
	Net	63.858	
28	Density	35.0	
Ashford Road, North Street	Units	6,490	Potential Strategic Site. Mixed uses, but mainly agricultural. 60% net developable, 35units per ha assumed. Open space requirement (93.891ha) provided on-site.
	Gross	309.040	
	Net	185.424	
29	Density	35.0	
Between A2 Bapchild and Northern Relief Road	Units	1,925	Potential Strategic Site. Agricultural use. 60% net developable, 35units per ha assumed. Open space requirement (27.849ha) provided on-site.
	Gross	91.680	
	Net	55.008	
30	Density	35.0	

Source: HDH (April 2024)

Table 9.6 Summary of Modelled Typologies and Potential Strategic Sites

			Current Use	Units	Area Ha			Density Units/ha		Density
					Total	Gross	Net	%	Gross	Net	m2/ha
1	Large Brown 300	Brown	PDL	300	8.571	8.571	6.000	70.0%	35.00	50.00	4,049
2	Brown 90	Brown	PDL	90	2.250	2.250	1.800	80.0%	40.00	50.00	4,034
3	Brown 30	Brown	PDL	30	0.750	0.750	0.600	80.0%	40.00	50.00	4,037
4	Brown 15	Brown	PDL	15	0.300	0.300	0.300	100.0%	50.00	50.00	4,010
5	Brown 9	Brown	PDL	9	0.225	0.225	0.225	100.0%	40.00	40.00	3,541
6	Brown 6	Brown	PDL	6	0.150	0.150	0.150	100.0%	40.00	40.00	3,227
7	Central 60	Brown	PDL	60	1.250	1.250	1.000	80.0%	48.00	60.00	5,253
8	Central 24	Brown	PDL	24	0.500	0.500	0.400	80.0%	48.00	60.00	4,658
9	Central 9	Brown	PDL	9	0.150	0.150	0.150	100.0%	60.00	60.00	4,199
10	Brown 90 HD	Brown	PDL	90	1.607	1.607	1.286	80.0%	56.00	70.00	4,943
11	Brown 24 HD	Brown	PDL	24	0.343	0.343	0.343	100.0%	70.00	70.00	5,024
12	Large Green 400 LD	Green	Agricultural	400	19.120	19.048	13.333	69.7%	21.00	30.00	2,537
13	Large Green 400 HD	Green	Agricultural	400	15.787	14.286	10.000	63.3%	28.00	40.00	3,331
14	Green 150	Green	Agricultural	150	6.456	6.122	4.286	66.4%	24.50	35.00	2,974
15	Green 30	Green	Agricultural	30	1.434	1.250	1.000	69.7%	24.00	30.00	2,540
16	Green 12	Green	Agricultural	12	0.574	0.400	0.400	69.7%	30.00	30.00	3,140
17	Green 6	Green	Paddock	6	0.287	0.200	0.200	69.7%	30.00	30.00	3,030
18	South and West of Iwade (Site B)	Green	Agricultural	1,381	65.760	65.760	39.456	60.0%	21.00	35.00	2,959
19	West of Bobbing village	Green	Agricultural	4,173	198.720	198.720	119.232	60.0%	21.00	35.00	2,960
20	Land at Stickfast Lane	Green	Agricultural	2,411	114.820	114.820	68.892	60.0%	21.00	35.00	2,959
21	Fax Farm	Green	Agricultural	1,201	57.210	57.210	34.326	60.0%	20.99	35.00	2,959
22	Winterbourne Fields	Green	Agricultural	1,742	82.960	82.960	49.776	60.0%	21.00	35.00	2,959
23	SE Faversham	Green	Agricultural	2,745	130.720	130.720	78.432	60.0%	21.00	35.00	2,959
24	East of Faversham Expansion	Green	Agricultural	2,665	126.890	126.890	76.134	60.0%	21.00	35.00	2,959
25	Iwade - Solar Farm	Green	Agricultural	2,873	136.790	136.790	82.074	60.0%	21.00	35.00	2,960
26	Rushenden South	Mixed	Agricultural	3,130	149.040	149.040	89.424	60.0%	21.00	35.00	2,960
27	South East Sittingbourne	Green	Agricultural	16,814	800.690	800.690	480.414	60.0%	21.00	35.00	2,959
28	Land at South-West Minster	Green	Agricultural	2,235	106.430	106.430	63.858	60.0%	21.00	35.00	2,960
29	Ashford Road, North Street	Mixed	Agricultural	6,490	309.040	309.040	185.424	60.0%	21.00	35.00	2,959
30	Between A2 Bapchild and Northern I	Green	Agricultural	1,925	91.680	91.680	55.008	60.0%	21.00	35.00	2,959

Source: HDH (April 2024)

Older People's Housing

9.13 A private Sheltered/retirement and an Extracare scheme have been modelled as follows. These assumptions have been updated based on comments made through the technical consultation[129].

- A 60 unit private Sheltered/retirement scheme of 60% 1 bed units of 52 sqm and 40% 2 bed units of 72sqm. A further 25% non-saleable service and common areas is assumed.
- A 60 unit Extracare scheme of 60% 1 bed units of 55sqm and 40% 2 bed units of 75sqm to give a net saleable area (GIA) of 4,260sqm. A further 35% non-saleable service and common areas is assumed.
- A 120 unit Integrated Retirement Community (IRC) made up of level access flats and houses. 40 x 1 bed units of 70sqm with 20% circulation space, 60 x 2 bed units of 90sqm with 20% circulation space and 50 bungalows of 120sqm with 20% circulation space.

9.14 A density of 80 per ha is assumed for the Extracare scheme, 90 per ha for the Sheltered scheme, and 45 per ha is assumed for the IRC.

Employment Uses

9.15 For the purpose of this study a wider range of development types has been assessed. The modelling is based on the following development types:

a. **Large offices**. These are more than 250sqm, will be of steel frame construction, be over several floors and will be located on larger business parks.

   Typical larger units in the Council area likely to be around 2,000sqm – this will be used as the basis of the modelling, assuming 25% coverage. An office typology is also modelled in central Sittingbourne and Faversham, based on a higher (4 storey) format and 70% coverage, but also based on 2,000sqm.

   A smaller format of 500sqm (25% coverage) has been modelled in the business park situation.

b. **Industrial**. Modern industrial units of over 500sqm. There is relatively little new space being constructed.

   A 4,000 sqm and a 400 sqm typology are modelled, each assuming 40% site coverage.

c. **Distribution**. These will normally be on a business park and be of simple steel frame construction, the walls will be of block work and insulated cladding and there will be a

[129] Natasha Styles of the Planning Bureau, for McCarthy Stone.

small office area. Typical units in the area are assumed to be around 5,000sqm – this is the basis of the modelling allowing for 40% site coverage.

9.16 The plethora of other types of commercial and employment development beyond office and industrial/storage uses has not been investigated in this study, as they do not form part of the Council's planned development.

10. Residential Appraisals

10.1 At the start of this chapter, it is important to stress that the results of the appraisals do not, in themselves, determine the deliverability of development. The results of this study are one of several factors that Swale Borough Council will consider when selecting sites for allocation. Council will also consider the track record through the development management process, the availability of external funding (such as through the Housing Infrastructure Fund), the progress of sites through the planning process, and a plethora of other factors.

10.2 The appraisals use the residual valuation approach, they assess the value of a site after considering the costs of development, the likely income from sales and/or rents and a developers' return. The Residual Value represents the maximum bid for the site where the payment is made in a single tranche on the acquisition of a site. For the proposed development to be viable, it is necessary for this Residual Value to exceed the Existing Use Value (EUV) by a satisfactory margin, being the Benchmark Land Value (BLV).

10.3 As set out above, for each development type the Residual Value is calculated. The results are set out and presented for each site and per gross hectare to allow comparison between sites. In the tables in this chapter, the results are colour coded using a traffic light system:

a. **Green** **Viable** – where the Residual Value per hectare exceeds the BLV per hectare (being the EUV plus the appropriate uplift to provide a landowners' premium).

b. **Amber** **Marginal** – where the Residual Value per hectare exceeds the EUV but not the BLV. These sites should not be considered as viable when measured against the test set out – however, depending on the nature of the site and the owner, they may come forward.

c. **Red** **Not-viable** – where the Residual Value does not exceed the EUV.

10.4 A report of this type applies relatively simple assumptions that are broadly reflective of an area to assess viability. The fact that a typology is shown as viable does not necessarily mean that, that type of development will come forward and vice versa. An important part of any final consideration of viability will be relating the results of this study to what is happening on the ground in terms of development.

Base Appraisals

10.5 The initial appraisals are based on the current policy requirement, but with 30% affordable housing, updated to take into account the developing areas of national policy. The base modelling is from the following starting point:

a. Affordable Housing 30% as 63% Affordable Rent 37% Affordable Home Ownership. 25% of affordable homes as First Homes.

b.	Design	75% Part M4(2), 25% Part M4(3), Water efficiency, 20% Biodiversity Net Gain, Zero Carbon.
c.	Developer Contributions	s106 typologies £10,000/unit / potential Strategic Sies £25,000/unit.

10.6 As set out in Chapter 4 above, the analysis is based on 4 sub-areas:

a. **Isle of Sheppey** – being all the Isle of Sheppey

b. **Sittingbourne and West** – being the town of Sittingbourne, the sites to the southwest and west of the town and in the rural areas to the west of the town. This includes sites associated with Rainham.

c. **Sittingbourne East** – being the sites to the north, northeast and south of the town and the areas to the east of the town. This excludes the sites associated with Faversham.

d. **Faversham and East** – being the town of Faversham, sites associated with the town and the area to the east, towards Canterbury.

10.7 The base appraisals are included in **Appendix 12**.

Table 10.1a Residual Values – Isle of Sheppey

						Area (ha)		Units	Residual Value (£)		
						Gross	Net		Gross ha	Net ha	Site
Site 1	Large Brown 300	IoS	Brown	PDL		8.57	6.00	300	369,899	528,427	3,170,560
Site 2	Brown 90	IoS	Brown	PDL		2.25	1.80	90	200,318	250,398	450,716
Site 3	Brown 30	IoS	Brown	PDL		0.75	0.60	30	220,737	275,922	165,553
Site 4	Brown 15	IoS	Brown	PDL		0.30	0.30	15	651,257	651,257	195,377
Site 5	Brown 9	IoS	Brown	PDL		0.23	0.23	9	595,334	595,334	133,950
Site 6	Brown 6	IoS	Brown	PDL		0.15	0.15	6	837,189	837,189	125,578
Site 7	Central 60	IoS	Brown	PDL		1.25	1.00	60	-628,645	-785,806	-785,806
Site 8	Central 24	IoS	Brown	PDL		0.50	0.40	24	425,630	532,038	212,815
Site 9	Central 9	IoS	Brown	PDL		0.15	0.15	9	650,867	650,867	97,630
Site 10	Brown 90 HD	IoS	Brown	PDL		1.61	1.29	90	-1,461,370	-1,826,713	-2,348,631
Site 11	Brown 24 HD	IoS	Brown	PDL		0.34	0.34	24	-1,902,673	-1,902,673	-652,345
Site 12	Large Green 400 LD	IoS	Green	Agricultural		19.05	13.33	400	468,365	671,640	8,955,194
Site 13	Large Green 400 HD	IoS	Green	Agricultural		14.29	10.00	400	596,382	941,496	9,414,964
Site 14	Green 150	IoS	Green	Agricultural		6.12	4.29	150	377,935	569,301	2,439,861
Site 15	Green 30	IoS	Green	Agricultural		1.25	1.00	30	379,544	544,269	544,269
Site 16	Green 12	IoS	Green	Agricultural		0.40	0.40	12	627,831	900,317	360,127
Site 17	Green 6	IoS	Green	Paddock		0.20	0.20	6	917,481	917,481	183,496
Site 26	Rushenden South	IoS Sheerness	Mixed	Agricultural		149.04	89.42	3,130	-4,589	-7,649	-683,972
Site 28	Land at South-West Minster	IoS Minster on Sea	Green	Agricultural		106.43	63.86	2,235	20,998	34,996	2,234,782

Source: HDH (April 2024)

Table 10.1b Residual Values – Sittingbourne and West

					Area (ha)		Units	Residual Value (£)		
					Gross	Net		Gross ha	Net ha	Site
Site 1	Large Brown 300	Sittingbourne West	Brown	PDL	8.57	6.00	300	500,553	715,075	4,290,453
Site 2	Brown 90	Sittingbourne West	Brown	PDL	2.25	1.80	90	349,778	437,223	787,002
Site 3	Brown 30	Sittingbourne West	Brown	PDL	0.75	0.60	30	383,404	479,256	287,553
Site 4	Brown 15	Sittingbourne West	Brown	PDL	0.30	0.30	15	860,344	860,344	258,103
Site 5	Brown 9	Sittingbourne West	Brown	PDL	0.23	0.23	9	775,937	775,937	174,586
Site 6	Brown 6	Sittingbourne West	Brown	PDL	0.15	0.15	6	1,012,402	1,012,402	151,860
Site 7	Central 60	Sittingbourne West	Brown	PDL	1.25	1.00	60	-427,515	-534,394	-534,394
Site 8	Central 24	Sittingbourne West	Brown	PDL	0.50	0.40	24	615,033	768,792	307,517
Site 9	Central 9	Sittingbourne West	Brown	PDL	0.15	0.15	9	888,413	888,413	133,262
Site 10	Brown 90 HD	Sittingbourne West	Brown	PDL	1.61	1.29	90	-1,461,370	-1,826,713	-2,348,631
Site 11	Brown 24 HD	Sittingbourne West	Brown	PDL	0.34	0.34	24	-1,902,673	-1,902,673	-652,345
Site 12	Large Green 400 LD	Sittingbourne West	Green	Agricultural	19.05	13.33	400	468,365	671,640	8,955,194
Site 13	Large Green 400 HD	Sittingbourne West	Green	Agricultural	14.29	10.00	400	596,382	941,496	9,414,964
Site 14	Green 150	Sittingbourne West	Green	Agricultural	6.12	4.29	150	377,935	569,301	2,439,861
Site 15	Green 30	Sittingbourne West	Green	Agricultural	1.25	1.00	30	379,544	544,269	544,269
Site 16	Green 12	Sittingbourne West	Green	Agricultural	0.40	0.40	12	627,831	900,317	360,127
Site 17	Green 6	Sittingbourne West	Green	Paddock	0.20	0.20	6	917,481	917,481	183,496
Site 18	South and West of Iwade (Site B)	Iwade	Green	Agricultural	65.76	39.46	1,381	51,473	85,788	3,384,835
Site 19	West of Bobbing village	Bobbing	Green	Agricultural	198.72	119.23	4,173	-18,554	-30,924	-3,687,141
Site 20	Land at Stickfast Lane	Bobbing	Green	Agricultural	114.82	68.89	2,411	16,339	27,231	1,875,994
Site 25	Iwade - Solar Farm	Iwade	Green	Agricultural	136.79	82.07	2,873	138,770	231,284	18,982,402

Source: HDH (April 2024)

Table 10.1c Residual Values – Sittingbourne East

						Area (ha)		Units	Residual Value (£)		
						Gross	Net		Gross ha	Net ha	Site
Site 12	Large Green 400 LD	Sittingbourne East	Green	Agricultural		19.05	13.33	400	652,422	935,579	12,474,387
Site 13	Large Green 400 HD	Sittingbourne East	Green	Agricultural		14.29	10.00	400	816,739	1,289,370	12,893,700
Site 14	Green 150	Sittingbourne East	Green	Agricultural		6.12	4.29	150	583,926	879,594	3,769,690
Site 15	Green 30	Sittingbourne East	Green	Agricultural		1.25	1.00	30	574,773	824,230	824,230
Site 16	Green 12	Sittingbourne East	Green	Agricultural		0.40	0.40	12	885,957	1,270,472	508,189
Site 17	Green 6	Sittingbourne East	Green	Paddock		0.20	0.20	6	1,300,377	1,300,377	260,075
Site 27	South East Sittingbourne	Sittingbourne SE	Green	Agricultural		800.69	480.41	16,814	-43,658	-72,763	-34,956,315
Site 30	Between A2 Bapchild and Norther	Bapchild	Green	Agricultural		91.68	55.01	1,925	183,242	305,404	16,799,659

Source: HDH (April 2024)

Table 10.1d Residual Values – Faversham and East

					Area (ha)		Units	Residual Value (£)		
					Gross	Net		Gross ha	Net ha	Site
Site 1	Large Brown 300	Faversham	Brown	PDL	8.57	6.00	300	629,286	898,981	5,393,884
Site 2	Brown 90	Faversham	Brown	PDL	2.25	1.80	90	499,239	624,048	1,123,287
Site 3	Brown 30	Faversham	Brown	PDL	0.75	0.60	30	542,900	678,625	407,175
Site 4	Brown 15	Faversham	Brown	PDL	0.30	0.30	15	1,064,302	1,064,302	319,291
Site 5	Brown 9	Faversham	Brown	PDL	0.23	0.23	9	955,162	955,162	214,911
Site 6	Brown 6	Faversham	Brown	PDL	0.15	0.15	6	1,184,469	1,184,469	177,670
Site 7	Central 60	Faversham	Brown	PDL	1.25	1.00	60	-231,089	-288,862	-288,862
Site 8	Central 24	Faversham	Brown	PDL	0.50	0.40	24	802,342	1,002,928	401,171
Site 9	Central 9	Faversham	Brown	PDL	0.15	0.15	9	1,123,524	1,123,524	168,529
Site 10	Brown 90 HD	Faversham	Brown	PDL	1.61	1.29	90	-1,461,370	-1,826,713	-2,348,631
Site 11	Brown 24 HD	Faversham	Brown	PDL	0.34	0.34	24	-1,902,673	-1,902,673	-652,345
Site 12	Large Green 400 LD	Faversham	Green	Agricultural	19.05	13.33	400	712,822	1,022,194	13,629,255
Site 13	Large Green 400 HD	Faversham	Green	Agricultural	14.29	10.00	400	889,039	1,403,508	14,035,083
Site 14	Green 150	Faversham	Green	Agricultural	6.12	4.29	150	651,630	981,580	4,206,771
Site 15	Green 30	Faversham	Green	Agricultural	1.25	1.00	30	638,502	915,618	915,618
Site 16	Green 12	Faversham	Green	Agricultural	0.40	0.40	12	971,999	1,393,857	557,543
Site 17	Green 6	Faversham	Green	Paddock	0.20	0.20	6	1,424,887	1,424,887	284,977
Site 21	Fax Farm	Dunkirk	Green	Agricultural	57.21	34.33	1,201	275,831	459,719	15,780,313
Site 22	Winterbourne Fields	Dunkirk	Green	Agricultural	82.96	49.78	1,742	234,966	391,611	19,492,820
Site 23	SE Faversham	Faversham SE	Green	Agricultural	130.72	78.43	2,745	188,964	314,940	24,701,370
Site 24	East of Faversham Expansion	Faversham E	Green	Agricultural	126.89	76.13	2,665	192,406	320,677	24,414,459
Site 29	Ashford Road, North Street	Faversham S	Mixed	Agricultural	309.04	185.42	6,490	91,718	152,863	28,344,493

Source: HDH (April 2024)

10.8 The results vary across the typologies, although this is largely due to the different assumptions around the nature of each typology, as well as by the price areas. The Residual Value is not an indication of viability by itself, simply being the maximum price a developer may bid for a parcel of land, and still make an adequate return. In the following tables the Residual Value

is compared with the BLV. The BLV being an amount over and above the EUV that is sufficient to provide the willing landowner to sell the land for development as set out in Chapter 6 above:

Table 10.2a Residual Value v BLV – Isle of Sheppey

			EUV	BLV	Residual Value
Site 1	Large Brown 300		1,100,000	1,320,000	369,899
Site 2	Brown 90		1,100,000	1,320,000	200,318
Site 3	Brown 30		1,100,000	1,320,000	220,737
Site 4	Brown 15		1,100,000	1,320,000	651,257
Site 5	Brown 9		1,100,000	1,320,000	595,334
Site 6	Brown 6		1,100,000	1,320,000	837,189
Site 7	Central 60		1,100,000	1,320,000	-628,645
Site 8	Central 24		1,100,000	1,320,000	425,630
Site 9	Central 9		1,100,000	1,320,000	650,867
Site 10	Brown 90 HD		1,100,000	1,320,000	-1,461,370
Site 11	Brown 24 HD		1,100,000	1,320,000	-1,902,673
Site 12	Large Green 400 LD		25,000	375,000	468,365
Site 13	Large Green 400 HD		25,000	375,000	596,382
Site 14	Green 150		25,000	375,000	377,935
Site 15	Green 30		25,000	375,000	379,544
Site 16	Green 12		74,000	424,000	627,831
Site 17	Green 6		74,000	424,000	917,481
Site 26	Rushenden South	IoS Sheerness	25,000	250,000	-4,589
Site 28	Land at South-West Minster	IoS Minster on Sea	25,000	250,000	20,998

Source: HDH (April 2024)

Table 10.2b Residual Value v BLV – Sittingbourne and West

			EUV	BLV	Residual Value
Site 1	Large Brown 300		1,100,000	1,320,000	500,553
Site 2	Brown 90		1,100,000	1,320,000	349,778
Site 3	Brown 30		1,100,000	1,320,000	383,404
Site 4	Brown 15		1,100,000	1,320,000	860,344
Site 5	Brown 9		1,100,000	1,320,000	775,937
Site 6	Brown 6		1,100,000	1,320,000	1,012,402
Site 7	Central 60		1,100,000	1,320,000	-427,515
Site 8	Central 24		1,100,000	1,320,000	615,033
Site 9	Central 9		1,100,000	1,320,000	888,413
Site 10	Brown 90 HD		1,100,000	1,320,000	-1,461,370
Site 11	Brown 24 HD		1,100,000	1,320,000	-1,902,673
Site 12	Large Green 400 LD		25,000	375,000	468,365
Site 13	Large Green 400 HD		25,000	375,000	596,382
Site 14	Green 150		25,000	375,000	377,935
Site 15	Green 30		25,000	375,000	379,544
Site 16	Green 12		74,000	424,000	627,831
Site 17	Green 6		74,000	424,000	917,481
Site 18	South and West of Iwade (Site B)	Iwade	25,000	250,000	51,473
Site 19	West of Bobbing village	Bobbing	25,000	250,000	-18,554
Site 20	Land at Stickfast Lane	Bobbing	25,000	250,000	16,339
Site 25	Iwade - Solar Farm	Iwade	25,000	250,000	138,770

Source: HDH (April 2024)

Table 10.2c Residual Value v BLV – Sittingbourne East

			EUV	BLV	Residual Value
Site 12	Large Green 400 LD		25,000	375,000	652,422
Site 13	Large Green 400 HD		25,000	375,000	816,739
Site 14	Green 150		25,000	375,000	583,926
Site 15	Green 30		25,000	375,000	574,773
Site 16	Green 12		74,000	424,000	885,957
Site 17	Green 6		74,000	424,000	1,300,377
Site 27	South East Sittingbourne	Sittingbourne SE	25,000	250,000	-43,658
Site 30	Between A2 Bapchild and Northern Relief Road	Bapchild	25,000	250,000	183,242

Source: HDH (April 2024)

Table 10.2d Residual Value v BLV – Faversham and East

			EUV	BLV	Residual Value
Site 1	Large Brown 300		1,100,000	1,320,000	629,286
Site 2	Brown 90		1,100,000	1,320,000	499,239
Site 3	Brown 30		1,100,000	1,320,000	542,900
Site 4	Brown 15		1,100,000	1,320,000	1,064,302
Site 5	Brown 9		1,100,000	1,320,000	955,162
Site 6	Brown 6		1,100,000	1,320,000	1,184,469
Site 7	Central 60		1,100,000	1,320,000	-231,089
Site 8	Central 24		1,100,000	1,320,000	802,342
Site 9	Central 9		1,100,000	1,320,000	1,123,524
Site 10	Brown 90 HD		1,100,000	1,320,000	-1,461,370
Site 11	Brown 24 HD		1,100,000	1,320,000	-1,902,673
Site 12	Large Green 400 LD		25,000	375,000	712,822
Site 13	Large Green 400 HD		25,000	375,000	889,039
Site 14	Green 150		25,000	375,000	651,630
Site 15	Green 30		25,000	375,000	638,502
Site 16	Green 12		74,000	424,000	971,999
Site 17	Green 6		74,000	424,000	1,424,887
Site 21	Fax Farm	Dunkirk	25,000	250,000	275,831
Site 22	Winterbourne Fields	Dunkirk	25,000	250,000	234,966
Site 23	SE Faversham	Faversham SE	25,000	250,000	188,964
Site 24	East of Faversham Expansion	Faversham E	25,000	250,000	192,406
Site 29	Ashford Road, North Street	Faversham S	25,000	250,000	91,718

Source: HDH (April 2024)

10.9 As set out in Chapter 4 above, the value assumptions vary across the Borough. This is reflected in the results of the appraisal which are broadly similar across the areas. The results do vary significantly between the greenfield sites. The brownfield sites are modelled with abnormal costs and higher contingency costs than the greenfield sites and this is reflected in the Residual Value.

10.10 Based on 30% affordable housing, within the towns, where most sites are likely to be brownfield sites, the Residual Value is less than the BLV across all the typologies, indicating that most brownfield development is likely to be unviable. This is to be expected and the current draft policy seeks 20% affordable housing on '*brownfield land within settlement confines'*.

10.11 The greenfield typologies generate a residual value that is greater than the BLV across the areas, suggesting that such sites are, on the whole, likely to be viable. This is broadly reflective of the Council's experience through the development management process, where most greenfield planning consents are policy compliant.

10.12 The potential Strategic Sites are included to inform the site selection process. The results are less good than on the greenfield typologies, with lower Residual Values. This is largely due to the lower net developable area assumption and the higher allowance for strategic infrastructure and mitigation (i.e. s106) costs. In this regard, it is necessary to note that the delivery of any large site is challenging. Regardless of these results, it is recommended that that the Council engages with the owners in line with the advice set out in the Harman Guidance (page 23):

> *Landowners and site promoters should be prepared to provide sufficient and good quality information at an early stage, rather than waiting until the development management stage. This will allow an informed judgement by the planning authority regarding the inclusion or otherwise of sites based on their potential viability.*

10.13 In this context paragraph 10-006 of the PPG is highlighted:

> *... It is the responsibility of site promoters to engage in plan making, take into account any costs including their own profit expectations and risks, and ensure that proposals for development are policy compliant. It is important for developers and other parties buying (or interested in buying) land to have regard to the total cumulative cost of all relevant policies when agreeing a price for the land. Under no circumstances will the price paid for land be a relevant justification for failing to accord with relevant policies in the plan....*
>
> *PPG 10-006-20180724*

10.14 In relation to the potential Strategic Sites, these are modelled on the basis that the site is acquired by the developer in a single tranche at the start of the project. Such a scenario is unlikely on very large sites, where the site is typically purchased in phases or tranches. Such an approach not only benefits the developer in terms of cashflow but can be beneficial to the landowner in terms of taxation.

10.15 The Council is exploring various options so further sets of appraisals have been run to establish the costs of the additional policy requirements. Before doing this, further appraisals have been run to understand an issue that was highlighted through the technical consultation, being the level of the developer's return assumptions.

Developers' Return

10.16 In the initial iteration of this assessment the developers' return was taken as 17.5% of market housing and 6% of affordable housing. Based on comments made through the consultation process, this was changed to 20% across the mainstream housing schemes and 6% for affordable housing. A range of assumptions are tested in the 15% to 20% range (as per paragraph 10-018-20190509 of the updated PPG) and are set out in **Appendix 13** below.

10.17 This analysis shows that where a lower developers' return than 20% / 6% is used, the proportion of typologies that generate a Residual Value that exceeds the BLV is somewhat more, with several of the typologies shown as being unviable moving into the viable category.

Varied Benchmark Land Value

10.18 Through the consultation process the appropriate Benchmark Land Value was questioned, although no alternative evidence was submitted, or alternative assumptions put forward. The following BLV assumptions are used (these are applied on a gross site area):

a.	Brownfield/Urban Sites:	EUV Plus 20% (where the EUV is £1.1m)	
b.	Greenfield Sites:	Generally	EUV Plus £350,000 per ha
		Strategic Sites	EUV x 10.

10.19 Whilst this is considered to be appropriate, a range of BLV assumptions of up to £2,000,000 per ha have been tested and are set out in **Appendix 13** below.

10.20 When the BLV is increased, more typologies do show as being unviable, however the difference is relatively small. Whilst the BLV assumption was questioned, the analysis shows that if a BLV assumption that was higher than the one used, the results would be less good, having said that, the assumptions used are soundly based and broadly reflective of the Council's experience of delivery across the Council area.

BCIS Median or BCIS Lower Quartile?

10.21 In the initial iteration of this assessment the construction costs on the larger sites of 200 units and larger was based on the BCIS Lower Quartile costs. Several consultees suggested that this approach was not appropriate, and these sites should be modelled based on the BCIS Median costs. As a result of these comments, the analysis through this report is based on the BCIS Median costs. **Appendix 13** also includes appraisal results based on both the Median and the Lower Quartile for comparison.

10.22 The results show that most of the potential Strategic Sites produce a Residual Value that is less than the BLV when the median is used – suggesting these sites will be unviable. However, most of the potential Strategic Sites produce a Residual Value that is more than the BLV when the lower quartile is used – suggesting these sites will be viable.

Varied Policy Requirements

10.23 The above analysis is based on a 30% affordable housing requirement as this is a convenient starting point. The Council is exploring various options, including seeking higher environmental standards and greater accessibility standards. Sets of appraisals have been run to establish the costs of the additional policy requirements. The results are included in **Appendix 14**.

10.24 The starting point for the above analysis is Zero Carbon. Further appraisals have been run at the current standard, the options set out in the Future Homes Standard consultation, and an enhanced Zero Carbon standard. In addition, varied levels of Biodiversity Net Gain, and varied levels of Accessible and Adaptable standards under Part M of Building Regulations are tested. The figures in the following table are an indication of the amount the Residual Value will fall

(or rise) for the various policy requirements relative to be base assumption. The reduction in the amount of the Residual Value is the reduced amount in the maximum price a developer can pay a landowner.

Table 10.3 Costs of Policy Requirements – Environmental Standards (Change in Residual Value as £ per ha)

Isle of Sheppey							
	Part L 2021	FHS Option 2	FHS Option 1	Zero Carbon	Zero Carbon Plus	FHS Option 1 +District Heating	Zero Carbon +District Heating
Large Brownfield	285,497	608,133	96,446	0	-97,994	217,828	-250,066
Brownfield	371,924	811,331	125,338	0	-126,131	296,626	-332,119
Central	451,229	526,061	152,211	0	-153,146	-106,259	-409,514
Flats	573,718	-1,203,923	191,239	0	-192,395	-2,014,205	-524,755
Large Greenfield	183,205	685,044	61,068	0	-61,076	434,255	-161,249
Greenfield	235,111	771,658	78,384	0	-78,384	464,146	-190,400
Rushenden South	128,956	103,471	43,443	0	-46,061	-76,027	-118,446
Land at South-West Minster	139,551	137,653	47,434	0	-48,834	-54,717	-125,822
Sittingbourne and West							
	Part L 2021	FHS Option 2	FHS Option 1	Zero Carbon	Zero Carbon Plus	FHS Option 1 +District Heating	Zero Carbon +District Heating
Large Brownfield	283,576	736,866	94,525	0	-95,623	350,853	-247,694
Brownfield	369,220	984,172	123,120	0	-124,664	474,656	-328,246
Central	447,432	731,624	149,623	0	-151,077	105,798	-406,227
Flats	573,718	-1,203,923	191,239	0	-192,395	-2,014,205	-524,755
Large Greenfield	183,205	685,044	61,068	0	-61,076	434,255	-161,249
Greenfield	235,111	771,658	78,384	0	-78,384	464,146	-190,400
South and West of Iwade (Site	151,346	177,594	50,449	0	-50,556	-28,259	-134,865
West of Bobbing village	126,936	87,758	43,577	0	-44,758	-87,774	-115,755
Land at Stickfast Lane	136,737	130,311	45,679	0	-48,862	-59,304	-125,220
Iwade - Solar Farm	128,495	246,177	43,461	0	-43,461	71,841	-110,804
Sittingbourne East							
	Part L 2021	FHS Option 2	FHS Option 1	Zero Carbon	Zero Carbon Plus	FHS Option 1 +District Heating	Zero Carbon +District Heating
Large Greenfield	183,205	887,251	61,068	0	-61,068	637,066	-158,582
Greenfield	232,769	1,030,233	77,590	0	-78,019	725,071	-189,571
South East Sittingbourne	85,738	28,233	29,670	0	-29,783	-89,928	-76,874
Between A2 Bapchild and Non	141,925	301,966	47,871	0	-47,871	109,508	-121,606

Faversham and East							
	Part L 2021	FHS Option 2	FHS Option 1	Zero Carbon	Zero Carbon Plus	FHS Option 1 +District Heating	Zero Carbon +District Heating
Large Brownfield	283,576	865,600	94,525	0	-94,525	482,598	-243,403
Brownfield	368,210	1,156,203	123,120	0	-123,120	650,509	-323,790
Central	445,482	936,884	148,905	0	-149,133	315,774	-400,845
Flats	573,718	-1,203,923	191,239	0	-192,395	-2,014,205	-524,755
Large Greenfield	183,205	953,601	61,068	0	-61,068	703,417	-158,582
Greenfield	232,769	1,115,729	77,590	0	-77,590	811,250	-188,669
Fax Farm	152,478	402,897	50,826	0	-50,826	197,552	-129,106
Winterbourne Fields	139,351	351,092	46,450	0	-46,450	162,759	-120,222
SE Faversham	129,502	297,273	43,621	0	-43,621	121,784	-110,967
East of Faversham Expansion	131,027	301,753	43,739	0	-43,739	125,039	-112,166

Source: HDH (April 2024)

Table 10.4 Costs of Policy Requirements – Biodiversity Net Gain and Rainwater Harvesting (Change in Residual Value as £ per ha)

Isle of Sheppey			
	10% BNG	20% BNG	Rainwater Harvesting
Large Brownfield	11,785	0	-76,036
Brownfield	15,534	0	-101,604
Central	19,235	0	-127,434
Flats	25,093	0	-166,003
Large Greenfield	1,476	0	-48,757
Greenfield	1,509	0	-45,062
Rushenden South	1,094	0	-35,245
Land at South-West Minster	1,146	0	-37,389
Sittingbourne and West			
	10% BNG	20% BNG	Rainwater Harvesting
Large Brownfield	11,368	0	-73,664
Brownfield	15,227	0	-100,430
Central	18,839	0	-125,451
Flats	25,093	0	-166,003
Large Greenfield	1,476	0	-48,757
Greenfield	1,509	0	-45,062
South and West of Iwade (Site	1,219	0	-38,857
West of Bobbing village	1,082	0	-34,461
Land at Stickfast Lane	1,142	0	-37,464
Iwade - Solar Farm	1,050	0	-33,465
Sittingbourne East			
	10% BNG	20% BNG	Rainwater Harvesting
Large Greenfield	1,476	0	-48,757
Greenfield	1,498	0	-44,879
South East Sittingbourne	720	0	-22,936
Between A2 Bapchild and Nor	1,157	0	-36,867

Faversham and East			
	10% BNG	20% BNG	Rainwater Harvesting
Large Brownfield	11,368	0	-73,344
Brownfield	15,227	0	-99,306
Central	18,708	0	-124,170
Flats	25,093	0	-166,003
Large Greenfield	1,476	0	-48,757
Greenfield	1,498	0	-44,800
Fax Farm	1,228	0	-39,140
Winterbourne Fields	1,123	0	-35,763
SE Faversham	1,054	0	-33,590
East of Faversham Expansion	1,057	0	-33,684
Ashford Road, North Street	863	0	-27,663

Source: HDH (April 2024)

Table 10.5 Costs of Policy Requirements – Accessible and Adaptable Standards (Change in Residual Value as £ per ha)

Isle of Sheppey					
Part M4(2)	0%	100%	95%	90%	75%
Part M4(3)a	0%	0%	5%	10%	25%
Part M4(3)b	0%	0%	0%	0%	0%
Large Brownfield	160,739	131,426	105,894	79,605	0
Brownfield	210,797	172,364	138,696	103,795	0
Central	250,306	204,525	164,650	123,546	0
Flats	286,859	233,913	187,797	140,315	0
Large Greenfield	101,326	82,624	66,335	49,563	0
Greenfield	127,454	103,930	83,440	62,343	0
Rushenden South	71,631	58,462	46,992	35,182	0
Land at South-West Minster	77,883	63,910	51,340	38,359	0
Sittingbourne and West					
Part M4(2)	0%	100%	95%	90%	75%
Part M4(3)a	0%	0%	5%	10%	25%
Part M4(3)b	0%	0%	0%	0%	0%
Large Brownfield	158,819	129,505	103,973	77,685	0
Brownfield	208,232	169,799	136,323	101,855	0
Central	247,014	201,555	161,960	121,192	0
Flats	286,859	233,913	187,797	140,315	0
Large Greenfield	101,326	82,624	66,335	49,563	0
Greenfield	127,454	103,930	83,440	62,343	0
South and West of Iwade (Site	83,396	68,003	54,596	40,792	0
West of Bobbing village	71,380	58,422	47,086	35,413	0
Land at Stickfast Lane	75,419	61,526	49,426	36,967	0
Iwade - Solar Farm	71,684	58,583	47,034	35,142	0
Sittingbourne East					
Part M4(2)	0%	100%	95%	90%	75%
Part M4(3)a	0%	0%	5%	10%	25%
Part M4(3)b	0%	0%	0%	0%	0%
Large Greenfield	101,326	82,624	66,335	49,563	0
Greenfield	126,180	102,891	82,606	61,720	0
South East Sittingbourne	48,431	39,785	32,060	24,083	0
Between A2 Bapchild and Nor	79,143	64,536	51,812	38,712	0

Faversham and East					
Part M4(2)	0%	100%	95%	90%	75%
Part M4(3)a	0%	0%	5%	10%	25%
Part M4(3)b	0%	0%	0%	0%	0%
Large Brownfield	158,819	129,505	103,973	77,685	0
Brownfield	207,995	169,767	136,323	101,855	0
Central	246,295	200,836	161,241	120,473	0
Flats	286,859	233,913	187,797	140,315	0
Large Greenfield	101,326	82,624	66,335	49,563	0
Greenfield	126,180	102,891	82,606	61,720	0
Fax Farm	84,028	68,519	55,010	41,102	0
Winterbourne Fields	76,788	62,615	50,270	37,560	0
SE Faversham	72,114	58,804	47,210	35,274	0
East of Faversham Expansion	72,306	58,960	47,336	35,368	0
Ashford Road, North Street	57,781	47,120	37,834	28,273	0

Source: HDH (April 2024)

10.25 The amount the Residual Value falls is related to the density of the type of development. For example, seeking rainwater harvesting on brownfield sites is likely to reduce the Residual Value by about £100,000/ha, whilst the impact is about £50,000/ha on the large, lower density, greenfield sites. These differences are largely due to the density assumptions used in the modelling.

10.26 The increase from the 2025 Future Home Standard Option 1 to Zero Carbon is significant, whilst the move from 10% to 20 BNG is less so.

Varied Affordable Housing

10.27 A core purpose of this study is to consider an appropriate affordable housing target and the tenure mix. The analysis above is based on 30% affordable housing. The Council's SHMA suggests currently seeks 63% Affordable Rent or Social Rent and the balance as Affordable Home Ownership, however, in line with paragraph 66 of the NPPF, a minimum of 10% affordable home ownership units are assumed, and in line with Paragraph 70-001-21210524 of the PPG, it is assumed that 25% of the affordable homes are First Homes.

10.28 The tables included in **Appendix 15** show the results of the appraisals where the total amount of affordable housing is varied. In this analysis the affordable housing is assumed to be in line with the requirements of the NPPF that 10% of all the housing should be Affordable Home Ownership delivered. It is assumed that beyond this affordable housing for rent, as Affordable Rent, capped at the Local Housing Allowance (LHA) cap, is maximised. All other matters are as in the base appraisals at the start of this chapter.

Table 10.6 Costs of Providing Affordable Housing (Change in Residual Value as £ per ha)

Isle of Sheppey						
AFFORDABLE HOUSING	0%	5%	10%	20%	30%	40%
Large Brownfield	0	-73,286	-146,572	-381,728	-528,292	-816,059
Brownfield	0	-95,332	-190,664	-476,538	-669,500	-1,013,905
Central	0	-424,236	-868,720	-994,398	-1,911,886	-1,628,993
Flats	0	-103,960	-207,919	-464,293	-672,208	-955,674
Large Greenfield	0	-54,593	-109,185	-267,411	-376,591	-560,472
Greenfield	0	-64,275	-128,550	-309,895	-439,795	-650,085
Rushenden South	0	-34,104	-68,208	-169,716	-239,028	-365,533
Land at South-West Minster	0	-37,372	-74,744	-184,981	-260,668	-396,941
Sittingbourne and West						
AFFORDABLE HOUSING	0%	5%	10%	20%	30%	40%
Large Brownfield	0	-76,238	-152,477	-405,695	-558,161	-866,463
Brownfield	0	-99,459	-199,321	-506,930	-708,478	-1,078,298
Central	0	-427,774	-869,632	-1,024,405	-1,946,433	-1,701,231
Flats	0	-103,960	-207,919	-464,293	-672,208	-955,674
Large Greenfield	0	-54,593	-109,185	-267,411	-376,591	-560,472
Greenfield	0	-64,275	-128,550	-309,895	-439,795	-650,085
South and West of Iwade (Site	0	-41,108	-82,217	-204,018	-286,231	-432,432
West of Bobbing village	0	-33,177	-66,355	-164,296	-231,860	-355,145
Land at Stickfast Lane	0	-36,872	-73,744	-182,821	-256,561	-391,002
Iwade - Solar Farm	0	-38,442	-76,883	-197,265	-274,822	-420,975
Sittingbourne East						
AFFORDABLE HOUSING	0%	5%	10%	20%	30%	40%
Large Greenfield	0	-60,030	-120,061	-306,276	-426,330	-646,952
Greenfield	0	-72,065	-144,130	-360,027	-504,150	-758,951
South East Sittingbourne	0	-23,199	-46,399	-119,434	-167,061	-260,573
Between A2 Bapchild and Nor	0	-42,407	-84,814	-218,386	-304,236	-466,416

Faversham and East						
AFFORDABLE HOUSING	0%	5%	10%	20%	30%	40%
Large Brownfield	0	-79,190	-158,381	-429,661	-588,030	-918,030
Brownfield	0	-104,114	-208,228	-537,626	-747,757	-1,144,173
Central	0	-432,972	-875,043	-1,055,780	-1,983,395	-1,774,465
Flats	0	-103,960	-207,919	-464,293	-672,208	-955,674
Large Greenfield	0	-62,018	-124,036	-319,932	-443,962	-677,232
Greenfield	0	-74,758	-149,516	-377,316	-526,824	-796,117
Fax Farm	0	-47,397	-94,804	-248,374	-343,940	-527,675
Winterbourne Fields	0	-43,983	-87,966	-228,542	-316,503	-485,407
SE Faversham	0	-40,071	-80,143	-208,195	-289,140	-444,928
East of Faversham Expansion	0	-40,367	-80,734	-210,819	-292,228	-448,711
Ashford Road, North Street	0	-32,047	-64,093	-166,292	-230,849	-354,834

Source: HDH (April 2024)

10.29 This analysis shows that providing 30% affordable housing on flatted schemes is likely to cost about £670,000 per ha, but on greenfield sites, is about £375,000 per ha. Providing 30% affordable housing, rather than 20% affordable housing will have the effect of reducing the Residual Value by £100,000 per ha or so, on greenfield sites.

10.30 Also included in **Appendix 15**, show the results of the appraisals where the type of affordable housing for rent is varied between Affordable Rent and Social Rent. In this analysis the affordable housing is assumed to be delivered in line with the requirements of the NPPF that 10% of all the housing should be Affordable Home Ownership and 25% of the affordable homes are First Homes. All other matters are as in the base appraisals at the start of this chapter.

10.31 This analysis shows that, on average, assuming 30% affordable housing, across the typologies, the Residual Value is about £500,000 per ha less on brownfield sites and £300,000 per ha less on greenfield sites, where the affordable housing for rent is provided as Social Rent rather than Affordable Rent. The consequence of this is that should the Council seek that all the affordable housing for rent is as Social Rent, the developer could typically afford to pay a landowner about £500,000 per ha less on brownfield sites and £300,000 per ha less on greenfield sites than where the affordable housing for rent is as Affordable Rent. This is a significant difference that has the impact of reducing the scope for affordable housing provision by 15% or so, although the impact varies considerably across the different typologies.

10.32 First Homes are required to be subject to a minimum discount of 30%. Paragraph 70-004-20210524 of the PPG gives councils scope (subject to conditions) to set an alternative discount of 40% or 50% or a cap reduced below the £250,000 set out in the PPG. A further set of appraisals has been run with the First Homes being subject to a range of discounts and caps, the results of which are also set out in **Appendix 15**.

Table 10.7 Costs of seeking greater First Homes Discounts (Change in Residual Value as £ per ha)

Isle of Sheppey						
First Homes Discount	**40%**	**50%**	**30%**	**30%**	**30%**	**30%**
First Homes Cap	£250,000	£250,000	£225,000	£200,000	£175,000	£150,000
Large Brownfield	-39,859	-87,074	-14,072	-36,208	-66,926	-99,279
Brownfield	-54,606	-110,472	-9,146	-29,791	-57,709	-87,298
Central	-63,276	-126,552	0	-2,280	-10,196	-64,062
Flats	-81,370	-162,917	0	0	-25,450	-77,865
Large Greenfield	-26,066	-56,098	-8,370	-22,223	-41,734	-62,323
Greenfield	-31,083	-63,079	-3,128	-9,261	-32,550	-59,106
Rushenden South	-16,072	-37,099	-8,850	-19,252	-32,688	-46,123
Land at South-West Minster	-10,288	-23,744	-5,669	-12,331	-20,930	-29,528
Sittingbourne and West						
First Homes Discount	**40%**	**50%**	**30%**	**30%**	**30%**	**30%**
First Homes Cap	£250,000	£250,000	£225,000	£200,000	£175,000	£150,000
Large Brownfield	-37,485	-84,751	-16,722	-38,504	-69,820	-102,115
Brownfield	-54,888	-111,697	-13,452	-34,215	-63,257	-92,366
Central	-63,542	-127,741	0	-3,777	-11,556	-73,692
Flats	-81,370	-162,917	0	0	-25,450	-77,865
Large Greenfield	-26,066	-56,098	-8,370	-22,223	-41,734	-62,323
Greenfield	-31,083	-63,079	-3,128	-9,261	-32,550	-59,106
South and West of Iwade (Site	-41,090	-82,180	0	0	-30,817	-67,505
West of Bobbing village	-19,964	-43,376	-6,782	-17,614	-32,596	-48,389
Land at Stickfast Lane	-17,383	-37,749	-5,911	-15,391	-28,461	-42,215
Iwade - Solar Farm	-15,276	-36,848	-9,324	-20,463	-34,025	-47,588
Sittingbourne East						
First Homes Discount	**40%**	**50%**	**30%**	**30%**	**30%**	**30%**
First Homes Cap	£250,000	£250,000	£225,000	£200,000	£175,000	£150,000
Large Greenfield	-24,950	-56,671	-13,271	-29,017	-49,606	-70,195
Greenfield	-31,932	-65,668	-5,815	-17,614	-43,913	-70,435
South East Sittingbourne	-17,664	-38,836	-5,972	-15,548	-28,939	-43,419
Between A2 Bapchild and Nor	-12,241	-29,499	-7,437	-16,340	-27,203	-38,067

Faversham and East						
First Homes Discount	**40%**	**50%**	**30%**	**30%**	**30%**	**30%**
First Homes Cap	£250,000	£250,000	£225,000	£200,000	£175,000	£150,000
Large Brownfield	-36,389	-84,375	-19,823	-43,544	-74,859	-106,175
Brownfield	-55,375	-112,518	-17,827	-39,891	-68,392	-96,893
Central	-64,607	-129,373	0	-5,357	-22,323	-83,741
Flats	-81,370	-162,917	0	0	-25,450	-77,865
Large Greenfield	-23,573	-55,810	-13,853	-30,589	-51,178	-71,767
Greenfield	-31,746	-65,819	-6,133	-20,897	-47,196	-73,494
Fax Farm	-18,755	-41,526	-6,242	-16,343	-30,953	-46,345
Winterbourne Fields	-18,128	-43,686	-11,095	-24,375	-40,574	-56,773
SE Faversham	-16,424	-39,552	-9,987	-21,933	-36,497	-51,061
East of Faversham Expansion	-15,243	-36,730	-9,263	-20,350	-33,876	-47,401
Ashford Road, North Street	-18,666	-41,611	-6,364	-16,556	-31,186	-46,710

Source: HDH (April 2024)

10.33 This analysis shows that, assuming 30% affordable housing, across the typologies, the Residual Value is a little less than £30,000 per ha less where the First Homes are subject to a 40% discount rather than the minimum 30% discount. Also, assuming 30% affordable housing, across the typologies, the Residual Value is a little less than £70,000 per ha less where the First Homes are subject to a 50% discount rather than the minimum 30% discount.

10.34 If the Council were to seek a 50% discount for First Homes, the cost, when considered in isolation, would be equivalent to seeking 5% affordable housing, or seeking Zero Carbon. It is necessary to consider different policy requirements together, however seeking a discount that is greater than 30% is likely to lead to a reduced overall affordable housing requirement.

Developer Contributions

10.35 The above analysis considered the impact of affordable housing on development viability, taking into account the anticipated requirements for developer contributions, in addition to the current Birdwise payments and open space payments on brownfield sites, of £10,000 per unit on the typologies and £25,000 per unit on the potential Strategic Sites. A range of developer contribution costs up to £50,000 per unit has been tested, initially this is against a zero affordable housing requirement. The tables included in **Appendix 16** show the results of the appraisals.

Table 10.8 Costs of Developer Contributions (Change in Residual Value as £ per ha)

Isle of Sheppey						
	0%	**0%**	**0%**	**0%**	**0%**	**0%**
	£5,000	**£10,000**	**£20,000**	**£30,000**	**£40,000**	**£50,000**
Large Brownfield	-146,688	-293,376	-586,752	-889,725	-1,193,867	-1,515,601
Brownfield	-196,410	-393,385	-789,297	-1,190,159	-1,601,003	-2,014,616
Central	-241,703	-483,406	-971,726	-1,464,974	-1,970,805	-2,479,479
Flats	-321,556	-651,598	-1,311,682	-1,974,655	-2,639,375	-3,304,454
Large Greenfield	-97,514	-195,028	-390,056	-588,301	-789,915	-991,529
Greenfield	-113,386	-226,772	-453,543	-682,458	-912,194	-1,147,619
Rushenden South	-62,613	-125,226	-252,308	-381,011	-513,832	-653,975
Land at South-West Minster	-68,528	-137,056	-276,651	-417,694	-561,379	-709,840
Sittingbourne and West						
	£5,000	**£10,000**	**£20,000**	**£30,000**	**£40,000**	**£50,000**
Large Brownfield	-146,688	-293,376	-586,752	-884,112	-1,188,254	-1,496,098
Brownfield	-196,410	-392,820	-787,176	-1,183,914	-1,589,960	-2,002,130
Central	-241,703	-483,406	-968,860	-1,458,627	-1,957,865	-2,465,084
Flats	-321,556	-651,598	-1,311,682	-1,974,655	-2,639,375	-3,304,454
Large Greenfield	-97,514	-195,028	-390,056	-588,301	-789,915	-991,529
Greenfield	-113,386	-226,772	-453,543	-682,458	-912,194	-1,147,619
South and West of Iwade (Site	-75,387	-150,774	-303,876	-459,304	-614,732	-774,013
West of Bobbing village	-61,740	-123,479	-247,768	-374,803	-504,623	-642,206
Land at Stickfast Lane	-67,994	-135,988	-271,976	-411,195	-551,468	-699,637
Iwade - Solar Farm	-63,357	-126,714	-255,554	-385,459	-517,667	-651,526
Sittingbourne East						
	£5,000	**£10,000**	**£20,000**	**£30,000**	**£40,000**	**£50,000**
Large Greenfield	-97,514	-195,028	-390,056	-585,084	-782,148	-983,762
Greenfield	-113,386	-226,772	-453,543	-680,315	-907,208	-1,136,775
South East Sittingbourne	-40,264	-81,114	-163,384	-247,240	-333,190	-425,192
Between A2 Bapchild and Nor	-71,473	-142,946	-285,893	-428,839	-575,034	-722,503

Faversham and East						
	£5,000	**£10,000**	**£20,000**	**£30,000**	**£40,000**	**£50,000**
Large Brownfield	-146,688	-293,376	-586,752	-880,129	-1,182,641	-1,486,783
Brownfield	-196,410	-392,820	-785,912	-1,181,262	-1,580,913	-1,991,086
Central	-241,703	-483,406	-966,811	-1,454,875	-1,947,468	-2,452,144
Flats	-321,556	-651,598	-1,311,682	-1,974,655	-2,639,375	-3,304,454
Large Greenfield	-97,514	-195,028	-390,056	-585,084	-780,134	-981,173
Greenfield	-113,386	-226,772	-453,543	-680,315	-907,087	-1,135,169
Fax Farm	-76,013	-152,026	-304,053	-457,579	-614,138	-770,698
Winterbourne Fields	-69,596	-139,192	-278,385	-419,800	-562,854	-708,144
SE Faversham	-63,765	-128,008	-258,565	-389,121	-522,446	-656,806
East of Faversham Expansion	-64,908	-130,424	-261,457	-392,948	-527,683	-663,166
Ashford Road, North Street	-51,443	-102,887	-207,135	-312,612	-420,249	-530,712

Source: HDH (April 2024)

10.36 Averaged across the typologies, a £5,000 per unit developer contribution has the impact of reducing the Residual Value by about £180,000 per ha, and a £20,000 per unit developer contribution has the impact of reducing the Residual Value by about £740,000 per ha. On the potential Strategic Sites, a £5,000 per unit developer contribution has the impact of reducing the Residual Value by about £65,000 per ha, and a £20,000 per unit developer contribution has the impact of reducing the Residual Value by about £260,000 per ha.

Cumulative Costs of Policy Requirements

10.37 The above analysis considered the impact of higher policy standards individually. The effect of affordable housing and developer contributions is now tested in three scenarios.

Table 10.9 Policy Scenarios for Policy Testing

	Lower Requirements	**Mid Requirements**	**Higher Requirements**
Biodiversity Net Gain	10%	20%	20%
Carbon and Energy	Future Homes Standard Option 1	Zero Carbon	Enhanced Zero Carbon
Accessibility	100% M4(2) Accessible & Adaptable	95% M4(2) Accessible & Adaptable, 5% M4(3)a Wheelchair Adaptable	75% M4(2) Accessible & Adaptable, 25% M4(3)a Wheelchair Adaptable
Water Standard	Enhanced Building Regulations	Enhanced Building Regulations	Enhanced Building Regulations
Developer Contributions	Birdwise and open space payments on brownfield sites	Birdwise and open space payments on brownfield sites	Birdwise and open space payments on brownfield sites

Source: April 2024

10.38 The appraisal results are summarised below. In the following analysis, the small sites (less than 10 units) are modelled with affordable housing, although these are under the affordable housing threshold included in paragraph 65 of the NPPF.

10.39 In the following tables the typologies that are able to bear at least £10,000 per unit in developer contributions are shaded green.

Table 10.10a Maximum Levels of Developer Contributions as £/unit. Lower Policy Requirements

AFFORDABLE HOUSING	0%	5%	10%	15%	20%	25%	30%	35%	40%
Isle of Sheppey									
Large Brownfield	£5,000	£2,500	£0	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Brownfield	£17,500	£15,000	£7,500	£7,500	£5,000	£0	Unviable	Unviable	Unviable
Central	£15,000	£12,500	£10,000	£5,000	£0	£0	Unviable	Unviable	Unviable
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Large Greenfield	£40,000	£40,000	£37,500	£32,500	£30,000	£27,500	£22,500	£17,500	£15,000
Greenfield	£37,500	£35,000	£32,500	£27,500	£25,000	£22,500	£17,500	£12,500	£10,000
Sittingbourne and West									
Large Brownfield	£10,000	£7,500	£5,000	£2,500	£0	Unviable	Unviable	Unviable	Unviable
Brownfield	£25,000	£22,500	£17,500	£15,000	£10,000	£7,500	£2,500	£0	£0
Central	£2,000	£17,500	£15,000	£10,000	£7,500	£5,000	£0	£0	£0
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Large Greenfield	£40,000	£40,000	£37,500	£32,500	£30,000	£27,500	£22,500	£17,500	£15,000
Greenfield	£37,500	£35,000	£32,500	£27,500	£25,000	£20,000	£17,500	£12,500	£10,000
Sittingbourne East									
Large Greenfield	£40,000	£40,000	£40,000	£40,000	£40,000	£37,500	£32,500	£27,500	£22,500
Greenfield	£40,000	£40,000	£40,000	£40,000	£35,000	£32,500	£27,500	£22,500	£17,500
Faversham and East									
Large Brownfield	£17,500	£12,500	£10,000	£7,500	£2,500	£0	Unviable	Unviable	Unviable
Brownfield	£25,000	£22,500	£17,500	£15,000	£15,000	£10,000	£2,500	£0	£0
Central	£25,000	£22,500	£20,000	£15,000	£15,000	£10,000	£5,000	£0	Unviable
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	£0	Unviable
Large Greenfield	£40,000	£40,000	£40,000	£40,000	£40,000	£40,000	£35,000	£30,000	£27,500
Greenfield	£40,000	£40,000	£40,000	£40,000	£40,000	£35,000	£30,000	£25,000	£22,500

Source: HDH (April 2024)

Table 10.10b Maximum Levels of Developer Contributions as £/unit. Mid Policy Requirements

AFFORDABLE HOUSING	0%	5%	10%	15%	20%	25%	30%	35%	40%
Isle of Sheppey									
Large Brownfield	£0	£0	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Brownfield	£12,500	£10,000	£7,500	£5,000	£0	£0	Unviable	Unviable	Unviable
Central	£10,000	£75,000	£5,000	£2,500	£0	£0	Unviable	Unviable	Unviable
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Large Greenfield	£40,000	£35,000	£32,500	£30,000	£25,000	£22,500	£17,500	£15,000	£10,000
Greenfield	£32,500	£30,000	£27,500	£25,000	£20,000	£17,500	£12,500	£10,000	£7,500
Sittingbourne and West									
Large Brownfield	£5,000	£5,000	£0	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Brownfield	£15,000	£12,500	£7,500	£7,500	£5,000	£5,000	£0	Unviable	Unviable
Central	£15,000	£12,500	£10,000	£7,500	£2,500	£0	£0	Unviable	Unviable
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Large Greenfield	£40,000	£35,000	£32,500	£30,000	£25,000	£22,500	£17,500	£15,000	£10,000
Greenfield	£32,500	£30,000	£27,500	£25,000	£20,000	£17,500	£12,500	£10,000	£5,000
Sittingbourne East									
Large Greenfield	£40,000	£40,000	£40,000	£40,000	£37,500	£35,000	£27,500	£22,500	£20,000
Greenfield	£40,000	£40,000	£40,000	£35,000	£30,000	£27,500	£22,500	£20,000	£15,000
Faversham and East									
Large Brownfield	£12,500	£10,000	£7,500	£2,500	Unviable	Unviable	Unviable	Unviable	Unviable
Brownfield	£17,500	£15,000	£12,500	£10,000	£5,000	£2,500	£0	£0	Unviable
Central	£22,500	£17,500	£15,000	£12,500	£7,500	£5,000	£0	£0	Unviable
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Large Greenfield	£40,000	£40,000	£40,000	£40,000	£40,000	£37,500	£30,000	£27,500	£22,500
Greenfield	£40,000	£40,000	£40,000	£40,000	£35,000	£32,500	£25,000	£22,500	£17,500

Source: HDH (April 2024)

Table 10.10c Maximum Levels of Developer Contributions as £/unit. Higher Policy Requirements

AFFORDABLE HOUSING	0%	5%	10%	15%	20%	25%	30%	35%	40%
Isle of Sheppey									
Large Brownfield	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Brownfield	£5,000	£2,500	£2,500	£0	Unviable	Unviable	Unviable	Unviable	Unviable
Central	£2,500	£0	£0	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Large Greenfield	£32,500	£30,000	£27,500	£22,500	£17,500	£15,000	£10,000	£7,500	£5,000
Greenfield	£25,000	£22,500	£20,000	£17,500	£12,500	£10,000	£5,000	£2,500	£0
Sittingbourne and West									
Large Brownfield	£0	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Brownfield	£10,000	£7,500	£5,000	£2,500	£0	Unviable	Unviable	Unviable	Unviable
Central	£10,000	£5,000	£2,500	£0	£0	Unviable	Unviable	Unviable	Unviable
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Large Greenfield	£32,500	£30,000	£27,500	£22,500	£17,500	£15,000	£10,000	£7,500	£5,000
Greenfield	£25,000	£22,500	£20,000	£17,500	£12,500	£10,000	£7,500	£5,000	£0
Sittingbourne East									
Large Greenfield	£40,000	£40,000	£40,000	£35,000	£30,000	£27,500	£20,000	£17,500	£12,500
Greenfield	£37,500	£35,000	£32,500	£30,000	£25,000	£22,500	£15,000	£12,500	£7,500
Faversham and East									
Large Brownfield	£5,000	£2,500	£0	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Brownfield	£10,000	£7,500	£5,000	£2,500	£0	£0	Unviable	Unviable	Unviable
Central	£15,000	£15,000	£12,500	£7,500	£2,500	£0	Unviable	Unviable	Unviable
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Large Greenfield	£40,000	£40,000	£40,000	£40,000	£35,000	£30,000	£25,000	£20,000	£15,000
Greenfield	£40,000	£40,000	£37,500	£32,500	£27,500	£25,000	£20,000	£15,000	£10,000

Source: HDH (April 2024)

10.40 The appraisals for the potential Strategic Sites are also run. It is important to note that this analysis is based on high level assumptions, and without the benefit of site-specific inputs for strategic infrastructure and mitigation. In the following table the potential Strategic Sites that are able to bear at least £25,000 per unit in developer contributions are shaded green.

Table 10.11 Maximum Levels of Developer Contributions as £/unit. Potential Strategic Sites

LOWER POLICY REQUIREMENTS									
AFFORDABLE HOUSING	**0%**	**5%**	**10%**	**15%**	**20%**	**25%**	**30%**	**35%**	**40%**
South and West of Iwade (Si	£40,000	£37,500	£35,000	£30,000	£27,500	£20,000	£10,000	£15,000	£12,500
West of Bobbing village	£32,500	£27,500	£25,000	£22,500	£17,500	£15,000	£10,000	£7,500	£2,500
Land at Stickfast Lane	£35,000	£32,500	£30,000	£27,500	£22,500	£20,000	£15,000	£10,000	£7,500
Fax Farm	£40,000	£40,000	£40,000	£40,000	£40,000	£37,500	£32,500	£30,000	£25,000
Winterbourne Fields	£40,000	£40,000	£40,000	£40,000	£40,000	£37,500	£30,000	£25,000	£22,500
SE Faversham	£40,000	£40,000	£40,000	£40,000	£37,500	£32,500	£27,500	£22,500	£17,500
East of Faversham Expansio	£40,000	£40,000	£40,000	£40,000	£37,500	£32,500	£27,500	£22,500	£17,500
Iwade - Solar Farm	£40,000	£40,000	£40,000	£37,500	£32,500	£30,000	£22,500	£20,000	£15,000
Rushenden South	£32,500	£30,000	£27,500	£22,500	£20,000	£17,500	£12,500	£7,500	£5,000
South East Sittingbourne	£20,000	£17,500	£15,000	£10,000	£5,000	£2,500	£0	£0	£0
Land at South-West Minster	£37,500	£32,500	£30,000	£27,500	£22,500	£20,000	£15,000	£12,500	£7,500
Ashford Road, North Street	£40,000	£40,000	£35,000	£30,000	£25,000	£22,500	£17,500	£12,500	£7,500
Between A2 Bapchild and Nc	£40,000	£40,000	£40,000	£40,000	£35,000	£32,500	£27,500	£22,500	£20,000
MID POLICY REQUIREMENTS									
AFFORDABLE HOUSING	**0%**	**5%**	**10%**	**15%**	**20%**	**25%**	**30%**	**35%**	**40%**
South and West of Iwade (Si	£35,000	£32,500	£30,000	£25,000	£22,500	£20,000	£15,000	£10,000	£7,500
West of Bobbing village	£27,500	£25,000	£22,500	£17,500	£15,000	£10,000	£7,500	£2,500	£0
Land at Stickfast Lane	£32,500	£27,500	£25,000	£22,500	£17,500	£15,000	£10,000	£7,500	£2,500
Fax Farm	£40,000	£40,000	£40,000	£40,000	£37,500	£35,000	£30,000	£25,000	£20,000
Winterbourne Fields	£40,000	£40,000	£40,000	£40,000	£35,000	£32,500	£25,000	£22,500	£17,500
SE Faversham	£40,000	£40,000	£40,000	£37,500	£32,500	£30,000	£22,500	£17,500	£15,000
East of Faversham Expansio	£40,000	£40,000	£40,000	£37,500	£32,500	£30,000	£22,500	£20,000	£15,000
Iwade - Solar Farm	£40,000	£40,000	£37,500	£32,500	£27,500	£25,000	£20,000	£15,000	£10,000
Rushenden South	£27,500	£25,000	£22,500	£20,000	£15,000	£12,500	£7,500	£5,000	£0
South East Sittingbourne	£15,000	£12,500	£10,000	£5,000	£0	£0	£0	£0	£0
Land at South-West Minster	£32,500	£30,000	£27,500	£22,500	£20,000	£15,000	£10,000	£7,500	£5,000
Ashford Road, North Street	£37,500	£35,000	£32,500	£27,500	£22,500	£17,500	£12,500	£7,500	£5,000
Between A2 Bapchild and Nc	£40,000	£40,000	£40,000	£37,500	£32,500	£27,500	£22,500	£17,500	£15,000
HIGHER POLICY REQUIREMENTS									
AFFORDABLE HOUSING	**0%**	**5%**	**10%**	**15%**	**20%**	**25%**	**30%**	**35%**	**40%**
South and West of Iwade (Si	£27,500	£25,000	£22,500	£20,000	£15,000	£12,500	£7,500	£5,000	£0
West of Bobbing village	£20,000	£17,500	£15,000	£10,000	£7,500	£5,000	£0	£0	£0
Land at Stickfast Lane	£25,000	£22,500	£20,000	£15,000	£12,500	£7,500	£5,000	£0	£0
Fax Farm	£40,000	£40,000	£40,000	£37,500	£32,500	£27,500	£22,500	£17,500	£15,000
Winterbourne Fields	£40,000	£40,000	£37,500	£32,500	£30,000	£2,500	£20,000	£15,000	£10,000
SE Faversham	£40,000	£37,500	£35,000	£30,000	£25,000	£22,500	£15,000	£12,500	£7,500
East of Faversham Expansio	£40,000	£37,500	£35,000	£30,000	£25,000	£22,500	£15,000	£12,500	£7,500
Iwade - Solar Farm	£35,000	£32,500	£30,000	£25,000	£20,000	£17,500	£12,500	£7,500	£5,000
Rushenden South	£22,500	£20,000	£15,000	£12,500	£7,500	£5,000	£0	£0	£0
South East Sittingbourne	£7,500	£5,000	£2,500	£0	£0	£0	£0	£0	£0
Land at South-West Minster	£25,000	£22,500	£20,000	£15,000	£12,500	£10,000	£5,000	£0	£0
Ashford Road, North Street	£30,000	£27,500	£25,000	£20,000	£17,500	£12,500	£5,000	£2,500	£0
Between A2 Bapchild and Nc	£40,000	£37,500	£35,000	£30,000	£25,000	£22,500	£15,000	£12,500	£7,500

Source: HDH (April 2024)

Suggested Residential Policy Requirements

10.41 The early results of this report were discussed with the Council, in making these suggestions the following have been considered:

a. The delivery of affordable housing is important, and the Council is unlikely to want to reduce the targets below the current levels to meet other policy requirements.

   There is a requirement for both Affordable Rent and Social Rent, however seeking Social Rent would have an adverse impact on viability. At present, the Council does not mandate a particular tenure mix. The Council is comfortable with affordable housing for rent, under the Affordable Rent (capped at the LHA) tenure.

   The adopted policy currently seeks affordable housing on sites of 15 and more. It would be sensible to align this with national policy. The analysis suggests that smaller greenfield sites do have capacity to bear affordable housing.

   The NPPF (paragraph 65) sets out a policy for a minimum of 10% affordable home ownership units on larger sites (10 plus) and the PPG sets out that '*First Homes are the government's preferred discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers through planning obligations*'. These requirements are assumed to be included within policy, and for affordable housing for rent to be maximised.

b. That it is likely that the new national policy requirements for further increases to Part M of Building Regulations (with all new homes to be built to Accessible and Adaptable – Part M4(2) standards) will be adopted around the time that the new Local Plan is implemented. It would be prudent to assume that these are a requirement. Having said this, there is uncertainty over the direction of Government policy, so the Council should keep this under review.

   The cost of providing wheelchair adaptable housing is significant and the Council has a need for such accommodation – so it is necessary to incorporate some in the housing mix.

c. The Council declared a climate emergency in 2019 and a move towards Zero Carbon development is important, but not at the significant expense of the provision of affordable housing.

   The December 2023 Written Parliamentary Statement set out the Government's position in this regard saying *'… 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 …*'. Whilst this direction does not preclude the introduction of policies that go beyond national standards, this does suggest that such policies will need to be well justified and subject to greater scrutiny.

   The precise details of the Future Homes Standard are currently (at April 2024) uncertain, and bearing in mind the timetable for the introduction of the new Local Plan, it would be prudent to assume that the 'Option 1' is a requirement. Again, having said this, there is uncertainty over the direction of Government policy, so the Council should keep this under review.

   The Council's preference would be for Zero Carbon development.

d. The viability testing includes the testing of District Heating. District Heating is not a particular priority of the Council. The key to a successful District Heating Scheme is a readily available heat source and the Council will further investigate extending the existing network, rather than mandating connection.

e. The viability testing includes the testing of Rainwater Harvesting. Mandatory Rainwater Harvesting is expensive and would impinge on the ability to provide other requirements. It is not considered a priority.

f. Where on-site provision is practical, the cost of seeking 20% BNG is modest and a priority of Kent County Council.

g. The viability testing includes a range of greenfield sites, and these have the greatest capacity to bear planning obligations such as affordable housing and developer contributions. Whilst directing development away from the existing built-up area and into the rural areas may achieve greater levels of planning obligations, this does not sit well with wider planning considerations.

h. Brownfield sites do not comprise a major part of the potential land supply for future development, although brownfield sites are likely to be available within the main town centres of Sittingbourne and Faversham, and within the Isle of Sheppey coastal towns. Brownfield site development, and in particular flatted schemes, are the least viable so the Council should be cautious about relying on such sites to deliver development. It is likely that it will be necessary to consider viability on brownfield sites at the development management stage.

i. There is a need for infrastructure funding. The analysis suggests that most types of greenfield development have capacity to bear developer contributions. The infrastructure requirements of the potential strategic sites are not yet known. It will be necessary for the Council to establish the costs of strategic infrastructure and mitigation associated with the potential strategic sites and test each site's ability to bear those costs before selecting sites to be included in the Plan. It is recommended that the Council completes the updating of the IDP prior to making a decision in this regard.

10.42 The above results were discussed with the Council's officers. Further sets of appraisals were then run based on the following policy requirements.

a.	Affordable Housing	Greenfield Sites	30%.
		Brownfield Sites	10% (threshold 10)
		Potential Strategic Sites	25%
		Affordable housing mix in line with the requirements for 10% AHO and 25% of affordable homes to be First Homes (30% discount) and the balance of AHO as shared ownership. The balance as Affordable Rent.	
b.	Design	95% Part M4(2) Accessible and Adaptable and 5% Part M4(3) Wheelchair Accessible.	

Zero Carbon, Water Efficiency, 20% Biodiversity Net Gain.

c. Developer Contributions Birdwise payments on all sites and open space payments on brownfield sites, plus allowance of 10,000 per unit on typologies and £25,000 per unit on the potential Strategic Sites.

10.43 The appraisal results are set out in **Appendix 17** and subject to sensitivity testing in terms of changes in costs and values.

10.44 If the Council were to follow this advice it would be necessary to be cautious in relying on brownfield sites in the five-year land supply and overall housing trajectory, as the delivery of these is likely to continue to be challenging. It will be necessary to have regard to the progress of brownfield sites through the development management process and / or commitments from site promoters. This may influence the selection of sites for allocation, although a small proportion of the possible allocations are brownfield sites.

10.45 The modelling includes the potential Strategic Sites. These are included to inform the site selection process. As set out earlier, the delivery of any large site is challenging. It is recommended that that the Council engages with the owners of all the potential Strategic Sites in line with the advice set out in the Harman Guidance, and only includes sites in the new Local Plan if they can be demonstrated to be viable.

10.46 Having said this, it is necessary to highlight an assumption at this stage as it may not be representative for large sites. The potential Strategic Sites are modelled on the basis that a site is acquired by the developer in a single tranche at the start of the project. Such a scenario is relatively unlikely on very large sites, where the site is typically purchased in phases. Such an approach benefits the developer in terms of cashflow and this will have a material impact on viability.

Impact of Change in Values and Costs

10.47 Whatever policies are adopted, the Plan should not be unduly sensitive to future changes in prices and costs. In this report, the analysis is based on the build costs produced by BCIS. As well as producing estimates of build costs, BCIS also produce various indices and forecasts to track and predict how build costs may change over time. The BCIS forecasts an increase in prices of 9% over the next 3 years[130]. A range of scenarios are tested with varied increases in build costs.

10.48 As set out in Chapter 4, there is uncertainty in the property market. Several price change scenarios are also tested. In this analysis, it has been assumed all other matters in the base appraisals remain unchanged and the policy requirements are as per the Suggested Policy

[130] BCIS General Building Cost Index April 2024 – 459.0 (Forecast), April 2024 – 500.6 (Forecast).

Requirements heading above. In the appraisals (see **Appendix 17**), only the costs of construction and the value of the market housing are altered.

10.49 The analysis demonstrates that a relatively small fall in values will adversely impact on viability. Conversely, a modest increase in value could have a significant impact in improving viability.

Review

10.50 The direction of the market, as set out in Chapter 4 above, is improving, although this remains uncertain. Bearing in mind SBC's wish to deliver housing, and the requirements to fund infrastructure, it is recommended that the Council keeps viability under review; should the economics of development change significantly it should consider undertaking a limited review of the Plan to adjust the affordable housing requirements or levels of developer contribution.

10.51 In this regard it is timely to highlight paragraph 10-009-20180724 of the PPG.

> *How should viability be reviewed during the lifetime of a project?*
>
> *Plans should set out circumstances where review mechanisms may be appropriate, as well as clear process and terms of engagement regarding how and when viability will be reassessed over the lifetime of the development to ensure policy compliance and optimal public benefits through economic cycles. Policy compliant means development which fully complies with up to date plan policies. A decision maker can give appropriate weight to emerging policies.*
>
> *Where contributions are reduced below the requirements set out in policies to provide flexibility in the early stages of a development, there should be a clear agreement of how policy compliance can be achieved over time. As the potential risk to developers is already accounted for in the assumptions for developer return in viability assessment, realisation of risk does not in itself necessitate further viability assessment or trigger a review mechanism. Review mechanisms are not a tool to protect a return to the developer, but to strengthen local authorities' ability to seek compliance with relevant policies over the lifetime of the project.*
>
> *Paragraph: 009 Reference ID: 10-009-20190509*

10.52 It is recommended that, on sites where the policy requirements are flexed, the Council includes review mechanisms.

Self and Custom Build

10.53 As set out in Chapter 3 above, the Council is not planning to introduce a self and custom build policy. In response to a comment made through the technical consultation, a 5% requirement on sites of 20 units and larger has been considered. It is assumed that such a requirement would be implemented on a 'whole plot' basis, so sites over 40 units would be required to provide 2 plots, and so on.

10.54 If a developer is to sell a plot as a serviced self-build plot, they would not receive the profit from building the unit, they would however receive the price for the plot. If they were to provide the plot as a custom-build plot (i.e. where the developer designs and builds to the buyer's design and specifications) they would receive a payment for the land, the costs of construction and the price paid would incorporate the developer's return. The impact on viability is

therefore the balance between the profit foregone and the receipt for the serviced plot. The developer's return per market house is generally in the £60,000 to £75,000 range.

10.55 There are a few serviced development sites being publicly marketed in the area at the time of this report. Having made enquiries with local agents, the general consensus is that reasonably sized, and well serviced, single plots are likely to fetch in excess £100,000 in the current market, although the price for larger plots, with land for gardens and appropriate for larger family homes are likely to achieve a price that is significantly more.

10.56 The modelling in this viability update is based on at least 30 units per net ha with allowance for open space. On this basis, a self-build plot is likely to be about 0.03ha or so. A conservative plot price of £100,000 would lead to a land value of over £3,000,000/ha. This is substantially above the BLV and allows scope for the services to be laid on to the plot or plots. It is also well above the developer's return that would be forgone from developing the unit.

10.57 Based on the above analysis it is unlikely that a requirement for self-build plots will adversely impact on viability.

Build to Rent

10.58 The Council does not expect to allocate sites specifically for Build to Rent development however a flatted scheme and a housing scheme have been modelled, each on greenfield and brownfield sites. As per paragraphs 60-002-20180913 to 10-007-20180913 of the PPG, in this analysis the affordable element is assumed to be Affordable Private Rent, with a value of 80% of market value.

10.59 The appraisals were then run to align with the suggested policy option set out above and with a s106 contributions of £2,500 per unit.

10.60 The results are set out in **Appendix 18** and show Build to Rent flatted development is unlikely to be viable even without affordable housing. The results suggest that Build to Rent housing development is likely to be viable, with 30% affordable housing on greenfield sites, but is likely to be unviable without affordable housing on brownfield sites. To a large extent, this aligns with the findings in relation to mainstream housing development set out earlier in this chapter.

10.61 When considering these results, it is timely to note that paragraph 10-007-20180724 of the updated PPG specifically anticipates that the viability of Build to Rent schemes will be considered at the development management stage. It is therefore not considered proportionate to develop a specific set of policies in this regard. As set out above, the Council does not expect to allocate sites specifically for Build to Rent development. In any event, such development is unlikely to be viable, even without affordable housing. The Council should be cautious about relying on Build to Rent schemes to deliver development, unless there is clear evidence that such development would be forthcoming.

Older People's Housing

10.62 The Sheltered and Extracare sectors have been tested separately, as has an Integrated Retirement Community.

10.63 As for mainstream housing, appraisals have been run at the policies suggested as set out earlier in this chapter. The results for affordable housing from 0% to 30% are presented in **Appendix 18** below. An allowance is made for s106 contributions of £2,500 per unit.

a. Sheltered housing is shown as being viable with 30% affordable housing on greenfield sites, but only 10% on brownfield sites.

b. Extracare housing is shown as being viable with 5% affordable housing on greenfield sites, but unviable on brownfield sites.

c. The IRC typology is shown as being viable with 30% affordable housing on greenfield sites, and 20%affordable housing on brownfield sites.

10.64 Based on this analysis, specialist older people's housing is unlikely to be able to bear affordable housing across all types of site, however depending on the site's characteristics it may be able to. When considering these results, it is timely to note that paragraph 10-007-20180724 of the PPG specifically anticipates that the viability of specialist housing schemes will be considered at the development management stage. It is therefore not considered proportionate to develop a specific set of policies in this regard.

10.65 The Council does not expect to allocate sites specifically for specialist older people's housing, however, it may anticipate seeking such housing as part of the Strategic Sites. It will be necessary for the Council to consider the impact this may have on overall site viability when considering the deliverability of such sites and it may need to be flexible with regard to such requirements.

11. Non-Residential Appraisals

11.1 Based on the assumptions set out previously, a set of financial appraisals have been run for the non-residential development types.

11.2 As with the residential appraisals, the Residual Valuation approach has been used. Appraisals have been run to assess the value of the site after taking into account the costs of development, the likely income from sales and/or rents, and an appropriate amount of developers' profit. The payment would represent the sum paid in a single tranche on the acquisition of a site. For the proposed development to be described as viable, it is necessary for this value to exceed the value from an alternative use. To assess viability, the same methodology has been used regarding the Benchmark Land Value (EUV 'plus').

11.3 It is important to note that a report of this type applies relatively simple assumptions that are broadly reflective of an area to assess viability. The fact that a site is shown as viable does not necessarily mean that it will come forward, and vice versa. An important part of any final consideration of viability will be relating the results of this study to what is happening on the ground in terms of development, and what planning applications are being determined – and on what basis.

11.4 In the appraisal the costs are based on the BCIS costs, adjusted for Zero Carbon. The detailed appraisal results are set out in **Appendix 19** and summarised in the following sections.

Employment Uses

11.5 Firstly, the main employment uses are considered. The table below summarises the results, comparing the Residual Value with the Benchmark Land Value.

Table 11.1 Employment Appraisal Results

GREENFIELD		Offices - Central	Offices - Small	Offices - Park	Industrial	Industrial - Small	Distribution
	£/m2		£0.00	£0.00	£0.00	£0.00	£0.00
CIL	Site		-486,982	-2,018,973	1,749,340	-121,926	14,486,308
RESIDUAL VALUE							
Existing Use Value	£/ha		74,000	74,000	25,000	74,000	25,000
Benchmark Land Va	£/ha		424,000	424,000	375,000	424,000	375,000
Residual Value	2025 FBS		-4,869,822	-7,571,148	1,749,340	-1,219,258	10,140,415
BROWNFIELD							
		Offices - Central	Offices - Small	Offices - Park	Industrial	Industrial - Small	Distribution
	£/m2	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
CIL	Site	-3,699,946	-839,347	-3,441,640	652,131	-288,875	13,482,822
RESIDUAL VALUE							
Existing Use Value	£/ha	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Benchmark Land Va	£/ha	1,320,000	1,320,000	1,320,000	1,320,000	1,320,000	1,320,000
Residual Value	2025 FBS	-51,799,246	-8,393,474	-12,906,150	652,131	-2,888,754	9,437,976

Source: HDH (April 2024)

11.6 The above results are reflective of the current market in across much of England. The main employment uses are not shown as viable, except for large format industrial and logistics uses.

11.7 Whilst the Council area has some major employers, such as Consort Medical, St Regis Paper, Peel Ports and Shepherd Neame, it is not a prime employment location, and such development is not being brought forward to on a speculative basis by the development industry. Much of the office and industrial development tends to be from existing businesses and / or for operational reasons, for example, existing businesses moving to more appropriate and better located town edge properties.

11.8 The analysis in this report is carried out in line with the Harman Guidance and in the context of the NPPF and PPG. It assumes that development takes place for its own sake and is a goal in its own right. The assumption is that a developer buys land, develops it and then disposes of it, in a series of steps with the sole aim of making a profit from the development. The Guidance, as set out in Chapters 2 and 3 above, does not reflect the broad range of business models under which developers and landowners operate. Some developers have owned land for many years and are building a broad income stream over multiple properties over the long term. Such developers are able to release land for development at less than the arms-length value at which it may be released to third parties and take a long-term view as to the direction of the market based on the prospects of an area and wider economic factors. It is understood that the limited development that is coming forward in the county area is 'user-led' being brought forward by businesses, or for specific end users, that will use the eventual space for operational uses, rather than for investment purposes.

11.9 The delivery of employment uses is challenging in the current market. The above appraisals assume that development is carried out to the Future Buildings Standard. A further set of appraisals has been run to test the impact of higher costs that may arise due to higher environmental standards. The costs will vary considerably from development type and the specifics of each building so additional construction costs of 5%, 10%, 15% and 20% are applied to the appraisals.

Table 11.2 Effect of Greater Construction Costs on Employment Uses

GREENFIELD		Offices - Central	Offices - Small	Offices - Park	Industrial	Industrial - Small	Distribution
CIL	£/m2	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
RESIDUAL VALUE	Site		-486,982	-2,018,973	1,749,340	-121,926	14,486,308
Existing Use Value	£/ha		74,000	74,000	25,000	74,000	25,000
Benchmark Land V	£/ha		424,000	424,000	375,000	424,000	375,000
Residual Value	Zero Carbon		-4,869,822	-7,571,148	1,749,340	-1,219,258	10,140,415
	BCIS +0%		-3,976,735	-6,202,448	2,122,290	-625,660	10,396,977
	BCIS +5%		-4,720,974	-7,343,031	1,889,196	-996,659	10,236,626
	BCIS +10%		-5,465,213	-8,483,615	1,656,102	-1,367,658	10,076,275
	BCIS +15%		-6,209,451	-9,624,198	1,423,009	-1,738,656	9,915,924
	BCIS +20%		-6,953,690	-10,764,782	1,189,915	-2,109,655	9,755,573

BROWNFIELD		Offices - Central	Offices - Small	Offices - Park	Industrial	Industrial - Small	Distribution
CIL	£/m2	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
RESIDUAL VALUE	Site	-3,699,946	-839,347	-3,441,640	652,131	-288,875	13,482,822
Existing Use Value	£/ha	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Benchmark Land V	£/ha	1,320,000	1,320,000	1,320,000	1,320,000	1,320,000	1,320,000
Residual Value	Zero Carbon	-51,799,246	-8,393,474	-12,906,150	652,131	-2,888,754	9,437,976
	BCIS +0%	-33,510,273	-5,196,952	-8,007,318	1,653,273	-1,295,306	10,111,449
	BCIS +5%	-38,082,516	-5,996,083	-9,232,026	1,402,988	-1,693,668	9,943,081
	BCIS +10%	-42,654,759	-6,795,213	-10,456,734	1,152,702	-2,092,030	9,774,712
	BCIS +15%	-47,227,002	-7,594,344	-11,681,442	902,416	-2,490,392	9,606,344
	BCIS +20%	-51,799,246	-8,393,474	-12,906,150	652,131	-2,888,754	9,437,976

Source: HDH (April 2024)

11.10 This analysis shows that there is very limited scope to seek higher environmental standards with the exception of the large scale industrial and distribution uses. Caution is suggested in relation to setting policy requirements for employment uses that would unduly impact on viability.

12. Findings and Recommendations

12.1 This chapter brings together the findings of this report and provides a non-technical summary of the overall assessment that can be read on a standalone basis. Having said this, a viability assessment of this type is, by its very nature, a technical document that is prepared to address the specific requirements of the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG), so it is recommended the report is read in full. As this is a summary chapter, some of the content of earlier chapters is repeated.

12.2 HDH Planning & Development Ltd was appointed to update the Council's viability evidence and produce a Whole Plan Viability Assessment as required by the National Planning Policy Framework (NPPF) and the Planning Practice Guidance (PPG). It was originally anticipated that a technical consultation would be held in April 2023. The timetable was delayed, in part due to the May 2023 elections and the subsequent 're-think' of the plan-making process. The pre-consultation draft was refreshed in October 2023.

12.3 A technical consultation was carried out in January 2024. Representatives of the main developers, development site landowners, their agents, planning agents and consultants working in the area and housing associations were invited to comment on an early draft of this report.

12.4 As part of its preparation, the new Local Plan needs to be tested to ensure the planned development is deliverable in line with tests set out in the National Planning Policy Framework (NPPF) and National Planning Practice Guidance (PPG). This includes:

- assessing the cumulative impact of the emerging policies, including affordable housing.
- testing the deliverability of the key development site allocations that may come forward over the course of the Local Plan period.
- considering the ability of development to accommodate developer contributions alongside other policy requirements.

12.5 This viability work is being undertaken to inform the development of policy and explore the impact, on the economics of development, of the options that are under consideration. This document sets out the methodology used, and the key assumptions adopted. It contains an assessment of the effect of the policy options, in the context of national policies and requirements, in relation to the planned development. This will allow the Council to further engage with stakeholders, to ensure that the new Plan is effective.

12.6 The Viability Assessment sets out the methodology used, and the key assumptions adopted. It contains an assessment of the effect of the policy options, in the context of national policies and requirements, in relation to the planned development. This will allow the Council to further engage with stakeholders, to ensure that the new Plan is effective.

Compliance

12.7 HDH Planning & Development Ltd is a firm regulated by the Royal Institution of Chartered Surveyors (RICS). HDH confirms that the relevant RICS Guidance has been followed.

Uncertainty

12.8 This update is being carried out during a period of uncertainty, due to the continued impact of COVID-19, the war in Ukraine, conflict in the Middle East and significant levels of inflation. As a result, there are uncertainties around the values of property and the costs of construction. It is not the purpose of this assessment to predict what the impact may be and how long the effect will be. It is recommended that the Council keeps the assessment under review.

Viability Testing under the NPPF and Updated PPG

12.9 The effectiveness of plans was important under the 2012 NPPF, but a greater emphasis is put on deliverability in the updated NPPF. The overall requirement is that *'policy requirements should be informed by evidence of infrastructure and Affordable Housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106.*'

12.10 This study is based on typologies that are representative of the type of development expected to come forward under the adopted Local Plan. In addition, the seven potential strategic sites are tested individually.

12.11 The updated PPG sets out that viability should be tested using the Existing Use Value Plus (EUV Plus) approach:

> *To define land value for any viability assessment, a benchmark land value should be established on the basis of the existing use value (EUV) of the land, plus a premium for the landowner. The premium for the landowner should reflect the minimum return at which it is considered a reasonable landowner would be willing to sell their land. The premium should provide a reasonable incentive, in comparison with other options available, for the landowner to sell land for development while allowing a sufficient contribution to comply with policy requirements. Landowners and site purchasers should consider policy requirements when agreeing land transactions. This approach is often called 'existing use value plus' (EUV+).*

12.12 The Benchmark Land Value (BLV) is the amount the Residual Value must exceed for the development to be considered viable.

12.13 The December 2023 updated NPPF does make some significant changes to the planning system, however, does not change the place of viability testing in the plan-making process. The methodology used in this report is consistent with the updated NPPF, the CIL Regulations (as amended) and the updated PPG.

12.14 The *Levelling-up and Regeneration Act* became law in October 2023. The Act will have a significant impact on the overall plan-making process, but does not alter the place of viability in the current Local Plan process. The Act includes reference to a new national Infrastructure

Levy that would be set, having regard to viability, and makes reference to the *Infrastructure Levy Regulations*. In March 2023, the Department for Levelling Up Housing & Communities published *Open consultation, Technical consultation on the Infrastructure Levy* (March 2023). Under the proposals set out in the consultation, CIL and the delivery of affordable housing would be combined into a single Infrastructure Levy, that would be calculated as a proportion of a scheme's value above a threshold. The Council will need to monitor further announcements in this regard.

Viability Guidance

12.15 The availability and cost of land are matters at the core of viability for any property development. The format of the typical valuation is:

Gross Development Value
(The combined value of the complete development)
LESS
Cost of creating the asset, including a profit margin
(Construction + fees + finance charges)
=
RESIDUAL VALUE

12.16 The result of the calculation indicates a land value, the Residual Value. The Residual Value is the top limit of what a developer could offer for a site and still make a satisfactory return (i.e. profit).

12.17 In line with the PPG, this study is based on the EUV Plus (EUV+) methodology, that is to compare the Residual Value generated by financial development appraisals, with the EUV plus an appropriate uplift to incentivise a landowner to sell. The amount of the uplift over and above the EUV is central to the assessment of viability. It must be set at a level to provide a return to the landowner. To inform the judgement as to whether the uplift is set at the appropriate level, reference is made to the market value of the land both with and without the benefit of planning permission for development.

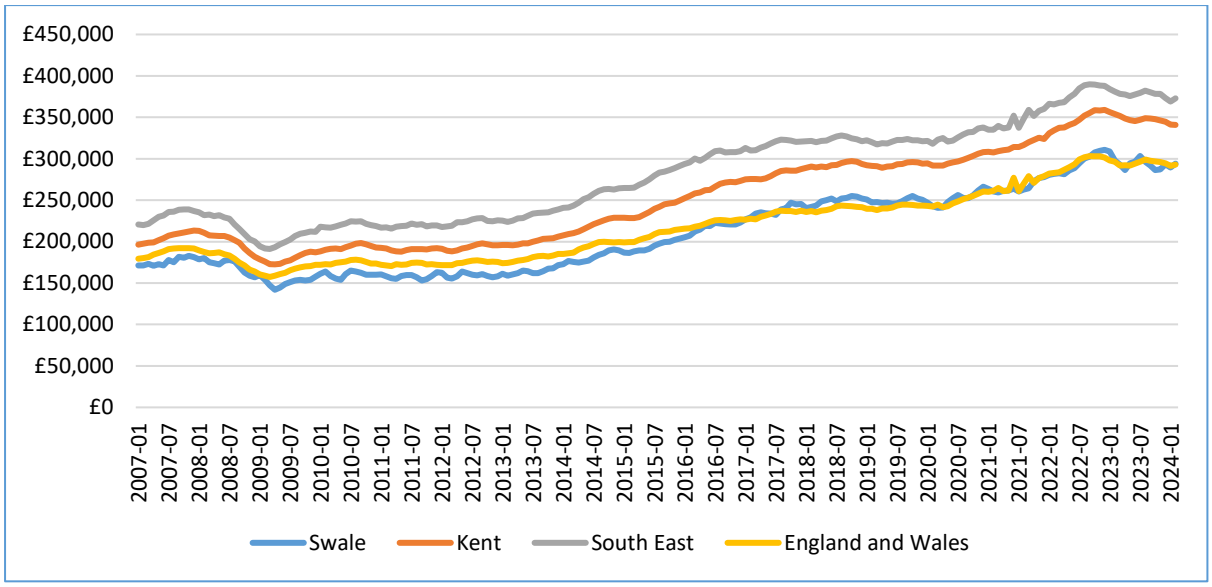
12.18 The NPPF and the PPG are clear that the assessment of viability should be based on existing available evidence. The evidence that is available from the Council has been reviewed. This includes that which has been prepared earlier in the plan-making process, and that which the Council holds, in the form of development appraisals that have been submitted by developers in connection with specific developments to support negotiations around the provision of affordable housing or s106 contributions.

Residential Market

12.19 Overall, the market is perceived to be active, with a strong market for the right scheme in the right place, with the Council delivering about 717 new homes per year. Having said this, some areas are challenging and the relatively low house prices in some areas do make the delivery of new housing less easy.

12.20 An assessment of the housing market has been undertaken. The local housing market peaked in November 2007 and then fell considerably in the 2008/2009 recession during what became known as the 'Credit Crunch'. Since then, house prices have increased steadily, but are now widely perceived to have peaked. Locally, average house prices in the area returned to their pre-recession peak in August 2014 and are now about 63% above the 2007 peak. This substantial increase is in line with the increase across the South East region (64%) and a little more than the increase across England and Wales (59%).

Figure 12.1 Average House Prices (£)



Source: Land Registry (February 2024). Contains public sector information licensed under the Open Government Licence v3.0.

12.21 Based on data published by the Office for National Statistics (ONS), when ranked across England and Wales, the average house price for Swale is 168th (out of 331) at £335,689[131]. To set this in context, this is almost in the middle of the rank. the council at the middle of the rank (166th – West Suffolk), has an average price of £337,186. In Swale, the median price is lower than the average, at £335,689[132].

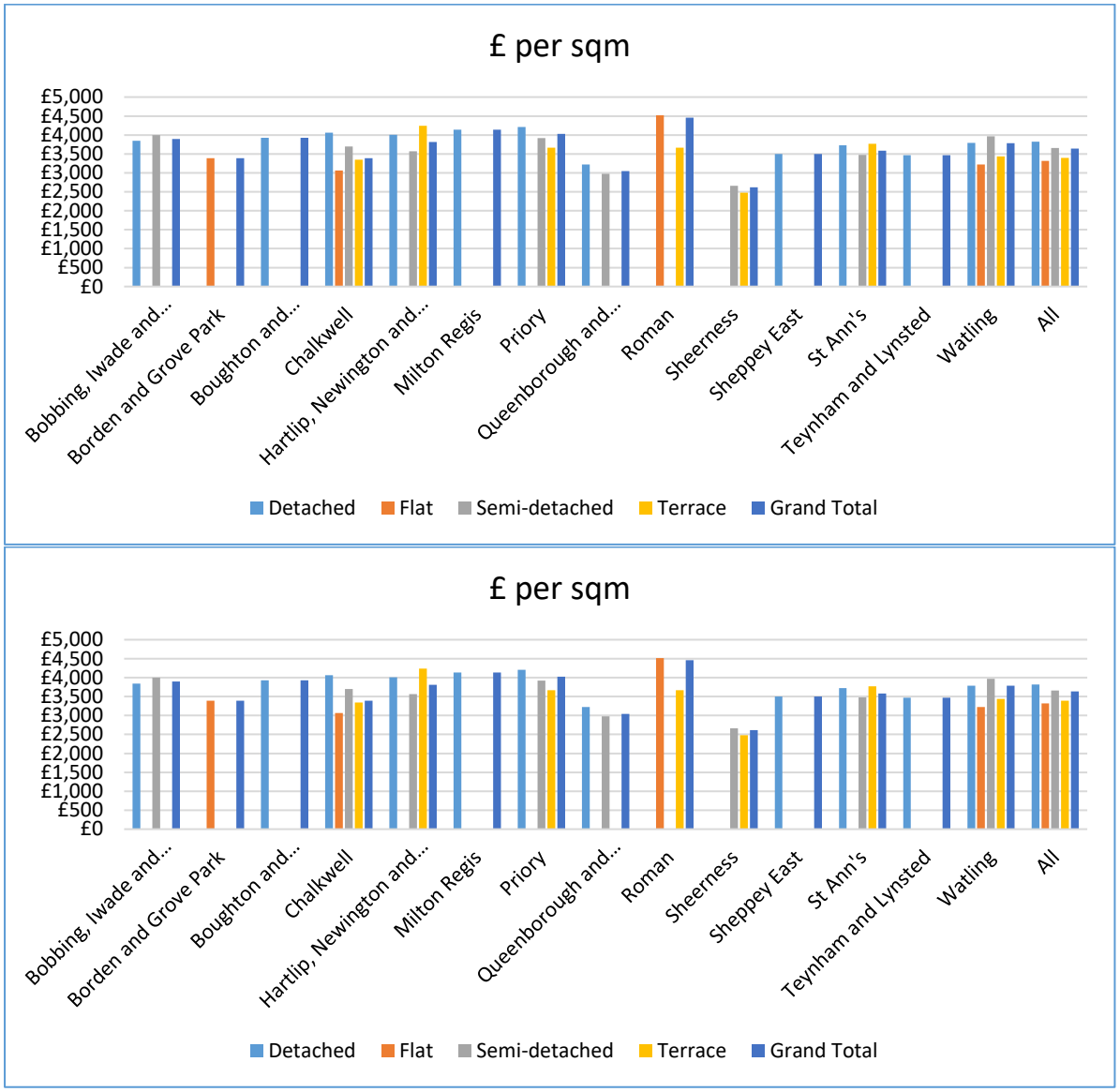
The Local Market

12.22 A survey of asking prices across the Council area was carried out, median asking prices were estimated. Data from Landmark was analysed. This data includes the records of 6,046 sales since the start of 2020. Of these, floor areas are available for 5,567 sales, and the number of bedrooms is available for 2,537 sales. There is a significant delay in the Land Registry updating the dataset, with only 44 sales recorded in 2022 and in 2023.

[131] Mean house prices for administrative geographies: HPSSA dataset 12 (Release 20th September 2023).

[132] Median house prices for administrative geographies: HPSSA dataset 9 (Release 20th September 2023)

Figure 12.2 Residential Prices Paid – From January 2020 to February 2023 – Newbuild



Source: Landmark (February 2023)

12.23 Following the technical consultation, in April 2024, this data was supplemented with more up-to-date data from the Land Registry recording 395 transactions from 2022 and 57 transactions from 2023. This data is married with the floor area data from the EPC Register to derive the price paid on a £ per sqm basis.

Table 12.1 Average Newbuild Price Paid 2022 to 2024

	Detached	Flats	Semi-detached	Terraced	All
Faversham East	£458,295		£380,000		£454,891
Faversham North	£529,556		£353,389		£441,472
Faversham South	£512,319		£418,572		£493,276
Faversham Town Central		£231,800			£231,800
Faversham West	£444,359		£350,062	£336,995	£374,211
IoS Minster on Sea	£352,450		£325,346	£307,154	£329,590
Rural East			£545,500		£545,500
Sittingbourne East	£427,623		£348,429		£377,226
Sittingbourne Town Central	£462,232	£267,967	£387,495	£375,412	£410,545
Sittingbourne Town W	£470,022	£133,548	£361,322	£343,518	£367,298
All	**£472,858**	**£180,628**	**£355,826**	**£341,659**	**£397,747**
	Detached	Flats	Semi-detached	Terraced	All
Faversham East	£4,071		£4,318		£4,082
Faversham North	£4,460		£4,559		£4,509
Faversham South	£4,209		£4,465		£4,261
Faversham Town Central		£3,763			£3,763
Faversham West	£3,946		£4,077	£4,324	£4,112
IoS Minster on Sea	£4,177		£4,011	£4,040	£4,063
Rural East			£3,228		£3,228
Sittingbourne East	£4,183		£4,248		£4,224
Sittingbourne Town Central	£4,265	£3,668	£4,306	£3,832	£4,110
Sittingbourne Town W	£4,244	£2,523	£3,861	£3,443	£3,682
All	**£4,222**	**£3,030**	**£4,181**	**£3,697**	**£4,051**

Source: Land Registry and EPC Register (April 2024)

12.24 Based on the asking prices from active developments, and informed by the general pattern of all house prices across the study area, and taking into account the comments made through the consultation process, the following price assumptions are used.

Table 12.2 April 2024, Post-consultation Price Assumptions £ per sqm

	Large Greenfield and Rural	Urban	Flatted Only
Isle of Sheppey	4,000	4,000	3,700
Sittingbourne and West	4,000	4,100	3,700
Sittingbourne East	4,225	4,100	3,700
Faversham and East	4,300	4,200	3,700

Source: HDH (April 2024)

12.25 The following areas are used:

a. **Isle of Sheppey** – being all the Isle of Sheppey

b. **Sittingbourne and West** – being the town of Sittingbourne, the sites to the southwest and west of the town and in the rural areas to the west of the town. This includes sites associated with Rainham.

c. **Sittingbourne East** – being the sites to the north, northeast and south of the town and the areas to the east of the town. This excludes the sites associated with Faversham.

d. **Faversham and East** – being the town of Faversham, sites associated with the town and the area to the east, towards Canterbury.

Affordable Housing

12.26 In this study, it is assumed that affordable housing is constructed by the site developer and then sold to a Registered Provider (RP). The following values are used:

a. Social Rent £1,300 per sqm

b. Affordable Rent £2,400 per sqm

c. Shared Ownership 70% market value

d. First Homes 70% market value capped at £250,000.

12.27 In addition, values are derived for Build to Rent housing, and specialist older people's housing.

Non-Residential Market

12.28 The employment sectors have been surveyed and the following value assumptions have been derived:

Table 12.3 Commercial Value Assumptions. £ per sqm

	Rent £/m2	Yield	Rent free period	Value	Assumption
Offices Central	£215	7.00%	1.0	£2,870	£2,900
Offices Park	£215	6.50%	1.0	£3,106	£3,100
Industrial	£130	5.50%	1.0	£2,240	£2,250
Smaller Industrial	£165	7.00%	1.0	£2,203	£2,200
Logistics	£270	5.25%	1.0	£4,886	£4,880

Source: HDH (April 2024)

Land Values

12.29 In this assessment the following Existing Use Value (EUV) assumptions are used.

Table 12.4 Existing Use Value Land Prices

Previously Developed Land	£1,100,000 per ha
Agricultural	£25,000 per ha
Paddock	£74,000 per ha

Source: HDH (April 2024)

12.30 The updated PPG makes specific reference to Benchmark Land Values (BLV) so it is necessary to address this. The following Benchmark Land Value assumptions are used:

a. Brownfield/Urban Sites: EUV Plus 20%.

b. Greenfield Sites: Non-strategic sites EUV Plus £350,000 per ha.

Strategic Sites 10 times EUV.

Development Costs

12.31 These are the costs and other assumptions required to produce the financial appraisals.

12.32 The cost assumptions are derived from the Building Cost Information Service (BCIS) data – using the figures re-based for Swale. The cost figure for 'Estate Housing – Generally' is £1,517 per sqm. The use of the BCIS data is suggested in the PPG, it is necessary to appreciate that the volume housebuilders are likely to be able to achieve significant saving due to their economies of scale.

12.33 In addition to the BCIS build cost, allowance needs to be made for a range of site costs (roads, drainage and services within the site, parking, footpaths, landscaping, and other external costs). A scale of allowances has been developed for the residential sites, ranging from 5% of build costs for flatted schemes, to 15% for the larger greenfield schemes.

12.34 An additional allowance is made for abnormal costs of 5% of the BCIS costs on brownfield sites. Abnormal costs will be reflected in land value. Those sites that are less expensive to

develop will command a premium price over and above those that have exceptional or abnormal costs.

Fees

12.35 For both residential and non-residential development, professional fees are assumed to amount to 10% of build costs. Additional allowances are made for acquisition and disposal fees, planning application fees and Stamp Duty Land Tax.

Contingencies

12.36 In line with comments made through the technical consultation, a contingency of 5% has been allowed for across the brownfield typologies and 2.5% across the greenfield typologies.

Financial and Other Appraisal Assumptions

12.37 The appraisals assume interest of 7.5% p.a. for total debit balances. No allowance is made for equity provided by the developer.

Developers' return

12.38 The updated PPG says '*For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers in order to establish the viability of plan policies'*. The purpose of including a developers' return figure is not to mirror a particular business model, but to reflect the risk a developer is taking in buying a piece of land, and then expending the costs of construction before selling the property. The use of developers' return in the context of area wide viability testing of the type required by the NPPF, is to reflect that level of risk.

12.39 An assumption of 20% is used in relation to market housing and 6% in relation to affordable housing. 15% is assumed for other types of development.

Local Plan Policy Requirements

12.40 The *Bearing Fruits 2031: The Swale Borough Local Plan* was adopted in 2017. The Council is now undertaking a Local Plan Review. The Local Plan Review (LPR) will set the framework for the development needs for the whole of the Swale Borough area from 2022 – 2038. In 2021 the Council undertook a consultation on the *Local Plan Review 2021, Pre-Submission Document (Regulation 19)* February 2021.

12.41 In this report the policies, as set out in the emerging *Local Plan Review 2021, Pre-Submission Document (Regulation 19)* February 2021 and options as discussed with the Council and having regard to the changes in national policy, have been reviewed. It is important to note that, at this stage, some of the options that are considered are included for completeness, and that these are simply options that may or may not be progressed into the new Local Plan. In particular, the Council has asked that the policy areas of climate change and developer contributions are considered.

12.42 In the following sections the requirements in *Local Plan Review 2021, Pre-Submission Document (Regulation 19)* February 2021 are reviewed and how they impact on viability (if at all).

Modelling

12.43 The long list of HELAA sites has been reviewed to inform the modelling. A set of typologies has been developed. These are consistent with the main assumptions used in the Council's most recent HELAA, and take the emerging open space policies into account. In addition, the potential Strategic Sites that are being considered for allocation have been modelled based on the high level information provided by the Council.

Table 12.5 Potential Strategic Sites

		Units	Area Ha
South and West of Iwade (Site B)	Iwade	1,381	65.760
West of Bobbing village	Bobbing	4,173	198.720
Land at Stickfast Lane	Bobbing	2,411	114.820
Fax Farm	Dunkirk	1,201	57.210
Winterbourne Fields	Dunkirk	1,742	82.960
SE Faversham	Faversham SE	2,745	130.720
East of Faversham Expansion	Faversham E	2,665	126.890
Iwade - Solar Farm	Iwade	2,873	136.790
Rushenden South	IoS Sheerness	3,130	149.040
South East Sittingbourne	Sittingbourne SE	16,814	800.690
Land at South-West Minster	IoS Minster-on-Sea	2,235	106.430
Ashford Road, North Street	Faversham S	6,490	309.040
Between A2 Bapchild and Northern Relief Road	Bapchild	1,925	91.680

Source: SBC (April 2024)

12.44 A range of non-residential uses are also modelled.

Residential Appraisals

12.45 The appraisals use the residual valuation approach, they assess the value of a site after taking into account the costs of development, the likely income from sales and/or rents and a developers' return. The Residual Value represents the maximum bid for the site where the payment is made in a single tranche on the acquisition of a site. In order for the proposed development to be viable, it is necessary for this Residual Value to exceed the Existing Use Value (EUV) by a satisfactory margin, being the Benchmark Land Value (BLV).

12.46 Sets of appraisals have been run based including a varied affordable housing requirement, varied levels of environmental standards and varied developer contributions.

Base Appraisals

12.47 The initial appraisals are based on the current policy requirement, but with 30% affordable housing, updated to take into account the developing areas of national policy. The base modelling is from the following stating point, and based on the 4 sub areas:

a. Affordable Housing — 30% as 63% Affordable Rent 37% Affordable Home Ownership. 25% of affordable homes as First Homes.

b. Design — 75% Part M4(2), 25% Part M4(3), Water efficiency, 20% Biodiversity Net Gain, Zero Carbon.

c. Developer Contributions — s106 typologies £10,000/unit / potential Strategic Sites £25,000/unit.

12.48 The results vary across the typologies, although this is largely due to the different assumptions around the nature of each typology, as well as by the price areas. The Residual Value is not an indication of viability by itself, simply being the maximum price a developer may bid for a parcel of land, and still make an adequate return. In the following tables the Residual Value is compared with the BLV. The BLV being an amount over and above the EUV that is sufficient to provide the willing landowner to sell the land for development as set out in Chapter 6 above:

Table 12.6a Residual Value v BLV – Isle of Sheppey

			EUV	BLV	Residual Value
Site 1	Large Brown 300		1,100,000	1,320,000	369,899
Site 2	Brown 90		1,100,000	1,320,000	200,318
Site 3	Brown 30		1,100,000	1,320,000	220,737
Site 4	Brown 15		1,100,000	1,320,000	651,257
Site 5	Brown 9		1,100,000	1,320,000	595,334
Site 6	Brown 6		1,100,000	1,320,000	837,189
Site 7	Central 60		1,100,000	1,320,000	-628,645
Site 8	Central 24		1,100,000	1,320,000	425,630
Site 9	Central 9		1,100,000	1,320,000	650,867
Site 10	Brown 90 HD		1,100,000	1,320,000	-1,461,370
Site 11	Brown 24 HD		1,100,000	1,320,000	-1,902,673
Site 12	Large Green 400 LD		25,000	375,000	468,365
Site 13	Large Green 400 HD		25,000	375,000	596,382
Site 14	Green 150		25,000	375,000	377,935
Site 15	Green 30		25,000	375,000	379,544
Site 16	Green 12		74,000	424,000	627,831
Site 17	Green 6		74,000	424,000	917,481
Site 26	Rushenden South	IoS Sheerness	25,000	250,000	-4,589
Site 28	Land at South-West Minster	IoS Minster on Sea	25,000	250,000	20,998

Source: HDH (April 2024)

Table 12.6b Residual Value v BLV – Sittingbourne and West

			EUV	BLV	Residual Value
Site 1	Large Brown 300		1,100,000	1,320,000	500,553
Site 2	Brown 90		1,100,000	1,320,000	349,778
Site 3	Brown 30		1,100,000	1,320,000	383,404
Site 4	Brown 15		1,100,000	1,320,000	860,344
Site 5	Brown 9		1,100,000	1,320,000	775,937
Site 6	Brown 6		1,100,000	1,320,000	1,012,402
Site 7	Central 60		1,100,000	1,320,000	-427,515
Site 8	Central 24		1,100,000	1,320,000	615,033
Site 9	Central 9		1,100,000	1,320,000	888,413
Site 10	Brown 90 HD		1,100,000	1,320,000	-1,461,370
Site 11	Brown 24 HD		1,100,000	1,320,000	-1,902,673
Site 12	Large Green 400 LD		25,000	375,000	468,365
Site 13	Large Green 400 HD		25,000	375,000	596,382
Site 14	Green 150		25,000	375,000	377,935
Site 15	Green 30		25,000	375,000	379,544
Site 16	Green 12		74,000	424,000	627,831
Site 17	Green 6		74,000	424,000	917,481
Site 18	South and West of Iwade (Site B)	Iwade	25,000	250,000	51,473
Site 19	West of Bobbing village	Bobbing	25,000	250,000	-18,554
Site 20	Land at Stickfast Lane	Bobbing	25,000	250,000	16,339
Site 25	Iwade - Solar Farm	Iwade	25,000	250,000	138,770

Source: HDH (April 2024)

Table 12.6c Residual Value v BLV – Sittingbourne East

			EUV	BLV	Residual Value
Site 12	Large Green 400 LD		25,000	375,000	652,422
Site 13	Large Green 400 HD		25,000	375,000	816,739
Site 14	Green 150		25,000	375,000	583,926
Site 15	Green 30		25,000	375,000	574,773
Site 16	Green 12		74,000	424,000	885,957
Site 17	Green 6		74,000	424,000	1,300,377
Site 27	South East Sittingbourne	Sittingbourne SE	25,000	250,000	-43,658
Site 30	Between A2 Bapchild and Northern Relief Road	Bapchild	25,000	250,000	183,242

Source: HDH (April 2024)

Table 12.6d Residual Value v BLV – Faversham and East

			EUV	BLV	Residual Value
Site 1	Large Brown 300		1,100,000	1,320,000	629,286
Site 2	Brown 90		1,100,000	1,320,000	499,239
Site 3	Brown 30		1,100,000	1,320,000	542,900
Site 4	Brown 15		1,100,000	1,320,000	1,064,302
Site 5	Brown 9		1,100,000	1,320,000	955,162
Site 6	Brown 6		1,100,000	1,320,000	1,184,469
Site 7	Central 60		1,100,000	1,320,000	-231,089
Site 8	Central 24		1,100,000	1,320,000	802,342
Site 9	Central 9		1,100,000	1,320,000	1,123,524
Site 10	Brown 90 HD		1,100,000	1,320,000	-1,461,370
Site 11	Brown 24 HD		1,100,000	1,320,000	-1,902,673
Site 12	Large Green 400 LD		25,000	375,000	712,822
Site 13	Large Green 400 HD		25,000	375,000	889,039
Site 14	Green 150		25,000	375,000	651,630
Site 15	Green 30		25,000	375,000	638,502
Site 16	Green 12		74,000	424,000	971,999
Site 17	Green 6		74,000	424,000	1,424,887
Site 21	Fax Farm	Dunkirk	25,000	250,000	275,831
Site 22	Winterbourne Fields	Dunkirk	25,000	250,000	234,966
Site 23	SE Faversham	Faversham SE	25,000	250,000	188,964
Site 24	East of Faversham Expansion	Faversham E	25,000	250,000	192,406
Site 29	Ashford Road, North Street	Faversham S	25,000	250,000	91,718

Source: HDH (April 2024)

12.49 The value assumptions do not vary very much between the different price areas. This is reflected in the results of the appraisal which are broadly similar across the areas. The results do vary significantly between the greenfield sites. The brownfield sites are modelled with abnormal costs and higher contingency costs than the greenfield sites and this is reflected in the Residual Value.

12.50 Based on 30% affordable housing, within the towns, where most sites are likely to be brownfield sites, the Residual Value is less than the BLV across all the typologies, indicating that most brownfield development is likely to be unviable. This is to be expected and the current draft policy seeks 20% affordable housing on '*brownfield land within settlement confines'*.

12.51 The greenfield typologies generate a residual value that is greater than the BLV across the areas, suggesting that such sites are, on the whole, likely to be viable. This is broadly reflective of the Council's experience through the development management process, where most greenfield planning consents are policy compliant.

12.52 The potential Strategic Sites are included to inform the site selection process. The results are less good than on the greenfield typologies, with lower Residual Values. This is largely due to the lower net developable area assumption and the higher allowance for strategic infrastructure and mitigation (i.e. s106) costs. In this regard, it is necessary to note that the delivery of any large site is challenging. Regardless of these results, it is recommended that that the Council engages with the owners in line with the advice set out in the Harman Guidance.

12.53 The Council is exploring various options so further sets of appraisals have been run to establish the costs of the additional policy requirements. Before doing this, further appraisals have been run to understand an issue that was highlighted through the technical consultation, being the level of the developer's return assumptions.

Varied Policy Requirements

12.54 The above analysis is based on a 30% affordable housing requirement as this is a convenient starting point. The Council is exploring various options, including seeking higher environmental standards and greater accessibility standards. Sets of appraisals have been run to establish the costs of the additional policy requirements.

12.55 The starting point for the above analysis is Zero Carbon. Further appraisals have been run at the current standard, the options set out in the Future Homes Standard consultation, and an enhanced Zero Carbon standard. In addition, varied levels of Biodiversity Net Gain, and varied levels of Accessible and Adaptable standards under Part M of Building Regulations are tested. The figures in the following table are an indication of the amount the Residual Value will fall (or rise) for the various policy requirements relative to be base assumption. The reduction in the amount of the Residual Value is the reduced amount in the maximum price a developer can pay a landowner.

12.56 The amount the Residual Value falls is related to the density of the type of development, by way of an example, seeking rainwater harvesting on brownfield sites is likely to reduce the Residual Value by about £100,000/ha, whilst the impact is about £50,000/ha on the large, lower density, greenfield sites. These differences are largely due to the density assumptions used in the modelling.

12.57 The increase from the 2025 Future Home Standard Option 1 to Zero Carbon is significant, whilst the move from 10% to 20 BNG is less so.

Varied Affordable Housing

12.58 A core purpose of this study is to consider an appropriate affordable housing target and the tenure mix. The analysis above is based on 30% affordable housing. The Council's SHMA currently seeks 63% Affordable Rent or Social Rent and the balance as Affordable Home Ownership. However, in line with paragraph 66 of the NPPF, a minimum of 10% affordable home ownership units are assumed, and in line with Paragraph 70-001-21210524 of the PPG, it is assumed that 25% of the affordable homes are First Homes.

12.59 In this analysis the affordable housing is assumed to be in line with the requirements of the NPPF that 10% of all the housing should be Affordable Home Ownership delivered. It is assumed that beyond this affordable housing for rent, as Affordable Rent, capped at the Local Housing Allowance (LHA) cap, is maximised. All other matters are as in the base appraisals at the start of this chapter.

12.60 This analysis shows that providing 30% affordable housing on flatted schemes is likely to cost about £670,000 per ha, but on greenfield sites, is about £375,000 per ha. Providing 30% affordable housing, rather than 20% affordable housing will have the effect of reducing the Residual Value by £100,000 per ha or so, on greenfield sites.

12.61 Appraisals where the type of affordable housing for rent is varied between Affordable Rent and Social Rent have also been run. In this analysis the affordable housing is assumed to be delivered in line with the requirements of the NPPF that 10% of all the housing should be Affordable Home Ownership and 25% of the affordable homes are First Homes. All other matters are as in the base appraisals at the start of this chapter.

12.62 This analysis shows that, on average, assuming 30% affordable housing, across the typologies, the Residual Value is about £500,000 per ha less on brownfield sites and £300,000 per ha less on greenfield sites, where the affordable housing for rent is provided as Social Rent rather than Affordable Rent. The consequence of this is that should the Council seek that all the affordable housing for rent is as Social Rent, the developer could typically afford to pay a landowner about £500,000 per ha less on brownfield sites and £300,000 per ha less on greenfield sites than where the affordable housing for rent is as Affordable Rent. This is a significant difference that has the impact of reducing the scope for affordable housing provision by 15% or so, although the impact varies considerably across the different typologies.

12.63 First Homes are required to be subject to a minimum discount of 30%. Paragraph 70-004-20210524 of the PPG gives councils scope (subject to conditions) to set an alternative discount of 40% or 50% or a cap reduced below the £250,000 set out in the PPG. A further set of appraisals has been run with the First Homes being subject to a range of discounts and caps.

12.64 This analysis shows that, assuming 30% affordable housing, across the typologies, the Residual Value is a little less than £30,000 per ha less where the First Homes are subject to a 40% discount rather than the minimum 30% discount. Also, assuming 30% affordable housing, across the typologies, the Residual Value is a little less than £70,000 per ha less where the First Homes are subject to a 50% discount rather than the minimum 30% discount.

12.65 If the Council were to seek a 50% discount for First Homes, the cost, when considered in isolation, would be equivalent to seeking 5% affordable housing, or seeking Zero Carbon. It is necessary to consider different policy requirements together, however seeking a discount that is greater than 30% is likely to lead to a reduced overall affordable housing requirement.

Developer Contributions

12.66 The above analysis considered the impact of affordable housing on development viability, taking into account the anticipated requirements for developer contributions, in addition to the current Birdwise payments and open space payments on brownfield sites, of £10,000 per unit on the typologies and £25,000 per unit on the potential Strategic Sites. A range of developer contribution costs up to £50,000 per unit has been tested, initially this is against a zero affordable housing requirement.

12.67 Averaged across the typologies, a £5,000 per unit developer contribution has the impact of reducing the Residual Value by about £180,000 per ha, and a £20,000 per unit developer contribution has the impact of reducing the Residual Value by about £740,000 per ha. On the potential Strategic Sites, a £5,000 per unit developer contribution has the impact of reducing the Residual Value by about £65,000 per ha, and a £20,000 per unit developer contribution has the impact of reducing the Residual Value by about £260,000 per ha.

Cumulative Costs of Policy Requirements

12.68 The above analysis considered the impact of higher policy standards individually. The effect of affordable housing and developer contributions is now tested in three scenarios.

Table 12.7 Policy Scenarios for Policy Testing

	Lower Requirements	**Mid Requirements**	**Higher Requirements**
Biodiversity Net Gain	10%	20%	20%
Carbon and Energy	Future Homes Standard Option 1	Zero Carbon	Enhanced Zero Carbon
Accessibility	100% M4(2) Accessible & Adaptable	95% M4(2) Accessible & Adaptable, 5% M4(3)a Wheelchair Adaptable	75% M4(2) Accessible & Adaptable, 25% M4(3)a Wheelchair Adaptable
Water Standard	Enhanced Building Regulations	Enhanced Building Regulations	Enhanced Building Regulations
Developer Contributions	Birdwise and open space payments on brownfield sites	Birdwise and open space payments on brownfield sites	Birdwise and open space payments on brownfield sites

Source: April 2024

12.69 The appraisal results are summarised below. In the following analysis, the small sites (less than 10 units) are modelled with affordable housing, although these are under the affordable housing threshold included in paragraph 65 of the NPPF.

12.70 In the following tables the typologies that are able to bear at least £10,000 per unit in developer contributions are shaded green.

Table 12.8a Maximum Levels of Developer Contributions as £/unit. Lower Policy Requirements

AFFORDABLE HOUSING	0%	5%	10%	15%	20%	25%	30%	35%	40%
Isle of Sheppey									
Large Brownfield	£5,000	£2,500	£0	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Brownfield	£17,500	£15,000	£7,500	£7,500	£5,000	£0	Unviable	Unviable	Unviable
Central	£15,000	£12,500	£10,000	£5,000	£0	£0	Unviable	Unviable	Unviable
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Large Greenfield	£40,000	£40,000	£37,500	£32,500	£30,000	£27,500	£22,500	£17,500	£15,000
Greenfield	£37,500	£35,000	£32,500	£27,500	£25,000	£22,500	£17,500	£12,500	£10,000
Sittingbourne and West									
Large Brownfield	£10,000	£7,500	£5,000	£2,500	£0	Unviable	Unviable	Unviable	Unviable
Brownfield	£25,000	£22,500	£17,500	£15,000	£10,000	£7,500	£2,500	£0	£0
Central	£2,000	£17,500	£15,000	£10,000	£7,500	£5,000	£0	£0	£0
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Large Greenfield	£40,000	£40,000	£37,500	£32,500	£30,000	£27,500	£22,500	£17,500	£15,000
Greenfield	£37,500	£35,000	£32,500	£27,500	£25,000	£20,000	£17,500	£12,500	£10,000
Sittingbourne East									
Large Greenfield	£40,000	£40,000	£40,000	£40,000	£40,000	£37,500	£32,500	£27,500	£22,500
Greenfield	£40,000	£40,000	£40,000	£40,000	£35,000	£32,500	£27,500	£22,500	£17,500
Faversham and East									
Large Brownfield	£17,500	£12,500	£10,000	£7,500	£2,500	£0	Unviable	Unviable	Unviable
Brownfield	£25,000	£22,500	£17,500	£15,000	£15,000	£10,000	£2,500	£0	£0
Central	£25,000	£22,500	£20,000	£15,000	£15,000	£10,000	£5,000	£0	Unviable
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	£0	Unviable
Large Greenfield	£40,000	£40,000	£40,000	£40,000	£40,000	£40,000	£35,000	£30,000	£27,500
Greenfield	£40,000	£40,000	£40,000	£40,000	£40,000	£35,000	£30,000	£25,000	£22,500

Source: HDH (April 2024)

Table 12.8b Maximum Levels of Developer Contributions as £/unit. Mid Policy Requirements

AFFORDABLE HOUSING	0%	5%	10%	15%	20%	25%	30%	35%	40%
Isle of Sheppey									
Large Brownfield	£0	£0	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Brownfield	£12,500	£10,000	£7,500	£5,000	£0	£0	Unviable	Unviable	Unviable
Central	£10,000	£75,000	£5,000	£2,500	£0	£0	Unviable	Unviable	Unviable
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Large Greenfield	£40,000	£35,000	£32,500	£30,000	£25,000	£22,500	£17,500	£15,000	£10,000
Greenfield	£32,500	£30,000	£27,500	£25,000	£20,000	£17,500	£12,500	£10,000	£7,500
Sittingbourne and West									
Large Brownfield	£5,000	£5,000	£0	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Brownfield	£15,000	£12,500	£7,500	£7,500	£5,000	£5,000	£0	Unviable	Unviable
Central	£15,000	£12,500	£10,000	£7,500	£2,500	£0	£0	Unviable	Unviable
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Large Greenfield	£40,000	£35,000	£32,500	£30,000	£25,000	£22,500	£17,500	£15,000	£10,000
Greenfield	£32,500	£30,000	£27,500	£25,000	£20,000	£17,500	£12,500	£10,000	£5,000
Sittingbourne East									
Large Greenfield	£40,000	£40,000	£40,000	£40,000	£37,500	£35,000	£27,500	£22,500	£20,000
Greenfield	£40,000	£40,000	£40,000	£35,000	£30,000	£27,500	£22,500	£20,000	£15,000
Faversham and East									
Large Brownfield	£12,500	£10,000	£7,500	£2,500	Unviable	Unviable	Unviable	Unviable	Unviable
Brownfield	£17,500	£15,000	£12,500	£10,000	£5,000	£2,500	£0	£0	Unviable
Central	£22,500	£17,500	£15,000	£12,500	£7,500	£5,000	£0	£0	Unviable
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Large Greenfield	£40,000	£40,000	£40,000	£40,000	£40,000	£37,500	£30,000	£27,500	£22,500
Greenfield	£40,000	£40,000	£40,000	£40,000	£35,000	£32,500	£25,000	£22,500	£17,500

Source: HDH (April 2024)

Table 12.8c Maximum Levels of Developer Contributions as £/unit. Higher Policy Requirements

AFFORDABLE HOUSING	0%	5%	10%	15%	20%	25%	30%	35%	40%
Isle of Sheppey									
Large Brownfield	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Brownfield	£5,000	£2,500	£2,500	£0	Unviable	Unviable	Unviable	Unviable	Unviable
Central	£2,500	£0	£0	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Large Greenfield	£32,500	£30,000	£27,500	£22,500	£17,500	£15,000	£10,000	£7,500	£5,000
Greenfield	£25,000	£22,500	£20,000	£17,500	£12,500	£10,000	£5,000	£2,500	£0
Sittingbourne and West									
Large Brownfield	£0	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Brownfield	£10,000	£7,500	£5,000	£2,500	£0	Unviable	Unviable	Unviable	Unviable
Central	£10,000	£5,000	£2,500	£0	£0	Unviable	Unviable	Unviable	Unviable
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Large Greenfield	£32,500	£30,000	£27,500	£22,500	£17,500	£15,000	£10,000	£7,500	£5,000
Greenfield	£25,000	£22,500	£20,000	£17,500	£12,500	£10,000	£7,500	£5,000	£0
Sittingbourne East									
Large Greenfield	£40,000	£40,000	£40,000	£35,000	£30,000	£27,500	£20,000	£17,500	£12,500
Greenfield	£37,500	£35,000	£32,500	£30,000	£25,000	£22,500	£15,000	£12,500	£7,500
Faversham and East									
Large Brownfield	£5,000	£2,500	£0	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Brownfield	£10,000	£7,500	£5,000	£2,500	£0	£0	Unviable	Unviable	Unviable
Central	£15,000	£15,000	£12,500	£7,500	£2,500	£0	Unviable	Unviable	Unviable
Flats	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable	Unviable
Large Greenfield	£40,000	£40,000	£40,000	£40,000	£35,000	£30,000	£25,000	£20,000	£15,000
Greenfield	£40,000	£40,000	£37,500	£32,500	£27,500	£25,000	£20,000	£15,000	£10,000

Source: HDH (April 2024)

12.71 The appraisals for the potential Strategic Sites are also run. It is important to note that this analysis is based on high level assumptions, and without the benefit of site specific inputs. In the following table the potential Strategic Sites that are able to bear at least £25,000 per unit in developer contributions are shaded green.

Table 12.9 Maximum Levels of Developer Contributions as £/unit. Potential Strategic Sites

LOWER POLICY REQUIREMENTS									
AFFORDABLE HOUSING	**0%**	**5%**	**10%**	**15%**	**20%**	**25%**	**30%**	**35%**	**40%**
South and West of Iwade (Si	£40,000	£37,500	£35,000	£30,000	£27,500	£20,000	£10,000	£15,000	£12,500
West of Bobbing village	£32,500	£27,500	£25,000	£22,500	£17,500	£15,000	£10,000	£7,500	£2,500
Land at Stickfast Lane	£35,000	£32,500	£30,000	£27,500	£22,500	£20,000	£15,000	£10,000	£7,500
Fax Farm	£40,000	£40,000	£40,000	£40,000	£40,000	£37,500	£32,500	£30,000	£25,000
Winterbourne Fields	£40,000	£40,000	£40,000	£40,000	£40,000	£37,500	£30,000	£25,000	£22,500
SE Faversham	£40,000	£40,000	£40,000	£40,000	£37,500	£32,500	£27,500	£22,500	£17,500
East of Faversham Expansio	£40,000	£40,000	£40,000	£40,000	£37,500	£32,500	£27,500	£22,500	£17,500
Iwade - Solar Farm	£40,000	£40,000	£40,000	£37,500	£32,500	£30,000	£22,500	£20,000	£15,000
Rushenden South	£32,500	£30,000	£27,500	£22,500	£20,000	£17,500	£12,500	£7,500	£5,000
South East Sittingbourne	£20,000	£17,500	£15,000	£10,000	£5,000	£2,500	£0	£0	£0
Land at South-West Minster	£37,500	£32,500	£30,000	£27,500	£22,500	£20,000	£15,000	£12,500	£7,500
Ashford Road, North Street	£40,000	£40,000	£35,000	£30,000	£25,000	£22,500	£17,500	£12,500	£7,500
Between A2 Bapchild and Nc	£40,000	£40,000	£40,000	£40,000	£35,000	£32,500	£27,500	£22,500	£20,000
MID POLICY REQUIREMENTS									
AFFORDABLE HOUSING	**0%**	**5%**	**10%**	**15%**	**20%**	**25%**	**30%**	**35%**	**40%**
South and West of Iwade (Si	£35,000	£32,500	£30,000	£25,000	£22,500	£20,000	£15,000	£10,000	£7,500
West of Bobbing village	£27,500	£25,000	£22,500	£17,500	£15,000	£10,000	£7,500	£2,500	£0
Land at Stickfast Lane	£32,500	£27,500	£25,000	£22,500	£17,500	£15,000	£10,000	£7,500	£2,500
Fax Farm	£40,000	£40,000	£40,000	£40,000	£37,500	£35,000	£30,000	£25,000	£20,000
Winterbourne Fields	£40,000	£40,000	£40,000	£40,000	£35,000	£32,500	£25,000	£22,500	£17,500
SE Faversham	£40,000	£40,000	£40,000	£37,500	£32,500	£30,000	£22,500	£17,500	£15,000
East of Faversham Expansio	£40,000	£40,000	£40,000	£37,500	£32,500	£30,000	£22,500	£20,000	£15,000
Iwade - Solar Farm	£40,000	£40,000	£37,500	£32,500	£27,500	£25,000	£20,000	£15,000	£10,000
Rushenden South	£27,500	£25,000	£22,500	£20,000	£15,000	£12,500	£7,500	£5,000	£0
South East Sittingbourne	£15,000	£12,500	£10,000	£5,000	£0	£0	£0	£0	£0
Land at South-West Minster	£32,500	£30,000	£27,500	£22,500	£20,000	£15,000	£10,000	£7,500	£5,000
Ashford Road, North Street	£37,500	£35,000	£32,500	£27,500	£22,500	£17,500	£12,500	£7,500	£5,000
Between A2 Bapchild and Nc	£40,000	£40,000	£40,000	£37,500	£32,500	£27,500	£22,500	£17,500	£15,000
HIGHER POLICY REQUIREMENTS									
AFFORDABLE HOUSING	**0%**	**5%**	**10%**	**15%**	**20%**	**25%**	**30%**	**35%**	**40%**
South and West of Iwade (Si	£27,500	£25,000	£22,500	£20,000	£15,000	£12,500	£7,500	£5,000	£0
West of Bobbing village	£20,000	£17,500	£15,000	£10,000	£7,500	£5,000	£0	£0	£0
Land at Stickfast Lane	£25,000	£22,500	£20,000	£15,000	£12,500	£7,500	£5,000	£0	£0
Fax Farm	£40,000	£40,000	£40,000	£37,500	£32,500	£27,500	£22,500	£17,500	£15,000
Winterbourne Fields	£40,000	£40,000	£37,500	£32,500	£30,000	£2,500	£20,000	£15,000	£10,000
SE Faversham	£40,000	£37,500	£35,000	£30,000	£25,000	£22,500	£15,000	£12,500	£7,500
East of Faversham Expansio	£40,000	£37,500	£35,000	£30,000	£25,000	£22,500	£15,000	£12,500	£7,500
Iwade - Solar Farm	£35,000	£32,500	£30,000	£25,000	£20,000	£17,500	£12,500	£7,500	£5,000
Rushenden South	£22,500	£20,000	£15,000	£12,500	£7,500	£5,000	£0	£0	£0
South East Sittingbourne	£7,500	£5,000	£2,500	£0	£0	£0	£0	£0	£0
Land at South-West Minster	£25,000	£22,500	£20,000	£15,000	£12,500	£10,000	£5,000	£0	£0
Ashford Road, North Street	£30,000	£27,500	£25,000	£20,000	£17,500	£12,500	£5,000	£2,500	£0
Between A2 Bapchild and Nc	£40,000	£37,500	£35,000	£30,000	£25,000	£22,500	£15,000	£12,500	£7,500

Source: HDH (April 2024)

Suggested Policy Requirements

12.72 The early results of this report were discussed with the Council, in making these suggestions the following have been taken into account.

a. The delivery of affordable housing is important, and the Council is unlikely to want to reduce the targets below the current levels in order to meet other policy requirements.

   There is a requirement for both Affordable Rent and Social Rent, however seeking Social Rent would have an adverse impact on viability. At present, the Council does not mandate a particular tenure mix. The Council is comfortable with affordable housing for rent, under the Affordable Rent (capped at the LHA) tenure.

   The adopted policy currently seeks affordable housing on sites of 15 and more. It would be sensible to align this with national policy. The analysis suggests that smaller greenfield sites do have capacity to bear affordable housing.

   The NPPF (paragraph 65) sets out a policy for a minimum of 10% affordable home ownership units on larger sites (10 plus) and the PPG sets out that '*First Homes are the government's preferred discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers through planning obligations*'. These requirements are assumed to be included within policy, and for affordable housing for rent to be maximised.

b. That it is likely that the new national policy requirements for further increases to Part M of Building Regulations (with all new homes to be built to Accessible and Adaptable – Part M4(2) standards) will be adopted around the time that the new Local Plan is implemented. It would be prudent to assume that these are a requirement. Having said this, there is uncertainty over the direction of Government policy, so the Council should keep this under review.

   The cost of providing wheelchair adaptable housing is significant and the Council has a need for such accommodation – so it is necessary to incorporate some in the housing mix..

c. The Council declared a climate emergency in 2019 and a move towards Zero Carbon development is important, but not at the significant expense of the provision of affordable housing.

   The December 2023 Written Parliamentary Statement set out the Government's position in this regard saying *'… 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 …*'. Whilst this direction does not preclude the introduction of policies that go beyond national standards, this does suggest that such policies will need to be well justified and subject to greater scrutiny.

   The precise details of the Future Homes Standard are currently (at April 2024) uncertain, and bearing in mind the timetable for the introduction of the new Local Plan, it would be prudent to assume that the 'Option 1' is a requirement. Again, having said this, there is uncertainty over the direction of Government policy, so the Council should keep this under review.

   The Council's preference would be for Zero Carbon development.

d. The viability testing includes the testing of District Heating. District Heating is not a particular priority of the Council. The key to a successful District Heating Scheme is a readily available heat source and the Council will further investigate extending the existing network, rather than mandating connection.

e. The viability testing includes the testing of Rainwater Harvesting. Mandatory Rainwater Harvesting is expensive and would impinge on the ability to provide other requirements. It is not considered a priority.

f. Where on-site provision is practical, the cost of seeking 20% BNG is modest and a priority of Kent County Council.

g. The viability testing includes a range of greenfield sites, and these have the greatest capacity to bear planning obligations such as affordable housing and developer contributions. Whilst directing development away from the existing built-up area and into the rural areas may achieve greater levels of planning obligations, this does not sit well with wider planning considerations.

h. Brownfield sites do not comprise a major part of the potential land supply for future development, although brownfield sites are likely to be available within the main town centres of Sitting Bourne and Faversham, and within the Isle of Sheppey coastal towns. Brownfield site development, and in particular flatted schemes, are the least viable so the Council should be cautious about relying on such sites to deliver development. It is likely that it will be necessary to consider viability on brownfield sites at the development management stage.

i. There is a need for infrastructure funding. The analysis suggests that most types of greenfield development have capacity to bear developer contributions. The infrastructure requirements of the potential strategic sites are not yet known. It will be necessary for the Council to establish the costs of strategic infrastructure and mitigation associated with the potential strategic sites and test each site's ability to bear those costs before selecting sites to be included in the Plan. It is recommended that the Council completes the updating of the IDP prior to making a decision in this regard.

12.73 The above results were discussed with the Council's officers. Further sets of appraisals were then run based on the following policy requirements.

a.	Affordable Housing	Greenfield Sites	30%.
		Brownfield Sites	10% (threshold 10)
		Potential Strategic Sites	25%
		Affordable housing mix in line with the requirements for 10% AHO and 25% of affordable homes to be First Homes (30% discount) and the balance of AHO as shared ownership. The balance as Affordable Rent.	
b.	Design	95% Part M4(2) Accessible and Adaptable and 5% Part M4(3) Wheelchair Accessible.	

		Zero Carbon, Water Efficiency, 20% Biodiversity Net Gain.
c.	Developer Contributions	Birdwise payments on all sites and open space payments on brownfield sites, plus allowance of 10,000 per unit on typologies and £25,000 per unit on the potential strategic sites.

12.74 If the Council were to follow this advice it would be necessary to be cautious in relying on brownfield sites in the five-year land supply and overall housing trajectory, as the delivery of these is likely to continue to be challenging. It will be necessary to have regard to the progress of brownfield sites through the development management process and / or commitments from site promoters. This may influence the selection of sites for allocation, although a small proportion of the possible allocations are brownfield sites.

12.75 The modelling includes the potential Strategic Sites. These are included to inform the site selection process. As set out earlier, the delivery of any large site is challenging. It is recommended that that the Council engages with the owners of all the potential Strategic Sites in line with the advice set out in the Harman Guidance, and only includes sites in the new Local Plan if they can be demonstrated to be viable.

12.76 Having said this, it is necessary to highlight an assumption at this stage as it is not really representative of such large sites. The potential Strategic Sites are modelled on the basis that a site is acquired by the developer in a single tranche at the start of the project. Such a scenario is relatively unlikely on very large sites, where the site is typically purchased in phases. Such an approach benefits the developer in terms of cashflow and this will have a material impact on viability.

Impact of Change in Values and Costs

12.77 Whatever policies are adopted, the Plan should not be unduly sensitive to future changes in prices and costs. In this report, the analysis is based on the build costs produced by BCIS. As well as producing estimates of build costs, BCIS also produce various indices and forecasts to track and predict how build costs may change over time. The BCIS forecasts an increase in prices of 9% over the next 3 years[133]. A range of scenarios are tested with varied increases in build costs.

12.78 There is uncertainty in the property market. Several price change scenarios are also tested. In this analysis, it has been assumed all other matters in the base appraisals remain unchanged and the policy requirements are as per the Suggested Policy Requirements heading above.

[133] BCIS General Building Cost Index April 2024 – 459.0 (Forecast), April 2024 – 500.6 (Forecast).

12.79 The analysis demonstrates that a relatively small fall in values will adversely impact on viability. Conversely, a modest increase in value could have a significant impact in improving viability.

Older People's Housing

12.80 The Sheltered and Extracare sectors have been tested separately, as has an Integrated Retirement Community.

12.81 As for mainstream housing, appraisals have been run at the policies suggested as set out above.

a. Sheltered housing is shown as being viable with 30% affordable housing on greenfield sites, but only 10% on brownfield sites.

b. Extracare housing is shown as being viable with 5% affordable housing on greenfield sites, but unviable on brownfield sites.

c. The IRC typology is shown as being viable with 30% affordable housing on greenfield sites, and 20%affordable housing on brownfield sites.

12.82 Based on this analysis, specialist older people's housing is unlikely to be able to bear affordable housing across all types of site, however depending on the site's characteristics it may be able to. When considering these results, it is timely to note that paragraph 10-007-20180724 of the PPG specifically anticipates that the viability of specialist housing schemes will be considered at the development management stage. It is therefore not considered proportionate to develop a specific set of policies in this regard.

12.83 The Council does not expect to allocate sites specifically for specialist older people's housing, however, it may anticipate seeking such housing as part of the Strategic Sites. It will be necessary for the Council to consider the impact this may have on overall site viability when considering the deliverability of such sites and it may need to be flexible with regard to such requirements.

Non-Residential Appraisals

12.84 Based on the assumptions set out previously, a set of financial appraisals have been run for the non-residential development types.

12.85 As with the residential appraisals, the Residual Valuation approach has been used. Appraisals have been run to assess the value of the site after taking into account the costs of development, the likely income from sales and/or rents, and an appropriate amount of developers' profit. The payment would represent the sum paid in a single tranche on the acquisition of a site. In order for the proposed development to be described as viable, it is necessary for this value to exceed the value from an alternative use. To assess viability, we have used the same methodology with regard to the Benchmark Land Value (EUV 'plus').

12.86 It is important to note that a report of this type applies relatively simple assumptions that are broadly reflective of an area to make an assessment of viability. The fact that a site is shown as viable does not necessarily mean that it will come forward, and vice versa. An important part of any final consideration of viability will be relating the results of this study to what is actually happening on the ground in terms of development, and what planning applications are being determined – and on what basis.

12.87 In the appraisal the costs are based on the BCIS costs, adjusted for Zero Carbon.

Employment uses

12.88 Firstly, the main employment uses are considered. The table below summarises the results, comparing the Residual Value with the Benchmark Land Value.

Table 12.10 Employment Appraisal Results

GREENFIELD		Offices - Central	Offices - Small	Offices - Park	Industrial	Industrial - Small	Distribution
CIL	£/m2	**£0.00**	**£0.00**	**£0.00**	**£0.00**	**£0.00**	**£0.00**
RESIDUAL VALUE	**Site**	**-3,699,946**	**-486,982**	**-2,018,973**	**1,749,340**	**-121,926**	**14,486,308**
Existing Use Value	£/ha	1,100,000	74,000	74,000	25,000	74,000	25,000
Benchmark Land V	£/ha	1,320,000	424,000	424,000	375,000	424,000	375,000
Residual Value	2025 FBS	-51,799,246	-4,869,822	-7,571,148	1,749,340	-1,219,258	10,140,415

BROWNFIELD		Offices - Central	Offices - Small	Offices - Park	Industrial	Industrial - Small	Distribution
CIL	£/m2	**£0.00**	**£0.00**	**£0.00**	**£0.00**	**£0.00**	**£0.00**
RESIDUAL VALUE	**Site**	**-3,699,946**	**-839,347**	**-3,441,640**	**652,131**	**-288,875**	**13,482,822**
Existing Use Value	£/ha	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Benchmark Land V	£/ha	1,320,000	1,320,000	1,320,000	1,320,000	1,320,000	1,320,000
Residual Value	2025 FBS	-51,799,246	-8,393,474	-12,906,150	652,131	-2,888,754	9,437,976

Source: HDH (April 2024)

12.89 The above results are reflective of the current market in across much of England. The main employment uses are not shown as viable, with the exception of large format industrial and logistics uses.

12.90 Whilst the Council area has some major employers, such as Consort Medical, St Regis Paper, Peel Ports and Shepherd Neame, it is not a prime employment location, and such development is not being brought forward to on a speculative basis by the development industry. Much of the office and industrial development tends to be from existing businesses

and / or for operational reasons, for example, existing businesses moving to more appropriate and better located town edge properties.

12.91 The analysis in this report is carried out in line with the Harman Guidance and in the context of the NPPF and PPG. It assumes that development takes place for its own sake and is a goal in its own right. The assumption is that a developer buys land, develops it and then disposes of it, in a series of steps with the sole aim of making a profit from the development. The Guidance, as set out in Chapters 2 and 3 above, does not reflect the broad range of business models under which developers and landowners operate. Some developers have owned land for many years and are building a broad income stream over multiple properties over the long term. Such developers are able to release land for development at less than the arms-length value at which it may be released to third parties and take a long-term view as to the direction of the market based on the prospects of an area and wider economic factors. It is understood that the limited development that is coming forward in the county area is 'user-led' being brought forward by businesses, or for specific end users, that will use the eventual space for operational uses, rather than for investment purposes.

12.92 The delivery of employment uses is challenging in the current market. The above appraisals assume that development is carried out to the Future Buildings Standard. A further set of appraisals has been run to test the impact of higher costs that may arise due to higher environmental standards. The costs will vary considerably from development type and the specifics of each building so additional construction costs of 5%, 10%, 15% and 20% are applied to the appraisals.

12.93 This analysis shows that there is very limited scope to seek higher environmental standards exception of the large scale industrial and distribution uses. Caution is suggested in relation to setting policy requirements for employment uses that would unduly impact on viability.

Conclusions and Recommendations

12.94 The property market across Swale is uncertain, as is the outlook, with considerable inflationary and wider economic uncertainties. Most types of residential and non-residential development are coming forward, and, on the whole, greenfield development is policy compliant.

12.95 The testing highlights the relationships between policy requirements and how they may impact on viability and ultimately the delivery of development. At this stage of the plan-making process it would be premature to finalise the policy requirements. The above results were discussed with the Council's officers, however the following combination of requirements is put forward as a pragmatic compromise.

a.	Affordable Housing	Greenfield Sites	30%.
		Brownfield Sites	10% (threshold 10)
		Potential Strategic Sites	25%
		Affordable housing mix in line with the requirements for 10% AHO and 25% of affordable homes to be First Homes	

		(30% discount) and the balance of AHO as shared ownership. The balance as Affordable Rent.
b.	Design	95% Part M4(2) Accessible and Adaptable and 5% Part M4(3) Wheelchair Accessible. Zero Carbon, Water Efficiency, 20% Biodiversity Net Gain.
c.	Developer Contributions	Birdwise payments on all sites and open space payments on brownfield sites, plus allowance of 10,000 per unit on typologies and £25,000 per unit on the potential strategic sites.

12.96 If the Council were to follow this advice it would be necessary to be cautious in relying on brownfield sites in the five-year land supply and overall housing trajectory, as the delivery of these is likely to continue to be challenging. It will be necessary to have regard to the progress of brownfield sites through the development management process and / or commitments from site promoters. This may influence the selection of sites for allocation, although a small proportion of the possible allocations are brownfield sites.

12.97 The modelling includes the potential Strategic Sites. These are included to inform the site selection process. As set out earlier, the delivery of any large site is challenging. It is recommended that that the Council engages with the owners of all the potential Strategic Sites in line with the advice set out in the Harman Guidance, and only includes sites in the new Local Plan if they can be demonstrated to be viable.

12.98 Having said this, it is necessary to highlight an assumption at this stage as it is not really representative of such large sites. The potential Strategic Sites are modelled on the basis that site is acquired by the developer in a single tranche at the start of the project. Such a scenario is relatively unlikely on very large sites, where the site is typically purchased in phases. Such an approach benefits the developer in terms of cashflow and this will have a material impact on viability.

12.99 It will still be necessary to be cautious in assuming brownfield development or Build to Rent development would come forward, as these are not likely to be delivered, without some form of public sector intervention. This is likely to influence the selection of sites for allocation. Having said this, it is important to note that a significant number of the brownfield sites that may come forward for development are within the Council's control. The Council has a good record of securing 'gap funding' to enable the delivery of large-scale greenfield schemes and anticipates that this will continue in the future.

12.100 Employment uses are not all shown as being viable, with the exception of the large scale uses, the Council should be cautious in seeking additional standards from such development.

Appendix 1 – Project Specification

Stage 1 – Initial assessment

An initial assessment of viability was previously undertaken to inform the direction of travel for the emerging policies for the LPR before formulation and in the consideration of proposed allocations before being finalised. Given that this initial work, completed in draft form only, was published in December 2020, the Council believes it would be prudent to update this information in light of the global economic challenges of recent years. Previous evidence documents will be provided as a starting point.

It is expected that the updated Viability evidence will undertake:

- Task 1 - Property market analysis

  The purpose of the property market analysis is to inform the value inputs into the development appraisals and formulate the typologies to use in the testing. The market analysis to consider:

  - General needs housing
  - Elderly accommodation
  - Build to Rent
  - Park Homes (for both 55 years + and family accommodation)
  - Office
  - Industrial – large-scale B8 distribution and small/mid-size B2/B8 units
  - Demand/potential for creative industries
  - Comparison retail – town centre and out of centre
  - Convenience retail – range of size of stores

- Task 2 – Formulation of typologies to use in viability testing

  Typically typologies would be based on the potential proposed allocations, as the testing needs to reflect the "type" of sites likely in the emerging Local Plan Review but given these would not be "fixed" at this initial stage of testing they should be based on:

  - Residential – based on SHLAA allocations varied by size, greenfield/brownfield and values zones (where justified through the market assessment).
  - Elderly accommodation – based on schemes developed in the borough, if lack of local evidence then analysis to be expanded to the wider Kent area.
  - Build to Rent – based on schemes developed in the borough, if lack of local evidence then analysis to be expanded to the wider Kent area.
  - Park Homes – based on schemes developed in the borough, if lack of local evidence then analysis to be expanded to the wider Kent area
  - Office, industrial & retail – based on market analysis in Task 1.

- Task 3 – Formulation of draft policies

  Draft policies are available, although some will need to be revised in light of recent consultation responses and/or updated evidence bases. The policies to be amended will be provided in a schedule highlighting likely changes. Given the potential changes, the options for 'policy ask' should be a matter for a Member workshop to be held in early September (if possible). The following policy areas to be considered are:

  - Affordable housing
  - Internal space standards - Building Regulations compliant with Part M4(2) Category 2 Standard

- Internal space standards - Building Regulations compliant with Part M4(3) Category 3: Wheelchair user dwellings M4(3), of which there are two standards: adaptable and accessible
- Biodiversity
- Climate Change Mitigation and Adaptation including: carbon reduction targets of 19/20%, 31%, 50% and relevant stages to zero carbon; renewable energy targets (target percentages to be determined); BREEAM and Home Quality Mark standards; requirements applicable to extensions and refurbishments; requirement for decentralised energy/heat networks/district heating.
- Air quality
- Electric vehicle charging point
- Water efficiency
- Development densities
- Dwelling sizes and mix
- Education
- Health
- Social services (adult and children services)

• Task 4 – Land value assessment

  Initial assessment of greenfield and brownfield land values based on the methodology set out in the PPG on viability e.g. Existing Use plus Premium.

• Task 5 – Initial viability assessment

  Based on the agreed typologies initial viability to be undertaken to test viability of draft policies. The testing to include:

  - Varying the level of affordable housing percentage
  - Different levels of carbon reduction
  - Development densities
  - Higher internal space standards
  - Whether or not the Council should consider preparing Community Infrastructure Levy as the mechanism for delivery of planning obligations.

The outputs of the initial viability assessment will inform the amendments to the draft policies. A presentation will be required to members to seek a steer on priorities and to show direction of travel.

• Task 6 – Report

  A report setting out interim results at this stage would be required to help explain direction of travel and justify policy approach and should include an early indication on whether or not the Council should consider preparing a Community Infrastructure Levy as part of the Local Plan Review.

Stage 2 – Finalisation of draft Local Plan Viability Testing

Once the draft policies and site allocations have been finalised, the above tasks should be refreshed to form the evidence base document for publication. Additional tasks required:

• Task 7 – Large site testing

  Working with the Council, a number of large sites which are “critical to delivering the strategic priorities of the plan” should be identified and tested. Engagement with the promoters of the sites should be undertaken to provide an understanding of site specific constraints and opportunities – these are to be reflected in the viability testing.

• Task 8 – Stakeholder consultation

Stakeholder consultation should be undertaken with agents, land promoters, and developers to test viability assumptions and inputs, allowing the stakeholders an opportunity to provide a response with supporting evidence following the event.

- Task 9 – Completion of final report

NOTE:- AS THE PROJECT PROGRESSED THE CONSIDERATION OF PARK HOMES AND RETAIL DEVELOPMENT WERE DROPPED.

Appendix 2 – Consultees

Ben Geering MRTPI	Development Director	Quinn Estates	Developer
Matt Spry	Financial Analyst	Quinn Estates	Developer
John McGee	Managing Director	Calpark Estates	Land owner
Alister Hume	Principal	Hume Planning Consultancy Ltd	Planning consultant
Rebecca Walker	Affordable Housing Manager Housing and Community Services	Swale Borough Council	Local Authority
Chris Hawkins	Director	DHA Planning	Planning consultant
Zoe Holmes	Senior Programme Manager - Strategic Planning and Primary Care Estate	NHS Kent and Medway	NHS
Catherine Adamson	Strategic Planning Lead - Kent & East Sussex	Southern Water	Infrastructure provider
Dominic Errington	Senior Design Coordinator - Redrow Homes South East	Redrow Homes	House builder
Kieren Mansfield	Strategic Programmne and Asset Manager - Regeneration, Economic Development and Property	Swale Borough Council	Local Authority
Guy Osborne	Land Director	Country House Homes	Developer
Kevin Bown	Spatial Planner - Spatial Planning Team, South East Region Operations Directorate	National Highways	Infrastructure provider
Thomas Ogden	Director	Bloomfields	Consultant
Richard Agnew	Policy and Promotion Manager	Gladman	Land facilitation consultants
Lavine Lammy	Valuation Surveyor	Lambert and Foster	Estate agent
Bridget Miller	Associate	hgh Consulting	Consultant
Richard Ashdown		ULL Property	Consultant
Jim Kirkpatrick		Studio 6 Design	Architect
Natasha Styles	Group Planning Associate	The Planning Bureau Limited	Consultant
Connor Wigley	Planning Consultant	Broadgrove - Planning an Development Ltd	Consultant
Lorenzo Pandolfi	Director	Logic Planning	Consultant
Mr Plaskow		A Plaskow Holdings	Land owner
Maria Champion		Finns	Estate agent
Julian Sampson	Consultant	Finns	Estate agent
Henry Wethered	Chartered surveyor	Finns	Estate agent
Charlie Reynolds MRTPI	Senior Land and Planning Manager	Hallam Land Management Limited and rep LRM planning	Land facilitation consultants
Mark Linington		RPC Land and New Homes Limited	Developer
Peter Biggs	Director	PJB Planning	Consultant
Catherine Smith	Head of Planning Policy	Medway Council	Local Authority
Rachel Flintoft	Planning Policy	Medway Council	Local Authority
Klaire Lander	Director	Lander Planning	Consultant
Kerri Bland	Planning Director	Persimmon South East	Developer
Jon Aldis	Strategic Land Manager	BARRATT DAVID WILSON HOMES Kent	Developer
Katy Sparks	Junior Land Buyer	**Esquire Developments**	Developer
Mark Behrendt	Planning Manager - Local Plans SE and E	Home Builders Federation	Developer
Peter Court	Director	Peter Court Associates	Consultant
David Churchhill	Partner	Cartas Jonas	Consultant
Francis Truss		Cartas Jonas	Consultant

Amon Yiu		Cartas Jonas	Consultant
Philip Scott	Group Partner	Cartas Jonas	Consultant
Mick Dury			
Rob Preston	Associate	Cartas Jonas	Consultant
Roland Brass	Partner	Knight Frank	Estate agent
Cllr Ann Cavanagh	Councillor	SBC	SBC Councillor
Kevin Powell		Shaptor Capital	Investor
Michael Dinn		Gladmans	Land facilitation consultants
Stephen Atkins		Faversham Community Land Trust	Landowner
Steve Baughen		Fernham Homes	Developer
Danielle Drake		Fernham Homes	Developer

Appendix 3 - Consultation Presentation

The pages in this appendix are not numbered.

Appendix 4 – Consultation Questionnaire

The pages in this appendix are not numbered.

Appendix 5 – Consolidated Viability Assumptions

Source: Review of appraisals submitted through Development Management.

			Pathfinder	Pathfinder	Pathfinder
Date			Jul-23	Apr-23	Jan-23
Locality			Teynham	Sittingbourne	Broughton Under Blean
Units					
	Markets		20		11
	Affordable		3		8
			23	28 Flats	19
Area		ha	0.63	0.081	0.8
Value					
	Market		£3,955	£4,736	£3,498.27
	Aff Rent		50%		50%
	Shared Ownership		75%		70%
Construction					
	Build		£2,381 per sq all in	BCIS Mean	BCIS Median for newbuild
	Abnormal			As costed	£200,000
	Externals			5%	
	Contingency		2.50%	5%	
Fees					
	Professional		8.50%	8%	
	Sales		3%	2.50%	2.50%
	Legals	per unit	£900	£900	£900
	Acquisition			1.50%	
Financial					
	Interest		6.50%	6.50%	6.50%
	Developer's Return		17.50%	17.5% / 6%	17.5% / 6%
Planning					
	s106		£328,897	£79,196	£288,314
		£/unit	£14,300	£2,828	£15,174
		£/ha	£522,059	£977,734	£360,393
Land					
	EUV		£22,500		
	Plus		x 20		
	BLV		£711,000	£40,524	
		£/ha	£1,128,571.43	£500,296	£988,400

Appendix 6 – Landmark Price Paid Data

2020 – 2022

Non Newbuild

	Detached		Flat		Semi-detached		Terrace		Total Count of Sale Value (2)	Total Average of Sale Value
Row Labels	Count of Sale Value (2)	Average of Sale Value	Count of Sale Value (2)	Average of Sale Value	Count of Sale Value (2)	Average of Sale Value	Count of Sale Value (2)	Average of Sale Value		
Abbey	5	£622,500	75	£196,947	32	£367,232	124	£311,216	236	£289,092
Bobbing, Iwade and Lower Halstow	91	£467,165	18	£171,000	88	£308,421	81	£271,310	278	£340,673
Borden and Grove Park	59	£484,873	6	£200,833	109	£302,964	68	£260,881	242	£332,956
Boughton and Courtenay	88	£538,603	3	£269,000	67	£347,508	54	£316,991	212	£417,946
Chalkwell	3	£293,333	37	£144,972	29	£266,983	81	£235,127	150	£220,211
East Downs	40	£644,544			21	£410,238	21	£302,536	82	£496,951
Hartlip, Newington and Upchurch	106	£546,972	10	£141,250	74	£359,851	76	£267,655	266	£399,858
Homewood	40	£406,088	23	£156,553	78	£309,736	71	£255,067	212	£292,988
Kemsley	63	£365,060	21	£170,214	59	£260,881	94	£239,083	237	£271,895
Milton Regis	45	£342,011	16	£161,284	110	£255,150	68	£227,974	239	£257,489
Minster Cliffs	179	£382,617	4	£152,125	72	£286,125	32	£257,438	287	£341,240
Murston	11	£334,432	21	£141,369	55	£251,282	164	£233,309	251	£233,987
Priory	18	£451,056	2	£167,500	28	£297,964	40	£273,324	88	£315,113
Queenborough and Halfway	75	£331,657	3	£123,333	113	£248,094	107	£210,875	298	£254,505
Roman	13	£358,269	42	£143,917	50	£269,654	131	£222,874	236	£226,192
Sheerness	6	£286,667	25	£119,850	61	£230,566	209	£183,337	301	£189,695
Sheppey Central	122	£339,739	22	£173,023	118	£258,197	117	£233,628	379	£271,917
Sheppey East	90	£339,867	12	£65,792	45	£263,652	56	£211,517	203	£271,364
St Ann's	9	£368,889	18	£171,444	59	£350,525	125	£297,830	211	£304,814
Teynham and Lynsted	50	£495,510	17	£204,088	87	£301,883	87	£236,317	241	£311,487
The Meads	43	£397,221	51	£151,505	45	£302,417	55	£256,305	194	£270,684
Watling	47	£500,319	16	£197,853	73	£347,021	112	£290,251	248	£340,811
West Downs	57	£592,404			31	£384,019	15	£327,000	103	£491,035
Woodstock	72	£507,094	21	£159,893	98	£351,913	32	£293,805	223	£375,595
Grand Total	**1,332**	**£438,022**	**463**	**£162,242**	**1,602**	**£298,851**	**2,020**	**£248,832**	**5,417**	**£302,744**

Newbuild

	Detached		Flat		Semi-detached		Terrace		Total Count of Price per sq/m (2)	Total Average of Price per sq/m
Row Labels	Count of Price per sq/m (2)	Average of Price per sq/m	Count of Price per sq/m (2)	Average of Price per sq/m	Count of Price per sq/m (2)	Average of Price per sq/m	Count of Price per sq/m (2)	Average of Price per sq/m		
Bobbing, Iwade and Lower Halstow	2	£3,845			1	£4,000			3	£3,897
Borden and Grove Park			2	£3,387					2	£3,387
Boughton and Courtenay	2	£3,928							2	£3,928
Chalkwell	19	£4,062	60	£3,065	29	£3,695	61	£3,345	169	£3,386
Hartlip, Newington and Upchurch	20	£4,006			21	£3,566	3	£4,241	44	£3,812
Milton Regis	1	£4,138							1	£4,138
Priory	19	£4,209			22	£3,918	3	£3,666	44	£4,026
Queenborough and Halfway	8	£3,222			21	£2,976			29	£3,043
Roman			13	£4,516			1	£3,666	14	£4,455
Sheerness					9	£2,662	3	£2,480	12	£2,617
Sheppey East	14	£3,499							14	£3,499
St Ann's	11	£3,726			18	£3,476	2	£3,770	31	£3,583
Teynham and Lynsted	2	£3,468							2	£3,468
Watling	161	£3,788	7	£3,225	68	£3,967	26	£3,437	262	£3,784
Grand Total	**259**	**£3,820**	**82**	**£3,317**	**189**	**£3,656**	**99**	**£3,392**	**629**	**£3,638**

2020

Non Newbuild

	Detached		Flat		Semi-detached		Terrace		Total Count of Sale Value (2)	Total Average of Sale Value
Row Labels	Count of Sale Value (2)	Average of Sale Value	Count of Sale Value (2)	Average of Sale Value	Count of Sale Value (2)	Average of Sale Value	Count of Sale Value (2)	Average of Sale Value		
Abbey	1	£600,000	21	£180,583	9	£374,413	44	£310,914	75	£285,896
Bobbing, Iwade and Lower Halstow	23	£401,413	7	£169,714	23	£295,565	23	£246,128	76	£301,045
Borden and Grove Park	22	£428,023	3	£130,000	35	£270,730	16	£257,250	76	£307,869
Boughton and Courtenay	28	£479,465	1	£115,000	24	£331,917	15	£324,500	68	£387,846
Chalkwell			8	£127,813	6	£241,833	18	£207,778	32	£194,172
East Downs	12	£597,585			6	£382,167	10	£313,300	28	£449,894
Hartlip, Newington and Upchurch	30	£479,567	4	£130,625	30	£347,867	20	£272,850	84	£366,696
Homewood	13	£351,346	6	£135,583	27	£282,296	22	£243,057	68	£269,857
Kemsley	16	£338,625	3	£160,000	21	£253,381	23	£220,935	63	£258,738
Milton Regis	14	£337,750	6	£152,300	31	£234,387	23	£218,413	74	£242,322
Minster Cliffs	56	£344,721	1	£90,000	21	£263,857	10	£213,650	88	£307,635
Murston	3	£300,333	7	£134,964	17	£235,382	52	£219,558	79	£218,535
Priory	4	£384,750	1	£140,000	7	£260,786	10	£277,545	22	£285,452
Queenborough and Halfway	16	£299,656	1	£80,000	39	£226,811	38	£176,724	94	£217,400
Roman	4	£293,750	17	£141,588	19	£256,789	34	£210,221	74	£210,926
Sheerness	2	£262,500	4	£85,500	14	£222,214	68	£163,434	88	£171,494
Sheppey Central	38	£317,803	9	£157,444	42	£232,036	46	£212,217	135	£244,452
Sheppey East	30	£331,867	4	£60,250	15	£235,623	23	£196,303	72	£253,421
St Ann's	2	£310,000	6	£139,750	22	£328,409	44	£299,529	74	£295,443
Teynham and Lynsted	18	£500,778	3	£358,000	34	£277,291	25	£226,638	80	£314,773
The Meads	14	£359,286	16	£140,156	17	£262,000	13	£220,154	60	£243,142
Watling	16	£456,594	4	£166,875	25	£325,140	44	£285,241	89	£321,934
West Downs	24	£551,563			10	£402,750	8	£337,563	42	£475,369
Woodstock	23	£438,100	4	£189,500	43	£323,267	20	£274,600	90	£335,853
Grand Total	**409**	**£402,202**	**136**	**£150,587**	**537**	**£280,531**	**649**	**£237,503**	**1,731**	**£282,938**

Newbuild

	Detached		Flat		Semi-detached		Terrace		Total Count of Price per sq/m (2)	Total Average of Price per sq/m
Row Labels	Count of Price per sq/m (2)	Average of Price per sq/m	Count of Price per sq/m (2)	Average of Price per sq/m	Count of Price per sq/m (2)	Average of Price per sq/m	Count of Price per sq/m (2)	Average of Price per sq/m		
Chalkwell	4	£3,777	55	£3,034	12	£3,402	29	£3,010	100	£3,101
Hartlip, Newington and Upchurch	10	£4,001			12	£3,587	3	£4,241	25	£3,831
Priory	10	£4,271			7	£3,559	3	£3,666	20	£3,931
Queenborough and Halfway	7	£3,253			17	£2,906			24	£3,007
Roman			5	£4,702			1	£3,666	6	£4,530
Sheerness					9	£2,662	3	£2,480	12	£2,617
Sheppey East	11	£3,489							11	£3,489
St Ann's	3	£3,566			3	£3,623			6	£3,595
Teynham and Lynsted	2	£3,468							2	£3,468
Watling	69	£3,743	7	£3,225	35	£3,873	13	£3,382	124	£3,713
Grand Total	**116**	**£3,749**	**67**	**£3,178**	**95**	**£3,458**	**52**	**£3,194**	**330**	**£3,462**

2021

Non Newbuild

	Detached		Flat		Semi-detached		Terrace		Total Count of Sale Value (2)	Total Average of Sale Value
Row Labels	Count of Sale Value (2)	Average of Sale Value	Count of Sale Value (2)	Average of Sale Value	Count of Sale Value (2)	Average of Sale Value	Count of Sale Value (2)	Average of Sale Value		
Abbey	3	£645,833	33	£197,917	14	£316,050	56	£296,741	106	£278,405
Bobbing, Iwade and Lower Halstow	37	£482,905	4	£166,750	40	£300,026	44	£269,651	125	£339,202
Borden and Grove Park	25	£511,420	1	£165,000	44	£298,011	34	£256,159	104	£334,350
Boughton and Courtenay	44	£547,182	1	£422,000	31	£319,776	24	£289,417	100	£413,571
Chalkwell	2	£212,500	13	£143,958	12	£250,375	37	£234,126	64	£218,181
East Downs	20	£727,187			8	£409,625	5	£314,200	33	£587,628
Hartlip, Newington and Upchurch	50	£549,099	4	£146,250	25	£353,718	38	£253,362	117	£397,527
Homewood	11	£392,909	10	£173,073	42	£322,522	31	£236,177	94	£286,385
Kemsley	32	£368,789	15	£164,967	24	£254,188	45	£237,333	116	£267,726
Milton Regis	20	£330,175	7	£141,250	55	£251,409	34	£231,434	116	£252,487
Minster Cliffs	89	£385,562	1	£144,000	31	£277,831	14	£266,429	135	£346,680
Murston	6	£347,500	7	£137,714	24	£241,771	80	£233,449	117	£235,277
Priory	9	£464,444			14	£296,143	20	£254,275	43	£311,895
Queenborough and Halfway	40	£329,038	1	£160,000	46	£251,531	49	£218,308	136	£261,684
Roman	3	£405,833	14	£142,750	15	£268,372	60	£217,950	92	£220,854
Sheerness	4	£298,750	13	£112,942	30	£223,917	72	£183,327	119	£189,750
Sheppey Central	63	£340,598	7	£191,357	48	£262,891	43	£230,093	161	£281,428
Sheppey East	40	£336,488	6	£70,417	21	£278,905	23	£210,304	90	£273,067
St Ann's	3	£368,333	4	£197,750	26	£353,635	53	£288,663	86	£306,856
Teynham and Lynsted	19	£507,079	7	£144,786	33	£309,561	43	£238,605	102	£305,132
The Meads	20	£401,900	20	£150,325	18	£312,208	23	£269,761	81	£282,330
Watling	19	£474,973	9	£205,461	24	£334,875	47	£291,362	99	£329,340
West Downs	26	£595,406			11	£372,273	5	£253,300	42	£496,239
Woodstock	28	£510,696	15	£157,033	34	£369,882	7	£259,964	84	£369,652
Grand Total	**613**	**£441,224**	**192**	**£161,188**	**670**	**£294,236**	**887**	**£245,332**	**2,362**	**£303,203**

Newbuild

	Detached		Flat		Semi-detached		Terrace		Total Count of Price per sq/m (2)	Total Average of Price per sq/m
Row Labels	Count of Price per sq/m (2)	Average of Price per sq/m	Count of Price per sq/m (2)	Average of Price per sq/m	Count of Price per sq/m (2)	Average of Price per sq/m	Count of Price per sq/m (2)	Average of Price per sq/m		
Bobbing, Iwade and Lower Halstow	2	£3,845			1	£4,000			3	£3,897
Borden and Grove Park			2	£3,387					2	£3,387
Boughton and Courtenay	2	£3,928							2	£3,928
Chalkwell	11	£4,012	5	£3,412	14	£3,830	21	£3,515	51	£3,699
Hartlip, Newington and Upchurch	10	£4,010			9	£3,539			19	£3,787
Milton Regis	1	£4,138							1	£4,138
Priory	9	£4,140			15	£4,085			24	£4,106
Queenborough and Halfway	1	£3,000			4	£3,272			5	£3,218
Roman			6	£4,454					6	£4,454
Sheppey East	3	£3,538							3	£3,538
St Ann's	5	£3,735			10	£3,289	2	£3,770	17	£3,477
Watling	81	£3,804			28	£3,997	13	£3,493	122	£3,815
Grand Total	**125**	**£3,853**	**13**	**£3,889**	**81**	**£3,810**	**36**	**£3,521**	**255**	**£3,794**

2022

Non Newbuild

	Detached		Flat		Semi-detached		Terrace		Total Count of Sale Value (2)	Total Average of Sale Value
Row Labels	Count of Sale Value (2)	Average of Sale Value	Count of Sale Value (2)	Average of Sale Value	Count of Sale Value (2)	Average of Sale Value	Count of Sale Value (2)	Average of Sale Value		
Abbey	1	£575,000	21	211785.7	9	439666.7	24	345542.6	55	314045.9
Bobbing, Iwade and Lower Halstow	31	£497,161	7	174714.3	25	333680	14	317892.9	77	382175.3
Borden and Grove Park	12	£533,792	2	325000	30	347833.3	18	273027.8	62	361371
Boughton and Courtenay	16	£618,500	1	270000	12	450333.3	15	353599.7	44	474409
Chalkwell	1	£455,000	16	154375	11	298818.2	26	255484.6	54	238048.1
East Downs	8	£508,374			7	435000	6	274875	21	417202.1
Hartlip, Newington and Upchurch	26	£620,658	2	152500	19	386842.1	18	292055.6	65	446909.2
Homewood	16	£459,625	7	150928.6	9	332388.9	18	302277.8	50	336860
Kemsley	15	£385,300	3	206666.7	14	283607.1	26	258165.4	58	294522.4
Milton Regis	11	£368,955	3	226000	24	290541.7	11	237272.7	49	292234.7
Minster Cliffs	34	£437,324	2	187250	20	322360	8	296437.5	64	375971.9
Murston	2	£346,375	7	151428.6	14	286892.9	32	255304.7	55	253436.4
Priory	5	£480,000	1	195000	7	338785.7	10	307200.1	23	349500
Queenborough and Halfway	19	£364,118	1	130000	28	272092.8	20	257550	68	291439
Roman	6	£377,500	11	149000	16	286130.9	37	242487.8	70	249344.9
Sheerness			8	148250	17	249176.5	69	202961.7	94	206663.4
Sheppey Central	21	£376,857	6	175000	28	289392.9	28	274230.4	83	298138
Sheppey East	20	£358,625	2	63000	9	274777.8	10	249300	41	299134.1
St Ann's	4	£398,750	8	182062.5	11	387409.1	28	312510.7	51	314966.7
Teynham and Lynsted	13	£471,308	7	197428.6	20	331022.5	19	243873.7	59	318017.8
The Meads	9	£445,833	15	165183.3	10	353500	19	264750.3	53	284066.1
Watling	12	£598,750	3	216333.3	24	381958.3	21	298261.9	60	387741.7
West Downs	7	£721,286			10	378208	2	469000	19	514162.1
Woodstock	21	£577,857	2	122125	21	381476.2	5	418000	49	458780.6
Grand Total	**310**	**£478,950**	**135**	**175481.5**	**395**	**331584.6**	**484**	**270437.9**	**1324**	**327819.1**

Newbuild

	Detached		Flat		Semi-detached		Terrace		Total Count of Price per sq/m (2)	Total Average of Price per sq/m
Row Labels	Count of Price per sq/m (2)	Average of Price per sq/m	Count of Price per sq/m (2)	Average of Price per sq/m	Count of Price per sq/m (2)	Average of Price per sq/m	Count of Price per sq/m (2)	Average of Price per sq/m		
Chalkwell	4	£4,483			3	£4,241	11	£3,903	18	£4,088
Roman			2	£4,236					2	£4,236
St Ann's	3	£3,871			5	£3,759			8	£3,801
Watling	11	£3,943			5	£4,456			16	£4,103
Grand Total	**18**	**£4,051**	**2**	**£4,236**	**13**	**£4,139**	**11**	**£3,903**	**44**	**£4,048**

Appendix 7 – Newbuild Asking Prices.

February 2023

Agent	Development	Address	Address	Postcode	Name	No. Beds	Type	GIA m2	House £	£/m2	Notes
DWH	Applegate Park	Borden	Sittingbourne	ME10 1YN	Bradgate	4	D	146	£604,995	£4,144	new scheme show homes being built atm
Keepmoat	Belgrave Place		Minster-on-Sea	ME12 3UW	Abbey	2	S	62	£285,000	£4,597	scheme of 150
Keepmoat	Belgrave Place		Minster-on-Sea	ME12 3UW	Caddington	3	S	78	£347,500	£4,455	
Keepmoat	Belgrave Place		Minster-on-Sea	ME12 3UW	Rothway	4	S	94	£370,000	£3,936	
Keepmoat	Belgrave Place		Minster-on-Sea	ME12 3UW	Windsor	3	D	79	£365,000	£4,620	
Keepmoat	Belgrave Place		Minster-on-Sea	ME12 3UW	Caddington Sp	3	S	78	£325,000	£4,167	
Sanctuary Homes	Watling Gate		Sittingbourne	ME120 2QF	Newnham	2	S	64	£288,500	£4,508	
Sanctuary Homes	Watling Gate		Sittingbourne	ME120 2QF	Stockbury	2	D	59	£286,500	£4,856	
Sanctuary Homes	Saxon Court, Watling Gate		Sittingbourne	ME120 2QF	Lynstead	1	F	49	£200,000	£4,082	40% full price £200,000
Sanctuary Homes	Saxon Court, Watling Gate		Sittingbourne	ME120 2QF	Borden	1	F	49	£162,500	£3,316	40% full price is £162500
Sanctuary Homes	Saxon Court, Watling Gate		Sittingbourne	ME120 2QF	Tunstall	2	F	73	£196,500	£2,692	40% full price £196500
Sanctuary Homes	Saxon Court, Watling Gate		Sittingbourne	ME120 2QF	Murston	2	F	57	£187,500	£3,289	40% full price £187500
Sanctuary Homes	Saxon Court, Watling Gate		Sittingbourne	ME120 2QF	Newington	2	F	73	£200,000	£2,740	40% full price £200000
Bellway	The Moorings		Sittingbourne	Me10 3ST							prices yet to be confirmed
Bovis	Davington Fields		Faversham	ME13 7NT	Chestnut	4	D	126	£489,995	£3,889	
Bovis	Davington Fields		Faversham	ME13 7NT	Juniper	4	D	115	£479,995	£4,174	
Bovis	Davington Fields		Faversham	ME13 7NT	Chestnut	4	D	126	£494,995	£3,929	
Bovis	Davington Fields		Faversham	ME13 7NT	Juniper	4	D	115	£474,995	£4,130	
Rosechurch Homes	Edgelake	Swale Way	Sittingbourne	ME10 3TF	Rosemoor x3	3	D	108	£465,000	£4,306	
Rosechurch Homes	Edgelake	Swale Way	Sittingbourne	ME10 3TF	Amelia	2	S	83	£345,000	£4,157	
Rosechurch Homes	Edgelake	Swale Way	Sittingbourne	ME10 3TF	Molyneux3	3	S	114	£460,000	£4,035	
Linden Homes	Ospringe Gardens		Faversham	ME13 7NT	Goodridge x2	4	D	115	£459,995	£4,000	
Linden Homes	Ospringe Gardens		Faversham	ME13 7NT	Mylne	4	D	111	£474,995	£4,279	
Linden Homes	Ospringe Gardens		Faversham	ME13 7NT	Cranbrook	4	S	113	£441,995	£3,911	

Linden Homes	Ospringe Gardens		Faversham	ME13 7NT	Wyatt x3	3	S	71	£364,995	£5,141	
Linden Homes	Ospringe Gardens		Faversham	ME13 7NT	Aslin x3	4	S	97	£439,995	£4,536	
Linden Homes	Ospringe Gardens		Faversham	ME13 7NT	Eveleigh	3	T	80	£359,995	£4,500	
Redrow	Abbey Creek	Canterbury Road	Faversham	ME13 8LY							prices etc yet to be confirmed
Redrow	Regent Quay	Eurolink Way	Sittingbourne	ME10 3HH	Portman	4	T	115	£414,995	£3,609	
Redrow	Regent Quay	Eurolink Way	Sittingbourne	ME10 3HH	Portman	4	T	115	£404,995	£3,522	
Redrow	Regent Quay	Eurolink Way	Sittingbourne	ME10 3HH	Windsor	4	D		£474,995		
Redrow	Regent Quay	Eurolink Way	Sittingbourne	ME10 3HH	Marlow	4	D	126	£484,995	£3,849	
Redrow	Regent Quay	Eurolink Way	Sittingbourne	ME10 3HH	Oxford	4	D	133	£494,995	£3,722	
Redrow	Amber Fields	Quinton Road	Sittingbourne	ME10 2DD	Grantham	4	T	108	£389,995	£3,611	
Redrow	Amber Fields	Quinton Road	Sittingbourne	ME10 2DD	Marlow	4	D	126	£519,995	£4,127	
Redrow	Amber Fields	Quinton Road	Sittingbourne	ME10 2DD	Leamington	3	D	126	£549,995	£4,365	
Redrow	Amber Fields	Quinton Road	Sittingbourne	ME10 2DD	Letchworth	3	S	80	£394,995	£4,937	
Redrow	Amber Fields	Quinton Road	Sittingbourne	ME10 2DD	Grantham	4	T	108	£399,995	£3,704	
Redrow	Amber Fields	Quinton Road	Sittingbourne	ME10 2DD	Warwick	3	D	98	£429,995	£4,388	
Redrow	Amber Fields	Quinton Road	Sittingbourne	ME10 2DD	Amberley	3	D	90	£444,995	£4,944	
Redrow	Amber Fields	Quinton Road	Sittingbourne	ME10 2DD	Stratford	4	D	115	£469,995	£4,087	
Redrow	Amber Fields	Quinton Road	Sittingbourne	ME10 2DD	Stratford	3	D	115	£474,995	£4,130	
Redrow	Amber Fields	Quinton Road	Sittingbourne	ME10 2DD	Canterbury	4	D	130	£589,995	£4,538	
Crest Nicholson	Crown Meadows	Love Lane	Faversham	ME13 8BJ							prices etc yet to be confirmed
Anderson	Faversham Lakes		Faversham	ME13 7FJ	Bay x3	2	S	71	£340,000	£4,789	
Anderson	Faversham Lakes		Faversham	ME13 7FJ	Rowan	3	S	90	£420,000	£4,667	
Anderson	Faversham Lakes		Faversham	ME13 7FJ	Maple	3	S	85	£400,000	£4,706	
Anderson	Faversham Lakes		Faversham	ME13 7FJ	Willow	4	D	125	£600,000	£4,800	
Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Birch	2	S				
Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Cherry	3	S	94	£405,000	£4,309	
Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Fern	3	D				
Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Laurel	3	D	100	£465,000	£4,650	
Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Hazel	3	D	100	£475,000	£4,750	
Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Lime	4	D	123	£560,000	£4,553	
Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Primrose	4	D	142	£615,000	£4,331	
Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Aspen	4	D	146	£630,000	£4,315	
Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Cedar	5	D	176	£775,000	£4,403	
Wards	The Street	Babchild	Sittingbourne	ME9 9AH	x4	4	S	132	£450,000	£3,409	
Wards		Wallbridge Lane	Upchurch	ME9		3	D	85	£460,000	£5,412	
Miles&Barr	Ashdown	Ospringe	Faversham		plot 3	3	S	88	£450,000	£5,114	

Wards	Woodcombe Mews	Murston	Sittingbourne	ME9		4	T		£475,000		
Wards	Woodcombe Mews	Murston	Sittingbourne	ME9		3	T		£350,000		
Jones Homes	Kingsborough Manor	Kingsborough Drive	Sheerness	ME12		4	D	155	£619,995	£4,000	
WKHA	Faversham Lakes		Faversham			2	S		£310,000		35% so full price £310000

December 2023

Developer / Agent	Development	Address	Address	Postcode	Type	No Beds	Form	sqm	Price	£ per sqm	Notes
DWH	Applegate Park	Borden	Sittingbourne	ME10 1YN	Kennett	3	S	108	£394,995	£3,657	
DWH	Applegate Park	Borden	Sittingbourne	ME10 1YN	Kennett	3	S	108	£399,995	£3,704	
DWH	Applegate Park	Borden	Sittingbourne	ME10 1YN	Hertford	4	D	140	£499,995	£3,571	
DWH	Applegate Park	Borden	Sittingbourne	ME10 1YN	Ashtree	4	D		£519,995		
DWH	Applegate Park	Borden	Sittingbourne	ME10 1YN	Bradgate	4	D	146	£549,995	£3,767	
DWH	Applegate Park	Borden	Sittingbourne	ME10 1YN	Holden	4	D	152	£565,995	£3,724	
DWH	Applegate Park	Borden	Sittingbourne	ME10 1YN	Eden	4	D	146	£579,995	£3,973	
DWH	Applegate Park	Borden	Sittingbourne	ME10 1YN	Eden	4	D	146	£586,995	£4,021	
Keepmoat	Belgrave Place		Minster-on-Sea	ME12 3UW	Abbey	2	S	62	£228,750	£3,690	
Keepmoat	Belgrave Place		Minster-on-Sea	ME12 3UW	Caddington	3	S	78	£167,500	£2,147	
Keepmoat	Belgrave Place		Minster-on-Sea	ME12 3UW	Rothway	4	S	94	£365,000	£3,883	
Keepmoat	Belgrave Place		Minster-on-Sea	ME12 3UW	Windsor	3	D	79	£225,000	£2,848	
Keepmoat	Belgrave Place		Minster-on-Sea	ME12 3UW	Caddington Sp	3	S	78	£167,500	£2,147	
Keepmoat	Belgrave Place		Minster-on-Sea	ME12 3UW	Fairfield	2	S	63	£300,000	£4,762	
Sanctuary Homes	Beckett Court	Watling Gate	Sittingbourne	ME120 2QF	Chilham	2	F	58	£189,000	£3,259	SO 40% for £75,600
Sanctuary Homes	Beckett Court	Watling Gate	Sittingbourne	ME120 2QF	Scotney	1	F	49	£167,500	£3,418	SO 40%
Sanctuary Homes	Beckett Court	Watling Gate	Sittingbourne	ME120 2QF	Saltwood	1	F	49	£170,000	£3,469	SO 40%
Sanctuary Homes	Beckett Court	Watling Gate	Sittingbourne	ME120 2QF	Queensborough	1	F	49	£172,000	£3,510	SO 40%
Sanctuary Homes	Beckett Court	Watling Gate	Sittingbourne	ME120 2QF	Leybourne	1	F	49	£172,500	£3,520	SO 40%
Bellway	The Moorings	Crown Quay Lane	Sittingbourne	ME10 3ST							Prices to be confirmed
Bovis	Davington Fields		Faversham	ME13 7NT	Chestnut	4	D	126	£449,995	£3,571	
Bovis	Davington Fields		Faversham	ME13 7NT	Juniper	4	D	115	£474,995	£4,130	
Rosechurch Homes	Edgelake	Swale Way	Sittingbourne	ME10 3TF	Amelia	2	S	83	£322,500	£3,886	

Linden Homes	Ospringe Gardens		Faversham	ME13 7NT	Cranbrook	4	S	113	£399,995	£3,540	
Linden Homes	Ospringe Gardens		Faversham	ME13 7NT	Wyatt	3	S	71	£366,000	£5,155	SO 50%
Linden Homes	Ospringe Gardens		Faversham	ME13 7NT	Wyatt	3	S	71	£366,000	£5,155	SO 50%
Linden Homes	Ospringe Gardens		Faversham	ME13 7NT	Wyatt	3	S	71	£366,000	£5,155	SO 50%
Linden Homes	Ospringe Gardens		Faversham	ME13 7NT	Aslin	4	S	97	£370,000	£3,814	SO 50%
Redrow	Regent Quay	Eurolink Way	Sittingbourne	ME10 3HH	Oxford	4	D	133	£500,000	£3,759	
Redrow	Regent Quay	Eurolink Way	Sittingbourne	ME10 3HH	Watling B	1	F	50	£162,500	£3,250	
Redrow	Regent Quay	Eurolink Way	Sittingbourne	ME10 3HH	Watling E	1	F	50	£165,000	£3,300	
Redrow	Regent Quay	Eurolink Way	Sittingbourne	ME10 3HH	Portman	4	T	115	£390,000	£3,391	
Redrow	Regent Quay	Eurolink Way	Sittingbourne	ME10 3HH	Portman	4	S	115	£400,000	£3,478	
Redrow	Regent Quay	Eurolink Way	Sittingbourne	ME10 3HH	Lincoln	4	S	121	£435,000	£3,595	
Redrow	Regent Quay	Eurolink Way	Sittingbourne	ME10 3HH	Marlow	4	D	126	£495,000	£3,929	
Redrow	Regent Quay	Eurolink Way	Sittingbourne	ME10 3HH	Shaftesbury	4	D	126	£500,000	£3,968	
Redrow	Amber Fields	Quinton Road	Sittingbourne	ME10 2DD	Marlow	4	D	126	£495,000	£3,929	
Redrow	Amber Fields	Quinton Road	Sittingbourne	ME10 2DD	Leamington	3	D	126	£560,000	£4,444	
Redrow	Amber Fields	Quinton Road	Sittingbourne	ME10 2DD	Grantham	4	T	108	£375,000	£3,472	
Redrow	Amber Fields	Quinton Road	Sittingbourne	ME10 2DD	Letchworth	3	S	80	£380,000	£4,750	
Redrow	Amber Fields	Quinton Road	Sittingbourne	ME10 2DD	Stratford	3	D	115	£470,000	£4,087	
Redrow	Amber Fields	Quinton Road	Sittingbourne	ME10 2DD	Canterbury	4	D	130	£600,000	£4,615	
Redrow	Abbey Creek	Canterbury Road	Faversham	ME13 8LY							
Crest Nicholson	Crown Meadows	Love Lane	Faversham	ME13 8BJ							
Anderson	Faversham Lakes		Faversham	ME13 7FJ	Bay	2	S	71	£340,000	£4,789	
Anderson	Faversham Lakes		Faversham	ME13 7FJ	Rowan	3	S	90	£430,000	£4,778	
Anderson	Faversham Lakes		Faversham	ME13 7FJ	Rowan	3	S	90	£430,000	£4,778	
Anderson	Faversham Lakes		Faversham	ME13 7FJ	Birch	3	S	82	£420,000	£5,122	
Anderson	Faversham Lakes		Faversham	ME13 7FJ	Willow	4	D	125	£625,000	£5,000	
Anderson	Faversham Lakes		Faversham	ME13 7FJ	Oak	5	D	160	£695,000	£4,344	
Anderson	Faversham Lakes		Faversham	ME13 7FJ	Alder	3	D	70	£440,000	£6,286	
Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Birch	2	S				
Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Cherry	3	S	94	£405,000	£4,309	
Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Fern	3	D				
Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Laurel	3	D	100	£465,000	£4,650	
Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Hazel	3	D	100	£475,000	£4,750	
Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Lime	4	D	123	£560,000	£4,553	

Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Primrose	4	D	142	£615,000	£4,331
Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Aspen	4	D	146	£630,000	£4,315
Esquire Developments	Hill Farm	Keycoll Hill	Bobbing	ME9 8DZ	Cedar	5	D	176	£750,000	£4,261
Matthew Homes	Blake Gardens		Minster-on-Sea	ME12 3SN	Beech	4	D	122	£430,000	£3,525
Matthew Homes	Blake Gardens		Minster-on-Sea	ME12 3SN	Holly	3	D	103	£390,000	£3,786
Matthew Homes	Blake Gardens		Minster-on-Sea	ME12 3SN	Rowan	4	D	123	£440,000	£3,577
Matthew Homes	Blake Gardens		Minster-on-Sea	ME12 3SN	Chestnut	4	D	145	£480,000	£3,310
Matthew Homes	Blake Gardens		Minster-on-Sea	ME12 3SN	Pine	3	S	106	£350,000	£3,302
Matthew Homes	Blake Gardens		Minster-on-Sea	ME12 3SN	Yew	3	D	107	£390,000	£3,645
Jones Homes	Shurland Park	Larch End	Minster-on-Sea	ME12 3FJ	Cranford	2	T		£270,000	
Jones Homes	Shurland Park	Larch End	Minster-on-Sea	ME12 3FJ	Sutton	2	T		£272,500	
Jones Homes	Shurland Park	Larch End	Minster-on-Sea	ME12 3FJ	Birch	3	T		£310,000	
Jones Homes	Shurland Park	Larch End	Minster-on-Sea	ME12 3FJ	Birch	3	T		£310,000	
Jones Homes	Shurland Park	Larch End	Minster-on-Sea	ME12 3FJ	Birch	3	T		£310,000	
Jones Homes	Shurland Park	Larch End	Minster-on-Sea	ME12 3FJ	Birch	3	T		£310,000	
Jones Homes	Shurland Park	Larch End	Minster-on-Sea	ME12 3FJ	Birch	3	T		£310,000	
Jones Homes	Shurland Park	Larch End	Minster-on-Sea	ME12 3FJ	Shurland	3	S		£335,000	
Jones Homes	Shurland Park	Larch End	Minster-on-Sea	ME12 3FJ	Shurland	3	S		£335,000	
Jones Homes	Shurland Park	Larch End	Minster-on-Sea	ME12 3FJ	Shurland	3	S		£335,000	
Jones Homes	Shurland Park	Larch End	Minster-on-Sea	ME12 3FJ	Shurland	3	S		£335,000	
Jones Homes	Shurland Park	Larch End	Minster-on-Sea	ME12 3FJ	Baycliffe	3	S		£360,000	
Jones Homes	Shurland Park	Larch End	Minster-on-Sea	ME12 3FJ	Huxley	3	D		£375,000	
Jones Homes	Shurland Park	Larch End	Minster-on-Sea	ME12 3FJ	Holford	4	D		£450,000	
Persimmon	Orchard Meadows	Iwade	Sittingbourne	ME9 8RD	Barton	3	S	68	£355,000	£5,221
Persimmon	Orchard Meadows	Iwade	Sittingbourne	ME9 8RD	Ashworth	3	S	78	£355,000	£4,551

Persimmon	Orchard Meadows	Iwade	Sittingbourne	ME9 8RD	Ashworth	3	S	78	£355,000	£4,551
Persimmon	Orchard Meadows	Iwade	Sittingbourne	ME9 8RD	Ashworth	3	S	78	£355,000	£4,551
Persimmon	Orchard Meadows	Iwade	Sittingbourne	ME9 8RD	Ashworth	3	S	78	£355,000	£4,551
Persimmon	Orchard Meadows	Iwade	Sittingbourne	ME9 8RD	Ashworth	3	S	78	£355,000	£4,551
Persimmon	Orchard Meadows	Iwade	Sittingbourne	ME9 8RD		3	D	84	£394,995	£4,702
Persimmon	Orchard Meadows	Iwade	Sittingbourne	ME9 8RD	Lockwood	3	D	84	£394,995	£4,702
Persimmon	Orchard Meadows	Iwade	Sittingbourne	ME9 8RD	Lockwood	3	D	84	£394,995	£4,702
Persimmon	Orchard Meadows	Iwade	Sittingbourne	ME9 8RD	Lockwood	3	D	84	£394,995	£4,702
Persimmon	Orchard Meadows	Iwade	Sittingbourne	ME9 8RD	Derwent	3	D	85	£419,995	£4,941
Persimmon	Orchard Meadows	Iwade	Sittingbourne	ME9 8RD	Derwent	3	D	85	£419,995	£4,941
RPC Land	Greystones	Borden	Sittingbourne	ME9 8HU		5	D	241	£900,000	£3,734
RPC Land	Greystones	Borden	Sittingbourne	ME9 8HU		5	D	241	£950,000	£3,942

Appendix 8 - CoStar Non-Residential Data

The pages in this appendix are not numbered.

Appendix 9 – Land Registry Development Land Data

	Address	Parish	Proposal	Application/ decision	Units	Ha	Aff	S106 £	Price £/ha	Price £/unit	Land Reg	Date	Price	Notes
16/507877	Land West of Crown Quay Lane (N/E Corner only for 98 dwellings)	Sittingbourne	405 dwellings	2016	353	10.68	10%	£2,722,654	£936,330	£28,329	K872245	24/05/2016	£10,000,000	Redrow
15/502912	Milton Pipes, Cooks Lane	Sittingbourne	Dem of ex builds & dev 162 houses & 80 flats	2015	242	4.2	10%	£871,368			K157547	07/08/2017	No PPD	Sanctuary Affordable Housing
20/504614	Phase 2a Faversham Lakes, Ham Road	Faversham	App of Res for 106 dwellings	2020/ 2021	106	55.6	31%	£1,900,134			TT76631	13/01/2021	No PPD	Beneficiary West Kent Housing Assoc Part of site Earlier application in 2014 for 330 dwellings 14/0257
19/503120	Parcel G, Land at Harps Farm	Minster	Res Matts for 171 dwellings	2013/ 2021	171	4.31	0%		£1,578,654	£39,789	TT94544	12/03/2019	£6,804,000	was 13/1455
21/502287	Adj Quinton Farmhouse, Quinton Road	Sittingbourne	155 dwellings (amended layout to 18/500257).	2018/ 2020	155	7.95	10%	£2,259,809	£864,780	£44,355	TT120636	12/02/2021	£6,875,000	was application 18/500257 now 22/505209
06/1448	Conyer Brickworks	Conyer	24 dwellings		24									
18/503697	Land at Station Road	Teynham	Dem of 56 & 58 Station Road and erect 130 dwellings		130	4.4	40%	£1,580,966	£972,442	£32,913	K70390	22/03/2019	£4,278,743	
17/502604	Ospringe Brickworks (Northern area) Sumpter Way	Faversham	Res Matts for 127 dwellings	2014	127	3.25	30%	£515,203	£1,576,923	£40,354	TT59859	14/12/2016	£5,125,000	was 14/502729
17/506603	Land at Perry Court, London Road	Faversham	Res Matts for 310 dwellings	2015	310	30.36	33%	£3,312,537			TT68715	14/07/2019	No PPD	was 15/504264
14/0257	North of Oare Rd & South of Ham Rd	Faversham	375 Dwellings		375									see below
18/505418	Phase 1, Oare Mineral Works, Ham Road	Faversham	Res Matts of 14/0257 for 113 dwellings	2014/	113	55.6	34%	£1,207,134			TT76631 TT76632	13/01/2021 / 15/01/2018	No PPD	was 14/0257
18/506283	Ospringe Brickworks (Southern area), Sumpter Way	Faversham	Res matts of 14/502729 for 123 dwellings	2014/	123	3.25	37%	Incomplete data			TT107370 TT59859			no price data/ £5,125,000
01/0623	Lydbrook Close	Sittingbourne	Res Matts for residential re-development of site (49 dwellings)		49									
18/505151	Land at Stones Farm, The Street	Bapchild	App of res matts for 310 dwellings	2014/ 2020	310	33.4	30%	£4,032,163			TT89853	03/12/2018	No PPD	The Kent Homebuilding Partnership
18/506417	Land at Southsea Avenue	Minster	72 dwellings		72	2.55	0%	£539,297	£410,431	£14,536	TT116638	02/11/2020	£1,046,600	
19/503278	East of Ham Road	Faversham	Res Matts for 26 dwellings & 9 flats	2016	35	1.57	100%	£289,295	£1,210,191	£54,286	TT95424	29/03/2019	£1,900,000	
19/501921	Land at Belgrave Road, Halfway	Minster	153 dwellings	2011/ 2020	153	5.31	10%	£1,158,532	£941,620	£32,680	TT121813	25/03/2021	£5,000,000	

21/501908	The Slips, Scocles Road	Minster	REM for 62 dwellings	2016/ 2022	62	2.778	100%	£459,297	£919,726	£41,210	K399264	11/01/2021	£2,555,000	
06/0900	Phase 2, Kingsborough Manor, Eastchurch Rd	Eastchurch	Amend to layout & erect 105 det dwellings		105									
16/506644	Brogdale Place, Brogdale Road	Faversham	R/M for 63 dwells	2016/2017	63	3.5	30%		£2,207,143	£122,619	K410217	04/12/2015	£7,725,000	cannot find expanded s106
15/508025	Power Station Road, Halfway	Minster	RM for 142 dwellings	2015	142	3.8	8%	£789,861			TT53289	no date	No PPD	built out
17/501894	Mill and Wharf Sites, Milton Rd/Mill Way/Charlotte St	Sittingbourne	Res Matts s/s 11/0159 for 150 dwellings	2011/ 2017	150	2.51	3%	Incomplete data	£1,673,307	£28,000	TT60515	12/01/2017	£4,200,000	
16/501266	99 High Street and land to the North	Newington	124 new dwellings	2016/ 2018	124	7.25	30%	£1,409,182	£674,483	£39,435	K736227 K791130 TT25420	10/08/2018 and / 03/07/2018	£4,890,000	
18/501048	Land at Lady Dane Farm, Love Lane	Faversham	Approval of reserved matters for 196 proposed dwellings	2014/ 2020	196	10.7	30%	£845,436	£1,094,211	£59,735	K866216 K825829 TT83139 TT30724	27/09/2022 16/05/2001 02/07/2019 12/06/2018	£11,708,060	
16/508643	Land north of Graveney Road	Faversham	72 houses and 33 flats	2016/ 2017	105	2.95	16%	£969,986	£1,459,715	£41,011	K498750	16/02/2018	£4,306,160	
11/1537	Coleshall Farm, Sheppey Way	Iwade	Res Matter for 08/1127 for 187 dwellings	2011/ 2012	187	6					K702103 TT4120	12/09/2012 10/04/2012	Incomplete data	
06/1447	Areas B2, C1 & D East Hall Farm	Sittingbourne	203 Dwellings - app res matters		203									
10/1153	Parcel A and B, Thistle Hill	Minster	213 dwellings		213									
17/505711 a	Land south west Sittingbourne/Wises Lane	Sittingbourne	Hybrid app for O/L 595 dwllings (plus commercial units)	2017/ 2022	595	47.47	12%	Incomplete data			K809185 TT130242	05/10/2017 / pending	Incomplete data	
17/505711 b	Land south west Sittingbourne/Wises Lane	Sittingbourne	Hybrid app for Full pp 80 dwllings (plus commercial units)	as above line	80									

Appendix 10 – CoStar Industrial Land

The pages in this appendix are not numbered.

Appendix 11 – BCIS Data

Results: Rebased to Swale (104; sample 14) Edit
£/M2 STUDY
Description: Rate per m2 gross internal floor area for the building Cost including prelims.
Last updated: 20th April 2024

(Maximum age of projects)	£/m² gross internal floor area					
	Mean	Lowest	Lower quartiles	Median	Upper quartiles	Highest
New build						
282. Factories						
Generally (25)	1,283	299	724	1,070	1,531	4,949
Up to 500m2 GFA (25)	1,646	1,067	1,212	1,407	1,968	2,884
500 to 2000m2 GFA (25)	1,362	299	812	1,234	1,532	4,949
Over 2000m2 GFA (25)	1,116	429	627	884	1,362	2,844
284. Warehouses/stores						
Generally (15)	1,172	452	693	919	1,323	5,324
Up to 500m2 GFA (15)	2,109	759	1,168	1,485	2,478	5,324
500 to 2000m2 GFA (15)	1,012	538	749	922	1,133	1,871
Over 2000m2 GFA (15)	832	452	651	695	947	1,724
320. Offices						
Generally (15)	2,535	1,183	1,840	2,384	2,842	5,832
Air-conditioned						
Generally (15)	2,234	1,423	1,866	2,258	2,696	2,848
1-2 storey (15)	2,159	1,423	1,967	2,140	2,384	2,848
3-5 storey (15)	2,260	1,599	-	2,307	-	2,826
6 storey or above (20)	2,695	2,070	2,420	2,575	2,744	3,894
Not air-conditioned						
Generally (15)	2,649	1,183	2,119	2,626	3,376	3,892
1-2 storey (15)	2,782	1,622	2,250	2,820	3,432	3,779
3-5 storey (15)	2,274	1,183	-	2,011	-	3,892
6 storey or above (25)	2,827	2,187	-	2,929	-	3,262
341.1 Retail warehouses						
Generally (25)	1,133	559	854	1,008	1,213	3,306
Up to 1000m2 (25)	1,246	817	927	1,063	1,182	3,306
1000 to 7000m2 GFA (25)	1,137	559	860	1,009	1,308	2,333
344. Hypermarkets, supermarkets						
Generally (35)	1,956	806	1,338	1,719	2,592	3,354
Up to 1000m2 (35)	2,001	1,338	-	1,739	-	3,190
1000 to 7000m2 GFA (35)	1,956	806	1,274	1,719	2,610	3,354
345. Shops						
Generally (30)	1,894	716	1,030	1,553	2,341	5,024
1-2 storey (30)	1,916	716	1,026	1,501	2,437	5,024
447. Care homes for the elderly						
Generally (15)	2,206	1,357	1,657	2,066	2,436	4,481
500 to 2000m2 GFA (15)	2,607	1,418	1,466	2,196	3,611	4,481
Over 2000m2 GFA (15)	2,097	1,357	1,773	2,064	2,378	3,130
810.1 Estate housing						
Generally (15)	1,580	821	1,339	1,517	1,731	5,434
Single storey (15)	1,794	1,062	1,514	1,724	1,967	5,434
2-storey (15)	1,522	821	1,313	1,476	1,667	3,305
3-storey (15)	1,652	982	1,385	1,588	1,893	3,205
4-storey or above (15)	3,304	1,611	2,637	2,944	4,428	4,901
810.11 Estate housing detached (15)	2,103	1,158	1,600	1,762	2,321	5,434

810.12 Estate housing semi detached						
Generally (15)	1,594	920	1,356	1,558	1,747	3,513
Single storey (15)	1,776	1,148	1,547	1,746	1,932	3,513
2-storey (15)	1,538	920	1,340	1,492	1,679	2,670
3-storey (15)	1,583	1,151	1,280	1,518	1,877	2,252
810.13 Estate housing terraced						
Generally (15)	1,604	935	1,315	1,505	1,750	4,901
Single storey (15)	1,839	1,169	1,521	1,818	2,141	2,603
2-storey (15)	1,535	935	1,306	1,469	1,670	3,305
3-storey (15)	1,663	982	1,381	1,553	1,829	3,205
816. Flats (apartments)						
Generally (15)	1,862	932	1,540	1,752	2,099	6,370
1-2 storey (15)	1,757	1,075	1,492	1,662	1,955	3,493
3-5 storey (15)	1,840	932	1,534	1,750	2,070	3,832
6 storey or above (15)	2,183	1,340	1,758	2,075	2,341	6,370
843. Supported housing						
Generally (15)	1,990	1,015	1,649	1,856	2,191	4,005
Single storey (15)	2,355	1,423	1,837	2,265	2,485	4,005
2-storey (15)	1,990	1,037	1,644	1,816	2,267	3,485
3-storey (15)	1,841	1,015	1,649	1,764	2,021	2,713
4-storey or above (15)	2,038	1,247	1,633	1,899	2,082	3,879
852. Hotels (15)	2,748	1,448	2,109	2,726	3,422	3,768
853. Motels (25)	1,710	1,275	1,552	1,616	2,052	2,056
856.2 Students' residences, halls of residence, etc (15)	2,334	1,344	2,089	2,362	2,599	3,852

Appendix 12 – Appraisals, Residential Development

The pages in this appendix are not numbered.

Appendix 13 – Sensitivity Testing – Developer's Return, BLV, BCIS

Varied Developer's Return

Isle of Sheppey

			EUV	BLV	Residual Value					
			% Market Housing		15.0%	15.0%	17.5%	17.5%	20.0%	20.0%
			% Affordable Housing		6.0%	15.0%	6.0%	17.5%	6.0%	20.0%
			% First Homes		15.0%	15.0%	17.5%	17.5%	20.0%	20.0%
Site 1	Large Brown 300	IoS	1,100,000	1,320,000	679,561	594,932	525,690	417,552	369,899	228,379
Site 2	Brown 90	IoS	1,100,000	1,320,000	542,775	450,037	371,547	253,048	200,318	52,532
Site 3	Brown 30	IoS	1,100,000	1,320,000	604,632	502,321	415,967	281,469	220,737	51,024
Site 4	Brown 15	IoS	1,100,000	1,320,000	1,157,417	1,025,712	906,902	735,867	651,257	439,271
Site 5	Brown 9	IoS	1,100,000	1,320,000	1,038,651	976,195	817,682	737,877	595,334	496,266
Site 6	Brown 6	IoS	1,100,000	1,320,000	1,265,874	1,149,530	1,053,104	902,560	837,189	652,644
Site 7	Central 60	IoS	1,100,000	1,320,000	-160,434	-267,684	-392,187	-530,348	-628,645	-801,793
Site 8	Central 24	IoS	1,100,000	1,320,000	874,943	797,566	651,334	552,463	425,630	301,776
Site 9	Central 9	IoS	1,100,000	1,320,000	1,224,283	1,120,990	939,785	805,199	650,867	487,024
Site 10	Brown 90 HD	IoS	1,100,000	1,320,000	-1,017,282	-1,156,439	-1,239,326	-1,417,138	-1,461,370	-1,681,541
Site 11	Brown 24 HD	IoS	1,100,000	1,320,000	-1,318,082	-1,500,989	-1,610,377	-1,844,092	-1,902,673	-2,187,196
Site 12	Large Green 400 LD	IoS	25,000	375,000	662,630	610,677	565,497	499,114	468,365	383,361
Site 13	Large Green 400 HD	IoS	25,000	375,000	828,359	765,657	712,371	632,252	596,382	495,035
Site 14	Green 150	IoS	25,000	375,000	588,061	530,361	483,154	409,028	377,935	287,695
Site 15	Green 30	IoS	25,000	375,000	582,836	529,320	482,107	412,497	379,544	294,736
Site 16	Green 12	IoS	74,000	424,000	910,460	852,414	769,146	694,975	627,831	537,537
Site 17	Green 6	IoS	74,000	424,000	1,340,683	1,255,883	1,130,396	1,018,900	917,481	781,746
Site 26	Rushenden South	IoS Sheerne	25,000	250,000	123,360	91,249	62,120	16,854	-4,589	-67,769
Site 28	Land at South-West Minste	IoS Minster	25,000	250,000	167,159	129,832	96,127	45,511	20,998	-46,990

Sittingbourne and West

			EUV	BLV	Residual Value					
			% Market Housing		15.0%	15.0%	17.5%	17.5%	20.0%	20.0%
			% Affordable Housing		6.0%	15.0%	6.0%	17.5%	6.0%	20.0%
			% First Homes		15.0%	15.0%	17.5%	17.5%	20.0%	20.0%
Site 1	Large Brown 300	Sittingbourne	1,100,000	1,320,000	815,863	730,824	658,208	549,547	500,553	360,719
Site 2	Brown 90	Sittingbourne	1,100,000	1,320,000	700,705	607,567	525,242	406,232	349,778	203,298
Site 3	Brown 30	Sittingbourne	1,100,000	1,320,000	773,689	670,901	580,307	446,609	383,404	217,244
Site 4	Brown 15	Sittingbourne	1,100,000	1,320,000	1,373,901	1,241,565	1,117,122	948,027	860,344	649,305
Site 5	Brown 9	Sittingbourne	1,100,000	1,320,000	1,225,605	1,164,633	1,002,431	922,263	775,937	678,342
Site 6	Brown 6	Sittingbourne	1,100,000	1,320,000	1,448,580	1,331,707	1,230,491	1,081,154	1,012,402	827,263
Site 7	Central 60	Sittingbourne	1,100,000	1,320,000	47,580	-60,239	-189,968	-327,736	-427,515	-598,851
Site 8	Central 24	Sittingbourne	1,100,000	1,320,000	1,073,432	995,556	844,233	744,724	615,033	493,715
Site 9	Central 9	Sittingbourne	1,100,000	1,320,000	1,471,405	1,367,446	1,180,987	1,048,151	888,413	723,513
Site 10	Brown 90 HD	Sittingbourne	1,100,000	1,320,000	-1,017,282	-1,156,439	-1,239,326	-1,417,138	-1,461,370	-1,681,541
Site 11	Brown 24 HD	Sittingbourne	1,100,000	1,320,000	-1,318,082	-1,500,989	-1,610,377	-1,844,092	-1,902,673	-2,187,196
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	662,630	610,677	565,497	499,114	468,365	383,361
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	828,359	765,657	712,371	632,252	596,382	495,035
Site 14	Green 150	Sittingbourne	25,000	375,000	588,061	530,361	483,154	409,028	377,935	287,695
Site 15	Green 30	Sittingbourne	25,000	375,000	582,836	529,320	482,107	412,497	379,544	294,736
Site 16	Green 12	Sittingbourne	74,000	424,000	910,460	852,414	769,146	694,975	627,831	537,537
Site 17	Green 6	Sittingbourne	74,000	424,000	1,340,683	1,255,883	1,130,396	1,018,900	917,481	781,746
Site 18	South and West of Iwade (	Iwade	25,000	250,000	217,401	174,646	135,742	77,775	51,473	-22,927
Site 19	West of Bobbing village	Bobbing	25,000	250,000	108,308	76,695	47,757	3,539	-18,554	-80,215
Site 20	Land at Stickfast Lane	Bobbing	25,000	250,000	158,099	121,573	89,424	39,252	16,339	-51,841
Site 25	Iwade - Solar Farm	Iwade	25,000	250,000	271,439	239,529	207,371	163,286	138,770	80,662

Sittingbourne East

			EUV	BLV	Residual Value					
			% Market Housing		15.0%	15.0%	17.5%	17.5%	20.0%	20.0%
			% Affordable Housing		6.0%	15.0%	6.0%	17.5%	6.0%	20.0%
			% First Homes		15.0%	15.0%	17.5%	17.5%	20.0%	20.0%
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	857,459	804,989	754,940	687,895	652,422	570,801
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	1,061,609	998,279	939,174	858,253	816,739	718,227
Site 14	Green 150	Sittingbourne	25,000	375,000	805,775	747,391	694,993	620,027	583,926	492,663
Site 15	Green 30	Sittingbourne	25,000	375,000	789,553	735,496	683,158	612,795	574,773	489,108
Site 16	Green 12	Sittingbourne	74,000	424,000	1,184,484	1,125,844	1,035,220	960,292	885,957	794,740
Site 17	Green 6	Sittingbourne	74,000	424,000	1,737,491	1,651,824	1,518,934	1,409,471	1,300,377	1,164,715
Site 27	South East Sittingbourne	Sittingbourne	25,000	250,000	23,223	8,225	-7,270	-30,596	-43,658	-76,555
Site 30	Between A2 Bapchild and M	Bapchild	25,000	250,000	339,907	300,252	262,932	211,520	183,242	116,931

Faversham and East

			EUV	BLV	Residual Value					
			% Market Housing		15.0%	15.0%	17.5%	17.5%	20.0%	20.0%
			% Affordable Housing		6.0%	15.0%	6.0%	17.5%	6.0%	20.0%
			% First Homes		15.0%	15.0%	17.5%	17.5%	20.0%	20.0%
Site 1	Large Brown 300	Faversham	1,100,000	1,320,000	952,092	866,716	790,726	681,541	629,286	493,059
Site 2	Brown 90	Faversham	1,100,000	1,320,000	858,634	765,097	678,936	559,417	499,239	352,149
Site 3	Brown 30	Faversham	1,100,000	1,320,000	942,746	839,481	744,648	610,288	542,900	379,253
Site 4	Brown 15	Faversham	1,100,000	1,320,000	1,590,384	1,457,418	1,327,343	1,157,442	1,064,302	857,465
Site 5	Brown 9	Faversham	1,100,000	1,320,000	1,410,518	1,349,270	1,185,037	1,106,649	955,162	857,125
Site 6	Brown 6	Faversham	1,100,000	1,320,000	1,631,286	1,513,884	1,407,877	1,257,865	1,184,469	1,001,845
Site 7	Central 60	Faversham	1,100,000	1,320,000	251,480	146,680	12,252	-126,244	-231,089	-399,692
Site 8	Central 24	Faversham	1,100,000	1,320,000	1,271,921	1,193,546	1,037,132	936,985	802,342	680,425
Site 9	Central 9	Faversham	1,100,000	1,320,000	1,717,066	1,613,902	1,421,025	1,287,338	1,123,524	960,002
Site 10	Brown 90 HD	Faversham	1,100,000	1,320,000	-1,017,282	-1,156,439	-1,239,326	-1,417,138	-1,461,370	-1,681,541
Site 11	Brown 24 HD	Faversham	1,100,000	1,320,000	-1,318,082	-1,500,989	-1,610,377	-1,844,092	-1,902,673	-2,187,196
Site 12	Large Green 400 LD	Faversham	25,000	375,000	921,393	868,750	817,108	749,842	712,822	630,933
Site 13	Large Green 400 HD	Faversham	25,000	375,000	1,137,428	1,074,598	1,013,588	932,400	889,039	790,202
Site 14	Green 150	Faversham	25,000	375,000	877,329	818,719	764,619	689,372	651,630	560,026
Site 15	Green 30	Faversham	25,000	375,000	857,029	802,791	748,775	678,172	638,502	552,551
Site 16	Green 12	Faversham	74,000	424,000	1,275,825	1,216,987	1,123,912	1,048,730	971,999	880,474
Site 17	Green 6	Faversham	74,000	424,000	1,869,760	1,783,804	1,647,324	1,537,491	1,424,887	1,291,178
Site 21	Fax Farm	Dunkirk	25,000	250,000	449,130	406,454	364,940	307,715	275,831	204,467
Site 22	Winterbourne Fields	Dunkirk	25,000	250,000	385,629	348,650	312,758	262,509	234,966	170,219
Site 23	SE Faversham	Faversham S	25,000	250,000	324,936	292,384	259,072	214,487	188,964	130,724
Site 24	East of Faversham Expans	Faversham E	25,000	250,000	330,604	296,889	263,584	217,920	192,406	133,190
Site 29	Ashford Road, North Street	Faversham S	25,000	250,000	186,542	164,234	141,387	109,538	91,718	48,166

Varied Benchmark Land Value

Isle of Sheppey

			EUV	BLV	Residual Value																
		BLV			Base Assumption	£250,000	£300,000	£350,000	£400,000	£450,000	£500,000	£550,000	£600,000	£700,000	£800,000	£900,000	£1,000,000	£1,250,000	£1,500,000	£1,750,000	£2,000,000
Site 1	Large Brown 300	IoS	1,100,000	1,320,000	369,899	369,899	369,899	369,899	369,899	369,899	369,899	369,899	369,899	369,899	369,899	369,899	369,899	369,899	369,899	369,899	369,899
Site 2	Brown 90	IoS	1,100,000	1,320,000	200,318	200,318	200,318	200,318	200,318	200,318	200,318	200,318	200,318	200,318	200,318	200,318	200,318	200,318	200,318	200,318	200,318
Site 3	Brown 30	IoS	1,100,000	1,320,000	220,737	220,737	220,737	220,737	220,737	220,737	220,737	220,737	220,737	220,737	220,737	220,737	220,737	220,737	220,737	220,737	220,737
Site 4	Brown 15	IoS	1,100,000	1,320,000	651,257	651,257	651,257	651,257	651,257	651,257	651,257	651,257	651,257	651,257	651,257	651,257	651,257	651,257	651,257	651,257	651,257
Site 5	Brown 9	IoS	1,100,000	1,320,000	595,334	595,334	595,334	595,334	595,334	595,334	595,334	595,334	595,334	595,334	595,334	595,334	595,334	595,334	595,334	595,334	595,334
Site 6	Brown 6	IoS	1,100,000	1,320,000	837,189	837,189	837,189	837,189	837,189	837,189	837,189	837,189	837,189	837,189	837,189	837,189	837,189	837,189	837,189	837,189	837,189
Site 7	Central 60	IoS	1,100,000	1,320,000	-628,645	-628,645	-628,645	-628,645	-628,645	-628,645	-628,645	-628,645	-628,645	-628,645	-628,645	-628,645	-628,645	-628,645	-628,645	-628,645	-628,645
Site 8	Central 24	IoS	1,100,000	1,320,000	425,630	425,630	425,630	425,630	425,630	425,630	425,630	425,630	425,630	425,630	425,630	425,630	425,630	425,630	425,630	425,630	425,630
Site 9	Central 9	IoS	1,100,000	1,320,000	650,867	650,867	650,867	650,867	650,867	650,867	650,867	650,867	650,867	650,867	650,867	650,867	650,867	650,867	650,867	650,867	650,867
Site 10	Brown 90 HD	IoS	1,100,000	1,320,000	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370
Site 11	Brown 24 HD	IoS	1,100,000	1,320,000	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673
Site 12	Large Green 400 LD	IoS	25,000	375,000	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365
Site 13	Large Green 400 HD	IoS	25,000	375,000	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382
Site 14	Green 150	IoS	25,000	375,000	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935
Site 15	Green 30	IoS	25,000	375,000	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544
Site 16	Green 12	IoS	74,000	424,000	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831
Site 17	Green 6	IoS	74,000	424,000	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481
Site 26	Rushenden South	IoS Sheerness	25,000	250,000	-4,589	-4,589	-4,589	-4,589	-4,589	-4,589	-4,589	-4,589	-4,589	-4,589	-4,589	-4,589	-4,589	-4,589	-4,589	-4,589	-4,589
Site 28	Land at South-West Minster	IoS Minster on Sea	25,000	250,000	20,998	20,998	20,998	20,998	20,998	20,998	20,998	20,998	20,998	20,998	20,998	20,998	20,998	20,998	20,998	20,998	20,998

Sittingbourne and West

			EUV	BLV	Residual Value																
		BLV			Base Assump-tion	£250,000	£300,000	£350,000	£400,000	£450,000	£500,000	£550,000	£600,000	£700,000	£800,000	£900,000	£1,000,000	£1,250,000	£1,500,000	£1,750,000	£2,000,000
Site 1	Large Brown 300	Sittingbourne West	1,100,000	1,320,000	500,553	500,553	500,553	500,553	500,553	500,553	500,553	500,553	500,553	500,553	500,553	500,553	500,553	500,553	500,553	500,553	500,553
Site 2	Brown 90	Sittingbourne West	1,100,000	1,320,000	349,778	349,778	349,778	349,778	349,778	349,778	349,778	349,778	349,778	349,778	349,778	349,778	349,778	349,778	349,778	349,778	349,778
Site 3	Brown 30	Sittingbourne West	1,100,000	1,320,000	383,404	383,404	383,404	383,404	383,404	383,404	383,404	383,404	383,404	383,404	383,404	383,404	383,404	383,404	383,404	383,404	383,404
Site 4	Brown 15	Sittingbourne West	1,100,000	1,320,000	860,344	860,344	860,344	860,344	860,344	860,344	860,344	860,344	860,344	860,344	860,344	860,344	860,344	860,344	860,344	860,344	860,344
Site 5	Brown 9	Sittingbourne West	1,100,000	1,320,000	775,937	775,937	775,937	775,937	775,937	775,937	775,937	775,937	775,937	775,937	775,937	775,937	775,937	775,937	775,937	775,937	775,937
Site 6	Brown 6	Sittingbourne West	1,100,000	1,320,000	1,012,402	1,012,402	1,012,402	1,012,402	1,012,402	1,012,402	1,012,402	1,012,402	1,012,402	1,012,402	1,012,402	1,012,402	1,012,402	1,012,402	1,012,402	1,012,402	1,012,402
Site 7	Central 60	Sittingbourne West	1,100,000	1,320,000	-427,515	-427,515	-427,515	-427,515	-427,515	-427,515	-427,515	-427,515	-427,515	-427,515	-427,515	-427,515	-427,515	-427,515	-427,515	-427,515	-427,515
Site 8	Central 24	Sittingbourne West	1,100,000	1,320,000	615,033	615,033	615,033	615,033	615,033	615,033	615,033	615,033	615,033	615,033	615,033	615,033	615,033	615,033	615,033	615,033	615,033
Site 9	Central 9	Sittingbourne West	1,100,000	1,320,000	888,413	888,413	888,413	888,413	888,413	888,413	888,413	888,413	888,413	888,413	888,413	888,413	888,413	888,413	888,413	888,413	888,413
Site 10	Brown 90 HD	Sittingbourne West	1,100,000	1,320,000	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370
Site 11	Brown 24 HD	Sittingbourne West	1,100,000	1,320,000	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673
Site 12	Large Green 400 LD	Sittingbourne West	25,000	375,000	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365	468,365
Site 13	Large Green 400 HD	Sittingbourne West	25,000	375,000	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382	596,382
Site 14	Green 150	Sittingbourne West	25,000	375,000	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935	377,935
Site 15	Green 30	Sittingbourne West	25,000	375,000	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544	379,544
Site 16	Green 12	Sittingbourne West	74,000	424,000	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831	627,831
Site 17	Green 6	Sittingbourne West	74,000	424,000	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481	917,481
Site 18	South and West of Iwade (S	Iwade	25,000	250,000	51,473	51,473	51,473	51,473	51,473	51,473	51,473	51,473	51,473	51,473	51,473	51,473	51,473	51,473	51,473	51,473	51,473
Site 19	West of Bobbing village	Bobbing	25,000	250,000	-18,554	-18,554	-18,554	-18,554	-18,554	-18,554	-18,554	-18,554	-18,554	-18,554	-18,554	-18,554	-18,554	-18,554	-18,554	-18,554	-18,554
Site 20	Land at Stickfast Lane	Bobbing	25,000	250,000	16,339	16,339	16,339	16,339	16,339	16,339	16,339	16,339	16,339	16,339	16,339	16,339	16,339	16,339	16,339	16,339	16,339
Site 25	Iwade - Solar Farm	Iwade	25,000	250,000	138,770	138,770	138,770	138,770	138,770	138,770	138,770	138,770	138,770	138,770	138,770	138,770	138,770	138,770	138,770	138,770	138,770

Sittingbourne East

			EUV	BLV	Residual Value																
		BLV			Base Assump-tion	£250,000	£300,000	£350,000	£400,000	£450,000	£500,000	£550,000	£600,000	£700,000	£800,000	£900,000	£1,000,000	£1,250,000	£1,500,000	£1,750,000	£2,000,000
Site 12	Large Green 400 LD	Sittingbourne East	25,000	375,000	652,422	652,422	652,422	652,422	652,422	652,422	652,422	652,422	652,422	652,422	652,422	652,422	652,422	652,422	652,422	652,422	652,422
Site 13	Large Green 400 HD	Sittingbourne East	25,000	375,000	816,739	816,739	816,739	816,739	816,739	816,739	816,739	816,739	816,739	816,739	816,739	816,739	816,739	816,739	816,739	816,739	816,739
Site 14	Green 150	Sittingbourne East	25,000	375,000	583,926	583,926	583,926	583,926	583,926	583,926	583,926	583,926	583,926	583,926	583,926	583,926	583,926	583,926	583,926	583,926	583,926
Site 15	Green 30	Sittingbourne East	25,000	375,000	574,773	574,773	574,773	574,773	574,773	574,773	574,773	574,773	574,773	574,773	574,773	574,773	574,773	574,773	574,773	574,773	574,773
Site 16	Green 12	Sittingbourne East	74,000	424,000	885,957	885,957	885,957	885,957	885,957	885,957	885,957	885,957	885,957	885,957	885,957	885,957	885,957	885,957	885,957	885,957	885,957
Site 17	Green 6	Sittingbourne East	74,000	424,000	1,300,377	1,300,377	1,300,377	1,300,377	1,300,377	1,300,377	1,300,377	1,300,377	1,300,377	1,300,377	1,300,377	1,300,377	1,300,377	1,300,377	1,300,377	1,300,377	1,300,377
Site 27	South East Sittingbourne	Sittingbourne SE	25,000	250,000	-43,658	-43,658	-43,658	-43,658	-43,658	-43,658	-43,658	-43,658	-43,658	-43,658	-43,658	-43,658	-43,658	-43,658	-43,658	-43,658	-43,658
Site 30	Between A2 Bapchild and N	Bapchild	25,000	250,000	183,242	183,242	183,242	183,242	183,242	183,242	183,242	183,242	183,242	183,242	183,242	183,242	183,242	183,242	183,242	183,242	183,242

Faversham and East

			EUV	BLV	Residual Value																
		BLV			Base Assump-tion	£250,000	£300,000	£350,000	£400,000	£450,000	£500,000	£550,000	£600,000	£700,000	£800,000	£900,000	£1,000,000	£1,250,000	£1,500,000	£1,750,000	£2,000,000
Site 1	Large Brown 300	Faversham	1,100,000	1,320,000	629,286	629,286	629,286	629,286	629,286	629,286	629,286	629,286	629,286	629,286	629,286	629,286	629,286	629,286	629,286	629,286	629,286
Site 2	Brown 90	Faversham	1,100,000	1,320,000	499,239	499,239	499,239	499,239	499,239	499,239	499,239	499,239	499,239	499,239	499,239	499,239	499,239	499,239	499,239	499,239	499,239
Site 3	Brown 30	Faversham	1,100,000	1,320,000	542,900	542,900	542,900	542,900	542,900	542,900	542,900	542,900	542,900	542,900	542,900	542,900	542,900	542,900	542,900	542,900	542,900
Site 4	Brown 15	Faversham	1,100,000	1,320,000	1,064,302	1,064,302	1,064,302	1,064,302	1,064,302	1,064,302	1,064,302	1,064,302	1,064,302	1,064,302	1,064,302	1,064,302	1,064,302	1,064,302	1,064,302	1,064,302	1,064,302
Site 5	Brown 9	Faversham	1,100,000	1,320,000	955,162	955,162	955,162	955,162	955,162	955,162	955,162	955,162	955,162	955,162	955,162	955,162	955,162	955,162	955,162	955,162	955,162
Site 6	Brown 6	Faversham	1,100,000	1,320,000	1,184,469	1,184,469	1,184,469	1,184,469	1,184,469	1,184,469	1,184,469	1,184,469	1,184,469	1,184,469	1,184,469	1,184,469	1,184,469	1,184,469	1,184,469	1,184,469	1,184,469
Site 7	Central 60	Faversham	1,100,000	1,320,000	-231,089	-231,089	-231,089	-231,089	-231,089	-231,089	-231,089	-231,089	-231,089	-231,089	-231,089	-231,089	-231,089	-231,089	-231,089	-231,089	-231,089
Site 8	Central 24	Faversham	1,100,000	1,320,000	802,342	802,342	802,342	802,342	802,342	802,342	802,342	802,342	802,342	802,342	802,342	802,342	802,342	802,342	802,342	802,342	802,342
Site 9	Central 9	Faversham	1,100,000	1,320,000	1,123,524	1,123,524	1,123,524	1,123,524	1,123,524	1,123,524	1,123,524	1,123,524	1,123,524	1,123,524	1,123,524	1,123,524	1,123,524	1,123,524	1,123,524	1,123,524	1,123,524
Site 10	Brown 90 HD	Faversham	1,100,000	1,320,000	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370	-1,461,370
Site 11	Brown 24 HD	Faversham	1,100,000	1,320,000	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673	-1,902,673
Site 12	Large Green 400 LD	Faversham	25,000	375,000	712,822	712,822	712,822	712,822	712,822	712,822	712,822	712,822	712,822	712,822	712,822	712,822	712,822	712,822	712,822	712,822	712,822
Site 13	Large Green 400 HD	Faversham	25,000	375,000	889,039	889,039	889,039	889,039	889,039	889,039	889,039	889,039	889,039	889,039	889,039	889,039	889,039	889,039	889,039	889,039	889,039
Site 14	Green 150	Faversham	25,000	375,000	651,630	651,630	651,630	651,630	651,630	651,630	651,630	651,630	651,630	651,630	651,630	651,630	651,630	651,630	651,630	651,630	651,630
Site 15	Green 30	Faversham	25,000	375,000	638,502	638,502	638,502	638,502	638,502	638,502	638,502	638,502	638,502	638,502	638,502	638,502	638,502	638,502	638,502	638,502	638,502
Site 16	Green 12	Faversham	74,000	424,000	971,999	971,999	971,999	971,999	971,999	971,999	971,999	971,999	971,999	971,999	971,999	971,999	971,999	971,999	971,999	971,999	971,999
Site 17	Green 6	Faversham	74,000	424,000	1,424,887	1,424,887	1,424,887	1,424,887	1,424,887	1,424,887	1,424,887	1,424,887	1,424,887	1,424,887	1,424,887	1,424,887	1,424,887	1,424,887	1,424,887	1,424,887	1,424,887
Site 21	Fax Farm	Dunkirk	25,000	250,000	275,831	275,831	275,831	275,831	275,831	275,831	275,831	275,831	275,831	275,831	275,831	275,831	275,831	275,831	275,831	275,831	275,831
Site 22	Winterbourne Fields	Dunkirk	25,000	250,000	234,966	234,966	234,966	234,966	234,966	234,966	234,966	234,966	234,966	234,966	234,966	234,966	234,966	234,966	234,966	234,966	234,966
Site 23	SE Faversham	Faversham SE	25,000	250,000	188,964	188,964	188,964	188,964	188,964	188,964	188,964	188,964	188,964	188,964	188,964	188,964	188,964	188,964	188,964	188,964	188,964
Site 24	East of Faversham Expansio	Faversham E	25,000	250,000	192,406	192,406	192,406	192,406	192,406	192,406	192,406	192,406	192,406	192,406	192,406	192,406	192,406	192,406	192,406	192,406	192,406
Site 29	Ashford Road, North Street	Faversham S	25,000	250,000	91,718	91,718	91,718	91,718	91,718	91,718	91,718	91,718	91,718	91,718	91,718	91,718	91,718	91,718	91,718	91,718	91,718

Varied Developer's BCIS Based Cost

Isle of Sheppey

			EUV	BLV	Residual Value	
					Large LQ	All Median
Site 1	Large Brown 300	IoS	1,100,000	1,320,000	1,019,351	369,899
Site 2	Brown 90	IoS	1,100,000	1,320,000	200,318	200,318
Site 3	Brown 30	IoS	1,100,000	1,320,000	220,737	220,737
Site 4	Brown 15	IoS	1,100,000	1,320,000	651,257	651,257
Site 5	Brown 9	IoS	1,100,000	1,320,000	595,334	595,334
Site 6	Brown 6	IoS	1,100,000	1,320,000	837,189	837,189
Site 7	Central 60	IoS	1,100,000	1,320,000	-628,645	-628,645
Site 8	Central 24	IoS	1,100,000	1,320,000	425,630	425,630
Site 9	Central 9	IoS	1,100,000	1,320,000	650,867	650,867
Site 10	Brown 90 HD	IoS	1,100,000	1,320,000	-1,461,370	-1,461,370
Site 11	Brown 24 HD	IoS	1,100,000	1,320,000	-1,902,673	-1,902,673
Site 12	Large Green 400 LD	IoS	25,000	375,000	832,206	468,365
Site 13	Large Green 400 HD	IoS	25,000	375,000	1,035,055	596,382
Site 14	Green 150	IoS	25,000	375,000	377,935	377,935
Site 15	Green 30	IoS	25,000	375,000	379,544	379,544
Site 16	Green 12	IoS	74,000	424,000	627,831	627,831
Site 17	Green 6	IoS	74,000	424,000	917,481	917,481
Site 26	Rushenden South	IoS Sheerne	25,000	250,000	270,555	-4,589
Site 28	Land at South-West Minste	IoS Minster	25,000	250,000	321,094	20,998

Sittingbourne and West

			EUV	BLV	Residual Value	
					Large LQ	All Median
Site 1	Large Brown 300	Sittingbourne	1,100,000	1,320,000	1,148,084	500,553
Site 2	Brown 90	Sittingbourne	1,100,000	1,320,000	349,778	349,778
Site 3	Brown 30	Sittingbourne	1,100,000	1,320,000	383,404	383,404
Site 4	Brown 15	Sittingbourne	1,100,000	1,320,000	860,344	860,344
Site 5	Brown 9	Sittingbourne	1,100,000	1,320,000	775,937	775,937
Site 6	Brown 6	Sittingbourne	1,100,000	1,320,000	1,012,402	1,012,402
Site 7	Central 60	Sittingbourne	1,100,000	1,320,000	-427,515	-427,515
Site 8	Central 24	Sittingbourne	1,100,000	1,320,000	615,033	615,033
Site 9	Central 9	Sittingbourne	1,100,000	1,320,000	888,413	888,413
Site 10	Brown 90 HD	Sittingbourne	1,100,000	1,320,000	-1,461,370	-1,461,370
Site 11	Brown 24 HD	Sittingbourne	1,100,000	1,320,000	-1,902,673	-1,902,673
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	832,206	468,365
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	1,035,055	596,382
Site 14	Green 150	Sittingbourne	25,000	375,000	377,935	377,935
Site 15	Green 30	Sittingbourne	25,000	375,000	379,544	379,544
Site 16	Green 12	Sittingbourne	74,000	424,000	627,831	627,831
Site 17	Green 6	Sittingbourne	74,000	424,000	917,481	917,481
Site 18	South and West of Iwade (S	Iwade	25,000	250,000	379,140	51,473
Site 19	West of Bobbing village	Bobbing	25,000	250,000	251,834	-18,554
Site 20	Land at Stickfast Lane	Bobbing	25,000	250,000	309,750	16,339
Site 25	Iwade - Solar Farm	Iwade	25,000	250,000	415,223	138,770

Sittingbourne East

			EUV	BLV	Residual Value	
					Large LQ	All Median
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	1,016,263	652,422
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	1,255,413	816,739
Site 14	Green 150	Sittingbourne	25,000	375,000	583,926	583,926
Site 15	Green 30	Sittingbourne	25,000	375,000	574,773	574,773
Site 16	Green 12	Sittingbourne	74,000	424,000	885,957	885,957
Site 17	Green 6	Sittingbourne	74,000	424,000	1,300,377	1,300,377
Site 27	South East Sittingbourne	Sittingbourne	25,000	250,000	136,639	-43,658
Site 30	Between A2 Bapchild and I	Bapchild	25,000	250,000	487,990	183,242

Faversham and East

			EUV	BLV	Residual Value	
					Large LQ	All Median
Site 1	Large Brown 300	Faversham	1,100,000	1,320,000	1,276,818	629,286
Site 2	Brown 90	Faversham	1,100,000	1,320,000	499,239	499,239
Site 3	Brown 30	Faversham	1,100,000	1,320,000	542,900	542,900
Site 4	Brown 15	Faversham	1,100,000	1,320,000	1,064,302	1,064,302
Site 5	Brown 9	Faversham	1,100,000	1,320,000	955,162	955,162
Site 6	Brown 6	Faversham	1,100,000	1,320,000	1,184,469	1,184,469
Site 7	Central 60	Faversham	1,100,000	1,320,000	-231,089	-231,089
Site 8	Central 24	Faversham	1,100,000	1,320,000	802,342	802,342
Site 9	Central 9	Faversham	1,100,000	1,320,000	1,123,524	1,123,524
Site 10	Brown 90 HD	Faversham	1,100,000	1,320,000	-1,461,370	-1,461,370
Site 11	Brown 24 HD	Faversham	1,100,000	1,320,000	-1,902,673	-1,902,673
Site 12	Large Green 400 LD	Faversham	25,000	375,000	1,076,664	712,822
Site 13	Large Green 400 HD	Faversham	25,000	375,000	1,327,712	889,039
Site 14	Green 150	Faversham	25,000	375,000	651,630	651,630
Site 15	Green 30	Faversham	25,000	375,000	638,502	638,502
Site 16	Green 12	Faversham	74,000	424,000	971,999	971,999
Site 17	Green 6	Faversham	74,000	424,000	1,424,887	1,424,887
Site 21	Fax Farm	Dunkirk	25,000	250,000	601,999	275,831
Site 22	Winterbourne Fields	Dunkirk	25,000	250,000	534,046	234,966
Site 23	SE Faversham	Faversham S	25,000	250,000	467,192	188,964
Site 24	East of Faversham Expans	Faversham E	25,000	250,000	472,668	192,406
Site 29	Ashford Road, North Street	Faversham S	25,000	250,000	316,110	91,718

Appendix 14 – Residential Policy Testing

Climate Change And Building Standards

Isle of Sheppey

			EUV	BLV	Residual Value						
					Part L 2021	FHS Option 2	FHS Option 1	Zero Carbon	Zero Carbon Plus	FHS Option 1 +District Heating	Zero Carbon +District Heating
Site 1	Large Brown 300	IoS	1,100,000	1,320,000	655,396	608,133	466,345	369,899	271,904	217,828	119,833
Site 2	Brown 90	IoS	1,100,000	1,320,000	539,598	483,051	313,412	200,318	86,533	20,500	-98,164
Site 3	Brown 30	IoS	1,100,000	1,320,000	581,244	521,688	343,021	220,737	96,167	25,724	-99,255
Site 4	Brown 15	IoS	1,100,000	1,320,000	1,092,291	1,019,640	800,771	651,257	501,744	404,949	252,490
Site 5	Brown 9	IoS	1,100,000	1,320,000	956,521	896,553	716,649	595,334	473,035	397,088	274,789
Site 6	Brown 6	IoS	1,100,000	1,320,000	1,194,802	1,135,724	957,673	837,189	716,705	634,868	514,384
Site 7	Central 60	IoS	1,100,000	1,320,000	-146,128	-225,763	-464,670	-628,645	-793,635	-867,393	-1,032,384
Site 8	Central 24	IoS	1,100,000	1,320,000	815,129	750,561	556,860	425,630	292,610	195,119	59,623
Site 9	Central 9	IoS	1,100,000	1,320,000	1,132,538	1,053,384	812,295	650,867	489,440	353,498	192,071
Site 10	Brown 90 HD	IoS	1,100,000	1,320,000	-960,956	-1,044,358	-1,294,565	-1,461,370	-1,630,485	-1,755,848	-1,925,318
Site 11	Brown 24 HD	IoS	1,100,000	1,320,000	-1,255,651	-1,363,488	-1,686,999	-1,902,673	-2,118,347	-2,272,561	-2,488,235
Site 12	Large Green 400 LD	IoS	25,000	375,000	636,068	608,117	524,266	468,365	412,448	379,056	321,268
Site 13	Large Green 400 HD	IoS	25,000	375,000	795,088	761,971	662,617	596,382	530,147	489,453	420,981
Site 14	Green 150	IoS	25,000	375,000	572,310	539,914	442,727	377,935	313,144	276,076	211,284
Site 15	Green 30	IoS	25,000	375,000	560,372	530,234	439,820	379,544	319,267	284,016	223,740
Site 16	Green 12	IoS	74,000	424,000	854,853	817,016	703,505	627,831	552,157	527,818	452,144
Site 17	Green 6	IoS	74,000	424,000	1,255,698	1,199,466	1,030,275	917,481	804,686	768,672	654,023
Site 26	Rushenden South	IoS Sheerne	25,000	250,000	124,366	103,471	38,853	-4,589	-50,651	-76,027	-123,035
Site 28	Land at South-West Minste	IoS Minster	25,000	250,000	160,548	137,653	68,432	20,998	-27,836	-54,717	-104,825

Sittingbourne and West

			EUV	BLV	Residual Value						
					Part L 2021	FHS Option 2	FHS Option 1	Zero Carbon	Zero Carbon Plus	FHS Option 1 +District Heating	Zero Carbon +District Heating
Site 1	Large Brown 300	Sittingbourne	1,100,000	1,320,000	784,129	736,866	595,078	500,553	404,930	350,853	252,858
Site 2	Brown 90	Sittingbourne	1,100,000	1,320,000	689,058	632,511	462,872	349,778	236,685	173,380	58,659
Site 3	Brown 30	Sittingbourne	1,100,000	1,320,000	740,739	681,183	502,516	383,404	262,292	193,076	68,097
Site 4	Brown 15	Sittingbourne	1,100,000	1,320,000	1,296,249	1,223,598	1,005,646	860,344	711,614	616,655	466,495
Site 5	Brown 9	Sittingbourne	1,100,000	1,320,000	1,135,051	1,075,777	895,873	775,937	655,791	579,844	457,545
Site 6	Brown 6	Sittingbourne	1,100,000	1,320,000	1,366,870	1,307,792	1,130,558	1,012,402	892,162	810,326	689,842
Site 7	Central 60	Sittingbourne	1,100,000	1,320,000	50,298	-29,338	-268,244	-427,515	-589,774	-663,533	-828,523
Site 8	Central 24	Sittingbourne	1,100,000	1,320,000	1,002,437	937,870	744,168	615,033	485,490	389,883	256,158
Site 9	Central 9	Sittingbourne	1,100,000	1,320,000	1,365,493	1,286,339	1,048,877	888,413	726,985	591,044	429,616
Site 10	Brown 90 HD	Sittingbourne	1,100,000	1,320,000	-960,956	-1,044,358	-1,294,565	-1,461,370	-1,630,485	-1,755,848	-1,925,318
Site 11	Brown 24 HD	Sittingbourne	1,100,000	1,320,000	-1,255,651	-1,363,488	-1,686,999	-1,902,673	-2,118,347	-2,272,561	-2,488,235
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	636,068	608,117	524,266	468,365	412,448	379,056	321,268
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	795,088	761,971	662,617	596,382	530,147	489,453	420,981
Site 14	Green 150	Sittingbourne	25,000	375,000	572,310	539,914	442,727	377,935	313,144	276,076	211,284
Site 15	Green 30	Sittingbourne	25,000	375,000	560,372	530,234	439,820	379,544	319,267	284,016	223,740
Site 16	Green 12	Sittingbourne	74,000	424,000	854,853	817,016	703,505	627,831	552,157	527,818	452,144
Site 17	Green 6	Sittingbourne	74,000	424,000	1,255,698	1,199,466	1,030,275	917,481	804,686	768,672	654,023
Site 18	South and West of Iwade (S	Iwade	25,000	250,000	202,819	177,594	101,921	51,473	917	-28,259	-83,393
Site 19	West of Bobbing village	Bobbing	25,000	250,000	108,382	87,758	25,023	-18,554	-63,312	-87,774	-134,309
Site 20	Land at Stickfast Lane	Bobbing	25,000	250,000	153,076	130,311	62,017	16,339	-32,524	-59,304	-108,881
Site 25	Iwade - Solar Farm	Iwade	25,000	250,000	267,266	246,177	182,232	138,770	95,309	71,841	27,966

Sittingbourne East

			EUV	BLV	Residual Value						
					Part L 2021	FHS Option 2	FHS Option 1	Zero Carbon	Zero Carbon Plus	FHS Option 1 +District Heating	Zero Carbon +District Heating
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	820,125	792,174	708,323	652,422	596,520	564,219	508,318
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	1,015,446	982,328	882,975	816,739	750,504	709,913	643,678
Site 14	Green 150	Sittingbourne	25,000	375,000	778,301	745,905	648,718	583,926	519,135	482,067	417,275
Site 15	Green 30	Sittingbourne	25,000	375,000	755,602	725,463	635,049	574,773	514,497	479,246	418,969
Site 16	Green 12	Sittingbourne	74,000	424,000	1,112,979	1,075,142	961,631	885,957	810,283	785,944	710,270
Site 17	Green 6	Sittingbourne	74,000	424,000	1,629,228	1,574,419	1,409,994	1,300,377	1,189,043	1,153,029	1,040,235
Site 27	South East Sittingbourne	Sittingbourne	25,000	250,000	42,080	28,233	-13,988	-43,658	-73,441	-89,928	-120,532
Site 30	Between A2 Bapchild and I	Bapchild	25,000	250,000	325,167	301,966	231,114	183,242	135,371	109,508	61,637

Faversham and East

			EUV	BLV	Residual Value						
					Part L 2021	FHS Option 2	FHS Option 1	Zero Carbon	Zero Carbon Plus	FHS Option 1 +District Heating	Zero Carbon +District Heating
Site 1	Large Brown 300	Faversham	1,100,000	1,320,000	912,863	865,600	723,812	629,286	534,761	482,598	385,884
Site 2	Brown 90	Faversham	1,100,000	1,320,000	838,518	781,971	612,332	499,239	386,145	322,840	209,747
Site 3	Brown 30	Faversham	1,100,000	1,320,000	900,234	840,679	662,011	542,900	423,788	356,652	234,764
Site 4	Brown 15	Faversham	1,100,000	1,320,000	1,500,206	1,427,556	1,209,603	1,064,302	919,000	826,525	677,012
Site 5	Brown 9	Faversham	1,100,000	1,320,000	1,309,227	1,250,949	1,075,098	955,162	835,226	760,747	640,301
Site 6	Brown 6	Faversham	1,100,000	1,320,000	1,538,937	1,479,859	1,302,625	1,184,469	1,066,314	985,783	865,299
Site 7	Central 60	Faversham	1,100,000	1,320,000	243,028	166,178	-71,818	-231,089	-390,360	-461,562	-624,662
Site 8	Central 24	Faversham	1,100,000	1,320,000	1,189,746	1,125,179	931,477	802,342	673,207	580,294	449,743
Site 9	Central 9	Faversham	1,100,000	1,320,000	1,598,448	1,519,294	1,281,832	1,123,524	964,531	828,589	667,161
Site 10	Brown 90 HD	Faversham	1,100,000	1,320,000	-960,956	-1,044,358	-1,294,565	-1,461,370	-1,630,485	-1,755,848	-1,925,318
Site 11	Brown 24 HD	Faversham	1,100,000	1,320,000	-1,255,651	-1,363,488	-1,686,999	-1,902,673	-2,118,347	-2,272,561	-2,488,235
Site 12	Large Green 400 LD	Faversham	25,000	375,000	880,525	852,575	768,723	712,822	656,921	624,620	568,719
Site 13	Large Green 400 HD	Faversham	25,000	375,000	1,087,745	1,054,628	955,275	889,039	822,804	782,213	715,978
Site 14	Green 150	Faversham	25,000	375,000	846,005	813,609	716,422	651,630	586,839	549,771	484,979
Site 15	Green 30	Faversham	25,000	375,000	819,330	789,192	698,778	638,502	578,226	542,975	482,698
Site 16	Green 12	Faversham	74,000	424,000	1,199,021	1,161,184	1,047,673	971,999	896,325	871,986	796,312
Site 17	Green 6	Faversham	74,000	424,000	1,753,738	1,698,929	1,534,504	1,424,887	1,315,270	1,280,271	1,168,354
Site 21	Fax Farm	Dunkirk	25,000	250,000	428,310	402,897	326,657	275,831	225,005	197,552	146,725
Site 22	Winterbourne Fields	Dunkirk	25,000	250,000	374,318	351,092	281,417	234,966	188,516	162,759	114,745
Site 23	SE Faversham	Faversham S	25,000	250,000	318,466	297,273	232,585	188,964	145,343	121,784	77,997
Site 24	East of Faversham Expans	Faversham E	25,000	250,000	323,434	301,753	236,145	192,406	148,668	125,039	80,240
Site 29	Ashford Road, North Street	Faversham S	25,000	250,000	196,504	179,089	126,678	91,718	55,799	36,393	356

Biodiversity Net Gain

Isle of Sheppey

			EUV	BLV	Residual Value			
					10% BNG	20% BNG		Rainwater Harvesting
Site 1	Large Brown 300	IoS	1,100,000	1,320,000	381,684	369,899		293,863
Site 2	Brown 90	IoS	1,100,000	1,320,000	213,920	200,318		112,119
Site 3	Brown 30	IoS	1,100,000	1,320,000	235,480	220,737		123,435
Site 4	Brown 15	IoS	1,100,000	1,320,000	670,054	651,257		529,022
Site 5	Brown 9	IoS	1,100,000	1,320,000	610,699	595,334		496,211
Site 6	Brown 6	IoS	1,100,000	1,320,000	852,350	837,189		736,028
Site 7	Central 60	IoS	1,100,000	1,320,000	-607,924	-628,645		-748,019
Site 8	Central 24	IoS	1,100,000	1,320,000	442,324	425,630		311,388
Site 9	Central 9	IoS	1,100,000	1,320,000	671,157	650,867		502,183
Site 10	Brown 90 HD	IoS	1,100,000	1,320,000	-1,439,483	-1,461,370		-1,608,432
Site 11	Brown 24 HD	IoS	1,100,000	1,320,000	-1,874,374	-1,902,673		-2,087,617
Site 12	Large Green 400 LD	IoS	25,000	375,000	469,716	468,365		424,263
Site 13	Large Green 400 HD	IoS	25,000	375,000	597,983	596,382		542,969
Site 14	Green 150	IoS	25,000	375,000	379,501	377,935		327,006
Site 15	Green 30	IoS	25,000	375,000	381,000	379,544		331,780
Site 16	Green 12	IoS	74,000	424,000	629,742	627,831		577,825
Site 17	Green 6	IoS	74,000	424,000	920,328	917,481		843,076
Site 26	Rushenden South	IoS Sheerne	25,000	250,000	-3,495	-4,589		-39,835
Site 28	Land at South-West Minste	IoS Minster	25,000	250,000	22,144	20,998		-16,391

Sittingbourne and West

					10% BNG	20% BNG		Rainwater Harvesting
Site 1	Large Brown 300	Sittingbourne	1,100,000	1,320,000	511,921	500,553		426,888
Site 2	Brown 90	Sittingbourne	1,100,000	1,320,000	363,380	349,778		261,579
Site 3	Brown 30	Sittingbourne	1,100,000	1,320,000	397,732	383,404		289,033
Site 4	Brown 15	Sittingbourne	1,100,000	1,320,000	878,611	860,344		738,891
Site 5	Brown 9	Sittingbourne	1,100,000	1,320,000	791,005	775,937		678,730
Site 6	Brown 6	Sittingbourne	1,100,000	1,320,000	1,027,271	1,012,402		911,486
Site 7	Central 60	Sittingbourne	1,100,000	1,320,000	-407,513	-427,515		-544,158
Site 8	Central 24	Sittingbourne	1,100,000	1,320,000	631,257	615,033		504,009
Site 9	Central 9	Sittingbourne	1,100,000	1,320,000	908,703	888,413		739,728
Site 10	Brown 90 HD	Sittingbourne	1,100,000	1,320,000	-1,439,483	-1,461,370		-1,608,432
Site 11	Brown 24 HD	Sittingbourne	1,100,000	1,320,000	-1,874,374	-1,902,673		-2,087,617
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	469,716	468,365		424,263
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	597,983	596,382		542,969
Site 14	Green 150	Sittingbourne	25,000	375,000	379,501	377,935		327,006
Site 15	Green 30	Sittingbourne	25,000	375,000	381,000	379,544		331,780
Site 16	Green 12	Sittingbourne	74,000	424,000	629,742	627,831		577,825
Site 17	Green 6	Sittingbourne	74,000	424,000	920,328	917,481		843,076
Site 18	South and West of Iwade (S	Iwade	25,000	250,000	52,692	51,473		12,616
Site 19	West of Bobbing village	Bobbing	25,000	250,000	-17,473	-18,554		-53,016
Site 20	Land at Stickfast Lane	Bobbing	25,000	250,000	17,480	16,339		-21,125
Site 25	Iwade - Solar Farm	Iwade	25,000	250,000	139,821	138,770		105,306

Sittingbourne East

			EUV	BLV	Residual Value			
					10% BNG	20% BNG		Rainwater Harvesting
Site 1	Large Brown 300	Sittingbourne	1,100,000	1,320,000	511,921	500,553		426,888
Site 2	Brown 90	Sittingbourne	1,100,000	1,320,000	363,380	349,778		261,579
Site 3	Brown 30	Sittingbourne	1,100,000	1,320,000	397,732	383,404		289,033
Site 4	Brown 15	Sittingbourne	1,100,000	1,320,000	878,611	860,344		738,891
Site 5	Brown 9	Sittingbourne	1,100,000	1,320,000	791,005	775,937		678,730
Site 6	Brown 6	Sittingbourne	1,100,000	1,320,000	1,027,271	1,012,402		911,486
Site 7	Central 60	Sittingbourne	1,100,000	1,320,000	-407,513	-427,515		-544,158
Site 8	Central 24	Sittingbourne	1,100,000	1,320,000	631,257	615,033		504,009
Site 9	Central 9	Sittingbourne	1,100,000	1,320,000	908,703	888,413		739,728
Site 10	Brown 90 HD	Sittingbourne	1,100,000	1,320,000	-1,439,483	-1,461,370		-1,608,432
Site 11	Brown 24 HD	Sittingbourne	1,100,000	1,320,000	-1,874,374	-1,902,673		-2,087,617
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	653,773	652,422		608,320
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	818,340	816,739		763,326
Site 14	Green 150	Sittingbourne	25,000	375,000	585,492	583,926		532,997
Site 15	Green 30	Sittingbourne	25,000	375,000	576,230	574,773		527,009
Site 16	Green 12	Sittingbourne	74,000	424,000	887,867	885,957		835,950
Site 17	Green 6	Sittingbourne	74,000	424,000	1,303,144	1,300,377		1,227,433
Site 27	South East Sittingbourne	Sittingbourne	25,000	250,000	-42,938	-43,658		-66,593
Site 30	Between A2 Bapchild and M	Bapchild	25,000	250,000	184,399	183,242		146,375

Faversham and East

			EUV	BLV	Residual Value			
					10% BNG	20% BNG		Rainwater Harvesting
Site 1	Large Brown 300	Faversham	1,100,000	1,320,000	640,655	629,286		555,942
Site 2	Brown 90	Faversham	1,100,000	1,320,000	512,840	499,239		411,039
Site 3	Brown 30	Faversham	1,100,000	1,320,000	557,227	542,900		449,776
Site 4	Brown 15	Faversham	1,100,000	1,320,000	1,082,569	1,064,302		945,509
Site 5	Brown 9	Faversham	1,100,000	1,320,000	970,230	955,162		857,954
Site 6	Brown 6	Faversham	1,100,000	1,320,000	1,199,338	1,184,469		1,085,264
Site 7	Central 60	Faversham	1,100,000	1,320,000	-211,087	-231,089		-346,326
Site 8	Central 24	Faversham	1,100,000	1,320,000	818,566	802,342		691,318
Site 9	Central 9	Faversham	1,100,000	1,320,000	1,143,422	1,123,524		977,273
Site 10	Brown 90 HD	Faversham	1,100,000	1,320,000	-1,439,483	-1,461,370		-1,608,432
Site 11	Brown 24 HD	Faversham	1,100,000	1,320,000	-1,874,374	-1,902,673		-2,087,617
Site 12	Large Green 400 LD	Faversham	25,000	375,000	714,173	712,822		668,721
Site 13	Large Green 400 HD	Faversham	25,000	375,000	890,640	889,039		835,626
Site 14	Green 150	Faversham	25,000	375,000	653,196	651,630		600,701
Site 15	Green 30	Faversham	25,000	375,000	639,959	638,502		590,738
Site 16	Green 12	Faversham	74,000	424,000	973,909	971,999		921,992
Site 17	Green 6	Faversham	74,000	424,000	1,427,654	1,424,887		1,352,579
Site 21	Fax Farm	Dunkirk	25,000	250,000	277,060	275,831		236,691
Site 22	Winterbourne Fields	Dunkirk	25,000	250,000	236,089	234,966		199,203
Site 23	SE Faversham	Faversham S	25,000	250,000	190,018	188,964		155,374
Site 24	East of Faversham Expans	Faversham E	25,000	250,000	193,464	192,406		158,723
Site 29	Ashford Road, North Street	Faversham S	25,000	250,000	92,581	91,718		64,055

Accessibility Standards (Part M(4) of Building Regulations

Isle of Sheppey

			EUV	BLV	Residual Value				
		Part M4(2)			0%	100%	95%	90%	75%
		Part M4(3)a					5%	10%	25%
		Part M4(3)b							
Site 1	Large Brown 300	IoS	1,100,000	1,320,000	530,638	501,324	475,792	449,504	369,899
Site 2	Brown 90	IoS	1,100,000	1,320,000	390,546	355,435	324,854	293,367	200,318
Site 3	Brown 30	IoS	1,100,000	1,320,000	425,065	387,937	355,599	321,983	220,737
Site 4	Brown 15	IoS	1,100,000	1,320,000	901,949	856,625	816,679	774,854	651,257
Site 5	Brown 9	IoS	1,100,000	1,320,000	794,843	758,274	726,422	693,627	595,334
Site 6	Brown 6	IoS	1,100,000	1,320,000	1,046,420	1,008,383	974,765	939,980	837,189
Site 7	Central 60	IoS	1,100,000	1,320,000	-364,157	-412,106	-453,869	-497,011	-628,645
Site 8	Central 24	IoS	1,100,000	1,320,000	641,204	601,802	567,483	532,147	425,630
Site 9	Central 9	IoS	1,100,000	1,320,000	921,724	871,731	828,188	783,355	650,867
Site 10	Brown 90 HD	IoS	1,100,000	1,320,000	-1,211,163	-1,257,344	-1,297,568	-1,338,983	-1,461,370
Site 11	Brown 24 HD	IoS	1,100,000	1,320,000	-1,579,162	-1,638,873	-1,690,881	-1,744,430	-1,902,673
Site 12	Large Green 400 LD	IoS	25,000	375,000	560,789	543,730	528,872	513,574	468,365
Site 13	Large Green 400 HD	IoS	25,000	375,000	706,609	686,264	668,544	650,299	596,382
Site 14	Green 150	IoS	25,000	375,000	485,220	465,419	448,171	430,413	377,935
Site 15	Green 30	IoS	25,000	375,000	479,809	461,303	445,184	428,588	379,544
Site 16	Green 12	IoS	74,000	424,000	749,189	726,790	707,280	687,193	627,831
Site 17	Green 6	IoS	74,000	424,000	1,098,390	1,064,999	1,035,916	1,005,971	917,481
Site 26	Rushenden South	IoS Sheerne	25,000	250,000	67,042	53,873	42,403	30,592	-4,589
Site 28	Land at South-West Minste	IoS Minster	25,000	250,000	98,881	84,908	72,337	59,357	20,998

Sittingbourne and West

			EUV	BLV	Residual Value				
		Part M4(2)			0%	100%	95%	90%	75%
		Part M4(3)a					5%	10%	25%
		Part M4(3)b							
Site 1	Large Brown 300	Sittingbourne	1,100,000	1,320,000	659,371	630,058	604,526	578,238	500,553
Site 2	Brown 90	Sittingbourne	1,100,000	1,320,000	540,006	504,895	474,314	442,827	349,778
Site 3	Brown 30	Sittingbourne	1,100,000	1,320,000	584,560	547,432	515,094	481,798	383,404
Site 4	Brown 15	Sittingbourne	1,100,000	1,320,000	1,105,906	1,060,583	1,021,106	980,459	860,344
Site 5	Brown 9	Sittingbourne	1,100,000	1,320,000	974,067	937,498	905,646	872,851	775,937
Site 6	Brown 6	Sittingbourne	1,100,000	1,320,000	1,218,488	1,180,450	1,147,320	1,113,207	1,012,402
Site 7	Central 60	Sittingbourne	1,100,000	1,320,000	-167,732	-215,680	-257,444	-300,444	-427,515
Site 8	Central 24	Sittingbourne	1,100,000	1,320,000	828,513	789,110	754,791	719,455	615,033
Site 9	Central 9	Sittingbourne	1,100,000	1,320,000	1,156,191	1,107,165	1,064,463	1,020,496	888,413
Site 10	Brown 90 HD	Sittingbourne	1,100,000	1,320,000	-1,211,163	-1,257,344	-1,297,568	-1,338,983	-1,461,370
Site 11	Brown 24 HD	Sittingbourne	1,100,000	1,320,000	-1,579,162	-1,638,873	-1,690,881	-1,744,430	-1,902,673
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	560,789	543,730	528,872	513,574	468,365
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	706,609	686,264	668,544	650,299	596,382
Site 14	Green 150	Sittingbourne	25,000	375,000	485,220	465,419	448,171	430,413	377,935
Site 15	Green 30	Sittingbourne	25,000	375,000	479,809	461,303	445,184	428,588	379,544
Site 16	Green 12	Sittingbourne	74,000	424,000	749,189	726,790	707,280	687,193	627,831
Site 17	Green 6	Sittingbourne	74,000	424,000	1,098,390	1,064,999	1,035,916	1,005,971	917,481
Site 18	South and West of Iwade (S	Iwade	25,000	250,000	134,868	119,476	106,069	92,265	51,473
Site 19	West of Bobbing village	Bobbing	25,000	250,000	52,826	39,868	28,531	16,859	-18,554
Site 20	Land at Stickfast Lane	Bobbing	25,000	250,000	91,758	77,865	65,765	53,306	16,339
Site 25	Iwade - Solar Farm	Iwade	25,000	250,000	210,454	197,354	185,804	173,912	138,770

Sittingbourne East

		Part M4(2)			0%	100%	95%	90%	75%
		Part M4(3)a					5%	10%	25%
		Part M4(3)b							
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	744,846	727,787	712,929	697,631	652,422
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	926,966	906,622	888,901	870,656	816,739
Site 14	Green 150	Sittingbourne	25,000	375,000	691,211	671,409	654,162	636,404	583,926
Site 15	Green 30	Sittingbourne	25,000	375,000	675,039	656,532	640,413	623,817	574,773
Site 16	Green 12	Sittingbourne	74,000	424,000	1,007,315	984,916	965,406	945,319	885,957
Site 17	Green 6	Sittingbourne	74,000	424,000	1,476,190	1,443,740	1,415,476	1,386,375	1,300,377
Site 27	South East Sittingbourne	Sittingbourne	25,000	250,000	4,773	-3,873	-11,598	-19,575	-43,658
Site 30	Between A2 Bapchild and M	Bapchild	25,000	250,000	262,386	247,778	235,055	221,955	183,242

Faversham and East

			EUV	BLV	Residual Value				
		Part M4(2)			0%	100%	95%	90%	75%
		Part M4(3)a					5%	10%	25%
		Part M4(3)b							
Site 1	Large Brown 300	Faversham	1,100,000	1,320,000	788,105	758,792	733,260	706,971	629,286
Site 2	Brown 90	Faversham	1,100,000	1,320,000	689,466	654,356	623,774	592,287	499,239
Site 3	Brown 30	Faversham	1,100,000	1,320,000	744,055	706,928	674,590	641,294	542,900
Site 4	Brown 15	Faversham	1,100,000	1,320,000	1,309,864	1,264,540	1,225,063	1,184,417	1,064,302
Site 5	Brown 9	Faversham	1,100,000	1,320,000	1,152,104	1,116,565	1,084,871	1,052,076	955,162
Site 6	Brown 6	Faversham	1,100,000	1,320,000	1,390,555	1,352,518	1,319,387	1,285,275	1,184,469
Site 7	Central 60	Faversham	1,100,000	1,320,000	28,694	-19,255	-61,018	-104,018	-231,089
Site 8	Central 24	Faversham	1,100,000	1,320,000	1,015,821	976,419	942,100	906,764	802,342
Site 9	Central 9	Faversham	1,100,000	1,320,000	1,389,147	1,340,120	1,297,418	1,253,451	1,123,524
Site 10	Brown 90 HD	Faversham	1,100,000	1,320,000	-1,211,163	-1,257,344	-1,297,568	-1,338,983	-1,461,370
Site 11	Brown 24 HD	Faversham	1,100,000	1,320,000	-1,579,162	-1,638,873	-1,690,881	-1,744,430	-1,902,673
Site 12	Large Green 400 LD	Faversham	25,000	375,000	805,247	788,188	773,330	758,031	712,822
Site 13	Large Green 400 HD	Faversham	25,000	375,000	999,266	978,921	961,201	942,956	889,039
Site 14	Green 150	Faversham	25,000	375,000	758,915	739,113	721,866	704,108	651,630
Site 15	Green 30	Faversham	25,000	375,000	738,767	720,261	704,142	687,546	638,502
Site 16	Green 12	Faversham	74,000	424,000	1,093,357	1,070,958	1,051,448	1,031,361	971,999
Site 17	Green 6	Faversham	74,000	424,000	1,600,700	1,568,250	1,539,986	1,510,885	1,424,887
Site 21	Fax Farm	Dunkirk	25,000	250,000	359,859	344,350	330,842	316,933	275,831
Site 22	Winterbourne Fields	Dunkirk	25,000	250,000	311,754	297,582	285,237	272,527	234,966
Site 23	SE Faversham	Faversham S	25,000	250,000	261,078	247,768	236,174	224,238	188,964
Site 24	East of Faversham Expans	Faversham E	25,000	250,000	264,712	251,367	239,743	227,774	192,406
Site 29	Ashford Road, North Street	Faversham S	25,000	250,000	149,499	138,837	129,552	119,991	91,718

Appendix 15 – Affordable Housing Testing

Overall Requirements

Isle of Sheppey

			EUV	BLV	Residual Value								
					0%	5%	10%	15%	20%	25%	30%	35%	40%
Site 1	Large Brown 300	IoS	1,100,000	1,320,000	978,959	905,673	832,387	714,813	597,231	523,945	450,667	266,399	162,900
Site 2	Brown 90	IoS	1,100,000	1,320,000	895,056	810,377	725,698	591,931	457,929	372,758	287,596	83,482	-37,962
Site 3	Brown 30	IoS	1,100,000	1,320,000	922,820	840,118	757,416	621,095	484,764	402,061	318,965	98,923	-23,301
Site 4	Brown 15	IoS	1,100,000	1,320,000	1,553,656	1,445,552	1,337,448	1,163,571	989,681	881,577	771,751	497,326	340,414
Site 5	Brown 9	IoS	1,100,000	1,320,000	1,341,178	1,233,888	1,126,598	993,174	859,297	748,898	637,947	467,678	340,023
Site 6	Brown 6	IoS	1,100,000	1,320,000	1,566,391	1,472,505	1,378,619	1,241,684	1,104,741	1,010,855	915,342	713,795	590,401
Site 7	Central 60	IoS	1,100,000	1,320,000	1,113,974	126,172	-920,692	-781,172	-641,411	-1,717,318	-2,813,602	-937,233	-1,245,822
Site 8	Central 24	IoS	1,100,000	1,320,000	1,235,521	1,111,661	987,801	846,843	705,882	582,022	456,953	286,841	145,576
Site 9	Central 9	IoS	1,100,000	1,320,000	1,724,795	1,563,750	1,401,019	1,213,825	1,026,625	861,213	695,281	469,213	287,558
Site 10	Brown 90 HD	IoS	1,100,000	1,320,000	-833,861	-925,631	-1,017,402	-1,129,511	-1,241,623	-1,333,394	-1,425,160	-1,567,669	-1,674,323
Site 11	Brown 24 HD	IoS	1,100,000	1,320,000	-1,099,509	-1,215,658	-1,331,808	-1,476,067	-1,620,333	-1,736,482	-1,852,626	-2,036,534	-2,170,395
Site 12	Large Green 400 LD	IoS	25,000	375,000	847,949	798,622	749,295	677,848	606,396	557,069	507,746	405,100	341,536
Site 13	Large Green 400 HD	IoS	25,000	375,000	1,057,280	997,421	937,563	850,790	764,012	704,154	644,301	519,566	442,750
Site 14	Green 150	IoS	25,000	375,000	790,103	738,943	687,782	608,793	529,797	478,637	427,482	309,241	240,546
Site 15	Green 30	IoS	25,000	375,000	753,168	705,713	658,258	587,288	516,314	468,859	421,409	317,273	255,002
Site 16	Green 12	IoS	74,000	424,000	1,099,571	1,034,616	969,662	883,013	796,360	731,405	666,455	549,208	470,585
Site 17	Green 6	IoS	74,000	424,000	1,606,648	1,513,117	1,419,587	1,294,679	1,167,440	1,071,198	974,963	800,896	683,018
Site 26	Rushenden South	IoS Sheerne	25,000	250,000	264,355	230,251	196,147	145,945	94,639	59,982	25,327	-52,410	-101,177
Site 28	Land at South-West Minste	IoS Minster	25,000	250,000	314,492	277,120	239,748	184,631	129,511	91,945	53,824	-30,257	-82,448

Sittingbourne and West

			EUV	BLV	Residual Value								
					0%	5%	10%	15%	20%	25%	30%	35%	40%
Site 1	Large Brown 300	Sittingbourne	1,100,000	1,320,000	1,148,384	1,072,146	995,907	869,303	742,689	666,451	590,223	392,422	281,921
Site 2	Brown 90	Sittingbourne	1,100,000	1,320,000	1,091,790	1,003,117	914,444	770,523	626,336	537,159	447,993	225,844	101,643
Site 3	Brown 30	Sittingbourne	1,100,000	1,320,000	1,129,189	1,043,132	957,076	810,325	663,563	577,506	491,462	256,956	127,657
Site 4	Brown 15	Sittingbourne	1,100,000	1,320,000	1,816,010	1,703,864	1,591,718	1,404,767	1,217,802	1,105,655	993,524	697,233	533,338
Site 5	Brown 9	Sittingbourne	1,100,000	1,320,000	1,578,616	1,463,298	1,347,979	1,205,857	1,062,357	943,696	825,040	639,371	500,653
Site 6	Brown 6	Sittingbourne	1,100,000	1,320,000	1,787,259	1,692,161	1,595,044	1,446,606	1,298,158	1,200,303	1,102,458	880,365	748,083
Site 7	Central 60	Sittingbourne	1,100,000	1,320,000	1,358,701	368,457	-664,038	-538,649	-416,373	-1,488,830	-2,585,848	-743,813	-1,062,842
Site 8	Central 24	Sittingbourne	1,100,000	1,320,000	1,482,118	1,353,005	1,223,891	1,070,334	916,773	787,659	658,550	469,665	320,962
Site 9	Central 9	Sittingbourne	1,100,000	1,320,000	2,021,505	1,857,540	1,693,575	1,491,536	1,288,710	1,119,993	950,322	694,461	500,510
Site 10	Brown 90 HD	Sittingbourne	1,100,000	1,320,000	-833,861	-925,631	-1,017,402	-1,129,511	-1,241,623	-1,333,394	-1,425,160	-1,567,669	-1,674,323
Site 11	Brown 24 HD	Sittingbourne	1,100,000	1,320,000	-1,099,509	-1,215,658	-1,331,808	-1,476,067	-1,620,333	-1,736,482	-1,852,626	-2,036,534	-2,170,395
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	847,949	798,622	749,295	677,848	606,396	557,069	507,746	405,100	341,536
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	1,057,280	997,421	937,563	850,790	764,012	704,154	644,301	519,566	442,750
Site 14	Green 150	Sittingbourne	25,000	375,000	790,103	738,943	687,782	608,793	529,797	478,637	427,482	309,241	240,546
Site 15	Green 30	Sittingbourne	25,000	375,000	753,168	705,713	658,258	587,288	516,314	468,859	421,409	317,273	255,002
Site 16	Green 12	Sittingbourne	74,000	424,000	1,099,571	1,034,616	969,662	883,013	796,360	731,405	666,455	549,208	470,585
Site 17	Green 6	Sittingbourne	74,000	424,000	1,606,648	1,513,117	1,419,587	1,294,679	1,167,440	1,071,198	974,963	800,896	683,018
Site 18	South and West of Iwade (	Iwade	25,000	250,000	372,938	331,829	290,721	229,822	168,920	127,811	86,707	-2,366	-59,494
Site 19	West of Bobbing village	Bobbing	25,000	250,000	243,401	210,223	177,046	128,077	79,105	45,339	11,541	-64,854	-111,745
Site 20	Land at Stickfast Lane	Bobbing	25,000	250,000	304,499	267,627	230,755	176,218	121,678	84,806	47,938	-34,725	-86,503
Site 25	Iwade - Solar Farm	Iwade	25,000	250,000	453,595	415,153	376,711	316,523	256,330	217,687	178,773	85,695	32,620

Sittingbourne East

			EUV	BLV	Residual Value								
					0%	5%	10%	15%	20%	25%	30%	35%	40%
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	1,091,418	1,037,065	982,712	898,500	814,282	759,929	705,582	579,256	506,089
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	1,348,171	1,282,463	1,216,755	1,114,759	1,012,755	947,047	881,347	728,167	639,595
Site 14	Green 150	Sittingbourne	25,000	375,000	1,060,855	1,005,228	949,601	856,103	762,597	706,970	651,351	504,438	424,950
Site 15	Green 30	Sittingbourne	25,000	375,000	1,007,226	955,111	902,996	819,201	735,399	683,284	631,175	502,697	430,622
Site 16	Green 12	Sittingbourne	74,000	424,000	1,443,978	1,370,025	1,296,072	1,191,883	1,087,688	1,013,735	939,788	792,954	699,950
Site 17	Green 6	Sittingbourne	74,000	424,000	2,105,091	1,998,526	1,891,961	1,741,664	1,591,358	1,484,793	1,378,237	1,163,831	1,025,825
Site 30	Between A2 Bapchild and I	Bapchild	25,000	250,000	532,170	489,763	447,357	380,674	313,784	270,857	227,934	124,499	65,755

Faversham and East

			EUV	BLV	Residual Value								
					0%	5%	10%	15%	20%	25%	30%	35%	40%
Site 1	Large Brown 300	Faversham	1,100,000	1,320,000	1,317,809	1,238,618	1,159,428	1,023,793	888,148	808,957	729,778	514,533	399,779
Site 2	Brown 90	Faversham	1,100,000	1,320,000	1,288,524	1,195,857	1,103,190	949,116	794,744	701,561	608,390	367,428	235,617
Site 3	Brown 30	Faversham	1,100,000	1,320,000	1,335,557	1,246,146	1,156,735	999,556	842,362	752,951	663,554	410,790	277,097
Site 4	Brown 15	Faversham	1,100,000	1,320,000	2,078,364	1,962,176	1,845,987	1,645,963	1,445,922	1,329,733	1,213,561	895,291	723,178
Site 5	Brown 9	Faversham	1,100,000	1,320,000	1,816,055	1,692,708	1,569,361	1,415,218	1,261,070	1,137,723	1,011,578	808,274	661,282
Site 6	Brown 6	Faversham	1,100,000	1,320,000	2,005,303	1,906,347	1,807,390	1,651,528	1,491,576	1,389,751	1,287,938	1,046,028	905,765
Site 7	Central 60	Faversham	1,100,000	1,320,000	1,603,429	608,663	-413,398	-304,535	-195,442	-1,264,460	-2,360,159	-550,393	-879,862
Site 8	Central 24	Faversham	1,100,000	1,320,000	1,728,716	1,594,348	1,459,981	1,293,826	1,127,664	993,297	858,936	647,946	493,364
Site 9	Central 9	Faversham	1,100,000	1,320,000	2,318,214	2,148,431	1,978,648	1,766,358	1,550,796	1,376,091	1,201,395	919,710	713,462
Site 10	Brown 90 HD	Faversham	1,100,000	1,320,000	-833,861	-925,631	-1,017,402	-1,129,511	-1,241,623	-1,333,394	-1,425,160	-1,567,669	-1,674,323
Site 11	Brown 24 HD	Faversham	1,100,000	1,320,000	-1,099,509	-1,215,658	-1,331,808	-1,476,067	-1,620,333	-1,736,482	-1,852,626	-2,036,534	-2,170,395
Site 12	Large Green 400 LD	Faversham	25,000	375,000	1,172,574	1,116,387	1,060,201	971,575	882,943	826,756	770,576	636,197	559,572
Site 13	Large Green 400 HD	Faversham	25,000	375,000	1,445,135	1,377,285	1,309,435	1,202,172	1,094,901	1,027,051	959,210	796,357	703,674
Site 14	Green 150	Faversham	25,000	375,000	1,151,106	1,093,830	1,036,554	938,060	839,558	782,282	725,014	568,384	485,138
Site 15	Green 30	Faversham	25,000	375,000	1,091,913	1,038,019	984,126	895,831	807,529	753,636	699,749	562,933	487,365
Site 16	Green 12	Faversham	74,000	424,000	1,558,780	1,481,828	1,404,875	1,294,840	1,184,798	1,107,845	1,030,900	874,202	776,406
Site 17	Green 6	Faversham	74,000	424,000	2,271,238	2,160,328	2,049,419	1,890,659	1,731,889	1,620,979	1,510,079	1,283,829	1,139,662
Site 21	Fax Farm	Dunkirk	25,000	250,000	671,396	623,999	576,592	499,810	423,022	375,236	327,456	209,776	143,721
Site 22	Winterbourne Fields	Dunkirk	25,000	250,000	598,299	554,316	510,333	440,047	369,756	325,773	281,796	174,411	112,891
Site 23	SE Faversham	Faversham S	25,000	250,000	521,926	481,854	441,783	377,855	313,730	273,255	232,785	132,981	76,998
Site 24	East of Faversham Expans	Faversham E	25,000	250,000	528,592	488,224	447,857	383,174	317,773	277,066	236,364	136,143	79,880
Site 29	Ashford Road, North Street	Faversham S	25,000	250,000	356,448	324,402	292,355	241,460	190,156	157,876	125,600	46,666	1,614

Affordable Rent v Social Rent

Isle of Sheppey

Affordable Rent

			EUV	BLV	Residual Value								
	Total Affordable				0%	5%	10%	15%	20%	25%	30%	35%	40%
	Affordable Rent							33.3%	50.0%	60.0%	66.7%	63.0%	63.0%
		Social rent											
	Shared Ownership					75.0%	75.0%	41.7%	25.0%	15.0%	8.3%	12.0%	12.0%
		First Homes				25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Site 1	Large Brown 300	IoS	1,100,000	1,320,000	978,959	905,673	832,387	714,813	597,231	523,945	450,667	266,399	162,900
Site 2	Brown 90	IoS	1,100,000	1,320,000	895,056	810,377	725,698	591,931	457,929	372,758	287,596	83,482	-37,962
Site 3	Brown 30	IoS	1,100,000	1,320,000	922,820	840,118	757,416	621,095	484,764	402,061	318,965	98,923	-23,301
Site 4	Brown 15	IoS	1,100,000	1,320,000	1,553,656	1,445,552	1,337,448	1,163,571	989,681	881,577	771,751	497,326	340,414
Site 5	Brown 9	IoS	1,100,000	1,320,000	1,341,178	1,233,888	1,126,598	993,174	859,297	748,898	637,947	467,678	340,023
Site 6	Brown 6	IoS	1,100,000	1,320,000	1,566,391	1,472,505	1,378,619	1,241,684	1,104,741	1,010,855	915,342	713,795	590,401
Site 7	Central 60	IoS	1,100,000	1,320,000	1,113,974	126,172	-920,692	-781,172	-641,411	-1,717,318	-2,813,602	-937,233	-1,245,822
Site 8	Central 24	IoS	1,100,000	1,320,000	1,235,521	1,111,661	987,801	846,843	705,882	582,022	456,953	286,841	145,576
Site 9	Central 9	IoS	1,100,000	1,320,000	1,724,795	1,563,750	1,401,019	1,213,825	1,026,625	861,213	695,281	469,213	287,558
Site 10	Brown 90 HD	IoS	1,100,000	1,320,000	-833,861	-925,631	-1,017,402	-1,129,511	-1,241,623	-1,333,394	-1,425,160	-1,567,669	-1,674,323
Site 11	Brown 24 HD	IoS	1,100,000	1,320,000	-1,099,509	-1,215,658	-1,331,808	-1,476,067	-1,620,333	-1,736,482	-1,852,626	-2,036,534	-2,170,395
Site 12	Large Green 400 LD	IoS	25,000	375,000	847,949	798,622	749,295	677,848	606,396	557,069	507,746	405,100	341,536
Site 13	Large Green 400 HD	IoS	25,000	375,000	1,057,280	997,421	937,563	850,790	764,012	704,154	644,301	519,566	442,750
Site 14	Green 150	IoS	25,000	375,000	790,103	738,943	687,782	608,793	529,797	478,637	427,482	309,241	240,546
Site 15	Green 30	IoS	25,000	375,000	753,168	705,713	658,258	587,288	516,314	468,859	421,409	317,273	255,002
Site 16	Green 12	IoS	74,000	424,000	1,099,571	1,034,616	969,662	883,013	796,360	731,405	666,455	549,208	470,585
Site 17	Green 6	IoS	74,000	424,000	1,606,648	1,513,117	1,419,587	1,294,679	1,167,440	1,071,198	974,963	800,896	683,018
Site 26	Rushenden South	IoS Sheerne	25,000	250,000	264,355	230,251	196,147	145,945	94,639	59,982	25,327	-52,410	-101,177
Site 28	Land at South-West Minste	IoS Minster (	25,000	250,000	314,492	277,120	239,748	184,631	129,511	91,945	53,824	-30,257	-82,448

Social Rent

			EUV	BLV	Residual Value								
	Total Affordable				0%	5%	10%	15%	20%	25%	30%	35%	40%
	Affordable Rent												
		Social rent						33.3%	50.0%	60.0%	66.7%	63.0%	63.0%
	Shared Ownership					75.0%	75.0%	41.7%	25.0%	15.0%	8.3%	12.0%	12.0%
		First Homes				25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Site 1	Large Brown 300	IoS	1,100,000	1,320,000	978,959	905,673	832,387	626,414	417,089	204,677	-9,265	-146,817	-323,453
Site 2	Brown 90	IoS	1,100,000	1,320,000	895,056	810,377	725,698	488,649	251,570	10,622	-238,056	-393,224	-590,381
Site 3	Brown 30	IoS	1,100,000	1,320,000	922,820	840,118	757,416	513,352	267,399	12,624	-243,412	-400,119	-600,989
Site 4	Brown 15	IoS	1,100,000	1,320,000	1,553,656	1,445,552	1,337,448	1,030,430	720,184	402,360	80,280	-118,814	-363,745
Site 5	Brown 9	IoS	1,100,000	1,320,000	1,341,178	1,233,888	1,126,598	928,625	730,186	529,098	326,793	177,379	8,251
Site 6	Brown 6	IoS	1,100,000	1,320,000	1,566,391	1,472,505	1,378,619	1,123,300	865,346	604,980	344,679	181,379	-18,075
Site 7	Central 60	IoS	1,100,000	1,320,000	1,113,974	126,172	-920,692	-894,752	-868,593	-842,544	-816,934	-1,440,639	-1,827,802
Site 8	Central 24	IoS	1,100,000	1,320,000	1,235,521	1,111,661	987,801	773,050	558,281	338,985	114,452	-54,652	-244,702
Site 9	Central 9	IoS	1,100,000	1,320,000	1,724,795	1,563,750	1,401,019	1,117,001	829,667	540,040	250,462	33,763	-210,099
Site 10	Brown 90 HD	IoS	1,100,000	1,320,000	-833,861	-925,631	-1,017,402	-1,272,687	-1,528,650	-1,788,869	-2,049,022	-2,210,979	-2,409,534
Site 11	Brown 24 HD	IoS	1,100,000	1,320,000	-1,099,509	-1,215,658	-1,331,808	-1,661,672	-1,991,580	-2,321,466	-2,651,267	-2,855,133	-3,105,937
Site 12	Large Green 400 LD	IoS	25,000	375,000	847,949	798,622	749,295	622,083	494,855	364,736	234,183	151,156	50,415
Site 13	Large Green 400 HD	IoS	25,000	375,000	1,057,280	997,421	937,563	783,538	629,493	473,235	315,151	214,529	92,491
Site 14	Green 150	IoS	25,000	375,000	790,103	738,943	687,782	547,042	406,283	265,533	124,819	36,838	-75,796
Site 15	Green 30	IoS	25,000	375,000	753,168	705,713	658,258	529,448	400,622	271,804	142,111	58,021	-45,555
Site 16	Green 12	IoS	74,000	424,000	1,099,571	1,034,616	969,662	823,355	677,032	530,717	382,945	281,750	160,212
Site 17	Green 6	IoS	74,000	424,000	1,606,648	1,513,117	1,419,587	1,207,186	989,845	772,516	551,398	402,587	226,661
Site 26	Rushenden South	IoS Sheerne	25,000	250,000	264,355	230,251	196,147	105,536	13,811	-84,805	-187,346	-254,771	-342,011
Site 28	Land at South-West Minste	IoS Minster (	25,000	250,000	314,492	277,120	239,748	141,334	40,025	-64,692	-175,451	-246,896	-339,421

Sittingbourne and West

Affordable Rent

			EUV	BLV	Residual Value								
		Total Affordable			**0%**	**5%**	**10%**	**15%**	**20%**	**25%**	**30%**	**35%**	**40%**
		Affordable Rent						33.3%	50.0%	60.0%	66.7%	63.0%	63.0%
		Social rent											
		Shared Ownership				75.0%	75.0%	41.7%	25.0%	15.0%	8.3%	12.0%	12.0%
		First Homes				25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Site 1	Large Brown 300	Sittingbourne	1,100,000	1,320,000	1,148,384	1,072,146	995,907	869,303	742,689	666,451	590,223	392,422	281,921
Site 2	Brown 90	Sittingbourne	1,100,000	1,320,000	1,091,790	1,003,117	914,444	770,523	626,336	537,159	447,993	225,844	101,643
Site 3	Brown 30	Sittingbourne	1,100,000	1,320,000	1,129,189	1,043,132	957,076	810,325	663,563	577,506	491,462	256,956	127,657
Site 4	Brown 15	Sittingbourne	1,100,000	1,320,000	1,816,010	1,703,864	1,591,718	1,404,767	1,217,802	1,105,655	993,524	697,233	533,338
Site 5	Brown 9	Sittingbourne	1,100,000	1,320,000	1,578,616	1,463,298	1,347,979	1,205,857	1,062,357	943,696	825,040	639,371	500,653
Site 6	Brown 6	Sittingbourne	1,100,000	1,320,000	1,787,259	1,692,161	1,595,044	1,446,606	1,298,158	1,200,303	1,102,458	880,365	748,083
Site 7	Central 60	Sittingbourne	1,100,000	1,320,000	1,358,701	368,457	-664,038	-538,649	-416,373	-1,488,830	-2,585,848	-743,813	-1,062,842
Site 8	Central 24	Sittingbourne	1,100,000	1,320,000	1,482,118	1,353,005	1,223,891	1,070,334	916,773	787,659	658,550	469,665	320,962
Site 9	Central 9	Sittingbourne	1,100,000	1,320,000	2,021,505	1,857,540	1,693,575	1,491,536	1,288,710	1,119,993	950,322	694,461	500,510
Site 10	Brown 90 HD	Sittingbourne	1,100,000	1,320,000	-833,861	-925,631	-1,017,402	-1,129,511	-1,241,623	-1,333,394	-1,425,160	-1,567,669	-1,674,323
Site 11	Brown 24 HD	Sittingbourne	1,100,000	1,320,000	-1,099,509	-1,215,658	-1,331,808	-1,476,067	-1,620,333	-1,736,482	-1,852,626	-2,036,534	-2,170,395
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	847,949	798,622	749,295	677,848	606,396	557,069	507,746	405,100	341,536
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	1,057,280	997,421	937,563	850,790	764,012	704,154	644,301	519,566	442,750
Site 14	Green 150	Sittingbourne	25,000	375,000	790,103	738,943	687,782	608,793	529,797	478,637	427,482	309,241	240,546
Site 15	Green 30	Sittingbourne	25,000	375,000	753,168	705,713	658,258	587,288	516,314	468,859	421,409	317,273	255,002
Site 16	Green 12	Sittingbourne	74,000	424,000	1,099,571	1,034,616	969,662	883,013	796,360	731,405	666,455	549,208	470,585
Site 17	Green 6	Sittingbourne	74,000	424,000	1,606,648	1,513,117	1,419,587	1,294,679	1,167,440	1,071,198	974,963	800,896	683,018
Site 18	South and West of Iwade (	Iwade	25,000	250,000	372,938	331,829	290,721	229,822	168,920	127,811	86,707	-2,366	-59,494
Site 19	West of Bobbing village	Bobbing	25,000	250,000	243,401	210,223	177,046	128,077	79,105	45,339	11,541	-64,854	-111,745
Site 20	Land at Stickfast Lane	Bobbing	25,000	250,000	304,499	267,627	230,755	176,218	121,678	84,806	47,938	-34,725	-86,503
Site 25	Iwade - Solar Farm	Iwade	25,000	250,000	453,595	415,153	376,711	316,523	256,330	217,687	178,773	85,695	32,620

Social Rent

			EUV	BLV	Residual Value								
		Total Affordable			**0%**	**5%**	**10%**	**15%**	**20%**	**25%**	**30%**	**35%**	**40%**
		Affordable Rent											
		Social rent						33.3%	50.0%	60.0%	66.7%	63.0%	63.0%
		Shared Ownership				75.0%	75.0%	41.7%	25.0%	15.0%	8.3%	12.0%	12.0%
		First Homes				25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Site 1	Large Brown 300	Sittingbourne	1,100,000	1,320,000	1,148,384	1,072,146	995,907	780,904	565,873	345,652	123,958	-14,585	-192,332
Site 2	Brown 90	Sittingbourne	1,100,000	1,320,000	1,091,790	1,003,117	914,444	667,241	420,007	172,788	-82,628	-244,298	-444,776
Site 3	Brown 30	Sittingbourne	1,100,000	1,320,000	1,129,189	1,043,132	957,076	702,582	448,055	189,287	-77,690	-240,525	-444,317
Site 4	Brown 15	Sittingbourne	1,100,000	1,320,000	1,816,010	1,703,864	1,591,718	1,271,625	951,492	625,525	292,204	84,979	-170,165
Site 5	Brown 9	Sittingbourne	1,100,000	1,320,000	1,578,616	1,463,298	1,347,979	1,143,127	933,246	722,446	508,630	349,072	168,881
Site 6	Brown 6	Sittingbourne	1,100,000	1,320,000	1,787,259	1,692,161	1,595,044	1,328,222	1,061,366	790,478	518,450	347,949	139,607
Site 7	Central 60	Sittingbourne	1,100,000	1,320,000	1,358,701	368,457	-664,038	-651,777	-639,299	-626,930	-614,997	-1,244,750	-1,641,391
Site 8	Central 24	Sittingbourne	1,100,000	1,320,000	1,482,118	1,353,005	1,223,891	996,541	769,172	541,813	309,116	131,515	-68,903
Site 9	Central 9	Sittingbourne	1,100,000	1,320,000	2,021,505	1,857,540	1,693,575	1,394,712	1,095,044	791,356	485,849	259,011	2,853
Site 10	Brown 90 HD	Sittingbourne	1,100,000	1,320,000	-833,861	-925,631	-1,017,402	-1,272,687	-1,528,650	-1,788,869	-2,049,022	-2,210,979	-2,409,534
Site 11	Brown 24 HD	Sittingbourne	1,100,000	1,320,000	-1,099,509	-1,215,658	-1,331,808	-1,661,672	-1,991,580	-2,321,466	-2,651,267	-2,855,133	-3,105,937
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	847,949	798,622	749,295	622,083	494,855	364,736	234,183	151,156	50,415
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	1,057,280	997,421	937,563	783,538	629,493	473,235	315,151	214,529	92,491
Site 14	Green 150	Sittingbourne	25,000	375,000	790,103	738,943	687,782	547,042	406,283	265,533	124,819	36,838	-75,796
Site 15	Green 30	Sittingbourne	25,000	375,000	753,168	705,713	658,258	529,448	400,622	271,804	142,111	58,021	-45,555
Site 16	Green 12	Sittingbourne	74,000	424,000	1,099,571	1,034,616	969,662	823,355	677,032	530,717	382,945	281,750	160,212
Site 17	Green 6	Sittingbourne	74,000	424,000	1,606,648	1,513,117	1,419,587	1,207,186	989,845	772,516	551,398	402,587	226,661
Site 18	South and West of Iwade (	Iwade	25,000	250,000	372,938	331,829	290,721	181,481	72,228	-41,156	-160,296	-238,542	-336,637
Site 19	West of Bobbing village	Bobbing	25,000	250,000	243,401	210,223	177,046	89,500	-609	-96,644	-195,992	-260,667	-344,717
Site 20	Land at Stickfast Lane	Bobbing	25,000	250,000	304,499	267,627	230,755	133,224	34,983	-69,320	-177,998	-248,172	-339,860
Site 25	Iwade - Solar Farm	Iwade	25,000	250,000	453,595	415,153	376,711	277,076	175,048	72,880	-34,138	-105,107	-193,809

Sittingbourne East

Affordable Rent

			EUV	BLV	Residual Value								
		Total Affordable			**0%**	**5%**	**10%**	**15%**	**20%**	**25%**	**30%**	**35%**	**40%**
		Affordable Rent						33.3%	50.0%	60.0%	66.7%	63.0%	63.0%
		Social rent											
		Shared Ownership				75.0%	75.0%	41.7%	25.0%	15.0%	8.3%	12.0%	12.0%
		First Homes				25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	1,091,418	1,037,065	982,712	898,500	814,282	759,929	705,582	579,256	506,089
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	1,348,171	1,282,463	1,216,755	1,114,759	1,012,755	947,047	881,347	728,167	639,595
Site 14	Green 150	Sittingbourne	25,000	375,000	1,060,855	1,005,228	949,601	856,103	762,597	706,970	651,351	504,438	424,950
Site 15	Green 30	Sittingbourne	25,000	375,000	1,007,226	955,111	902,996	819,201	735,399	683,284	631,175	502,697	430,622
Site 16	Green 12	Sittingbourne	74,000	424,000	1,443,978	1,370,025	1,296,072	1,191,883	1,087,688	1,013,735	939,788	792,954	699,950
Site 17	Green 6	Sittingbourne	74,000	424,000	2,105,091	1,998,526	1,891,961	1,741,664	1,591,358	1,484,793	1,378,237	1,163,831	1,025,825
Site 27	South East Sittingbourne	Sittingbourne	25,000	250,000	356,448	324,402	292,355	241,460	190,156	157,876	125,600	46,666	1,614
Site 30	Between A2 Bapchild and I	Bapchild	25,000	250,000	532,170	489,763	447,357	380,674	313,784	270,857	227,934	124,499	65,755

Social Rent

			EUV	BLV	Residual Value								
		Total Affordable			**0%**	**5%**	**10%**	**15%**	**20%**	**25%**	**30%**	**35%**	**40%**
		Affordable Rent											
		Social rent						33.3%	50.0%	60.0%	66.7%	63.0%	63.0%
		Shared Ownership				75.0%	75.0%	41.7%	25.0%	15.0%	8.3%	12.0%	12.0%
		First Homes				25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	1,091,418	1,037,065	982,712	842,735	702,741	562,755	421,867	330,416	219,492
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	1,348,171	1,282,463	1,216,755	1,047,506	878,237	708,977	539,760	429,247	295,119
Site 14	Green 150	Sittingbourne	25,000	375,000	1,060,855	1,005,228	949,601	794,352	639,083	483,824	328,605	232,089	113,693
Site 15	Green 30	Sittingbourne	25,000	375,000	1,007,226	955,111	902,996	761,360	619,707	478,063	336,455	247,597	138,056
Site 16	Green 12	Sittingbourne	74,000	424,000	1,443,978	1,370,025	1,296,072	1,132,225	968,361	804,505	640,685	529,836	398,183
Site 17	Green 6	Sittingbourne	74,000	424,000	2,105,091	1,998,526	1,891,961	1,655,376	1,418,766	1,180,203	936,801	772,235	574,903
Site 27	South East Sittingbourne	Sittingbourne	25,000	250,000	356,448	324,402	292,355	42,265	-19,701	-85,317	-153,320	-198,197	-255,850
Site 30	Between A2 Bapchild and I	Bapchild	25,000	250,000	532,170	489,763	447,357	336,267	222,670	109,080	-6,261	-84,280	-179,799

Faversham and East

Affordable Rent

			EUV	BLV	Residual Value								
		Total Affordable			0%	5%	10%	15%	20%	25%	30%	35%	40%
		Affordable Rent						33.3%	50.0%	60.0%	66.7%	63.0%	63.0%
		Social rent											
		Shared Ownership				75.0%	75.0%	41.7%	25.0%	15.0%	8.3%	12.0%	12.0%
		First Homes				25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Site 1	Large Brown 300	Faversham	1,100,000	1,320,000	1,317,809	1,238,618	1,159,428	1,023,793	888,148	808,957	729,778	514,533	399,779
Site 2	Brown 90	Faversham	1,100,000	1,320,000	1,288,524	1,195,857	1,103,190	949,116	794,744	701,561	608,390	367,428	235,617
Site 3	Brown 30	Faversham	1,100,000	1,320,000	1,335,557	1,246,146	1,156,735	999,556	842,362	752,951	663,554	410,790	277,097
Site 4	Brown 15	Faversham	1,100,000	1,320,000	2,078,364	1,962,176	1,845,987	1,645,963	1,445,922	1,329,733	1,213,561	895,291	723,178
Site 5	Brown 9	Faversham	1,100,000	1,320,000	1,816,055	1,692,708	1,569,361	1,415,218	1,261,070	1,137,723	1,011,578	808,274	661,282
Site 6	Brown 6	Faversham	1,100,000	1,320,000	2,005,303	1,906,347	1,807,390	1,651,528	1,491,576	1,389,751	1,287,938	1,046,028	905,765
Site 7	Central 60	Faversham	1,100,000	1,320,000	1,603,429	608,663	-413,398	-304,535	-195,442	-1,264,460	-2,360,159	-550,393	-879,862
Site 8	Central 24	Faversham	1,100,000	1,320,000	1,728,716	1,594,348	1,459,981	1,293,826	1,127,664	993,297	858,936	647,946	493,364
Site 9	Central 9	Faversham	1,100,000	1,320,000	2,318,214	2,148,431	1,978,648	1,766,358	1,550,796	1,376,091	1,201,395	919,710	713,462
Site 10	Brown 90 HD	Faversham	1,100,000	1,320,000	-833,861	-925,631	-1,017,402	-1,129,511	-1,241,623	-1,333,394	-1,425,160	-1,567,669	-1,674,323
Site 11	Brown 24 HD	Faversham	1,100,000	1,320,000	-1,099,509	-1,215,658	-1,331,808	-1,476,067	-1,620,333	-1,736,482	-1,852,626	-2,036,534	-2,170,395
Site 12	Large Green 400 LD	Faversham	25,000	375,000	1,172,574	1,116,387	1,060,201	971,575	882,943	826,756	770,576	636,197	559,572
Site 13	Large Green 400 HD	Faversham	25,000	375,000	1,445,135	1,377,285	1,309,435	1,202,172	1,094,901	1,027,051	959,210	796,357	703,674
Site 14	Green 150	Faversham	25,000	375,000	1,151,106	1,093,830	1,036,554	938,060	839,558	782,282	725,014	568,384	485,138
Site 15	Green 30	Faversham	25,000	375,000	1,091,913	1,038,019	984,126	895,831	807,529	753,636	699,749	562,933	487,365
Site 16	Green 12	Faversham	74,000	424,000	1,558,780	1,481,828	1,404,875	1,294,840	1,184,798	1,107,845	1,030,900	874,202	776,406
Site 17	Green 6	Faversham	74,000	424,000	2,271,238	2,160,328	2,049,419	1,890,659	1,731,889	1,620,979	1,510,079	1,283,829	1,139,662
Site 21	Fax Farm	Dunkirk	25,000	250,000	671,396	623,999	576,592	499,810	423,022	375,236	327,456	209,776	143,721
Site 22	Winterbourne Fields	Dunkirk	25,000	250,000	598,299	554,316	510,333	440,047	369,756	325,773	281,796	174,411	112,891
Site 23	SE Faversham	Faversham S	25,000	250,000	521,926	481,854	441,783	377,855	313,730	273,255	232,785	132,981	76,998
Site 24	East of Faversham Expans	Faversham E	25,000	250,000	528,592	488,224	447,857	383,174	317,773	277,066	236,364	136,143	79,880
Site 29	Ashford Road, North Street	Faversham S	25,000	250,000	356,448	324,402	292,355	241,460	190,156	157,876	125,600	46,666	1,614

Social Rent

			EUV	BLV	Residual Value								
		Total Affordable			0%	5%	10%	15%	20%	25%	30%	35%	40%
		Affordable Rent											
		Social rent						33.3%	50.0%	60.0%	66.7%	63.0%	63.0%
		Shared Ownership				75.0%	75.0%	41.7%	25.0%	15.0%	8.3%	12.0%	12.0%
		First Homes				25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Site 1	Large Brown 300	Faversham	1,100,000	1,320,000	1,317,809	1,238,618	1,159,428	935,394	711,332	486,627	255,596	113,273	-66,379
Site 2	Brown 90	Faversham	1,100,000	1,320,000	1,288,524	1,195,857	1,103,190	845,833	588,444	331,071	72,677	-95,740	-302,140
Site 3	Brown 30	Faversham	1,100,000	1,320,000	1,335,557	1,246,146	1,156,735	891,813	626,855	361,914	88,032	-81,370	-291,216
Site 4	Brown 15	Faversham	1,100,000	1,320,000	2,078,364	1,962,176	1,845,987	1,512,821	1,179,612	846,424	504,048	288,772	23,416
Site 5	Brown 9	Faversham	1,100,000	1,320,000	1,816,055	1,692,708	1,569,361	1,352,487	1,135,596	913,136	690,006	520,764	329,511
Site 6	Brown 6	Faversham	1,100,000	1,320,000	2,005,303	1,906,347	1,807,390	1,533,144	1,254,783	975,976	692,220	514,518	297,289
Site 7	Central 60	Faversham	1,100,000	1,320,000	1,603,429	608,663	-413,398	-413,973	-414,339	-414,809	-415,696	-1,051,330	-1,454,980
Site 8	Central 24	Faversham	1,100,000	1,320,000	1,728,716	1,594,348	1,459,981	1,220,033	980,063	740,105	500,188	317,341	106,896
Site 9	Central 9	Faversham	1,100,000	1,320,000	2,318,214	2,148,431	1,978,648	1,672,262	1,357,129	1,041,848	721,236	484,260	215,805
Site 10	Brown 90 HD	Faversham	1,100,000	1,320,000	-833,861	-925,631	-1,017,402	-1,272,687	-1,528,650	-1,788,869	-2,049,022	-2,210,979	-2,409,534
Site 11	Brown 24 HD	Faversham	1,100,000	1,320,000	-1,099,509	-1,215,658	-1,331,808	-1,661,672	-1,991,580	-2,321,466	-2,651,267	-2,855,133	-3,105,937
Site 12	Large Green 400 LD	Faversham	25,000	375,000	1,172,574	1,116,387	1,060,201	915,810	771,402	627,002	482,638	389,028	274,545
Site 13	Large Green 400 HD	Faversham	25,000	375,000	1,445,135	1,377,285	1,309,435	1,134,920	960,383	785,857	611,373	499,436	361,080
Site 14	Green 150	Faversham	25,000	375,000	1,151,106	1,093,830	1,036,554	876,309	716,043	555,788	395,573	296,035	173,882
Site 15	Green 30	Faversham	25,000	375,000	1,091,913	1,038,019	984,126	837,991	691,837	545,693	399,586	307,833	195,821
Site 16	Green 12	Faversham	74,000	424,000	1,558,780	1,481,828	1,404,875	1,235,182	1,065,470	895,767	726,102	611,084	475,699
Site 17	Green 6	Faversham	74,000	424,000	2,271,238	2,160,328	2,049,419	1,804,371	1,559,297	1,314,236	1,063,989	893,213	690,983
Site 21	Fax Farm	Dunkirk	25,000	250,000	671,396	623,999	576,592	451,069	325,532	200,001	72,550	-10,255	-115,112
Site 22	Winterbourne Fields	Dunkirk	25,000	250,000	598,299	554,316	510,333	395,973	281,599	165,566	47,899	-29,809	-128,411
Site 23	SE Faversham	Faversham S	25,000	250,000	521,926	481,854	441,783	337,867	231,809	125,757	16,862	-55,034	-146,704
Site 24	East of Faversham Expans	Faversham E	25,000	250,000	528,592	488,224	447,857	342,069	235,553	128,575	18,863	-53,820	-145,761
Site 29	Ashford Road, North Street	Faversham S	25,000	250,000	356,448	324,402	292,355	209,883	126,837	41,931	-47,338	-107,113	-182,041

Impact of First Homes Discounts

Isle of Sheppey

			EUV	BLV	Residual Value								
		Discount			30%	40%	50%		30%	30%	30%	30%	30%
		CAP			£250,000	£250,000	£250,000		£250,000	£225,000	£200,000	£175,000	£150,000
Site 1	Large Brown 300	IoS	1,100,000	1,320,000	369,899	330,040	282,825		369,899	355,827	333,691	302,972	270,619
Site 2	Brown 90	IoS	1,100,000	1,320,000	200,318	154,089	102,180		200,318	188,912	170,068	135,396	97,320
Site 3	Brown 30	IoS	1,100,000	1,320,000	220,737	161,531	101,917		220,737	211,057	187,081	142,563	94,175
Site 4	Brown 15	IoS	1,100,000	1,320,000	651,257	570,077	488,677		651,257	626,613	566,211	505,809	444,330
Site 5	Brown 9	IoS	1,100,000	1,320,000	595,334	564,789	534,244		595,334	595,334	595,334	595,334	595,334
Site 6	Brown 6	IoS	1,100,000	1,320,000	837,189	781,322	725,456		837,189	837,189	837,189	837,189	837,189
Site 7	Central 60	IoS	1,100,000	1,320,000	-628,645	-691,529	-754,413		-628,645	-628,645	-635,484	-659,232	-712,617
Site 8	Central 24	IoS	1,100,000	1,320,000	425,630	370,350	315,070		425,630	425,630	425,630	425,630	378,506
Site 9	Central 9	IoS	1,100,000	1,320,000	650,867	579,204	507,540		650,867	650,867	650,867	650,867	589,777
Site 10	Brown 90 HD	IoS	1,100,000	1,320,000	-1,461,370	-1,532,987	-1,604,958		-1,461,370	-1,461,370	-1,461,370	-1,481,878	-1,526,525
Site 11	Brown 24 HD	IoS	1,100,000	1,320,000	-1,902,673	-1,993,796	-2,084,919		-1,902,673	-1,902,673	-1,902,673	-1,933,066	-1,993,249
Site 12	Large Green 400 LD	IoS	25,000	375,000	468,365	444,761	417,209		468,365	460,377	447,430	429,365	410,325
Site 13	Large Green 400 HD	IoS	25,000	375,000	596,382	567,854	535,341		596,382	587,630	572,872	551,914	529,777
Site 14	Green 150	IoS	25,000	375,000	377,935	351,578	321,572		377,935	370,265	357,593	337,825	316,706
Site 15	Green 30	IoS	25,000	375,000	379,544	350,315	321,086		379,544	374,704	362,841	341,014	317,290
Site 16	Green 12	IoS	74,000	424,000	627,831	600,174	572,516		627,831	627,831	627,831	607,088	582,393
Site 17	Green 6	IoS	74,000	424,000	917,481	876,391	835,301		917,481	917,481	917,481	886,663	849,976
Site 26	Rushenden South	IoS Sheerne	25,000	250,000	-4,589	-22,253	-43,425		-4,589	-10,562	-20,137	-33,528	-48,008
Site 28	Land at South-West Minste	IoS Minster (	25,000	250,000	20,998	2,331	-20,614		20,998	14,633	4,441	-10,188	-25,712

Sittingbourne and West

			EUV	BLV	Residual Value								
		Discount			30%	40%	50%		30%	30%	30%	30%	30%
		CAP			£250,000	£250,000	£250,000		£250,000	£225,000	£200,000	£175,000	£150,000
Site 1	Large Brown 300	Sittingbourne	1,100,000	1,320,000	500,553	463,068	415,802		500,553	483,831	462,049	430,733	398,438
Site 2	Brown 90	Sittingbourne	1,100,000	1,320,000	349,778	303,963	251,015		349,778	335,417	315,895	278,208	240,520
Site 3	Brown 30	Sittingbourne	1,100,000	1,320,000	383,404	324,932	265,008		383,404	368,573	344,685	297,561	250,107
Site 4	Brown 15	Sittingbourne	1,100,000	1,320,000	860,344	777,917	694,706		860,344	822,276	761,874	701,471	641,069
Site 5	Brown 9	Sittingbourne	1,100,000	1,320,000	775,937	745,233	714,530		775,937	775,937	775,937	775,937	775,937
Site 6	Brown 6	Sittingbourne	1,100,000	1,320,000	1,012,402	955,384	898,121		1,012,402	1,012,402	1,012,402	1,012,402	1,012,402
Site 7	Central 60	Sittingbourne	1,100,000	1,320,000	-427,515	-489,620	-553,696		-427,515	-427,515	-438,846	-461,824	-519,761
Site 8	Central 24	Sittingbourne	1,100,000	1,320,000	615,033	559,967	504,901		615,033	615,033	615,033	614,879	559,835
Site 9	Central 9	Sittingbourne	1,100,000	1,320,000	888,413	814,957	741,502		888,413	888,413	888,413	888,207	814,781
Site 10	Brown 90 HD	Sittingbourne	1,100,000	1,320,000	-1,461,370	-1,532,987	-1,604,958		-1,461,370	-1,461,370	-1,461,370	-1,481,878	-1,526,525
Site 11	Brown 24 HD	Sittingbourne	1,100,000	1,320,000	-1,902,673	-1,993,796	-2,084,919		-1,902,673	-1,902,673	-1,902,673	-1,933,066	-1,993,249
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	468,365	444,761	417,209		468,365	460,377	447,430	429,365	410,325
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	596,382	567,854	535,341		596,382	587,630	572,872	551,914	529,777
Site 14	Green 150	Sittingbourne	25,000	375,000	377,935	351,578	321,572		377,935	370,265	357,593	337,825	316,706
Site 15	Green 30	Sittingbourne	25,000	375,000	379,544	350,315	321,086		379,544	374,704	362,841	341,014	317,290
Site 16	Green 12	Sittingbourne	74,000	424,000	627,831	600,174	572,516		627,831	627,831	627,831	607,088	582,393
Site 17	Green 6	Sittingbourne	74,000	424,000	917,481	876,391	835,301		917,481	917,481	917,481	886,663	849,976
Site 18	South and West of Iwade (	Iwade	25,000	250,000	51,473	31,508	8,096		51,473	44,691	33,859	18,877	3,084
Site 19	West of Bobbing village	Bobbing	25,000	250,000	-18,554	-35,938	-56,303		-18,554	-24,466	-33,946	-47,015	-60,769
Site 20	Land at Stickfast Lane	Bobbing	25,000	250,000	16,339	-2,417	-25,188		16,339	10,096	-5	-14,615	-30,006
Site 25	Iwade - Solar Farm	Iwade	25,000	250,000	138,770	122,698	101,671		138,770	129,921	119,518	106,083	92,647

Sittingbourne East

			EUV	BLV	Residual Value								
		Discount			30%	40%	50%		30%	30%	30%	30%	30%
		CAP			£250,000	£250,000	£250,000		£250,000	£225,000	£200,000	£175,000	£150,000
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	652,422	630,061	600,959		652,422	640,000	625,341	606,301	587,261
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	816,739	789,201	754,859		816,739	802,618	785,786	763,648	741,510
Site 14	Green 150	Sittingbourne	25,000	375,000	583,926	558,463	526,768		583,926	571,785	556,740	535,620	514,501
Site 15	Green 30	Sittingbourne	25,000	375,000	574,773	543,900	513,027		574,773	563,655	548,460	524,735	501,010
Site 16	Green 12	Sittingbourne	74,000	424,000	885,957	856,744	827,530		885,957	885,957	879,018	854,324	829,629
Site 17	Green 6	Sittingbourne	74,000	424,000	1,300,377	1,258,199	1,215,035		1,300,377	1,300,377	1,290,358	1,254,704	1,218,153
Site 27	South East Sittingbourne	Sittingbourne	25,000	250,000	-43,658	-53,946	-67,402		-43,658	-49,327	-55,989	-64,587	-73,185
Site 30	Between A2 Bapchild and I	Bapchild	25,000	250,000	183,242	165,433	142,080		183,242	173,413	161,865	146,964	132,063

Faversham and East

			EUV	BLV	Residual Value								
		Discount			30%	40%	50%		30%	30%	30%	30%	30%
		CAP			£250,000	£250,000	£250,000		£250,000	£225,000	£200,000	£175,000	£150,000
Site 1	Large Brown 300	Faversham	1,100,000	1,320,000	629,286	592,897	544,911		629,286	609,463	585,743	554,427	523,112
Site 2	Brown 90	Faversham	1,100,000	1,320,000	499,239	453,838	399,598		499,239	481,922	458,707	421,020	383,333
Site 3	Brown 30	Faversham	1,100,000	1,320,000	542,900	483,243	423,587		542,900	522,645	494,238	448,121	402,004
Site 4	Brown 15	Faversham	1,100,000	1,320,000	1,064,302	981,463	898,624		1,064,302	1,012,739	954,038	895,337	836,636
Site 5	Brown 9	Faversham	1,100,000	1,320,000	955,162	923,709	892,256		955,162	955,162	955,162	955,162	955,162
Site 6	Brown 6	Faversham	1,100,000	1,320,000	1,184,469	1,126,943	1,069,417		1,184,469	1,184,469	1,184,469	1,184,469	1,184,469
Site 7	Central 60	Faversham	1,100,000	1,320,000	-231,089	-294,710	-358,330		-231,089	-231,089	-247,161	-276,001	-333,206
Site 8	Central 24	Faversham	1,100,000	1,320,000	802,342	745,933	689,524		802,342	802,342	802,342	792,786	737,742
Site 9	Central 9	Faversham	1,100,000	1,320,000	1,123,524	1,049,731	975,464		1,123,524	1,123,524	1,123,524	1,111,024	1,039,017
Site 10	Brown 90 HD	Faversham	1,100,000	1,320,000	-1,461,370	-1,532,987	-1,604,958		-1,461,370	-1,461,370	-1,461,370	-1,481,878	-1,526,525
Site 11	Brown 24 HD	Faversham	1,100,000	1,320,000	-1,902,673	-1,993,796	-2,084,919		-1,902,673	-1,902,673	-1,902,673	-1,933,066	-1,993,249
Site 12	Large Green 400 LD	Faversham	25,000	375,000	712,822	691,780	662,209		712,822	699,875	684,320	665,280	646,240
Site 13	Large Green 400 HD	Faversham	25,000	375,000	889,039	862,935	828,031		889,039	874,281	856,364	834,226	812,088
Site 14	Green 150	Faversham	25,000	375,000	651,630	627,380	595,167		651,630	638,959	622,671	601,552	580,433
Site 15	Green 30	Faversham	25,000	375,000	638,502	608,428	577,007		638,502	626,639	609,700	585,975	562,250
Site 16	Green 12	Faversham	74,000	424,000	971,999	942,267	912,535		971,999	971,999	961,430	936,735	912,041
Site 17	Green 6	Faversham	74,000	424,000	1,424,887	1,381,960	1,339,032		1,424,887	1,424,887	1,409,627	1,373,973	1,338,319
Site 21	Fax Farm	Dunkirk	25,000	250,000	275,831	257,703	232,146		275,831	264,736	251,457	235,258	219,059
Site 22	Winterbourne Fields	Dunkirk	25,000	250,000	234,966	218,543	195,414		234,966	224,980	213,034	198,469	183,905
Site 23	SE Faversham	Faversham S	25,000	250,000	188,964	173,720	152,234		188,964	179,701	168,614	155,088	141,563
Site 24	East of Faversham Expans	Faversham E	25,000	250,000	192,406	177,130	155,558		192,406	183,082	171,944	158,381	144,819
Site 29	Ashford Road, North Street	Faversham S	25,000	250,000	91,718	79,477	62,219		91,718	84,281	75,377	64,514	53,651

Appendix 16 – Developer Contributions

Isle of Sheppey

			EUV	BLV	Residual Value																		
					£0	£2,500	£5,000	£7,500	£10,000	£12,500	£15,000	£17,500	£20,000	£22,500	£25,000	£27,500	£30,000	£32,500	£35,000	£37,500	£40,000	£42,500	£45,000	£47,500	£50,000
Site 1	Large Brown 300	IoS	1,100,000	1,320,000	1,272,933	1,198,991	1,125,047	1,052,303	978,958	905,611	832,271	758,927	685,583	610,718	534,682	458,646	382,611	306,575	230,540	154,504	78,468	1,346	-79,436	-159,581	-242,269
Site 2	Brown 90	IoS	1,100,000	1,320,000	1,247,957	1,159,739	1,071,511	983,284	895,056	806,828	718,600	630,372	542,144	453,916	365,689	277,461	189,233	100,712	-8,809	-93,765	-176,339	-268,913	-361,487	-454,061	-549,146
Site 3	Brown 30	IoS	1,100,000	1,320,000	1,295,316	1,202,192	1,109,068	1,015,944	922,820	829,697	736,573	643,449	550,325	457,202	364,078	269,146	172,797	75,086	-22,625	-120,336	-218,047	-315,758	-413,469	-512,371	-613,594
Site 4	Brown 15	IoS	1,100,000	1,320,000	2,028,827	1,910,034	1,791,242	1,672,449	1,553,656	1,434,864	1,316,071	1,197,279	1,078,486	959,693	840,901	718,884	596,649	473,908	349,264	224,620	99,975	-24,669	-149,314	-273,958	-398,603
Site 5	Brown 9	IoS	1,100,000	1,320,000	1,719,055	1,624,586	1,530,116	1,435,647	1,341,178	1,246,708	1,152,239	1,056,223	959,016	861,808	764,601	667,393	568,284	469,161	370,038	270,915	171,792	72,669	-26,454	-125,577	-224,700
Site 6	Brown 6	IoS	1,100,000	1,320,000	1,954,860	1,858,448	1,762,037	1,665,596	1,566,391	1,467,185	1,367,979	1,268,774	1,169,568	1,070,363	970,589	869,428	768,268	667,107	565,947	464,787	363,626	262,466	161,305	60,145	-41,015
Site 7	Central 60	IoS	1,100,000	1,320,000	1,553,278	1,443,452	1,333,626	1,223,800	1,113,974	1,004,149	894,322	784,496	674,670	564,844	455,018	345,191	235,365	123,381	8,212	-107,025	-222,261	-337,497	-452,733	-567,969	-687,103
Site 8	Central 24	IoS	1,100,000	1,320,000	1,679,618	1,568,594	1,457,569	1,346,545	1,235,521	1,124,497	1,013,473	902,448	791,424	680,400	569,376	457,144	342,902	227,254	110,766	-5,733	-122,236	-238,720	-355,213	-471,707	-588,670
Site 9	Central 9	IoS	1,100,000	1,320,000	2,291,614	2,149,807	2,008,000	1,866,499	1,724,795	1,580,665	1,289,046	1,143,234	997,158	848,684	700,003	551,322	402,641	253,960	105,280	-43,402	-192,104	-340,788	-489,473	-638,158	
Site 10	Brown 90 HD	IoS	1,100,000	1,320,000	-261,411	-401,468	-543,665	-688,763	-833,861	-978,959	-1,124,057	-1,269,156	-1,414,254	-1,559,352	-1,705,591	-1,853,008	-2,000,424	-2,147,841	-2,295,257	-2,442,674	-2,590,090	-2,737,507	-2,884,923	-3,032,340	-3,179,756
Site 11	Brown 24 HD	IoS	1,100,000	1,320,000	-368,763	-547,277	-729,622	-914,566	-1,099,509	-1,284,453	-1,469,397	-1,654,341	-1,839,284	-2,024,228	-2,209,172	-2,394,116	-2,579,060	-2,764,003	-2,948,947	-3,133,891	-3,318,835	-3,503,778	-3,688,722	-3,873,666	-4,059,326
Site 12	Large Green 400 LD	IoS	25,000	375,000	1,024,354	980,253	936,152	892,051	847,949	803,848	759,747	715,646	671,545	627,444	582,799	537,208	491,618	446,027	400,437	354,847	309,256	263,666	218,075	172,485	126,895
Site 13	Large Green 400 HD	IoS	25,000	375,000	1,270,931	1,217,518	1,164,105	1,110,692	1,057,280	1,003,867	950,454	897,041	843,628	790,215	736,802	682,282	627,005	571,849	516,632	461,415	406,199	350,982	295,765	240,549	185,332
Site 14	Green 150	IoS	25,000	375,000	993,821	942,892	891,962	841,033	790,103	739,173	688,244	637,314	586,385	535,456	484,525	433,596	382,666	331,737	280,807	229,877	178,948	128,018	77,089	25,799	-27,593
Site 15	Green 30	IoS	25,000	375,000	944,222	896,459	848,695	800,931	753,168	705,404	657,640	609,877	562,113	514,350	466,586	418,822	371,059	323,295	275,531	227,768	180,004	131,020	81,424	31,308	-18,809
Site 16	Green 12	IoS	74,000	424,000	1,299,599	1,249,592	1,199,585	1,149,578	1,099,571	1,049,565	999,558	949,551	899,544	849,537	799,531	749,524	699,517	649,510	599,503	549,497	499,490	449,483	398,422	346,966	295,510
Site 17	Green 6	IoS	74,000	424,000	1,895,881	1,823,572	1,751,264	1,678,956	1,606,648	1,534,339	1,462,031	1,389,723	1,317,414	1,244,964	1,170,560	1,096,156	1,021,752	947,347	872,943	798,539	723,625	647,755	571,884	496,014	420,144
Site 18	South and West of Iwade (	Iwade	25,000	250,000	754,529	716,835	679,141	641,448	603,754	566,061	528,366	489,509	450,652	411,795	372,938	334,081	295,224	256,367	217,510	178,653	139,796	100,939	62,085	22,052	-19,486
Site 19	West of Bobbing village	Bobbing	25,000	250,000	554,688	523,816	492,947	462,077	431,207	400,337	369,467	338,598	306,918	275,158	243,401	211,642	179,883	148,125	115,750	82,901	50,060	17,220	-16,445	-51,690	-87,520
Site 20	Land at Stickfast Lane	Bobbing	25,000	250,000	645,571	611,574	577,577	543,580	509,583	475,587	441,590	407,593	373,596	339,561	304,499	269,438	234,376	199,315	164,253	129,192	94,103	57,717	21,331	-15,887	-54,066
Site 25	Iwade - Solar Farm	Iwade	25,000	250,000	774,101	742,422	710,744	679,065	647,386	615,708	583,499	551,023	518,547	486,071	453,595	421,119	388,642	356,166	323,363	289,899	256,434	222,969	189,504	156,040	122,575

Sittingbourne and West

			EUV	BLV	Residual Value																		
					£0	£2,500	£5,000	£7,500	£10,000	£12,500	£15,000	£17,500	£20,000	£22,500	£25,000	£27,500	£30,000	£32,500	£35,000	£37,500	£40,000	£42,500	£45,000	£47,500	£50,000
Site 1	Large Brown 300	Sittingbourne	1,100,000	1,320,000	1,441,760	1,368,416	1,295,072	1,221,728	1,148,384	1,075,040	1,001,696	928,352	855,008	781,664	708,320	633,884	557,848	481,811	405,577	329,542	253,506	177,470	101,435	-25,290	-54,338
Site 2	Brown 90	Sittingbourne	1,100,000	1,320,000	1,444,701	1,356,474	1,268,246	1,180,018	1,091,790	1,003,562	915,334	827,106	738,879	650,651	562,423	474,195	385,967	297,739	209,512	121,284	30,086	-62,488	-155,062	-247,636	-340,210
Site 3	Brown 30	Sittingbourne	1,100,000	1,320,000	1,501,694	1,408,560	1,315,436	1,222,313	1,129,189	1,036,065	942,941	849,818	756,694	663,570	570,446	477,323	384,199	289,850	193,910	96,198	-1,513	-99,224	-196,935	-294,646	-392,357
Site 4	Brown 15	Sittingbourne	1,100,000	1,320,000	2,291,181	2,172,388	2,053,596	1,934,803	1,816,010	1,697,218	1,578,425	1,459,633	1,340,840	1,222,047	1,103,255	984,462	865,670	744,371	622,135	499,897	375,253	250,608	125,964	1,320	-123,325
Site 5	Brown 9	Sittingbourne	1,100,000	1,320,000	1,956,494	1,862,024	1,767,555	1,673,086	1,578,618	1,484,147	1,389,678	1,295,208	1,200,738	1,106,123	1,008,922	911,714	814,506	717,298	619,173	520,050	420,927	321,804	222,681	123,558	24,435
Site 6	Brown 6	Sittingbourne	1,100,000	1,320,000	2,172,904	2,076,493	1,980,082	1,883,670	1,787,259	1,690,848	1,592,344	1,493,138	1,393,932	1,294,727	1,195,521	1,096,316	997,053	895,893	794,732	693,572	592,411	491,251	390,091	288,930	187,770
Site 7	Central 60	Sittingbourne	1,100,000	1,320,000	1,798,005	1,688,179	1,578,353	1,468,527	1,358,701	1,248,875	1,139,049	1,029,223	919,397	809,571	699,745	589,919	480,093	370,267	260,441	149,183	34,522	-80,714	-195,950	-311,186	-426,422
Site 8	Central 24	Sittingbourne	1,100,000	1,320,000	1,926,215	1,815,191	1,704,167	1,593,143	1,482,118	1,371,094	1,260,070	1,149,046	1,038,021	926,997	815,973	704,949	593,924	482,405	368,162	253,012	136,519	20,025	-96,468	-212,962	-329,456
Site 9	Central 9	Sittingbourne	1,100,000	1,320,000	2,588,321	2,446,617	2,304,913	2,163,209	2,021,505	1,879,801	1,738,097	1,594,356	1,448,544	1,302,733	1,156,921	1,011,110	862,644	713,960	565,275	416,591	267,906	119,222	-29,463	-178,147	-326,832
Site 10	Brown 90 HD	Sittingbourne	1,100,000	1,320,000	-261,411	-401,468	-543,665	-688,763	-833,861	-978,959	-1,124,057	-1,269,156	-1,414,254	-1,559,352	-1,705,591	-1,853,008	-2,000,424	-2,147,841	-2,295,257	-2,442,674	-2,590,090	-2,737,507	-2,884,923	-3,032,340	-3,179,756
Site 11	Brown 24 HD	Sittingbourne	1,100,000	1,320,000	-368,763	-547,277	-729,622	-914,566	-1,099,509	-1,284,453	-1,469,397	-1,654,341	-1,839,284	-2,024,228	-2,209,172	-2,394,116	-2,579,060	-2,764,003	-2,948,947	-3,133,891	-3,318,835	-3,503,778	-3,688,722	-3,873,666	-4,059,326
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	1,024,354	980,253	936,152	892,051	847,949	803,848	759,747	715,646	671,545	627,444	582,799	537,208	491,618	446,027	400,437	354,847	309,256	263,666	218,075	172,485	126,895
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	1,270,931	1,217,518	1,164,105	1,110,692	1,057,280	1,003,867	950,454	897,041	843,628	790,215	736,802	682,282	627,065	571,849	516,632	461,415	406,199	350,982	295,765	240,549	185,332
Site 14	Green 150	Sittingbourne	25,000	375,000	993,821	942,892	891,962	841,033	790,103	739,173	688,244	637,314	586,385	535,456	484,525	433,596	382,666	331,737	280,807	229,877	178,948	128,018	77,089	25,799	-27,593
Site 15	Green 30	Sittingbourne	25,000	375,000	944,222	896,459	848,695	800,931	753,168	705,404	657,640	609,877	562,113	514,350	466,586	418,822	371,059	323,295	275,531	227,768	180,004	131,020	81,424	31,308	-18,809
Site 16	Green 12	Sittingbourne	74,000	424,000	1,299,599	1,249,592	1,199,585	1,149,578	1,099,571	1,049,565	999,558	949,551	899,544	849,537	799,531	749,524	699,517	649,510	599,503	549,497	499,490	449,483	398,422	346,966	295,510
Site 17	Green 6	Sittingbourne	74,000	424,000	1,895,881	1,823,572	1,751,264	1,678,956	1,606,648	1,534,339	1,462,031	1,389,723	1,317,414	1,244,964	1,170,560	1,096,156	1,021,752	947,347	872,943	798,539	723,625	647,755	571,884	496,014	420,144
Site 18	South and West of Iwade (	Iwade	25,000	250,000	754,529	716,835	679,141	641,448	603,754	566,061	528,366	489,509	450,652	411,795	372,938	334,081	295,224	256,367	217,510	178,653	139,796	100,939	62,085	22,052	-19,486
Site 19	West of Bobbing village	Bobbing	25,000	250,000	554,688	523,816	492,947	462,077	431,207	400,337	369,467	338,598	306,918	275,158	243,401	211,642	179,883	148,125	115,750	82,901	50,060	17,220	-16,445	-51,690	-87,520
Site 20	Land at Stickfast Lane	Bobbing	25,000	250,000	645,571	611,574	577,577	543,580	509,583	475,587	441,590	407,593	373,596	339,561	304,499	269,438	234,376	199,315	164,253	129,192	94,103	57,717	21,331	-15,887	-54,066
Site 25	Iwade - Solar Farm	Iwade	25,000	250,000	774,101	742,422	710,744	679,065	647,386	615,708	583,499	551,023	518,547	486,071	453,595	421,119	388,642	356,166	323,363	289,899	256,434	222,969	189,504	156,040	122,575

Sittingbourne East

			EUV	BLV	Residual Value																		
					£0	£2,500	£5,000	£7,500	£10,000	£12,500	£15,000	£17,500	£20,000	£22,500	£25,000	£27,500	£30,000	£32,500	£35,000	£37,500	£40,000	£42,500	£45,000	£47,500	£50,000
Site 12	Large Green 400 LD	Sittingbourne	25,000	375,000	1,267,622	1,223,721	1,179,620	1,135,519	1,091,418	1,047,317	1,003,216	959,115	915,014	870,912	826,811	782,710	738,609	694,508	650,407	605,393	559,802	514,212	468,621	423,031	377,441
Site 13	Large Green 400 HD	Sittingbourne	25,000	375,000	1,561,823	1,508,410	1,454,997	1,401,584	1,348,171	1,294,758	1,241,345	1,187,932	1,134,519	1,081,106	1,027,693	974,280	920,867	867,455	814,042	760,629	705,546	650,329	595,113	539,896	484,679
Site 14	Green 150	Sittingbourne	25,000	375,000	1,264,574	1,213,644	1,162,714	1,111,785	1,060,855	1,009,926	958,996	908,066	857,137	806,207	755,278	704,348	653,418	602,489	551,559	500,630	449,700	398,770	347,841	296,911	245,982
Site 15	Green 30	Sittingbourne	25,000	375,000	1,198,281	1,150,517	1,102,754	1,054,990	1,007,226	959,463	911,699	863,936	816,172	768,408	720,645	672,881	625,117	577,354	529,590	481,827	434,063	386,299	338,536	290,772	243,009
Site 16	Green 12	Sittingbourne	74,000	424,000	1,644,005	1,593,998	1,543,992	1,493,985	1,443,978	1,393,971	1,343,964	1,293,958	1,243,951	1,193,944	1,143,937	1,093,931	1,043,924	993,917	943,910	893,903	843,897	793,890	743,883	693,876	643,869
Site 17	Green 6	Sittingbourne	74,000	424,000	2,394,324	2,322,016	2,249,707	2,177,399	2,105,091	2,032,783	1,960,474	1,888,166	1,815,857	1,743,548	1,671,241	1,598,932	1,526,624	1,454,316	1,382,008	1,309,699	1,237,025	1,162,621	1,088,217	1,013,813	939,409
Site 27	South East Sittingbourne	Sittingbourne	25,000	250,000	353,864	333,732	313,600	293,225	272,750	252,275	231,799	211,324	190,488	169,607	148,734	127,860	106,624	85,252	63,960	42,535	20,673	-1,221	-24,194	-47,761	-71,328
Site 30	Between A2 Bapchild and	Bapchild	25,000	250,000	889,536	853,800	818,063	782,327	746,590	710,853	675,117	639,380	603,644	567,907	532,170	496,434	460,697	424,961	388,236	351,369	314,502	277,635	240,768	203,901	167,035

Faversham and East

			EUV	BLV	Residual Value																		
					£0	£2,500	£5,000	£7,500	£10,000	£12,500	£15,000	£17,500	£20,000	£22,500	£25,000	£27,500	£30,000	£32,500	£35,000	£37,500	£40,000	£42,500	£45,000	£47,500	£50,000
Site 1	Large Brown 300	Faversham	1,100,000	1,320,000	1,611,185	1,537,841	1,464,497	1,391,153	1,317,809	1,244,465	1,171,121	1,097,776	1,024,432	951,088	877,744	804,400	731,056	656,651	580,615	504,579	428,544	352,508	276,473	200,437	124,401
Site 2	Brown 90	Faversham	1,100,000	1,320,000	1,641,436	1,553,208	1,464,980	1,376,752	1,288,524	1,200,297	1,112,069	1,023,841	935,613	847,385	759,157	670,929	582,702	494,474	406,246	318,018	229,790	141,562	51,364	-41,210	-133,784
Site 3	Brown 30	Faversham	1,100,000	1,320,000	1,708,052	1,614,929	1,521,805	1,428,681	1,335,557	1,242,433	1,149,310	1,056,186	963,062	869,938	776,815	683,691	590,567	497,443	404,320	310,554	214,731	117,310	19,599	-78,112	-175,823
Site 4	Brown 15	Faversham	1,100,000	1,320,000	2,553,535	2,434,742	2,315,949	2,197,157	2,078,364	1,959,572	1,840,779	1,721,986	1,603,194	1,484,401	1,365,609	1,246,816	1,128,023	1,009,231	890,438	769,858	647,622	525,386	401,242	276,597	151,953
Site 5	Brown 9	Faversham	1,100,000	1,320,000	2,193,932	2,099,463	2,004,994	1,910,524	1,816,055	1,721,586	1,627,116	1,532,647	1,438,177	1,343,708	1,249,239	1,154,769	1,058,827	961,620	864,412	767,204	669,997	570,939	471,816	372,693	273,570
Site 6	Brown 6	Faversham	1,100,000	1,320,000	2,390,948	2,294,537	2,198,126	2,101,715	2,005,303	1,908,892	1,812,481	1,716,070	1,618,297	1,519,091	1,419,885	1,320,680	1,221,474	1,122,269	1,023,063	922,357	821,197	720,036	618,876	517,715	416,555
Site 7	Central 60	Faversham	1,100,000	1,320,000	2,042,733	1,932,907	1,823,081	1,713,255	1,603,429	1,493,603	1,383,776	1,273,950	1,164,124	1,054,298	944,472	834,646	724,820	614,994	505,168	395,342	285,516	174,986	60,833	-54,403	-169,639
Site 8	Central 24	Faversham	1,100,000	1,320,000	2,172,813	2,061,788	1,950,764	1,839,740	1,728,716	1,617,691	1,506,667	1,395,643	1,284,619	1,173,595	1,062,570	951,546	840,522	729,498	618,473	507,449	393,423	278,770	162,277	45,783	-70,710
Site 9	Central 9	Faversham	1,100,000	1,320,000	2,885,030	2,743,326	2,601,622	2,459,918	2,318,214	2,176,510	2,034,806	1,893,102	1,751,398	1,608,043	1,462,231	1,316,420	1,170,608	1,024,797	876,601	727,916	579,232	430,547	281,863	133,178	-15,506
Site 10	Brown 90 HD	Faversham	1,100,000	1,320,000	-261,411	-401,468	-543,665	-688,763	-833,861	-978,959	-1,124,057	-1,269,156	-1,414,254	-1,559,352	-1,705,591	-1,853,008	-2,000,424	-2,147,841	-2,295,257	-2,442,674	-2,590,090	-2,737,507	-2,884,923	-3,032,340	-3,179,756
Site 11	Brown 24 HD	Faversham	1,100,000	1,320,000	-368,763	-547,277	-729,622	-914,566	-1,099,509	-1,284,453	-1,469,397	-1,654,341	-1,839,284	-2,024,228	-2,209,172	-2,394,116	-2,579,060	-2,764,003	-2,948,947	-3,133,891	-3,318,835	-3,503,778	-3,688,722	-3,873,666	-4,059,326
Site 12	Large Green 400 LD	Faversham	25,000	375,000	1,348,979	1,304,877	1,260,776	1,216,675	1,172,574	1,128,473	1,084,372	1,040,271	996,170	952,069	907,967	863,866	819,765	775,664	731,563	687,462	643,318	597,727	552,137	506,546	460,956
Site 13	Large Green 400 HD	Faversham	25,000	375,000	1,658,786	1,605,373	1,551,960	1,498,548	1,445,135	1,391,722	1,338,309	1,284,896	1,231,483	1,178,070	1,124,657	1,071,244	1,017,831	964,418	911,005	857,592	804,180	750,112	694,895	639,679	584,462
Site 14	Green 150	Faversham	25,000	375,000	1,354,824	1,303,895	1,252,965	1,202,036	1,151,106	1,100,176	1,049,247	998,317	947,388	896,458	845,528	794,599	743,669	692,740	641,810	590,880	539,951	489,021	438,092	387,162	336,232
Site 15	Green 30	Faversham	25,000	375,000	1,282,967	1,235,203	1,187,440	1,139,676	1,091,913	1,044,149	996,386	948,622	900,858	853,095	805,331	757,567	709,804	662,040	614,276	566,513	518,749	470,986	423,222	375,458	327,695
Site 16	Green 12	Faversham	74,000	424,000	1,758,808	1,708,801	1,658,794	1,608,787	1,558,780	1,508,774	1,458,767	1,408,760	1,358,753	1,308,746	1,258,740	1,208,733	1,158,726	1,108,719	1,058,712	1,008,706	958,699	908,692	858,685	808,678	758,672
Site 17	Green 6	Faversham	74,000	424,000	2,560,472	2,488,163	2,415,855	2,343,547	2,271,238	2,198,930	2,126,622	2,054,313	1,982,005	1,909,697	1,837,388	1,765,080	1,692,772	1,620,464	1,548,155	1,475,847	1,403,539	1,331,230	1,258,922	1,184,776	1,110,372
Site 21	Fax Farm	Dunkirk	25,000	250,000	1,051,442	1,013,455	975,449	937,442	899,435	861,429	823,422	785,416	747,409	709,402	671,396	633,023	593,883	554,743	515,603	476,463	437,323	398,183	359,043	319,904	280,764
Site 22	Winterbourne Fields	Dunkirk	25,000	250,000	946,572	911,774	876,976	842,178	807,380	772,582	737,784	702,986	668,188	633,390	598,296	562,535	526,772	491,009	455,246	419,482	383,719	347,956	312,192	275,996	238,476
Site 23	SE Faversham	Faversham	25,000	250,000	845,769	813,886	782,004	750,122	717,760	685,121	652,482	619,843	587,204	554,565	521,926	489,287	456,648	424,008	390,502	356,913	323,323	289,733	256,143	222,553	188,963
Site 24	East of Faversham Expans	Faversham	25,000	250,000	855,565	823,416	790,657	757,899	725,141	692,383	659,624	626,866	594,108	561,350	528,592	495,833	462,617	428,933	395,250	361,566	327,882	294,198	260,514	226,830	192,399
Site 29	Ashford Road, North Street	Faversham	25,000	250,000	616,115	590,394	564,672	538,950	513,229	487,507	461,513	435,247	408,981	382,715	356,448	330,182	303,503	276,594	249,684	222,775	195,866	168,391	140,729	113,066	85,403

Appendix 17 – Residential Development Sensitivity Testing. Cost and Value

Isle of Sheppey

VALUE			EUV	BLV	Residual Value						
					-10%	-5%	**0%**	+5%	+10%	+15%	+20%
Site 1	Large Brown 300	IoS	1,100,000	1,320,000	276,103	612,220	**939,261**	1,266,302	1,591,810	1,916,784	2,240,468
Site 2	Brown 90	IoS	1,100,000	1,320,000	97,454	475,797	**853,288**	1,230,780	1,606,811	1,982,333	2,357,855
Site 3	Brown 30	IoS	1,100,000	1,320,000	84,970	493,446	**892,766**	1,292,086	1,688,725	2,084,429	2,480,133
Site 4	Brown 15	IoS	1,100,000	1,320,000	475,211	994,304	**1,502,843**	2,011,382	2,513,097	3,012,432	3,511,767
Site 5	Brown 9	IoS	1,100,000	1,320,000	523,155	1,014,570	**1,492,167**	1,967,044	2,441,921	2,916,799	3,391,676
Site 6	Brown 6	IoS	1,100,000	1,320,000	808,119	1,260,555	**1,708,083**	2,144,171	2,580,259	3,016,348	3,452,436
Site 7	Central 60	IoS	1,100,000	1,320,000	-999,725	-595,850	**-202,366**	185,489	556,774	927,650	1,298,526
Site 8	Central 24	IoS	1,100,000	1,320,000	-209,083	180,603	**563,233**	934,624	1,306,015	1,677,406	2,048,797
Site 9	Central 9	IoS	1,100,000	1,320,000	-119,501	351,273	**822,048**	1,287,163	1,746,526	2,195,198	2,643,870
Site 10	Brown 90 HD	IoS	1,100,000	1,320,000	-2,031,645	-1,665,448	**-1,302,124**	-942,666	-583,209	-233,086	112,876
Site 11	Brown 24 HD	IoS	1,100,000	1,320,000	-2,624,846	-2,160,991	**-1,697,135**	-1,233,280	-769,425	-316,943	129,995
Site 12	Large Green 400 LD	IoS	25,000	375,000	193,080	360,956	**524,041**	686,136	845,309	1,003,463	1,161,618
Site 13	Large Green 400 HD	IoS	25,000	375,000	267,918	468,620	**662,663**	856,706	1,047,210	1,236,481	1,425,751
Site 14	Green 150	IoS	25,000	375,000	78,766	260,848	**441,991**	623,134	801,330	978,499	1,155,668
Site 15	Green 30	IoS	25,000	375,000	93,675	268,096	**440,039**	611,983	779,788	946,151	1,112,515
Site 16	Green 12	IoS	74,000	424,000	241,091	474,738	**702,516**	930,294	1,158,071	1,385,849	1,613,627
Site 17	Green 6	IoS	74,000	424,000	342,615	688,467	**1,028,825**	1,364,670	1,694,285	2,023,899	2,353,514
Site 26	Rushenden South	IoS Sheerness	25,000	250,000	-171,123	-25,680	**107,063**	234,651	358,927	481,094	602,755
Site 28	Land at South-West Minster	IoS Minster on Sea	25,000	250,000	-158,238	-1,920	**142,081**	282,665	420,143	554,863	689,583

BCIS			EUV	BLV	Residual Value						
					-10%	-5%	**0%**	+5%	+10%	+15%	+20%
Site 1	Large Brown 300	IoS	1,100,000	1,320,000	1,463,939	1,201,600	**939,261**	676,922	408,776	136,809	-143,022
Site 2	Brown 90	IoS	1,100,000	1,320,000	1,478,971	1,166,130	**853,288**	540,447	227,606	-94,032	-422,284
Site 3	Brown 30	IoS	1,100,000	1,320,000	1,553,848	1,223,307	**892,766**	562,225	228,738	-117,520	-464,388
Site 4	Brown 15	IoS	1,100,000	1,320,000	2,310,088	1,906,465	**1,502,843**	1,099,221	691,607	271,877	-151,628
Site 5	Brown 9	IoS	1,100,000	1,320,000	2,246,074	1,869,120	**1,492,167**	1,115,213	727,452	333,127	-62,395
Site 6	Brown 6	IoS	1,100,000	1,320,000	2,364,806	2,036,444	**1,708,083**	1,371,404	1,033,525	689,649	345,112
Site 7	Central 60	IoS	1,100,000	1,320,000	608,942	211,982	**-202,366**	-623,446	-1,054,918	-1,487,811	-1,926,305
Site 8	Central 24	IoS	1,100,000	1,320,000	1,258,095	910,664	**563,233**	205,744	-158,802	-525,099	-902,743
Site 9	Central 9	IoS	1,100,000	1,320,000	1,676,864	1,251,323	**822,048**	387,820	-46,408	-480,636	-927,457
Site 10	Brown 90 HD	IoS	1,100,000	1,320,000	-403,145	-851,995	**-1,302,124**	-1,756,571	-2,213,891	-2,671,211	-3,128,531
Site 11	Brown 24 HD	IoS	1,100,000	1,320,000	-534,039	-1,115,036	**-1,697,135**	-2,279,235	-2,861,334	-3,443,433	-4,031,005
Site 12	Large Green 400 LD	IoS	25,000	375,000	826,038	675,040	**524,041**	371,688	215,590	59,492	-104,065
Site 13	Large Green 400 HD	IoS	25,000	375,000	1,020,483	841,573	**662,663**	483,445	298,493	113,541	-75,969
Site 14	Green 150	IoS	25,000	375,000	791,526	616,758	**441,991**	267,224	92,456	-87,968	-271,924
Site 15	Green 30	IoS	25,000	375,000	765,628	602,834	**440,039**	277,245	112,715	-57,939	-228,753
Site 16	Green 12	IoS	74,000	424,000	1,111,155	906,836	**702,516**	498,196	289,762	75,934	-138,451
Site 17	Green 6	IoS	74,000	424,000	1,626,986	1,331,021	**1,028,825**	723,774	413,229	102,684	-207,861
Site 26	Rushenden South	IoS Sheerness	25,000	250,000	333,201	221,018	**107,063**	-10,979	-138,526	-273,361	-419,283
Site 28	Land at South-West Minster	IoS Minster on Sea	25,000	250,000	389,824	266,668	**142,081**	14,620	-121,407	-263,481	-416,142

Sittingbourne and West

VALUE			EUV	BLV	Residual Value						
					-10%	-5%	**0%**	+5%	+10%	+15%	+20%
Site 1	Large Brown 300	Sittingbourne West	1,100,000	1,320,000	428,828	767,564	**1,102,781**	1,437,448	1,770,546	2,103,644	2,432,022
Site 2	Brown 90	Sittingbourne West	1,100,000	1,320,000	268,176	655,105	**1,042,034**	1,428,439	1,813,348	2,198,258	2,583,168
Site 3	Brown 30	Sittingbourne West	1,100,000	1,320,000	272,095	683,123	**1,092,426**	1,500,765	1,906,362	2,311,959	2,717,556
Site 4	Brown 15	Sittingbourne West	1,100,000	1,320,000	711,166	1,235,860	**1,757,113**	2,275,913	2,787,731	3,299,549	3,811,368
Site 5	Brown 9	Sittingbourne West	1,100,000	1,320,000	745,817	1,242,856	**1,729,605**	2,216,355	2,703,104	3,189,853	3,676,602
Site 6	Brown 6	Sittingbourne West	1,100,000	1,320,000	1,013,754	1,473,701	**1,926,127**	2,373,117	2,820,108	3,267,098	3,714,089
Site 7	Central 60	Sittingbourne West	1,100,000	1,320,000	-817,981	-406,668	**-7,793**	380,608	760,756	1,140,904	1,516,816
Site 8	Central 24	Sittingbourne West	1,100,000	1,320,000	-33,724	364,435	**748,929**	1,129,605	1,510,280	1,890,956	2,271,631
Site 9	Central 9	Sittingbourne West	1,100,000	1,320,000	92,347	574,891	**1,056,325**	1,529,544	1,993,296	2,453,184	2,913,073
Site 10	Brown 90 HD	Sittingbourne West	1,100,000	1,320,000	-2,031,645	-1,665,448	**-1,302,124**	-942,666	-583,209	-233,086	112,876
Site 11	Brown 24 HD	Sittingbourne West	1,100,000	1,320,000	-2,624,846	-2,160,991	**-1,697,135**	-1,233,280	-769,425	-316,943	129,995
Site 12	Large Green 400 LD	Sittingbourne West	25,000	375,000	193,080	360,956	**524,041**	686,136	845,309	1,003,463	1,161,618
Site 13	Large Green 400 HD	Sittingbourne West	25,000	375,000	267,918	468,620	**662,663**	856,706	1,047,210	1,236,481	1,425,751
Site 14	Green 150	Sittingbourne West	25,000	375,000	78,766	260,848	**441,991**	623,134	801,330	978,499	1,155,668
Site 15	Green 30	Sittingbourne West	25,000	375,000	93,675	268,096	**440,039**	611,983	779,788	946,151	1,112,515
Site 16	Green 12	Sittingbourne West	74,000	424,000	241,091	474,738	**702,516**	930,294	1,158,071	1,385,849	1,613,627
Site 17	Green 6	Sittingbourne West	74,000	424,000	342,615	688,467	**1,028,825**	1,364,670	1,694,285	2,023,899	2,353,514
Site 18	South and West of Iwade (Site	Iwade	25,000	250,000	-141,965	26,779	**182,831**	338,882	490,871	640,232	789,593
Site 19	West of Bobbing village	Bobbing	25,000	250,000	-179,579	-39,116	**90,916**	215,888	336,791	456,482	574,989
Site 20	Land at Stickfast Lane	Bobbing	25,000	250,000	-160,811	-6,693	**134,471**	273,062	406,974	540,279	671,751
Site 25	Iwade - Solar Farm	Iwade	25,000	250,000	-18,013	125,042	**263,880**	398,076	530,930	662,089	793,248

BCIS			EUV	BLV	Residual Value						
					-10%	-5%	**0%**	+5%	+10%	+15%	+20%
Site 1	Large Brown 300	Sittingbourne West	1,100,000	1,320,000	1,627,460	1,365,120	**1,102,781**	840,442	577,769	305,803	33,837
Site 2	Brown 90	Sittingbourne West	1,100,000	1,320,000	1,667,717	1,354,876	**1,042,034**	729,193	416,352	103,290	-224,241
Site 3	Brown 30	Sittingbourne West	1,100,000	1,320,000	1,753,508	1,422,967	**1,092,426**	761,885	431,344	91,975	-254,848
Site 4	Brown 15	Sittingbourne West	1,100,000	1,320,000	2,564,357	2,160,735	**1,757,113**	1,353,491	949,868	537,925	115,167
Site 5	Brown 9	Sittingbourne West	1,100,000	1,320,000	2,483,512	2,106,559	**1,729,605**	1,352,652	971,773	582,262	186,740
Site 6	Brown 6	Sittingbourne West	1,100,000	1,320,000	2,582,850	2,254,488	**1,926,127**	1,595,769	1,257,889	918,434	573,897
Site 7	Central 60	Sittingbourne West	1,100,000	1,320,000	794,380	397,420	**-7,793**	-424,308	-852,980	-1,284,452	-1,720,581
Site 8	Central 24	Sittingbourne West	1,100,000	1,320,000	1,443,791	1,096,360	**748,929**	398,643	36,041	-328,505	-700,525
Site 9	Central 9	Sittingbourne West	1,100,000	1,320,000	1,901,200	1,482,162	**1,056,325**	623,207	188,979	-245,248	-683,160
Site 10	Brown 90 HD	Sittingbourne West	1,100,000	1,320,000	-403,145	-851,995	**-1,302,124**	-1,756,571	-2,213,891	-2,671,211	-3,128,531
Site 11	Brown 24 HD	Sittingbourne West	1,100,000	1,320,000	-534,039	-1,115,036	**-1,697,135**	-2,279,235	-2,861,334	-3,443,433	-4,031,005
Site 12	Large Green 400 LD	Sittingbourne West	25,000	375,000	826,038	675,040	**524,041**	371,688	215,590	59,492	-104,065
Site 13	Large Green 400 HD	Sittingbourne West	25,000	375,000	1,020,483	841,573	**662,663**	483,445	298,493	113,541	-75,969
Site 14	Green 150	Sittingbourne West	25,000	375,000	791,526	616,758	**441,991**	267,224	92,456	-87,968	-271,924
Site 15	Green 30	Sittingbourne West	25,000	375,000	765,628	602,834	**440,039**	277,245	112,715	-57,939	-228,753
Site 16	Green 12	Sittingbourne West	74,000	424,000	1,111,155	906,836	**702,516**	498,196	289,762	75,934	-138,451
Site 17	Green 6	Sittingbourne West	74,000	424,000	1,626,986	1,331,021	**1,028,825**	723,774	413,229	102,684	-207,861
Site 18	South and West of Iwade (Site	Iwade	25,000	250,000	455,174	320,098	**182,831**	45,564	-100,186	-252,906	-413,821
Site 19	West of Bobbing village	Bobbing	25,000	250,000	312,929	203,155	**90,916**	-25,452	-150,149	-280,633	-421,193
Site 20	Land at Stickfast Lane	Bobbing	25,000	250,000	377,684	257,548	**134,471**	9,805	-124,716	-265,237	-416,736
Site 25	Iwade - Solar Farm	Iwade	25,000	250,000	492,178	378,627	**263,880**	146,839	27,802	-99,572	-234,002

Sittingbourne East

VALUE			EUV	BLV	Residual Value						
					-10%	-5%	**0%**	+5%	+10%	+15%	+20%
Site 1	Large Brown 300	Sittingbourne East	1,100,000	1,320,000	428,828	767,564	**1,102,781**	1,437,448	1,770,546	2,103,644	2,432,022
Site 2	Brown 90	Sittingbourne East	1,100,000	1,320,000	268,176	655,105	**1,042,034**	1,428,439	1,813,348	2,198,258	2,583,168
Site 3	Brown 30	Sittingbourne East	1,100,000	1,320,000	272,095	683,123	**1,092,426**	1,500,765	1,906,362	2,311,959	2,717,556
Site 4	Brown 15	Sittingbourne East	1,100,000	1,320,000	711,166	1,235,860	**1,757,113**	2,275,913	2,787,731	3,299,549	3,811,368
Site 5	Brown 9	Sittingbourne East	1,100,000	1,320,000	745,817	1,242,856	**1,729,605**	2,216,355	2,703,104	3,189,853	3,676,602
Site 6	Brown 6	Sittingbourne East	1,100,000	1,320,000	1,013,754	1,473,701	**1,926,127**	2,373,117	2,820,108	3,267,098	3,714,089
Site 7	Central 60	Sittingbourne East	1,100,000	1,320,000	-817,981	-406,668	**-7,793**	380,608	760,756	1,140,904	1,516,816
Site 8	Central 24	Sittingbourne East	1,100,000	1,320,000	-33,724	364,435	**748,929**	1,129,605	1,510,280	1,890,956	2,271,631
Site 9	Central 9	Sittingbourne East	1,100,000	1,320,000	92,347	574,891	**1,056,325**	1,529,544	1,993,296	2,453,184	2,913,073
Site 10	Brown 90 HD	Sittingbourne East	1,100,000	1,320,000	-2,031,645	-1,665,448	**-1,302,124**	-942,666	-583,209	-233,086	112,876
Site 11	Brown 24 HD	Sittingbourne East	1,100,000	1,320,000	-2,624,846	-2,160,991	**-1,697,135**	-1,233,280	-769,425	-316,943	129,995
Site 12	Large Green 400 LD	Sittingbourne East	25,000	375,000	363,042	535,185	**706,398**	873,975	1,041,025	1,208,076	1,375,126
Site 13	Large Green 400 HD	Sittingbourne East	25,000	375,000	471,045	676,003	**880,962**	1,081,515	1,281,432	1,481,349	1,681,266
Site 14	Green 150	Sittingbourne East	25,000	375,000	263,112	454,444	**645,777**	833,442	1,020,576	1,207,711	1,394,846
Site 15	Green 30	Sittingbourne East	25,000	375,000	270,245	451,860	**633,475**	809,942	985,663	1,161,384	1,337,105
Site 16	Green 12	Sittingbourne East	74,000	424,000	477,586	718,176	**958,766**	1,199,356	1,439,946	1,680,536	1,921,126
Site 17	Green 6	Sittingbourne East	74,000	424,000	692,790	1,052,143	**1,405,872**	1,754,027	2,102,183	2,450,338	2,798,494
Site 27	South East Sittingbourne	Sittingbourne SE	25,000	250,000	-142,773	-50,392	**36,134**	116,789	195,767	273,833	351,419
Site 29	Ashford Road, North Street	Faversham S	25,000	250,000	-34,016	83,919	**195,984**	304,159	411,115	517,013	621,938

BCIS			EUV	BLV	Residual Value						
					-10%	-5%	**0%**	+5%	+10%	+15%	+20%
Site 1	Large Brown 300	Sittingbourne East	1,100,000	1,320,000	1,627,460	1,365,120	**1,102,781**	840,442	577,769	305,803	33,837
Site 2	Brown 90	Sittingbourne East	1,100,000	1,320,000	1,667,717	1,354,876	**1,042,034**	729,193	416,352	103,290	-224,241
Site 3	Brown 30	Sittingbourne East	1,100,000	1,320,000	1,753,508	1,422,967	**1,092,426**	761,885	431,344	91,975	-254,848
Site 4	Brown 15	Sittingbourne East	1,100,000	1,320,000	2,564,357	2,160,735	**1,757,113**	1,353,491	949,868	537,925	115,167
Site 5	Brown 9	Sittingbourne East	1,100,000	1,320,000	2,483,512	2,106,559	**1,729,605**	1,352,652	971,773	582,262	186,740
Site 6	Brown 6	Sittingbourne East	1,100,000	1,320,000	2,582,850	2,254,488	**1,926,127**	1,595,769	1,257,889	918,434	573,897
Site 7	Central 60	Sittingbourne East	1,100,000	1,320,000	794,380	397,420	**-7,793**	-424,308	-852,980	-1,284,452	-1,720,581
Site 8	Central 24	Sittingbourne East	1,100,000	1,320,000	1,443,791	1,096,360	**748,929**	398,643	36,041	-328,505	-700,525
Site 9	Central 9	Sittingbourne East	1,100,000	1,320,000	1,901,200	1,482,162	**1,056,325**	623,207	188,979	-245,248	-683,160
Site 10	Brown 90 HD	Sittingbourne East	1,100,000	1,320,000	-403,145	-851,995	**-1,302,124**	-1,756,571	-2,213,891	-2,671,211	-3,128,531
Site 11	Brown 24 HD	Sittingbourne East	1,100,000	1,320,000	-534,039	-1,115,036	**-1,697,135**	-2,279,235	-2,861,334	-3,443,433	-4,031,005
Site 12	Large Green 400 LD	Sittingbourne East	25,000	375,000	1,008,396	857,397	**706,398**	555,399	403,274	247,176	91,078
Site 13	Large Green 400 HD	Sittingbourne East	25,000	375,000	1,238,782	1,059,872	**880,962**	702,051	523,141	338,217	153,265
Site 14	Green 150	Sittingbourne East	25,000	375,000	995,311	820,544	**645,777**	471,009	296,242	121,474	-57,521
Site 15	Green 30	Sittingbourne East	25,000	375,000	959,064	796,270	**633,475**	470,681	307,887	144,245	-25,788
Site 16	Green 12	Sittingbourne East	74,000	424,000	1,367,405	1,163,086	**958,766**	754,446	550,126	343,197	130,422
Site 17	Green 6	Sittingbourne East	74,000	424,000	1,997,803	1,701,837	**1,405,872**	1,105,846	801,302	491,767	181,222
Site 27	South East Sittingbourne	Sittingbourne SE	25,000	250,000	182,838	110,247	**36,134**	-41,949	-124,482	-211,533	-304,835
Site 29	Ashford Road, North Street	Faversham S	25,000	250,000	381,070	289,185	**195,984**	100,777	2,744	-103,995	-216,003

Faversham and East

VALUE			EUV	BLV	Residual Value						
					-10%	-5%	**0%**	+5%	+10%	+15%	+20%
Site 1	Large Brown 300	Faversham	1,100,000	1,320,000	579,515	922,909	**1,266,302**	1,608,059	1,949,281	2,288,357	2,623,577
Site 2	Brown 90	Faversham	1,100,000	1,320,000	438,047	834,414	**1,230,780**	1,625,588	2,019,886	2,414,184	2,808,482
Site 3	Brown 30	Faversham	1,100,000	1,320,000	453,514	872,800	**1,292,086**	1,708,510	2,124,000	2,539,489	2,954,978
Site 4	Brown 15	Faversham	1,100,000	1,320,000	943,450	1,477,416	**2,011,382**	2,538,064	3,062,365	3,586,667	4,110,969
Site 5	Brown 9	Faversham	1,100,000	1,320,000	965,706	1,468,423	**1,967,044**	2,465,665	2,964,286	3,462,908	3,961,529
Site 6	Brown 6	Faversham	1,100,000	1,320,000	1,215,682	1,686,279	**2,144,171**	2,602,064	3,059,956	3,517,849	3,975,742
Site 7	Central 60	Faversham	1,100,000	1,320,000	-636,237	-221,824	**185,489**	575,318	964,738	1,353,989	1,733,920
Site 8	Central 24	Faversham	1,100,000	1,320,000	141,635	544,664	**934,624**	1,324,585	1,714,545	2,104,506	2,494,466
Site 9	Central 9	Faversham	1,100,000	1,320,000	304,196	798,509	**1,287,163**	1,768,959	2,240,065	2,711,171	3,182,277
Site 10	Brown 90 HD	Faversham	1,100,000	1,320,000	-2,031,645	-1,665,448	**-1,302,124**	-942,666	-583,209	-233,086	112,876
Site 11	Brown 24 HD	Faversham	1,100,000	1,320,000	-2,624,846	-2,160,991	**-1,697,135**	-1,233,280	-769,425	-316,943	129,995
Site 12	Large Green 400 LD	Faversham	25,000	375,000	418,679	592,931	**766,232**	936,248	1,106,264	1,276,280	1,445,604
Site 13	Large Green 400 HD	Faversham	25,000	375,000	536,535	745,131	**952,575**	1,156,041	1,359,506	1,562,972	1,765,599
Site 14	Green 150	Faversham	25,000	375,000	324,248	518,977	**712,745**	903,202	1,093,659	1,284,115	1,473,612
Site 15	Green 30	Faversham	25,000	375,000	328,276	513,115	**696,607**	875,447	1,054,287	1,233,128	1,410,621
Site 16	Green 12	Faversham	74,000	424,000	554,460	799,321	**1,044,182**	1,289,043	1,533,904	1,778,765	2,020,821
Site 17	Green 6	Faversham	74,000	424,000	808,365	1,172,972	**1,529,477**	1,883,813	2,238,149	2,592,485	2,942,770
Site 21	Fax Farm	Dunkirk	25,000	250,000	91,704	261,793	**430,658**	594,420	756,835	919,251	1,081,196
Site 22	Winterbourne Fields	Dunkirk	25,000	250,000	64,847	222,808	**376,423**	526,385	674,435	822,485	969,259
Site 23	SE Faversham	Faversham SE	25,000	250,000	32,983	178,049	**320,087**	457,392	594,698	729,752	864,127
Site 24	East of Faversham Expansion	Faversham E	25,000	250,000	35,067	181,468	**324,773**	463,196	601,159	738,672	873,869
Site 29	Ashford Road, North Street	Faversham S	25,000	250,000	-34,016	83,919	**195,984**	304,159	411,115	517,013	621,938

BCIS			EUV	BLV	Residual Value						
					-10%	-5%	**0%**	+5%	+10%	+15%	+20%
Site 1	Large Brown 300	Faversham	1,100,000	1,320,000	1,790,980	1,528,641	**1,266,302**	1,003,963	741,624	474,797	202,830
Site 2	Brown 90	Faversham	1,100,000	1,320,000	1,856,463	1,543,622	**1,230,780**	917,939	605,098	292,256	-26,197
Site 3	Brown 30	Faversham	1,100,000	1,320,000	1,953,168	1,622,627	**1,292,086**	961,545	631,004	299,510	-45,353
Site 4	Brown 15	Faversham	1,100,000	1,320,000	2,818,627	2,415,005	**2,011,382**	1,607,760	1,204,138	799,565	381,962
Site 5	Brown 9	Faversham	1,100,000	1,320,000	2,720,951	2,343,998	**1,967,044**	1,590,090	1,213,137	828,214	435,875
Site 6	Brown 6	Faversham	1,100,000	1,320,000	2,800,894	2,472,533	**2,144,171**	1,815,810	1,482,254	1,144,375	802,683
Site 7	Central 60	Faversham	1,100,000	1,320,000	979,818	582,858	**185,489**	-229,735	-651,042	-1,082,514	-1,514,857
Site 8	Central 24	Faversham	1,100,000	1,320,000	1,629,486	1,282,055	**934,624**	587,193	230,884	-133,662	-498,307
Site 9	Central 9	Faversham	1,100,000	1,320,000	2,125,537	1,711,695	**1,287,163**	858,594	424,366	-9,861	-444,089
Site 10	Brown 90 HD	Faversham	1,100,000	1,320,000	-403,145	-851,995	**-1,302,124**	-1,756,571	-2,213,891	-2,671,211	-3,128,531
Site 11	Brown 24 HD	Faversham	1,100,000	1,320,000	-534,039	-1,115,036	**-1,697,135**	-2,279,235	-2,861,334	-3,443,433	-4,031,005
Site 12	Large Green 400 LD	Faversham	25,000	375,000	1,068,230	917,231	**766,232**	615,233	464,234	308,758	152,660
Site 13	Large Green 400 HD	Faversham	25,000	375,000	1,310,396	1,131,485	**952,575**	773,665	594,755	411,922	226,970
Site 14	Green 150	Faversham	25,000	375,000	1,062,280	887,513	**712,745**	537,978	363,211	188,443	12,747
Site 15	Green 30	Faversham	25,000	375,000	1,022,195	859,401	**696,607**	533,812	371,018	208,224	40,453
Site 16	Green 12	Faversham	74,000	424,000	1,452,822	1,248,502	**1,044,182**	839,863	635,543	431,089	220,046
Site 17	Green 6	Faversham	74,000	424,000	2,121,408	1,825,443	**1,529,477**	1,233,034	928,490	621,462	310,917
Site 21	Fax Farm	Dunkirk	25,000	250,000	700,512	566,258	**430,658**	292,400	154,143	11,869	-138,346
Site 22	Winterbourne Fields	Dunkirk	25,000	250,000	624,241	501,288	**376,423**	250,060	121,070	-10,944	-153,459
Site 23	SE Faversham	Faversham SE	25,000	250,000	550,781	435,434	**320,087**	202,132	82,996	-41,886	-175,010
Site 24	East of Faversham Expansion	Faversham E	25,000	250,000	556,733	440,984	**324,773**	205,753	85,370	-39,643	-173,717
Site 29	Ashford Road, North Street	Faversham S	25,000	250,000	381,070	289,185	**195,984**	100,777	2,744	-103,995	-216,003

Appendix 18 – Specialist Housing

			EUV	BLV	Residual Value						
	Affordable %				0%	5%	10%	15%	20%	25%	30%
Site 1	Build to Rent - Flats	Greenfield	25,000	375,000	-134,359	-247,688	-361,018	-474,347	-591,498	-709,119	-826,741
Site 2	Build to Rent - Flats	Brownfield	1,100,000	1,320,000	-1,043,797	-1,161,264	-1,278,731	-1,396,198	-1,513,665	-1,631,132	-1,748,599
Site 3	Build to Rent Housing	Greenfield	25,000	375,000	1,243,244	1,185,594	1,127,944	1,070,294	1,012,644	954,994	897,344
Site 4	Build to Rent Housing	Brownfield	1,100,000	1,320,000	898,734	842,156	785,578	729,000	672,422	615,844	559,266
Site 5	Sheltered Flats	Greenfield	25,000	375,000	3,187,097	2,802,210	2,417,323	2,032,436	1,647,550	1,262,663	877,776
Site 6	Sheltered Flats	Brownfield	1,100,000	1,320,000	2,125,470	1,740,934	1,356,397	971,861	587,324	197,260	-206,219
Site 7	Extra Care Flats	Greenfield	25,000	375,000	904,975	512,907	112,998	-298,384	-709,766	-1,135,036	-1,561,994
Site 8	Extra Care Flats	Brownfield	1,100,000	1,320,000	-404,263	-815,653	-1,242,378	-1,669,103	-2,095,828	-2,522,553	-2,954,635
Site 9	Integrated Retirement Co	Greenfield	25,000	375,000	23,295,409	20,494,110	17,692,812	14,891,513	12,090,215	9,288,916	6,487,617
Site 10	Integrated Retirement Co	Brownfield	1,100,000	1,320,000	10,281,734	8,414,201	6,546,669	4,679,136	2,811,604	944,072	-989,641

Appendix 19 – Appraisals Non-residential Development

Greenfield

Results (2)			Offices - Central	Offices - Small	Offices - Park	Industrial	Industrial - Small	Distribution
	CIL	**£/m2**	**0**	**0**	**0**	**0**	**0**	**0**
Income	m2		2,000	500	2,000	4,000	400	5,000
	£/m2		2,900	3,100	3,100	2,250	2,200	4,880
	Capital Value		**5,220,000**	**1,395,000**	**5,580,000**	**8,550,000**	**880,000**	**24,400,000**
	Buyers Costs		234,900	62,775	251,100	384,750	39,600	1,098,000
	Capital Value		**4,985,100**	**1,332,225**	**5,328,900**	**8,165,250**	**840,400**	**23,302,000**
Costs	Land Used	Coverage	280%	50%	75%	40%	40%	35%
		ha	0.071	0.100	0.267	1.000	0.100	1.429
		£/ha	74,000	74,000	74,000	25,000	74,000	25,000
		Uplift £/ha	350,000	350,000	350,000	350,000	350,000	350,000
			0	0	0	0	0	0
		Site Cost	**30,286**	**42,400**	**113,067**	**375,000**	**42,400**	**535,714**
	Stamp Duty (on VT)	4.00%	1,211	1,696	4,523	15,000	1,696	21,429
	Acquisition	1.50%	454	636	1,696	5,625	636	8,036
	Strategic Promotion	0.00%	0	0	0	0	0	0
	Pre Planning	0.00%	10,000	10,000	10,000	10,000	10,000	10,000
	Construction	/m2	2,445	2,393	2,445	955	1,520	751
		£	4,890,840	1,196,740	4,890,840	3,818,880	607,824	3,753,000
	Infrastructure	15.00%	733,626	179,511	733,626	572,832	91,174	562,950
	BNG	3,150	225	315	840	3,150	315	4,500
	Abnormals	0.00%	0	0	0	0	0	0
	Fees	8.00%	449,957	110,100	449,957	351,337	55,920	345,276
	S106		0	0	0	0	0	0
	CIL		0	0	0	0	0	0
	Contingency	2.50%	140,612	34,406	140,612	109,793	17,475	107,899
	Finance Costs	0.00%	0	0	0	0	0	0
	Sales	2.50%	65,250	17,438	69,750	106,875	11,000	305,000
	Misc. Financial	0.00%	10,000	10,000	10,000	10,000	10,000	10,000
	Subtotal	**0.00%**	**6,302,176**	**1,560,842**	**6,311,844**	**5,003,492**	**806,039**	**5,128,089**
	Interest	7.50%	236,332	58,532	236,694	187,631	30,226	192,303
	Profit % GDV	15.00%	747,765	199,834	799,335	1,224,788	126,060	3,495,300
	COSTS		**7,286,272**	**1,819,207**	**7,347,873**	**6,415,910**	**962,326**	**8,815,692**
Residual Land Worth		**Site**	**-2,301,172**	**-486,982**	**-2,018,973**	**1,749,340**	**-121,926**	**14,486,308**
	Existing Use Value	£/ha	74,000	74,000	74,000	25,000	74,000	25,000
	Benchmark Land Value	£/ha	424,000	424,000	424,000	375,000	424,000	375,000
	Residual Value	£/ha	-32,216,411	-4,869,822	-7,571,148	1,749,340	-1,219,258	10,140,415

Brownfield

			Offices - Central	Offices - Small	Offices - Park	Industrial	Industrial - Small	Distribution
	CIL	**£/m2**	**0**	**0**	**0**	**0**	**0**	**0**
Income	m2		2,000	500	2,000	4,000	400	5,000
	£/m2		2,900	3,100	3,100	2,250	2,200	4,880
	Capital Value		**5,220,000**	**1,395,000**	**5,580,000**	**8,550,000**	**880,000**	**24,400,000**
	Buyers Costs		234,900	62,775	251,100	384,750	39,600	1,098,000
	Capital Value		**4,985,100**	**1,332,225**	**5,328,900**	**8,165,250**	**840,400**	**23,302,000**
Costs	Land Used	Coverage	280%	50%	75%	40%	40%	35%
		ha	0.071	0.100	0.267	1.000	0.100	1.429
		£/ha	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
		Uplift £/ha	0	0	0	0	0	0
			220,000	220,000	220,000	220,000	220,000	220,000
		Site Cost	**94,286**	**132,000**	**352,000**	**1,320,000**	**132,000**	**1,885,714**
	Stamp Duty (on VT)	4.00%	3,771	5,280	14,080	52,800	5,280	75,429
	Acquisition	1.50%	1,414	1,980	5,280	19,800	1,980	28,286
	Strategic Promotion	0.00%	0	0	0	0	0	0
	Pre Planning	0.00%	10,000	10,000	10,000	10,000	10,000	10,000
	Construction	/m2	2,445	2,393	2,445	955	1,520	751
		£	4,890,840	1,196,740	4,890,840	3,818,880	607,824	3,753,000
	Infrastructure	15.00%	733,626	179,511	733,626	572,832	91,174	562,950
	BNG	71,828	5,131	7,183	19,154	71,828	7,183	102,611
	Abnormals	5.00%	281,223	68,813	281,223	219,586	34,950	215,798
	Fees	8.00%	472,455	115,605	472,455	368,904	58,716	362,540
	S106		0	0	0	0	0	0
	CIL		0	0	0	0	0	0
	Contingency	5.00%	295,284	72,253	295,284	230,565	36,697	113,294
	Finance Costs	0.00%	0	0	0	0	0	0
	Sales	2.50%	65,250	17,438	69,750	106,875	11,000	305,000
	Misc. Financial	0.00%	10,000	10,000	10,000	10,000	10,000	10,000
	Subtotal	**0.00%**	**6,768,995**	**1,684,802**	**6,801,693**	**5,482,069**	**874,803**	**5,538,906**
	Interest	7.50%	253,837	63,180	255,063	205,578	32,805	207,709
	Profit % GDV	15.00%	747,765	199,834	799,335	1,224,788	126,060	3,495,300
	COSTS		**7,770,597**	**1,947,816**	**7,856,091**	**6,912,434**	**1,033,669**	**9,241,915**
Residual Land Worth		**Site**	**-2,785,497**	**-615,591**	**-2,527,191**	**1,252,816**	**-193,269**	**14,060,085**
	Existing Use Value	£/ha	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
	Benchmark Land Value	£/ha	1,320,000	1,320,000	1,320,000	1,320,000	1,320,000	1,320,000
	Residual Value	£/ha	-38,996,965	-6,155,909	-9,476,968	1,252,816	-1,932,685	9,842,060

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The main areas of expertise are:

- Community Infrastructure Levy (CIL)
- District wide and site specific Viability Analysis
- Local and Strategic Housing Market Assessments and Housing Needs Assessments

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Planning and Transportation Policy Working Group	
Meeting Date	4th November 2025
Report Title	Local Plan Evidence Base – 'Net Zero Policy Development'
EMT Lead	Emma Wiggins – Director of Regeneration & Neighbourhoods
Head of Service	Joanne Johnson - Head of Place
Lead Officer	Anna Stonor – Principal Planning Officer (Policy)
Classification	**Open**
Recommendations	1. Members are asked to note the findings of the 'Net Zero Policy Development' evidence work.

1 Purpose of Report and Executive Summary

1.1 The purpose of this report is to present for noting the Net Zero Policy Development evidence base study which consultants Bioregional and Edgars have carried out to inform the development of the climate change policies in the Local Plan Regulation 18 document.

2 Background

2.1 UK legislation, policy and guidance (including the National Planning Policy Framework (NPPF)) requires that Local Plans include policies to mitigate and adapt to climate change. In 2019 Swale Borough Council declared a climate and ecological emergency with a target for the borough to be net zero by 2045 (updated in 2025 from a former target of 2030).

2.2 In response to this requirement and the Council's declaration, the Planning Policy team commissioned consultants to help with the preparation of a Net Zero Policy evidence base.

2.3 A tendering process resulted in ten consultants bidding for the project. A consultant team consisting jointly of sustainability consultants, Bioregional, and planning consultants, Edgars Ltd, was chosen to conduct the study.

2.4 The consultant team worked with the whole plan viability consultants in the preparation of the evidence base.

2.5 As part of the evidence base study, in September 2024, a workshop was held with members. All councillors were invited and the presentation was also available to listen to afterwards.

2.6 The presentation set out three options for members to choose from. These options are set out below, but centered around a choice members could take to

Building Regulations and, in particular, a Written Ministerial Statement (WMS) from 2023 which sought to limit local energy efficiency standards that go beyond Building Regulations without a well-reasoned and costed rationale that ensures that additional requirements be expressed 'as a percentage uplift of a dwelling's Target Emissions Rate (TER) calculated using a specified version of the Standard Assessment Procedure (SAP)'.

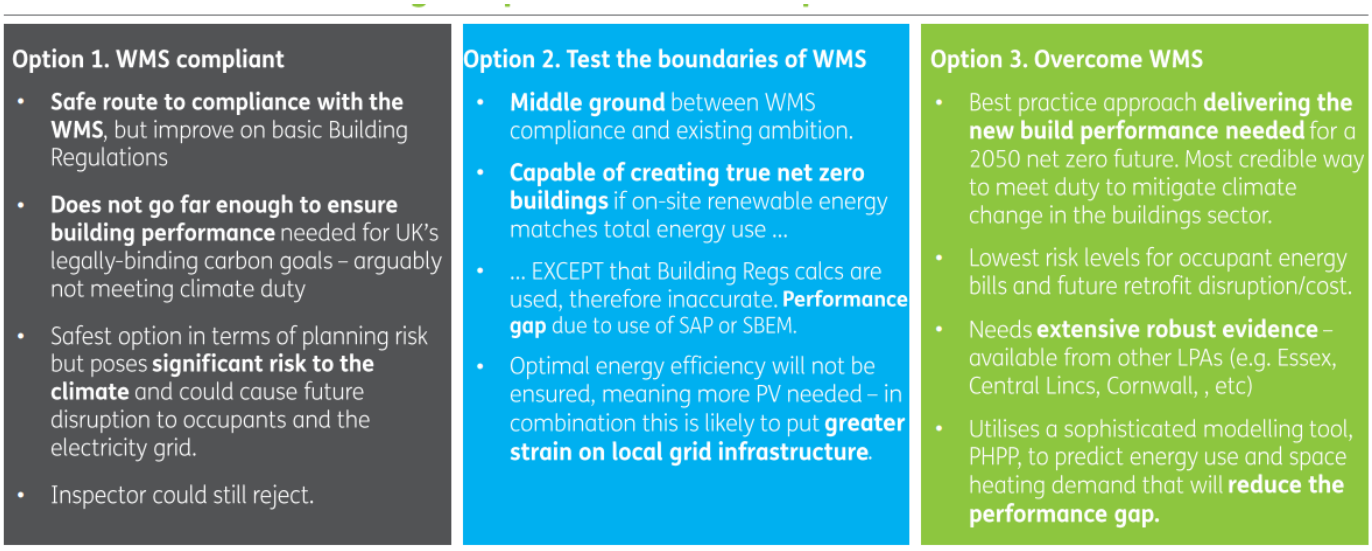
2.7 The 2023 WMS stipulations made it harder to for local planning authorities to fulfil their duty to mitigate climate change and support radical reductions in greenhouse gas emissions for the following reasons:

- The WMS uses TER, a carbon metric, when the goal is energy efficiency
- SAP methodology is poor at estimating the actual energy performance of buildings
- By specifying the version of SAP, the WSM risks being out of date by not keeping pace with changes

2.8 In recognition of the tension between the WMS's aims and the Council's objectives with regard climate change policies, Bioregional and Edgards set out potential options for the Council to consider:

- Option 1 – WMS compliant (which consultants advised was higher risk for climate, lower risk for planning)
- Option 2 – Testing the WMS boundaries (which consultants advised was medium risk for climate and planning)
- Option 3 – Industry Best Practice (beyond the WMS, which consultants advised was lower risk for climate, higher risk for planning)

2.9 The extract below, from the presentation, illustrates the differences between the options:



2.10 Following the presentation and subsequent discussion, members chose the 'industry best practice', option 3. Members gave the following reasons for choosing this option:

- It is considered to be viable by the whole plan viability consultants; and
- It was considered to be the most appropriate response to meet the Council's climate change targets as it includes absolute energy-based targets (measurable post-construction) and proven predictive energy modelling tools, on-site renewable energy to match total energy use, offsetting of any shortfall in renewable energy generation and reporting/limits on embodied carbon. It was also recognized that choosing this option would offer lower energy bills for new buildings in Swale.

2.11 Further to the workshop, and the choice made, the study results were concluded and issued in three parts, which can be found in the Appendices to this report:

i. Literature Review (and Executive Summary) (Appendix I and II)
ii. Identification of policy options and evaluation of merits (policy matrix) (Appendix III)
iii. Evidence base and policy recommendations (Appendix IV)

2.12 Swale Borough Council is not alone in wanting clear and ambitious climate change policies. The Bioregional/Edgards study quotes other local authorities with similarly forward-thinking approaches, which have successfully made it through to adoption (eg Bath & North East Somerset Local Plan Partial Update, Cornwall Council Climate Emergency Development Plan Document and Central Lincolnshire Local Plan, all adopted in 2023 – details in Section 8, Background Papers).

2.13 Furthermore, as a result of a recent legal challenge, in July 2025, the Court of Appeal[1] judged that:

- higher local standards remain possible, where justified and backed by evidence (national policy eg a WMS, is guidance, not a ceiling)
- the WMS is not a legal block, especially where there is evidence
- there are inherent tensions between various legislation, but that this was out of scope of the judgement

2.14 In August this year, a Planning Inspector for the Salt Cross Village Area Action Plan set out that going beyond the WMS was justified and appropriate for reasons of viability and clearer metrics (use of Energy Use Intensity – EUI)[2].

2.15 In September this year, the Planning Inspector for the Winchester District Local Plan concluded that a local plan policy that introduced energy efficient standards

[1] https://caselaw.nationalarchives.gov.uk/ewca/civ/2025/990?query=%5B2025%5D+EWCA+Civ+990
[2] https://www.westoxon.gov.uk/media/vzkb3lbi/ed16-salt-cross-post-hearing-letter-1-aug-25.pdf

beyond current and planned Building Regulations and using EUI calculations, and not TER, was appropriate in relation to that Council's 2030 carbon neutral target and the Plan's rationale to reduce energy bills for its residents[3].

2.16 Further to the Bioregional/Edgars evidence (informed by the choice of members at the September 2024 workshop), the whole plan viability evidence, and the above mentioned local plan outcomes and recent legal and planning decisions, the following policies in the draft Regulation 18 Local Plan (as can be seen in Appendix I of the item 'Local Plan Review – Regulation 18 Consultation Launch' on the agenda) have been prepared:

- C1 Sustainable design and adaptation principles
- C2 Net zero operational carbon in new build residential development
- C3 Net zero operational carbon in new build non-domestic development
- C4 Embodied carbon and waste
- C5 Renewable energy development and infrastructure

2.17 These policies are considered an appropriate and viable response to the Council's declaration of a climate and ecological emergency, as justified by the robust evidence base prepared by Bioregional/Edgars Ltd.

2.18 Once noted by this committee, the three parts of the study (and the Executive Summary), along with a note on recent legal and planning decisions mentioned above, will be uploaded to the evidence base pages of the Local Plan website.

3 Proposals

3.1 Members are asked to note the findings of the 'Net Zero Policy Development' evidence work.

4 Alternative Options Considered and Rejected

4.1 The alternative option is that members decide not to note and publish the Net Zero Policy Development Evidence Base study.

4.2 This option was rejected because it would not fulfil the Council's objective for the borough to be net zero by 2045 as set out in the 2025 Climate and Ecological Action Plan and for the local plan to contain policies to work towards this objective.

5 Consultation Undertaken or Proposed

[3] https://www.localplan.winchester.gov.uk/assets/inline/2670/ED38a-Inspector-Note-16-Post-hearing-action-points.pdf

5.1 A member workshop was undertaken as set out in the above report at paragraph 1.5.

6 Implications

Issue	Implications
Corporate Plan	The proposals in the report align with the following Corporate Plan action: This piece of evidence base supports the delivery of the following Corporate Plan priorities: • Community • Economy • Environment • Health and housing
Financial, Resource and Property	The Local Plan work programme is fully funded across a combination of base budget and committed reserves and central government grant.
Legal, Statutory and Procurement	Preparation of a Local Plan is carried out under a national legislative and regulatory framework.
Crime and Disorder	There are no direct crime and disorder impacts arising from this decision.
Environment and Climate/Ecological Emergency	This piece of work has led to the drafting of five new innovative climate change policies have been included in the Regulation 18 Local Plan: Sustainable design and adaptation principles; Net zero operational carbon in new build residential development; Net zero operational carbon in new build non-domestic development; Embodied carbon and waste; and Renewable energy development and infrastructure. These policies seek to address the climate emergency as regards new build development associated with the local plan and planning applications.
Health and Wellbeing	No implications identified at this stage.
Safeguarding of Children, Young People and Vulnerable Adults	No implications identified at this stage.
Risk Management and Health and Safety	No implications identified at this stage.
Equality and Diversity	No implications identified at this stage.

Privacy and Data Protection	No implications identified at this stage.

7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Swale Borough Council – Net Zero Policy Development Output i: Literature Review
- Appendix II: Swale Borough Council – Net Zero Policy Development Output i: Literature Review, Executive Summary
- Appendix III: Swale Borough Council – Net Zero Policy Development Output ii: Identification of policy options and evaluation of their relative merits (including in light of the WMS2023)
- Appendix IV: Swale Borough Council – Net Zero Policy Development Output iii: Evidence base and policy recommendations

8 Background Papers

8.1 The following documents are examples of Development Plans that have been adopted with ambitious climate change policies:

- Bath and North East Somerset Local Plan (Partial Update), January 2023 https://www.bathnes.gov.uk/sites/default/files/2023-01/1.%20Districtwide%20Composite%20plan%2018%2001%202023.pdf

- Central Lincolnshire Local Plan, Adopted April 2023 https://www.n-kesteven.gov.uk/sites/default/files/2023-04/Local%20Plan%20for%20adoption%20Approved%20by%20Committee.pdf

- Cornwall Climate Emergency Development Plan Document, February 2023 https://www.cornwall.gov.uk/media/uxgjk4jn/climate-emergency-dpd.pdf

Swale Borough Council

Net Zero Policy Development

Output i: Literature Review

31 July 2024

Written by: Marina Goodyear (Senior Consultant), Alex McCann (Consultant) and Amy Powell (Principal Planner)
Checked by: Lewis Knight (Head of Sustainable Places) and Marina Goodyear

Introduction

Bioregional and Edgars are appointed to provide an assessment of options available within the local planning system to address climate change, to inform local plan policy development within Swale Local Plan (SLP).

Local Planning Authorities (LPAs) have a legal duty to mitigate climate change (deliver carbon reductions) via the planning process[1]. National Government planning policy[2] confirms that these reductions should be in line with the Climate Change Act. The Climate Change Act includes both the 2050 goal for a net zero carbon UK, and sharply declining five-yearly carbon budgets between 2008 and 2050.

Our appointment to support Swale Borough Council (SBC) in this effort comprises of the following workstreams:

This appointment will produce three outputs (i – iii below):

1. Assessment of powers, duties and policy options:
    i. Literature Review & position statement: Exploring the powers, duties, precedent policies, and links to SBC's existing climate commitments.
    ii. Policy options & 'risk matrix': Devise a range of potential policy approaches to carbon reduction in buildings, and evaluate the relative merits of each of these.
2. Evidence and draft policies:
    iii. Preparation of an evidence base to close any gaps in necessary evidence beyond what was already identified in the Literature Review (part 1.i, as above), as necessary to support SBC's chosen policy option (that will have been chosen as a result of stage 1 above) with draft recommended policy wording

As background work during Part 1 (above) there has also been a review of SBC's existing draft policy wording on climate and carbon. There is also engagement built into key points during Parts 1-2 to explain the findings to key policy decision-makers within SBC and/or to liaise with SBC's other relevant consultants where needed (e.g. viability).

This report comprises Output i of Part 1. Later, when any gaps in necessary evidence for the preferred policy are uncovered, this report may either be adapted into a future version to fulfil Part 2, or else Part 2 may be fulfilled by a separate report containing only the additional evidence identified to be necessary.

To aid Swale BC's decision-making for the new Local Plan, this piece of work explores:

- Defining 'net zero carbon' at different scales and how these fit together
- LPA duties to address carbon, as per the National Planning Policy Framework and Climate Change Act
- LPA powers to address carbon and energy granted by key pieces of national legislation, policy, and official guidance (and the limitations placed on how the LPA wields those powers)
- Existing and emerging precedents of Local Plans that wield powers regarding energy and carbon of new development
- How potential policies may be justified in terms of necessity, feasibility and viability.

[1] Planning & Compulsory Purchase Act 2004, Section 19, 1(A).
[2] National Planning Policy Framework, paragraph 153, footnote 53.

Glossary of terms and acronyms

BREDEM	Buildings Research Establishment Domestic Energy Model. A methodology for estimate calculations of the energy use and fuel requirements of a home based on its characteristics. BREDEM is the basis for SAP (see elsewhere in this glossary) but BREDEM retains more flexibility by allowing the user to tailor some assumptions made in the calculations to better reflect the project.
Carbon, or carbon emissions	Short for 'carbon dioxide emissions' but can also include several other gases with a climate-changing effect, that are emitted to the atmosphere from human activities (see 'GHG', below).
Carbon budget	Amount of greenhouse gas that can be emitted by an individual, organisation or geographic area. Usually set to reflect a 'fair share' of the global amount that can be emitted before reaching a level of atmospheric carbon that causes severely harmful climate change.
Carbon intensity/ carbon factors	A measure of how much carbon was emitted to produce and distribute each kWh of grid energy at a certain point in time. For electricity, this has been falling as coal-fired power stations have been phased out over years. It also varies on an hourly basis: at times of high renewable energy generation, the carbon intensity is lower than at points where gas-fired electricity dominates the generation mix.
CIBSE	Chartered Institution of Building Services Engineers.
CO_2	Carbon dioxide. Often shortened to 'carbon'.
CO_2e	Carbon dioxide equivalent. The sum of a mixture of gases, in terms of their climate-changing impact in a 100-year period expressed as the amount of CO_2 that would have the same effect. Often shortened to 'carbon'.
Embodied carbon	Carbon that was emitted during the production, transport and assembly of a building, infrastructure, vehicle or other product, before the product is in use. As opposed to 'operational carbon' which is emitted due to energy use when operating the building / infrastructure / vehicle / other product.
EUI	Energy use intensity, a measure of how much energy a building uses per square metre of floor. Expressed in kilowatt-hours per square metre of floor space per year.
GHG	Greenhouse gas (CO_2 and several other gases: methane, nitrogen dioxide, and fluorinated refrigerant gases). Often collectively referred to as 'carbon'; see above.
LETI	Low Energy Transformation Initiative. A coalition of built environment professionals working to establish and achieve the energy performance needed for net zero.
MVHR	Mechanical Ventilation with Heat Recovery
NPPF	National Planning Policy Framework. A central government document laying out how the planning system should function, including plan-making and decisions.
Part L	Building regulations section that sets basic legal requirements regarding buildings' energy and CO_2.
Performance gap	The difference between the amount of energy a building is predicted to use during design, versus the actual amount of energy it uses. The gap is due to poor prediction methodologies, errors in construction, and unexpected building user behaviour.
PV	Photovoltaics: solar panels that generate electricity.
PHPP	Passivhaus Planning Package – a tool to accurately predict a building's energy use. It is used to design buildings that seek Passivhaus certification but can be used without pursuing certification.
Regulated energy or carbon	Carbon emissions associated with energy uses that are 'regulated' by Building Regulations Part L. This covers permanent energy uses in the building, (space heating, space cooling hot water, fixed lighting, ventilation, fans, and pumps).
RIBA	Royal Institute of British Architects.
SAP	Standard Assessment Procedure – the national calculation method for residential buildings' energy and carbon, used to satisfy building regulations Part L. SAP is based on BREDEM model, but with fixed assumptions and thus less flexibility.
SBEM	Simplified Buildings Energy Model – the national calculation method for non-residential buildings' energy and carbon, used to satisfy building regulations Part L.
Sequestration	Removal and storage of carbon dioxide (or other GHGs) so that it cannot perform its harmful climate-changing role in the atmosphere. Currently only achieved by trees/plants and soil. May be achieved by technologies in future.
Space heat demand	Amount of energy needed to heat a building to a comfortable temperature. Expressed in in kilowatt-hours per square metre of floor space per year.
TER	Target Emission Rate – a limit set by Part L of building regulations on CO_2 emissions per square metre of floor, from regulated energy use in the building.
TPER	Target Primary Energy Rate – limit set by Part L of building regulations on 'primary energy' use per square metre of floor. Unlike metered energy, 'primary energy' takes into account energy lost to inefficiencies during power generation and distribution.
TFEE	Target Fabric Energy Efficiency – limit on space heat energy demand per square metre of floor, set by Part L of building regulations. Based only on fabric; not affected by building services like heating system, lighting, ventilation[i].
TM54,	A method to accurately calculate buildings' energy use. Devised by CIBSE (as above).
Unregulated energy or carbon	Carbon associated with energy use in a building or development but which is not covered by Building Regulations Part L. Includes plug-in appliances, lifts, escalators, external lighting, and any other use not covered by Part L.

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Defining net zero carbon buildings

Because climate and carbon emissions are global challenges, consistency of effort is key (from the building scale through to the local, regional, national and international scales). If carbon emissions are not consistently accounted for, there will be a risk of not reducing emissions but simply displacing them – or failing to account for the full emissions of new development.

When devising local plan policies for Swale, it will be vital to make sure those policies use a definition of 'net zero carbon development' that fully contributes to the achievement of a net zero carbon Swale and net zero carbon UK.

We here look at the global, national, area-wide and building-level definitions of net zero carbon that are generally accepted. Precedents of how local plans have defined and pursued net zero carbon is then explored.

This context is important because most of the older adopted precedent local plans use a definition of 'net zero carbon development' that is significantly different to how a fully-fledged carbon accounting methodology would define it.

The reason for this difference is that most – although not all – of the older local plan adopted precedents have set their 'carbon reduction' requirements based on energy and carbon metrics set by national building regulations. These building regulations metrics do not account for the building's full energy use, let alone the embodied carbon of the building's materials and construction, or the transport carbon that will be induced in the lifestyles of the building's users. The use of building regulations metrics in local plan policy has been due to the way in which planning legislation defines the local planning authority's powers, and the ways in which other pieces of national government policy may constrain how those powers are exercised.

As set out later in this report, some pioneering local planning policies have begun to move beyond these potential constraints arising from planning legislation and associated national policy. However, due to a Written Ministerial Statement (WMS) released in 2023 which purports to limit how local energy efficiency policies are expressed this surge of ambitious local plan policy is likely to diminish until the WMS2023 is either revoked or found to be unlawful and hold minimal weight once inspected at Examination in Public sessions.

This section looks at the global, national, and district-level definitions of net zero carbon. This makes it possible to understand the relative merits of different definitions of net zero carbon buildings in existing and emerging precedent local plans.

This report also helps contextualise the levels of performance or change that would be necessary to achieve those definitions of net zero carbon – in terms of changes to new buildings, existing buildings, transport, the energy system, and land use.

Net Zero Carbon at global level

At global level, "net zero carbon" means that emissions of greenhouse gases (GHGs) are balanced out by removals of GHGs from the atmosphere.

'Greenhouse gas' encompasses a bundle of different gases that have a climate-changing effect. The most common greenhouse gas is carbon dioxide (CO_2) which represents 80% of the UK's climate impact[i]. Six other GHGs are also relevant: methane (12%), nitrous oxide (5%), and four types of fluorinated gas (refrigerants, 3%). Some of these have a weaker global warming effect, and some have a stronger effect but stay in the atmosphere for longer and therefore cause more change over time.

As CO_2 stays in the atmosphere for a long time, there is a fixed amount – a 'carbon budget' – that we can emit between now and 2100 if the world is to avoid the worst impacts of climate change (limiting global warming to less than 2˚C above pre-industrial climate). The other greenhouse gases are not subject to the 'budget' approach, because they stay in the atmosphere for a different amount of time, but should still be reduced as far as possible.

Together, the bundle of greenhouse gases is referred to as 'carbon dioxide equivalent' or 'CO_2e'. This refers to the global warming effect that the gas would have in a 100-year timeframe, compared to that of carbon dioxide. 'Carbon emissions' can refer to carbon dioxide, or the whole collection of greenhouse gases.

'Net carbon' or 'net emissions' refers to the amount of CO_2 or greenhouse gas that remains after deducting the amount that was removed from the atmosphere, usually over the course of a year.

'Net zero carbon' is sometimes used interchangeably with the term 'carbon neutrality'. These are overlapping concepts which essentially mean the same thing at global level, but at sub-global levels they are used slightly differently[ii], to reflect whether the emissions and removals are achieved *directly by* or purely *on behalf of* a particular country, area or organisation. This becomes a question of 'carbon accounting', discussed next.

Where is carbon emitted from and how can carbon be removed from the atmosphere?

The main *source of rising GHG levels* in Earth's atmosphere is the burning of fossil fuels (as this is an emission of carbon that had been locked up underground for many thousands of years until recently). Greenhouse gas is also emitted by many other human activities including fertiliser use (nitrogen fertilisers are often made from fossil fuel), ruminant livestock's digestive systems, breakdown of organic waste, and the chemical reaction during the production of cement.

Greenhouse gas *removals* are achieved by plants and soils such as forests, grassland, and wetland. These are currently the only reliable and scalable means to remove greenhouse gases, as no technology for carbon capture has yet been developed that is appropriate, efficient or scalable for most purposes. Still, research is underway to develop such technologies, and future carbon removal technology is a significant part of many countries' long-term strategy to limit the total amount of carbon emitted this century.

Carbon accounting methodologies: whose carbon is whose?

Human activities and economies are highly interconnected across local, organisational and international lines. Activity by a person in one location (such as using electricity) can cause carbon emissions by another entity elsewhere (such as burning coal to generate energy in power stations).

Therefore we need 'carbon accounting' methodologies to work out what share of carbon 'belongs' to each entity. An entity could be a person, organisation, building, local area, or country.

Returning to the question of 'net zero carbon' compared to 'carbon neutral', the Intergovernmental Panel on Climate Change[iii] essentially explains that:

- 'Net zero carbon' typically means a balance of emissions and removals under direct control or territorial responsibility of the entity reporting them (such as a country, district, or sector)
- 'Carbon neutral' can also apply to a firm or commodity, and typically also includes emissions and removals beyond the entity's direct control or territorial responsibility.

Following this logic, 'net zero carbon' would be the appropriate term if the district or country achieves enough carbon removals within its own area to balance out its own carbon emissions, while 'carbon neutral' is a less appropriate term for a country/district but would be the term to use if the balance of emissions/removals is achieved by buying carbon offset credits from outside that location.

For the purposes of the local plan, we should consider the carbon account of three key entities: firstly Swale Borough, secondly Kent County Council , each new building. If development is to truly *mitigate* (i.e. reduce overall) carbon emissions, we must consider how the building's carbon emissions fit into the districts' carbon account, and how the districts' emissions fit within Kent's carbon account, and then how this fits within the wider UK's carbon account which is legally bound to achieve net zero by 2050 and steep reductions in the preceding years. If we use inconsistent definitions or accounting methods, then our 'net zero carbon' buildings might not help Swale or Kent to achieve their net zero goals, and Swale in turn might not help the UK meet its 2050 goal or its interim carbon budgets.

Several carbon accounting approaches are available to determine how much carbon a geographical area is responsible for:

- Global Greenhouse Gas Protocol for Cities (GPC) – which has three 'scopes'
- PAS2070
- Local area CO2e inventories, released annually by the UK government DESNZ (formerly BEIS)
- Tyndall Centre local carbon budgets / SCATTER local carbon emissions accounts.

Each of these methodologies is designed to define the area's 'carbon account' based on the degree of direct or financial control the area has over activities that emit or absorb carbon. Although each methodology differs slightly from the others, a local area would usually achieve 'net zero carbon' status when the GHG removals achieved within the local area are equal to greenhouse gas emissions from directly within the local area plus the greenhouse gases due to production of grid energy the local area consumes. If an area exports grid energy to other locations, any emissions associated with the production of that energy would not count towards the area's carbon account. The methodologies generally agree that the local area's carbon account should not include offsets purchased from outside the area. These should be reported separately, if at all. However, such offsets may still help towards the overall UK net zero carbon goal so long as they are within the UK.

The Global Greenhouse Gas Reporting Protocol for Cities (GPC)

The Greenhouse Gas Reporting Protocol is the most widely used and accepted methodology to account for any entity's carbon emissions. The GPC is a version of that methodology that has been adapted for the use of cities or any other local area. Its aim is to enable local area carbon accounts to be tracked consistently enough to be aggregated to the regional or national level.

The GPC **covers several gases** (along with CO_2) and **splits the account into three 'scopes'** which reflect the **degree of responsibility and control** the local area has:

- **Scope 1**: emissions directly from within the area – such as through burning fuel, or through methane emissions from livestock kept within that area. Ditto, carbon removals achieved directly within the area, such as by trees growing in the area.
- **Scope 2**: emissions associated with that area's use of grid electricity, whether that energy was actually generated inside the area or outside the area.
- **Scope 3**: emissions that happen outside the area but caused by activity or spending by entities inside the area – such as production and transport of goods imported from elsewhere.

The GPC states that if an area purchases carbon offsets from outside the area in order to mitigate some of its emissions, these should be reported separately and not deducted from the total.

If Swale chooses to use any external 'offsets' in its quest for emissions reduction (as a last resort), these should be from within the UK so that they fall within the UK's Scope 1 account and thus contribute to the UK's overall net zero carbon goal (which should not include overseas offsets).

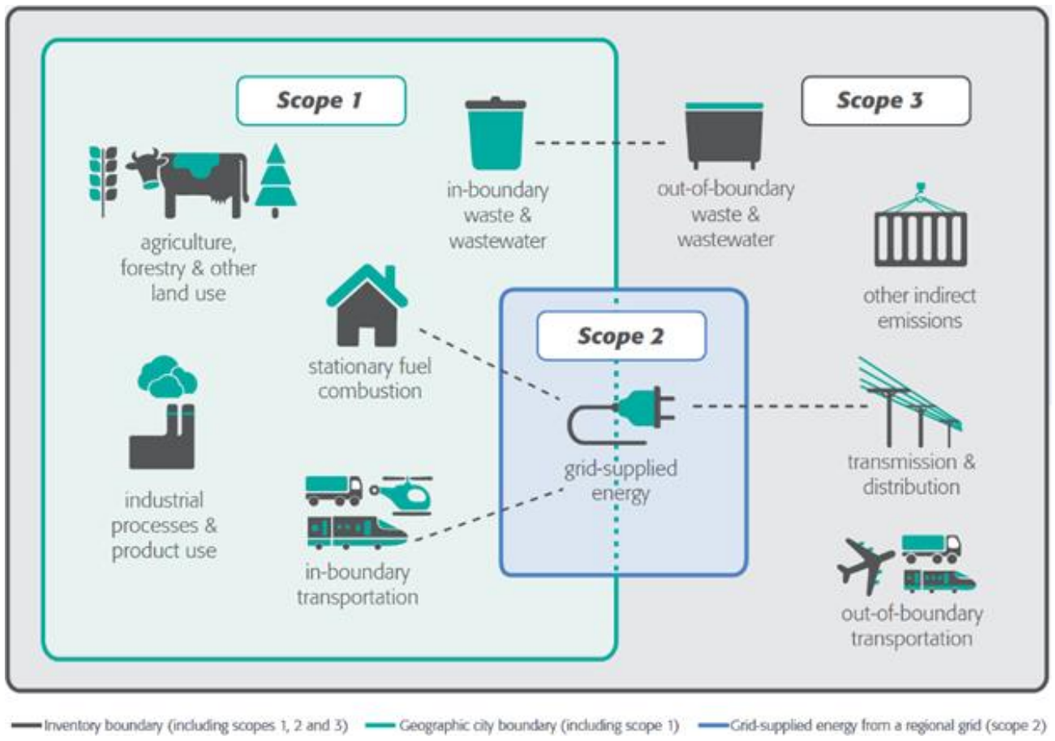


Figure 1: Various Sources of emissions according to Scope 1, 2 and 3.

PAS 2070

A PAS is a Publicly Available Specification, which is essentially the precursor to a British Standard or European EN standard. A PAS defines good practice standards for a product, service or process.

PAS 2070 aims to define good practice for the assessment of the greenhouse gas emissions of a city. It builds on the GHG Protocol for Cities (GPC) to include a wider range of emissions sources and a slightly wider bundle of gases. It also offers two ways of accounting, one of which is equivalent to the GPC's three scopes ("direct plus supply chain"), and the other of which allows exclusion of emissions from goods produced in the area that are then exported ("consumption-based emissions").

Just like the GPC, PAS2070 notes that if out-of-boundary offsets have been bought (whether by the municipality, businesses, organisations or residents) these should not form part of the total of a city's GHG account by deducting them from the total. Instead, such offsets should be accounted separately.

UK DESNZ/BEIS official subnational emissions inventories

The Department of Energy Security and Net Zero (DESNZ, formerly BEIS) releases annual figures that break the UK's carbon emissions down to a local level[ii] to help local authorities make decisions. Until recently this counted CO_2 only, but now includes CO_2, methane and nitrogen dioxide (although not F-gases). It uses data from the National Atmospheric Emissions Inventory and national statistics on local area's energy consumption. It excludes aviation, international shipping and military transport because there is no clear basis for how these would be allocated to local areas.

These DESNZ/BEIS figures include only local direct emissions (including from land use and chemical use as well as fuel use) and grid energy use. They are not broken down into 'scopes', but would mostly equate to Scope 1 + Scope 2 as they do not include emissions from the local area's consumption of goods produced elsewhere (except electricity).

The DESNZ/BEIS figures are broken down into several sectors: industry, homes, commercial buildings, public buildings, transport, and land use/forestry ('LULUCF'). Transport emissions are calculated based on traffic flow data on local roads, plus fuel use on inland waterways and trains. Electricity use in railways is accounted for separately (in the 'industry/commercial' sector instead of 'transport').

The DESNZ/BEIS figures show how much carbon is removed by the area's grassland and woodland. This is positive, but also shows the scale of the challenge: The woodland/grassland is nowhere near enough to zero-out the area's emissions even if the green areas were expanded many times over.

The figures also reveal how important it is to plan for reduced car use and enable low-emissions deliveries – as transport is responsible for more than half the area's emissions.

Tyndall Centre local area carbon dioxide budgets (and SCATTER trajectories)

The Tyndall Centre is a climate change research organisation made up of several UK universities working to get climate science evidence into policy. It created a tool that produces municipal-level carbon budgets towards a 2˚C global climate pathway that are necessary and fair, taking into account each location's sectoral base by looking at its historical portion of the country's emissions.

These trajectories show the UK's **total CO_2 budget to 2100** if the UK is to pull its weight towards fulfilling the **Paris Agreement** (to **limit global warming to 2˚C**, with **carbon cuts equitably distributed to each country** in proportion to its technological and financial capability, its needs, and its responsibility for historic emissions). This starts with the middle-range global carbon budget likely to limit global climate change to "well below" 2˚C, determined by the IPCC. The Tyndall Centre derives the CO_2 budget for the UK from this global budget, based on equity principles that account for our existing level of development and sectoral base, and the local budget is derived from the UK one. The resulting totals are split into five-yearly budgets. The Paris-compliant carbon budgets for Swale are shown here (Figure 2 and would be used up by the end of 2026 if emissions continue at the 2017 level.

This methodology **only covers CO_2 occurring due to energy use** (whether in transport, buildings, agriculture or other industries). It does not cover the other six greenhouse gases, or releases of CO_2 from activities other than energy use. The reasons are as follows:

- Other gases are left out because "a cumulative emission budget approach is not appropriate for all non-CO_2 greenhouse gases, as [they have] … differing atmospheric lifetimes and warming effects", with more uncertainties around them.
    - There is a parallel methodology named SCATTER that builds on Tyndall carbon budgets to estimate these other gases, and breaks down the local area's emissions into 'scopes 1, 2 and 3' as per the GHG Protocol for Cities (previously explained, above) which Tyndall does not do.
- Other activities are excluded because energy use is the main source of CO_2 emissions and therefore the main activity that needs to be addressed.
    - Emissions from cement production (except fuel use) are excluded because cement production is assumed to be unavoidable to some extent, therefore a deduction for cement is made from the global budget before the UK's budget is allocated.
    - Aviation and shipping are excluded from the local budget, because it is considered that those cannot be fairly allocated to local areas – so a deduction is made from the UK budget to make room for aviation and shipping, before the local budget is allocated.

The Tyndall Centre assumes that global forest levels do not change between 2020-2100, assuming afforestation in certain areas to counteract deforestation in others. It recommends that GHG removals achieved by further afforestation are monitored separately from this budget and used instead to compensate for unavoidable non-CO_2 emissions, such as agricultural methane.

Unlike the Committee on Climate Change national carbon budgets, Tyndall does not assume that carbon capture technologies appear in future, as this would risk over-estimating the budget. If these technologies were to be developed in future, they could expand the size of the available budget.

Offsetting is not part of the budget, because the budget is designed to reveal the actual CO_2 reductions needed from each local area.

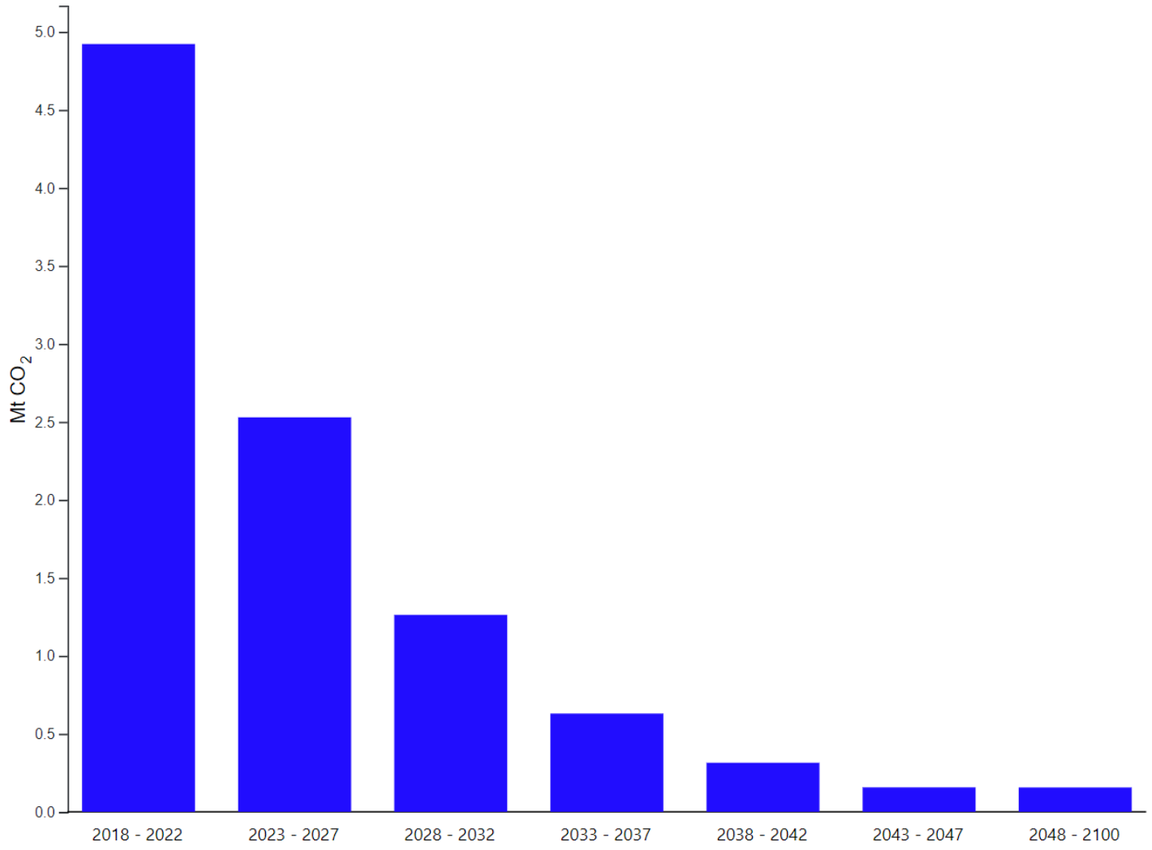


Figure 2: Swale carbon budgets to 2100 (energy-only, CO2 only) compliant with the UK's commitment to the Paris Agreement. Calculated by the Tyndall Centre. [viii]

‘Net zero carbon building’ definition in national building regulations and planning

Building Regulations Part L is the legal tool that controls buildings’ energy and carbon emissions. Most definitions of ‘net zero carbon buildings’ in local and government policy are based on Part L and the associated calculation methods.

Building Regulations Part L looks only at *operational* energy and carbon (and does not even address the entirety of this, as explained below). There is currently no regulatory method to consider *embodied* carbon, nor to hold new development responsible for carbon emitted by new occupants’ transport.

Part L only controls the ‘fixed’ energy uses of a building: space heating/ cooling, hot water, fixed lighting, ventilation, fans, pumps. It ignores plugin appliances, lifts, escalators, and so on (‘unregulated energy’). This means a ‘zero carbon’ building using Part L is not truly zero carbon.

To legally comply with Part L, a proposed development must use an energy and carbon calculation named the Standard Assessment Procedure (SAP, for homes) or the Simplified Buildings Energy Model (SBEM, for non-residential buildings). These calculations are submitted to building control.

SAP and SBEM set limits on the amount of energy a building uses per square metre per year, and the amount of carbon emissions that associated with the building’s energy use. These are the Target Emission Rate (TER) and Target Fabric Energy Efficiency (TFEE). The TFEE relates only to energy used for heating and cooling. The TER is the carbon emissions associated with all ‘regulated’ energy uses.

These limits are set by modelling a ‘notional building’ of the same size and shape as the proposed building, with a range of basic energy saving measures applied (insulation, glazing, air tightness, lighting efficiency, heating system efficiency and so on). Part L defines what these measures are. The proposed building must be designed so that it uses no more energy nor emits more carbon than the ‘notional building’ would. This means the targets vary between buildings, as heat losses are affected not only by the fabric but also the size and shape (more external surface and joins = more heat loss).

Part L is updated periodically, but not often: the previous version was in place from 2013 to 2022. A new version “Part L 2021” was implemented from June 2022, and a further version is expected to arrive in 2025 (the Future Homes Standard). These uplifts come with changes to the ‘notional building’[iii]. For Part L 2021, this has some small improvements to fabric (insulation/glazing) and solar panels applied to the roof, but it still has a gas boiler. Together these make the target emission rate about 31% lower than it was in Part L 2013. In Part L 2025 the notional building has a heat pump and much better fabric, but no solar panels. Together these measures will make the target emission rate about 75% lower in 2025 than in 2013 (or about 64% lower than it is with Part L 2022).

SAP and SBEM methods are also periodically updated to reflect changes in the carbon emissions of grid electricity, and the efficiency of various appliances or fittings such as boilers and hot water taps. Nevertheless, it is widely acknowledged that these methods are poor at predicting actual energy use (discussed overleaf) and their periodic updates tend to lag far behind the real-world changes to electricity grid carbon or changes to the efficiency of different heating technologies.

The Government’s consultation on the Future Homes Standard noted that their intent is that the Part L 2025 target emission rate will be low enough that new homes would not use a gas boiler. The 75% reduction on Part L 2013 would be essentially impossible to achieve in a home that has a gas boiler, which is likely to prompt the use of heat pumps in most homes, although some may be able to reach that emissions target using direct electric heating combined with extensive solar panels.

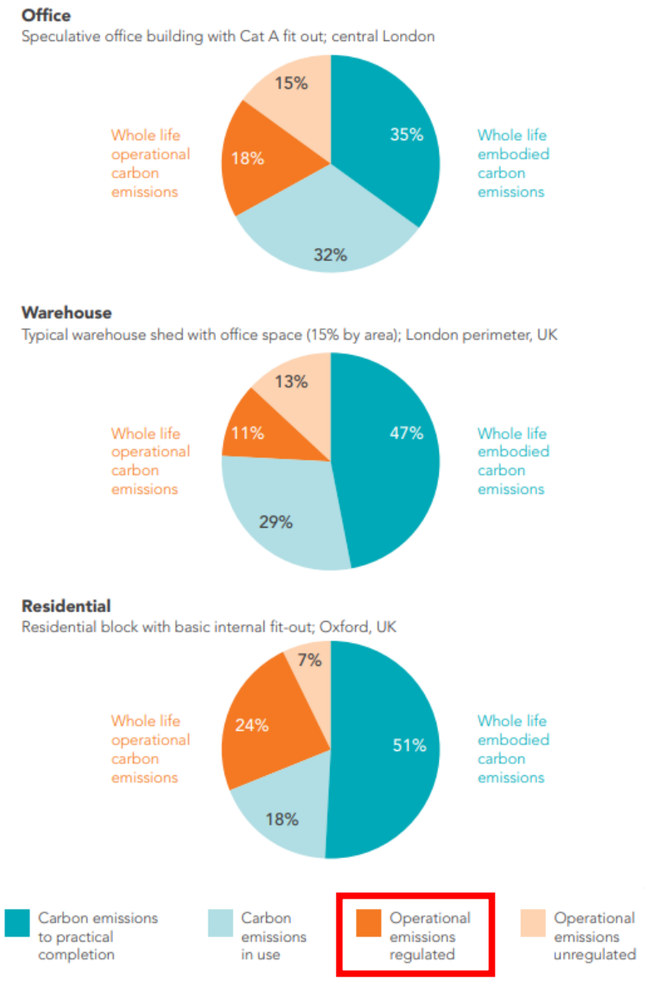


Figure 3: Diagram showing a breakdown of whole-life carbon emissions for three building types. Building Regulations Part L only looks at the orange segments - and even then quite inaccurately. Source: UKGBC.

‘Net zero carbon building’ – alternative definitions in the construction sector

Green construction experts have recently been developing new approaches to remedy the shortcomings of the national building regulations, SAP and SBEM in defining and delivering net zero carbon buildings. The main weaknesses in Building Regulations identified by the sector are:

- Failure to account for ‘unregulated energy’ – plugin appliances, lifts, escalators, and any other uses not covered by building regulations – which can be 50% of total operational energy use[iv]
- Poor accuracy at predicting buildings’ actual energy use using SAP and SBEM methods (the ‘energy performance gap’), often incorrect by a factor of 200-300%
- Frequently outdated carbon emissions factors for energy, especially electricity
- Failure to sufficiently incentivise energy-efficient building design, due to relatively weak standards for airtightness and not setting absolute targets in kWh/m^2 that all buildings of a certain type must achieve.
- Failure to address embodied carbon (the carbon that was emitted to produce building materials, transport them to site, and assemble them into a finished building).

For all of the reasons above, a ‘net zero carbon building’ calculated by Part L SAP or SBEM will in fact be very far from being carbon-free in operation[v], before even considering its embodied carbon impacts.

The industry has therefore begun to collaboratively develop new definitions that address not only the end result of net zero carbon, but also inform the design and energy procurement measures that should sensibly be used to achieve it, such as energy efficiency targets and embodied carbon targets.

UK Green Building Council (UKGBC) Framework Definition of Net Zero Carbon, 2019

The UKGBC definition[vi] of net zero carbon buildings includes twin tracks: operational and embodied. These twin tracks for net zero carbon buildings can be treated separately. However, buildings seeking ‘net zero carbon construction’ should also aim to fulfil the operational track too.

- Net zero carbon in construction [embodied carbon] is: “When the amount of carbon emission associated with a building’s product and construction stages up to practical completion is zero or negative, through the use of offsets or the net export of on-site renewable energy.”
- Net zero carbon in operation is: “When the amount of carbon emissions associated with the building’s operational energy on an annual basis is zero or negative. A net zero carbon building is highly energy efficient and powered from on-site and/or off-site renewable energy sources, with any remaining carbon balance offset.”

UKGBC does not require the building to hit any specific targets for space heating, operational energy use, or embodied carbon , although it encourages reductions to be prioritised before offsetting.

UKGBC’s separate energy procurement guidance[vii] confirms that off-site renewable energy supply does not have to be via a long-term power purchase agreement[3], but can be a green tariff so long as that it meets certain criteria on ‘additionality’ (so the purchase of the energy brings forward additional renewable energy generation capacity, not just buying up existing renewables present in the grid).The guidance notes that at the time of writing (2021) only three such tariffs existed in the UK. It also notes:

- Fossil fuel must not be the primary energy source for heating, hot water and cooking
- All new build energy systems should be compatible with being renewably powered.

[3] A fixed contract between a renewable energy generator and a customer at a pre-negotiated price. This long-term certainty can unlock finance allowing the generator to install dedicated new capacity for generation.

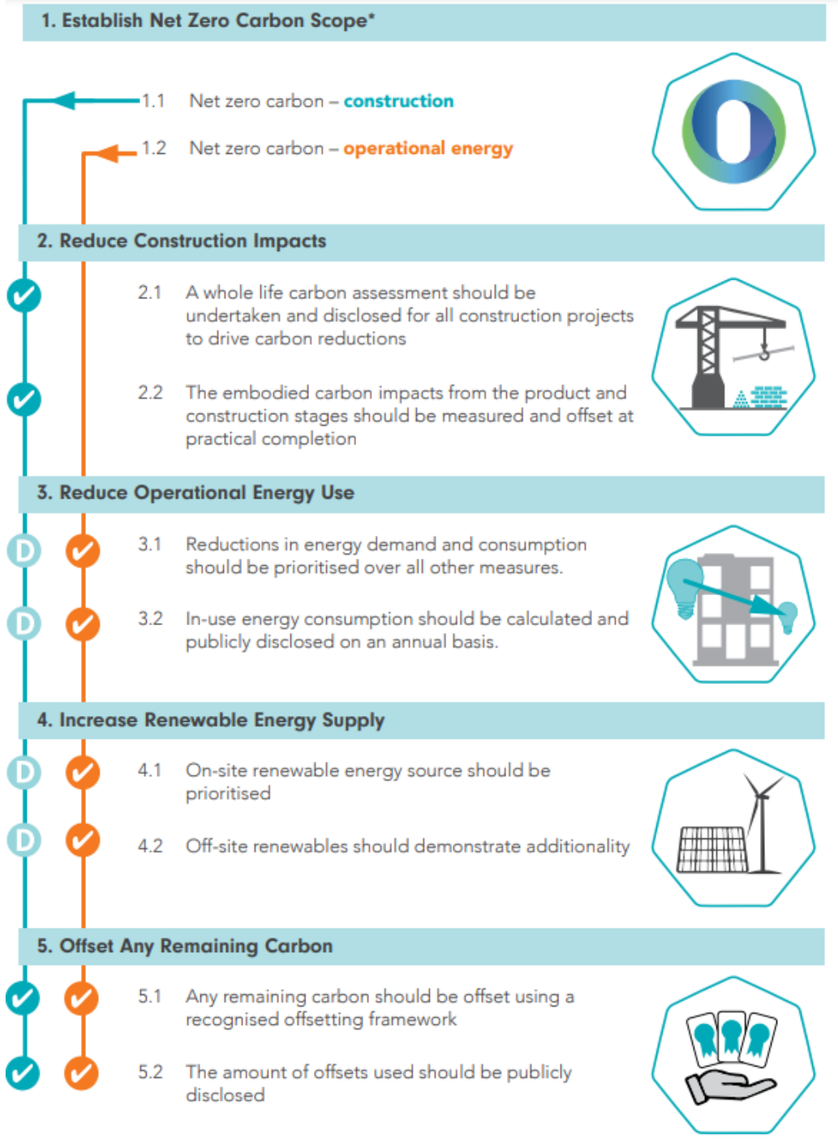


Figure 4: UKGBC Net Zero Carbon Buildings Framework Definition - twin track diagram.

Low Energy Transformation Initiative (LETI) Net Zero Operational Carbon

LETI is a coalition of industry-leading green building experts, architects and surveyors.

Its definition[viii] is that the building achieves a zero carbon 'balance' in its energy use across each year. That means that for each unit of energy that the building consumes from the grid, it exports at least one unit of zero-carbon energy produced by the building itself (generally assumed to be through solar panels). Alternatively, the building's energy demands can be entirely met by additional renewable energy supply from off-site.

LETI's definition also requires that the building fulfil the following targets:

- Space heat demand: 15kWh/m_2/year for all building types.
- Total energy use intensity, including unregulated as well as regulated: 35kWh/m_2/year in homes, 65kWh/m_2/year in schools, or 70kWh/m2/year in commercial offices
- These targets are designed to ensure the use of heat pumps, as these have a ~300% efficiency which translates a 15kWh space heat demand to a 5kWh energy use. All space heat and energy demand targets must be fulfilled at the design stage using an accurate predictive energy modelling methodology (not the building regulations methods SAP or SBEM[ix]), such as Passivhaus Planning Package (PHPP)[4]
- Heating and hot water not to be generated using fossil fuels
- Onsite renewable energy should be maximised.

These targets – specifically the space heat demand target and fossil-free heating – are in line with the similar targets that apply to the industry certification 'Passivhaus' (although Passivhaus basic certification does not require any level of renewable energy provision or full 'net zero carbon' status). This means the LETI targets are well-aligned to the recommended SCATTER 'high ambition scenario' interventions for the new build sector for Swale.

Other sustainable construction frameworks such as the RIBA Climate Challenge[x] have adopted similar targets for energy use intensity at similar levels, although not for space heating.

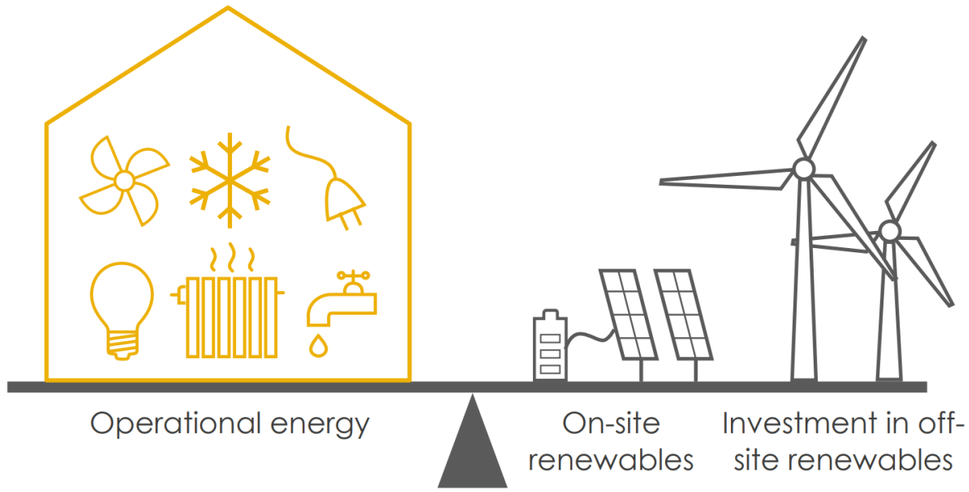
LETI also recommends annual reporting of energy use and renewable energy generation on site for 5 years to verify the net zero carbon status, and that embodied carbon should be separately assessed and reported. It offers separate targets[xi] for embodied carbon, but does not expect the embodied carbon to be offset – rather, reduced at source as far as possible.

We note that although UKGBC has not updated its 'framework definition' (discussed in the previous section), it has now endorsed the LETI definition of net zero carbon[xii].

UK Net Zero Carbon Buildings Standard (Emerging, 2023-24)

Building on the work by LETI and UKGBC, a unified industry definition is in the works by a coalition that includes LETI and UKGBC alongside BRE, RIBA, RICS, and other standard-setting professional organisations in the built environment sector. This "UK Net Zero Carbon Buildings Standard" will align with science-based carbon goals including net zero by 2050 and a 78% reduction by 2035 in the UK. A draft version for beta testing is anticipated in Winter 2023/24; timelines for finalisation are unknown.

[4] Please note the Passivhaus Planning Package (PHPP) is a method to model and predict building's energy use. Although it was developed for use in the Passivhaus certification process, there is no obligation to undergo Passivhaus certification – the PHPP tool can be used in any project without pursuing certification.



Net zero operational balance

Figure 5: Diagram of LETI net zero operational balance. From LETI Climate Emergency Design Guide.

Why must the Swale Local Plan take action towards net zero carbon?

National and international commitments to address climate crisis

The UK is a signatory to the international Paris Agreement 2015, brokered via the United Nations. This commits all signatories to ensure global average temperatures rise is limited to 2˚Celsius on pre-industrial levels, and to pursue a limit of 1.5˚C. This would require very fast and drastic cuts to global carbon emissions, as there is a limited 'carbon budget'[xiii] to be emitted before the 1.5C and 2C limits will be reached – and a rise of 1 ˚C has already happened. If the 1.5˚C or 2˚C limits are breached, climate change impacts will be devastating worldwide, and the world is currently on track to breach 3˚C by the end of the century[xiv].

The Paris Agreement also commits that the extent of each country's carbon reductions is related to wealth and technological ability. As a rich and technologically advanced country, the UK is responsible for faster and deeper cuts. Given the speed and scale of carbon cuts needed in existing buildings, transport and other energy use, we cannot afford for new buildings to add to the burden.

In 2019 the UK Government declared a climate emergency and updated the legally binding carbon reduction goal for 2050 enshrined in the Climate Change Act 2008. The new goal is to achieve a net zero carbon UK by 2050, rather than the original goal of an 80% reduction on the carbon emissions of 1990. The Act also comes with interim 5-yearly carbon budgets that are devised by the independent Committee on Climate Change (CCC) and then passed into law by Parliament.

The latest five-yearly carbon budgets[xv] mean that compared to the 1990 baseline, the UK must achieve a 78% reduction by 2035 (this would be roughly equivalent to a 65% reduction compared to current levels, which would require an average drop of about 4.3% a year[5]).

The carbon budgets also show that the sectors of buildings, energy and land transport should all achieve steep and rapid reductions and reach zero or near-zero emissions on their own terms (see *Figure 8*), not relying on offsetting.

The Committee on Climate Change explains that "a little more or a little less may be achieved in any area, or alternative low carbon options could be used, but the overall level of ambition and delivery must match" the proposed carbon budgets.

Given that all sectors face a huge challenge in achieving their own required reductions, this means there is very little room to offset emissions in one sector by reductions or removals in another sector (for example, even highly ambitious levels of tree planting would barely be enough to offset unavoidable emissions from agriculture – see *Figure 8* - therefore the buildings and energy sectors should not rely on tree planting to make up for insufficient reductions in their own energy use and emissions).

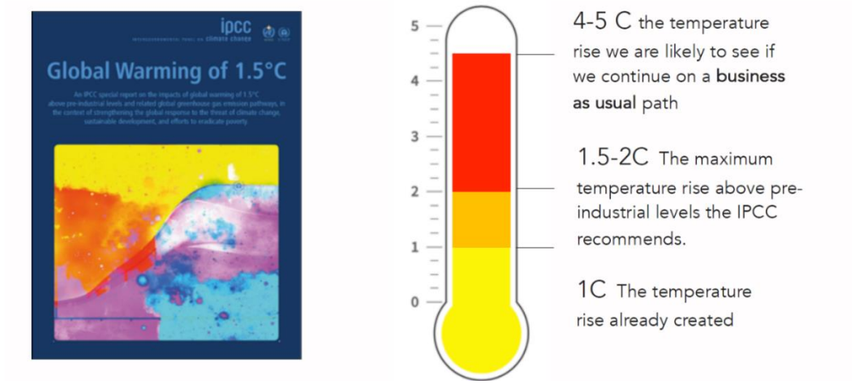


Figure 6: Special Report on 1.5C by IPCC, and diagram of the potential range of climate change to 2100 (Diagram credit: Etude, 2021).

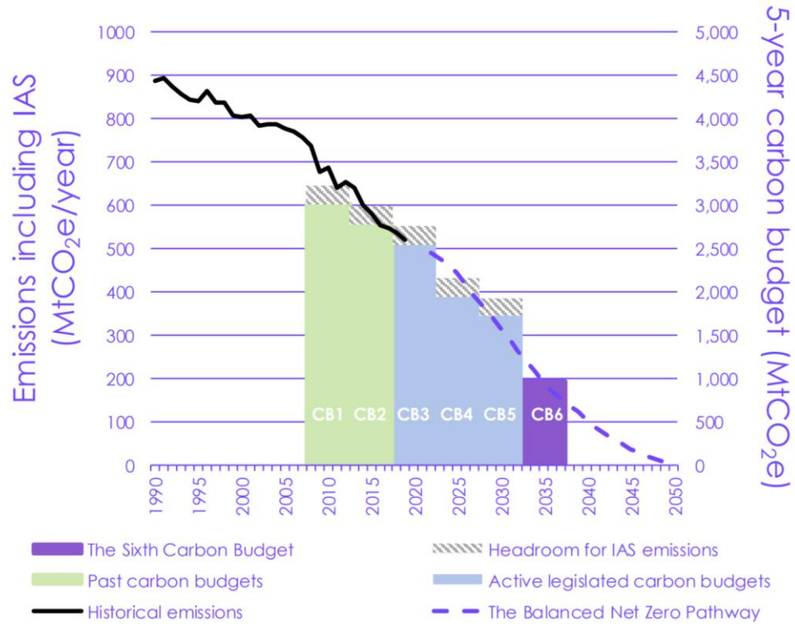


Figure 7: UK legislated carbon budgets under the Climate Change Act. From Committee on Climate Change (2020), The Sixth Carbon Budget: The UK's Path to Net Zero. "IAS" = international aviation & shipping.

[5] For context, the UK's carbon emissions fell by 9.5% in 2020 due to the COVID pandemic but have since rebounded by about half that figure in 2021, while global carbon emissions fell by about 5% in 2020 but have now rebounded to even higher levels than before COVID.

The UK's five-yearly carbon budgets also come with progress reports detailing a combination of actions necessary to stay within the budgets[6]. These include wide-reaching and ambitious changes to buildings (new and existing), the energy system and transport, as well as agriculture/forestry, industry and waste. Most relevant to local planning are:

- No new homes connected to the gas grid from 2025 at the latest[xvi] (and ideally be zero carbon[xvii]), instead using low-carbon heat such as heat pumps or gas-free heat networks
- New homes to have a very low space heat demand of only 15-20kWh/m^2/year (a 60-70% reduction on a new home that just complies with the previous 2013 building regulations[xviii])
- Accelerate and scale-up rollout of low carbon heat to existing buildings, with 3.3. million heat pumps installed in existing homes by 2030, expansion of low carbon heat networks in the 2020s, and a limited role for hydrogen in the existing gas grid in some locations after 2030
- End the installation of any fossil fuel boilers by 2033 for all existing buildings including homes, commercial and public buildings, unless in hydrogen gas grid areas
- Rapid rollout of insulation and other energy efficiency measures to existing buildings, so that all existing homes for sale from 2028 have EPC rating of C or better, and 15 million homes to receive insulation to their walls, floors or roofs by 2050, to include by 2025:
    - Loft insulations to reach 700,000 per year (from current level of just 27,000/year)
    - Cavity wall insulations to reach 200,000/year (current level: 41,000/year)
    - Solid wall insulations to reach 250,000/year (current level: 11,000/year)
- Construction materials to be used more efficiently and switching to low carbon materials (e.g. timber and low-carbon cement) – although this has only a very small role overall
- Fully decarbonise the electricity grid by 2035, by:
    - Scaling-up renewable electricity to represent 80% of generation by 2050 – primarily wind power but also solar, with much of the wind power being offshore – in step with greater electricity demand as buildings and transport switch away from fossil fuel
    - Add energy storage to the system, including batteries, hydropower, and hydrogen
    - Maintain or restore the existing nuclear power capacity by building new capacity in the 2030s to replace existing plants that are being retired in the 2020s
- Reduction in travel mileage by car, and phase out of new fossil fuel cars and vans from 2032 in favour of fully electric vehicles – and relatedly, decisions on investment in roads should be contingent on analysis justifying how they will contribute to the UK's pathway to net zero and not increase emissions[xix]
- Increase woodland cover to 18% of UK land, up from 13% today, and restore peatlands.

Committee on Climate Change analysis found that the government's policy plans are insufficient to deliver the full suite of necessary actions for the carbon budgets[xx]. The 2021 building regulations do not rule out gas (and many buildings granted under the 2021 regime will actually be completed post-2025). The Future Homes Standard (2025) is expected to deliver gas-free new homes, but will not deliver a low enough space heat demand[xxi] nor make buildings net zero carbon from first operation, nor include any regulation around low-carbon materials or material efficiency.

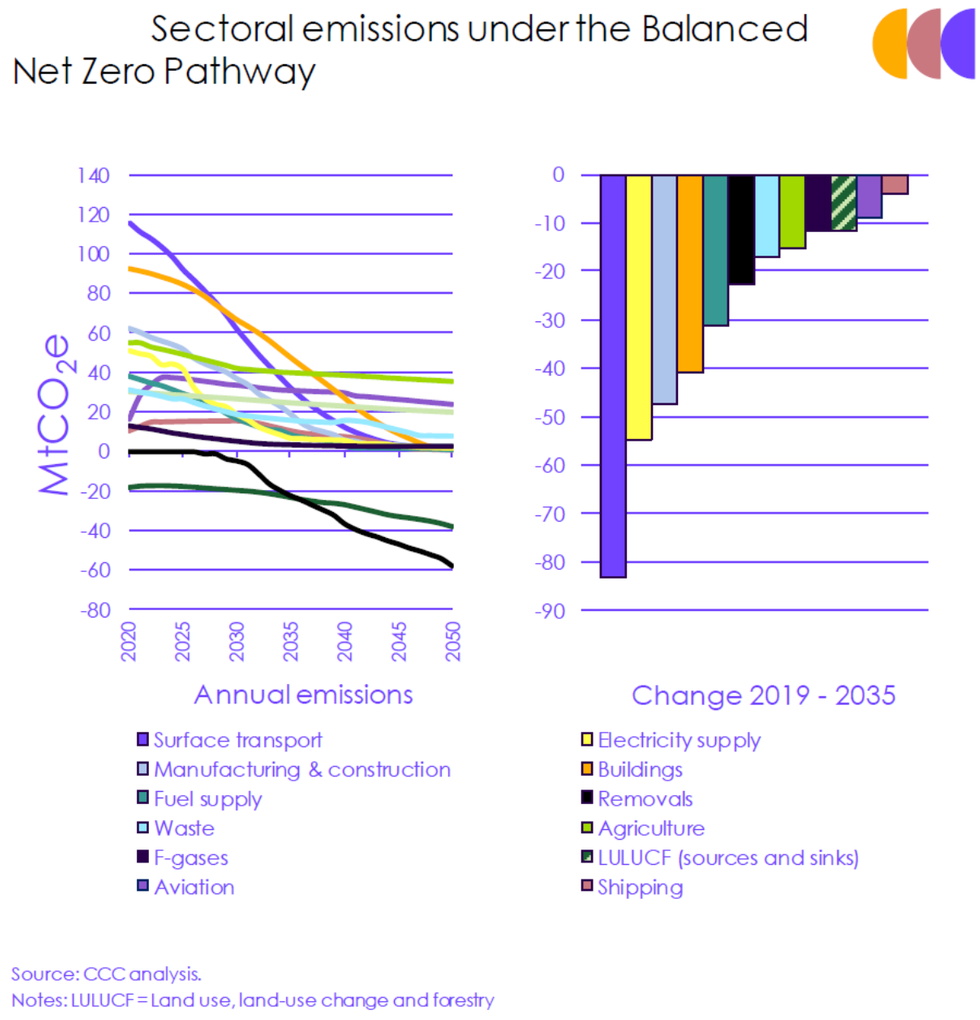


Figure 8: Committee on Climate Change Diagram showing how the carbon emissions of each sector must fall to achieve the 'balanced' pathway towards net zero carbon in 2050 and meet carbon budgets. From Committee on Climate Change (2020), *The Sixth Carbon Budget: The UK's path to net zero.*

[6] It is important to note that the CCC carbon budgets, while challenging, are really the minimum we must do to play our fair role in preventing catastrophic climate change. Other expert analysis of the UK's true 'fair share' of the global carbon budget has found[6] that the carbon budgets should be about half the size of the budgets that the CCC permits. These experts (at the Tyndall Centre) argue that if the UK does not stick to that fair share, it would be failing in its commitment to the Paris Agreement. Beyond the 'fair share' question, the CCC budgets also include future carbon removals through technologies that do not yet exist, and also 'carbon allowances' through emissions trading schemes. Tyndall Centre experts find it wiser to exclude both in case the technologies fail to emerge and because the emissions trading schemes are based in economy, not the science of global carbon budgets.

The role and commitments of Swale Borough Council

In 2019, the UK government committed to become net zero by 2050. Net zero means all of the greenhouse gases emitted into the atmosphere must be removed. This is to slow down and eventually stop the earth heating up, causing global disruption.

In recognition of the urgency to tackle climate change, Swale Borough Council declared a Climate Emergency in 2019. SBC have committed to:

- be a net zero Council by 2025
- be a net zero Borough by 2030

Below, existing emissions reductions and actions to address further reductions are assessed.

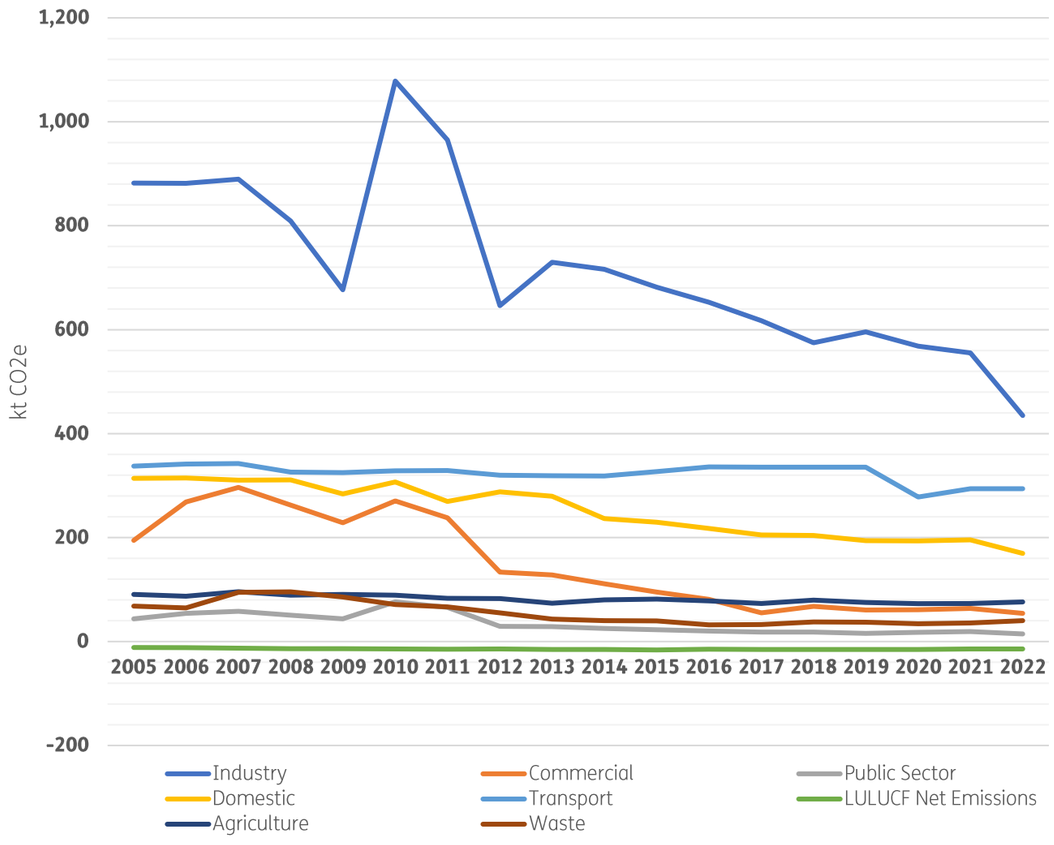


Figure 9: Sectoral emissions trajectories in Swale from 2005-2022 – BEIS/DESNZ UK local authority greenhouse gas emissions (2024).

As seen in *Figure 9*, industry and commercial emissions have proportionally reduced the most significantly due to grid decarbonisation and a reduction in industrial activity, whilst domestic building emissions show a modest reduction. Much of the emissions reductions can be attributed to the decarbonisation of the grid, due to a larger proportion of renewable energy generation compared to fossil fuel energy. Localised decarbonisation efforts will be needed to increase to keep on track with the Tyndall Centre carbon budget for Swale, which requires a 13% annual emissions reduction. Local plan policies can play a significant role towards achieving this, particularly to ensure that new development does not increase the burden of reaching net zero.

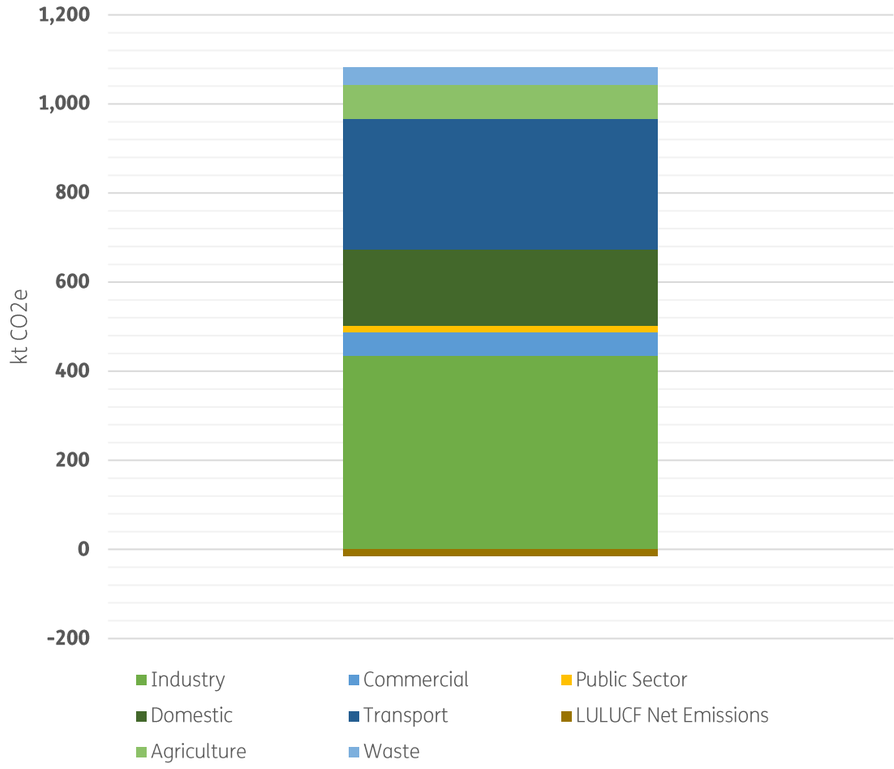


Figure 10: Sectoral emissions trajectories in Swale for 2022 – BEIS/DESNZ UK local authority greenhouse gas emissions (2024).

In 2022, the largest contributions to emissions in Swale derive from industry, transport and domestic sectors. The 41% contribution from industry will primarily not be addressed by local plan policies as this sector will rely on wider grid decarbonisation and technological innovation. Similarly, decarbonisation of the transport sector will be driven by behavioural change and increased accessibility of electric vehicles as prices are reduced, whilst grid decarbonisation will reduce the carbon emitted to fuel the electric vehicles. The local plan can play a role in transport decarbonisation by appropriately allocating sites with the intention of reducing private car usage and increasing public transport and active travel methods. This is out of scope for this study but should be explored as an indirect decarbonisation focus for the local plan.

Local plan policy has a significant impact on influencing future emissions contributions from the domestic and commercial sectors. Grid decarbonisation will play an essential role in decarbonising domestic and commercial buildings, yet local net zero buildings policy must reduce the reliance on grid-scale action. Limiting the energy consumption of new buildings in Swale is a key measure to mitigate overburdening the grid. Without limits on energy consumption, it is more likely that grid constraints will present themselves in Swale and potentially delay development. Additionally, requiring that all new buildings are heated by heat pumps or low-carbon district heating, supported by on-site solar PV generation, as numerous local authorities are now requiring. The local plan has control over carbon emissions resulting from new commercial and domestic buildings and should therefore maximise the potential impact of policy contained within it.

Separately, academic experts at the Tyndall Centre[xxii] have conducted an exercise for all local areas of the UK but with different assumptions about the fairest way to derive the local budget, and the activities that should be accounted for at national level rather than local level. Unlike the national carbon budgets that are legislated through the Climate Change Act 2008, the Tyndall Centre does not presume that carbon removal technology will appear in the future. The Tyndall budgets also are devised with a more explicit focus on the 'Paris Agreement's equity principle – that is essentially that richer countries make more drastic carbon cuts due to their greater ability and responsibility for the historic emissions already changing the climate. The Tyndall budgets are CO2-only (no other gases) and energy-only (i.e. no emissions or removals that are not fuel-related e.g. land use). They show only reductions at source, not 'net zero' where emissions are compensated for by removals.

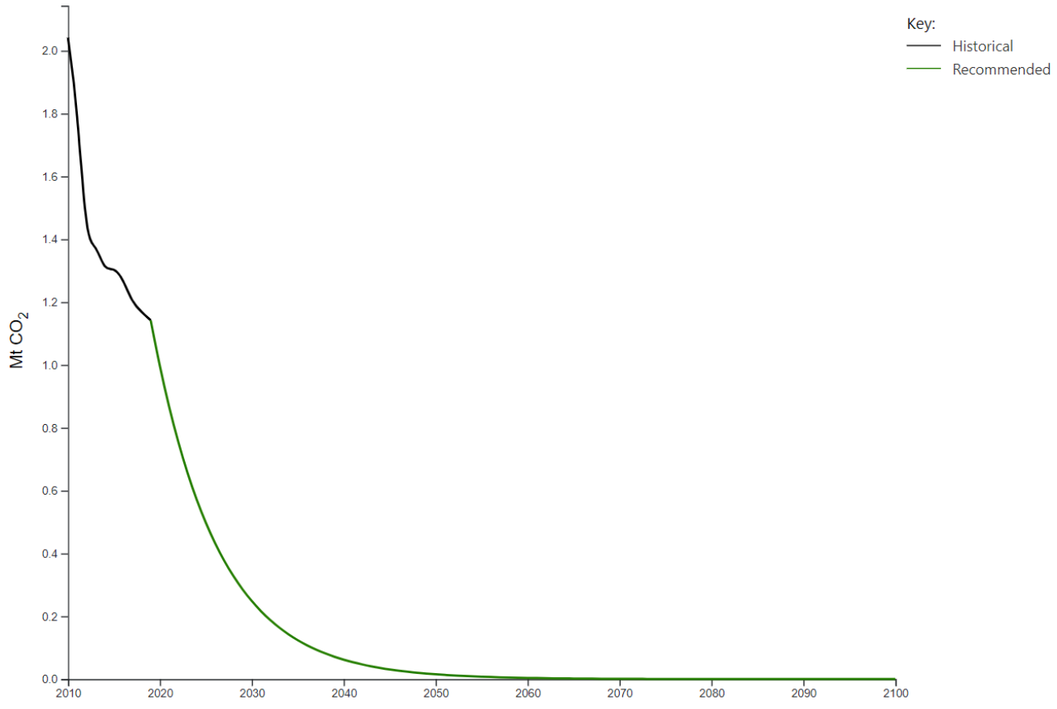


Figure 11: Emissions reduction pathway for energy-only CO_2 emissions to fulfil carbon budgets for Swale from 2018 to 2100 compatible with the Paris Agreement. Tyndall Centre (2024).

The Tyndall Centre's recommended pathways to net zero within the Swale carbon budgets are represented in *Figure 11, respectively*. To avoid exceeding the Tyndall carbon budget, Swale emissions would need to fall sharply starting from the 2018 baseline. This pathway amounts to a required annual 13% reduction to energy-related CO_2.

The challenge of bringing forward net zero carbon new buildings, scaling up retrofit of existing buildings, and decarbonising transport and the wider energy system, will not be possible without the support of the local plan. By shaping what kind of development happens and where, the local plan can help to realise Swale's ambitions.

A local plan that achieves dramatic carbon reductions will help to avoid contributing to the risk of Swale's residents being impacted by financial and health-related harms that would come with climate change. The Committee on Climate Change[xxiii,xxiv] has found (and UK central government has recognised[xxv]) that the changing climate brings risks of harm to the UK population's health, wellbeing, and economy in coming decades, all of which could affect SBC's citizens. These include:

- Overheating – deaths, health-related productivity losses, additional energy cost for cooling
- Flood – danger to life, health, and cost of damage to property and infrastructure
- Drought – perhaps risking the need for expensive solutions to maintain public water supplies
- Future contagious epidemics via disease vectors – ticks are becoming more abundant, and malarial mosquitoes may begin survive in the UK due to warmer winters
- Crop losses or soil damage via droughts, floods, heat, and wildfires – impacting jobs in our fragile farming sector, and potentially the availability and affordability of healthy food.

These are in addition to the impact on ecology/wildlife of the UK whereby freshwater ecosystems are already being harmed by over-abstraction of water[xxvi], and whereby native UK wildlife may struggle to compete with invasive species that move in as our climate becomes milder.

If the local plan does not take all possible steps within its grasp to achieve rapid and drastic carbon reductions, it would arguably be failing to deliver not just on its carbon reduction duties, but also its duties to protect the natural environment and the wellbeing of its population. The local plan's duties and powers to address carbon are explored next.

In relation to the emissions reduction in the sectors outlined above, the Kent and Medway Low Emissions Strategy has identified the following key trends to address:

- Air quality is improving, but there are still 43 Air Quality Management Areas in Kent and Medway.
- Road vehicles are the main source of poor air quality and carbon emissions.
- Congestion is worsening, with a 6% increase in average journey times on A-roads since 2015.
- Promoting public transport, walking, and cycling can reduce emissions and congestion.
- Encouraging the use of clean, alternatively fuelled vehicles is essential, with over 4,845 ultra-low emission vehicles already registered.
- Energy costs are rising, with an 8.8% increase in average annual domestic bills between 2017 and 2019.
- In 2017, 9.6% of residents were living in fuel poverty.
- Many homes are cold and poorly insulated, with 34% having low energy efficiency ratings (E, F, G).

- 75% of industrial energy use is for heat, much of which is wasted.
- Renewable energy generation has increased by 726% since 2012.

The Strategy has four strategic aims:

1. **Evidence**: Provide an ongoing evidence and intelligence base; linking data sets to identify hot spots and opportunities, and to build the business case for action across Kent and Medway
2. **Policy and Strategy**: Facilitate the development of evidencebased policy and strategy to future-proof economic recovery, tackle emerging issues and realise opportunities
3. **Leadership**: Support the public sector across Kent and Medway to play a strong leadership role with regards to challenges and opportunities
4. **Action**: Facilitate increased and accelerated action and implementation across Kent and Medway

At a Swale-level, the SBC Climate and Ecological Emergency Action Plan (2020) sets out key actions to decarbonise sectors. The following actions below link to areas where the local plan has the most influence on emissions reductions and relate to key policies areas addressed by this study. Those marked in blue are directly addressed or linked to outcomes of this study.

- Prior to the adoption of the new Local Plan, use a planning condition based on a 50% improvement over current building regulations, ratcheting to 75% and 100% improvement by 2025 and 2028 respectively, as the basis for negotiation with developers through pre-application and planning application negotiations.
- Use the local plan review to investigate the potential to introduce minimum requirements for on-site renewables on new developments.
- Review Local Plan and incorporate recommended actions on spatial land use strategy and integrated transport strategy, including focusing development in Swale's conurbations to utilise existing vacant sites and under-utilised sites within the settlement confines.
- Encourage high-quality, medium-high density dwellings near to transport nodes. Development could be supplemented by restricted parking, and EV pool-cars.
- Consider development of a financial viability toolkit to ensure that the cost of low and zero-carbon methods is accurately assessed (e.g. building materials, design and orientation, natural ventilation, landscaping, renewable generation and off-setting). Toolkit to be used by development management for pre-application advice.
- Develop, initially through a Supplementary Planning Document and subsequently the Local Plan Review Policy, the potential to move rapidly towards zero-carbon development in Swale including using tools such as the Home Quality Mark and BREEAM.
- Provide pre-application advice on energy efficiency and carbon standards and statement for future developments.
- Investigate the potential to set up an offset fund (106 Agreements) or allowable mechanism for developers to pay into if a certain energy efficiency of buildings is not able to be met in the development and use this money for carbon saving projects
- Investigate options for monitoring and testing conditions compliance on significant major planning applications (250 dwellings +), including those related to climate change (e.g. the performance gap between buildings designed energy use and actual energy use), with a view to securing S.106 obligations from developers to contribute towards the cost of such compliance monitoring
- Incorporate a policy on climate change adaptation in the local plan review
- Investigate the feasibility of determining an indicative price for offsetting carbon and establishing a carbon offsetting fund. (the majority of Local Planning Authorities are currently using a price of £60 per tonne).

National Policy expectations and legal duties of the local plan to address carbon reductions in the local area and the UK as a whole

The local plan's role to facilitate dramatic carbon reductions and a net zero carbon future is not only a political choice and a scientific need, but also a legal duty.

This section will explain the key pieces of legislation and national government policy, as well as setting out where in national planning policy and guidance these legal duties are reaffirmed, that impose this duty, providing context for the level of ambitious carbon reduction that the policies should pursue.

Planning and Compulsory Purchase Act 2004

This is the key foundational legislation that enshrines the local plan's duty to act on climate change. Section 19, paragraph 1a, states that:

> "Development plan documents must (taken as a whole) include policies designed to secure that the development and use of land in the local planning authority's area contribute to the mitigation of, and adaptation to, climate change".

Mitigation of climate change means reduction in the impact of human activity on the climate system[xxvii], primarily by reducing the level of greenhouse gas in the atmosphere[xxviii],[xxix]. This has two parts: reduction of carbon emissions, and action to increase the sequestration of carbon (removal and storage of carbon by trees, grassland, other green infrastructure, or future technologies).

As outlined previously, if a 2°C global limit is breached, we will hit 'tipping points' where various natural systems will be damaged to the point where they begin to release even more greenhouse gases and result in runaway climate change that may be unmitigable after that point.

Therefore to truly "contribute to the mitigation of climate change", the local plan's policies should facilitate the required carbon budget that would be compatible with staying below a 2°C future. As previously noted, this essentially means there is no room for new development to add to the overall carbon emissions of the UK (given the existing vast challenge of reducing existing emissions). The RTPI and TCPA assert also that "This means that Annual Monitoring Reports should contain assessments of carbon performance against the carbon budget regime set out in the Climate Change Act".

National Planning Policy Framework (NPPF) 2023

This document[xxx] is the framework by which the whole planning system is guided, and by which the soundness of local plans (and planning appeals) is judged by the planning inspectorate. Its following paragraphs reaffirm the duty of local plans (and whole planning system) to mitigate climate change:

- 157: "The planning system should support the transition to a low carbon future … shape places in ways that contribute to radical reductions in greenhouse gas emissions … [and] encourage the reuse of existing resources, including the conversion of existing buildings; and support renewable and low carbon energy and associated infrastructure".
- 158: "Plans should take a proactive approach to mitigating and adapting to climate change … In line with the objectives and provisions of the Climate Change Act 2008".
- 159: "New development should be planned for in ways that … help to reduce greenhouse gas emissions, such as through its location, orientation and design".
- 160: "To help increase the use and supply of renewable and low carbon energy and heat, plans should … provide a positive strategy for energy from these sources … consider identifying suitable areas for renewable and low carbon energy sources, and supporting infrastructure, where this would help secure their development".

To comply with the above imperative for carbon reductions 'in line with the Climate Change Act' would have to mean taking action to achieve the intermediate 5-yearly carbon budgets that the Committee on Climate Change devises and parliament legislates, as well as the eventual net zero goal in 2050.

Planning Practice Guidance (PPG)

The National Planning Practice Guidance is an online resource that adds further context and interpretation to the NPPF. It is separated into a series of topics, including climate change, renewable energy, planning obligations and viability. It makes several points about the duty and expectation for local plans to address carbon reductions.

Its climate change section[xxxi] confirms that:

> "Addressing climate change is one of the core land use planning principles which the National Planning Policy Framework expects to underpin both plan-making and decision-taking. To be found sound, Local Plans will need to reflect this principle and enable the delivery of sustainable development in accordance with the policies in the National Planning Policy Framework. These include the requirements for local authorities to adopt proactive strategies to mitigate and adapt to climate change in line with the … Climate Change Act".

This section reiterates local plans' climate mitigation duty per the Planning & Compulsory Purchase Act 2004, and that plan makers should be aware of the Climate Change Act goal and carbon budgets. The section on renewable and low carbon energy[xxxii] confirms that:

- All communities have a responsibility to help increase the use and supply of green energy, albeit not overriding other environmental protections
- Local planning authorities hold decisions over renewable energy development of 50 megawatts or less and may soon hold decisions over onshore wind over 50MW[xxxiii]. (*Note: As of 2020, energy storage of over 50MW is now the domain of the local planning authority, except pumped hydro[xxxiv]).

Potential tension with other duties

These carbon reduction duties are often in tension with the local plan's other duties – e.g. to enable economic growth and delivery of government-mandated housing targets. It is often assumed or argued that these other objectives could be inhibited if the carbon reduction provisions are so onerous as to present technical challenges or put at risk the developers' anticipated minimum profit margin of 15-20%. Nevertheless, the NPPF explicitly states that the goal of the planning system is '*sustainable* development' which it defines as "meeting the needs of the present without compromising the ability of future generations to meet their own needs" (as per the United Nations definition).

Given that the continued existence of life across much of the Earth is at risk if the planet exceeds 2°C of climate change (as previously discussed) – or at least a good quality of life – there is a strong argument to make that carbon emissions should be treated as the fundamental bottom line for what we can define as 'sustainable' development.

How can the Swale Local Plan take action towards achieving net zero carbon?

As previously explained[7], this report's primary focus is to support policy on the carbon emissions of buildings, which are responsible for a large share of local area carbon emissions. Specifically, new builds are the subject of most planning applications and thus the area that local plan policy wording (as opposed to spatial strategy) can most strongly influence. Therefore, this section focuses on the planning powers available to reduce the carbon of buildings, including via their grid energy supply.

The previous section highlighted the key pieces of legislation and national policy that set out the duties local plans hold to address climate change. This section explores many of the same pieces of legislation and policy, but this time sets out how these documents define the powers available to local plans to meet the duty of addressing climate change, as well as the powers available to meet net zero.

The powers afforded to the local plan to set policy requirements towards net zero carbon new buildings flow principally from the Planning and Energy Act 2008. Further direction how these powers can and should be used is given in the National Planning Policy Framework (NPPF) and National Planning Practice Guidance (PPG). Additionally, formal ministerial statements and other official government policies can also affect interpretation of how those powers should be wielded.

Planning and Energy Act 2008

The Planning and Energy Act 2008 grants local plan the power to set "reasonable requirements" for:

- "energy efficiency standards that exceed the energy requirements of building regulations"
- and "a proportion of energy used in development in their area" to be from renewable or low-carbon sources "in the locality of the development".

Policies using these powers "must not be inconsistent with relevant national policies"; that is, those relating to energy from renewable sources, low carbon energy, or furthering energy efficiency.

The Act defines "energy efficiency requirements" as standards that are 'set out or referred to in regulations made by the [Secretary of State]' or 'set out or endorsed in national policies or guidance issued by the [Secretary of State']. This is also repeated in National Planning Policy Framework paragraph 159. The only 'energy efficiency standards' currently clearly set out or endorsed in this way are the energy and carbon calculation methodology used for Part L of the building regulations. Until recently, this was only SAP and SBEM, but the new Part L 2021 for residential also mentions CIBSE TM54 as a suitable method to fulfil the new requirement for energy forecasting. This may be interpreted to mean that energy efficiency requirements must use SAP/SBEM or TM54 calculations. If SAP/SBEM, their scope will be limited to regulated energy only (heating, hot water, fixed lighting, ventilation). If TM54, total energy efficiency could be specified (including unregulated). However, several examples have recently successfully been adopted that use PHPP as well as TM54.

The act does not define 'energy used in their area'. Therefore, it is probable that requirements for renewable energy could cover a proportion of the new building's *entire* energy use, not just the share that is 'regulated' by Part L and calculated using SAP/SBEM.

Most definitions and requirements for 'net zero carbon buildings' in local plans are based on Part L and the associated calculation methods (although some make a separate requirement for renewable energy). This means they are subject to the weaknesses that befall Part L in terms of inaccurate calculations of energy and carbon, and a lack of incentive to create an inherently thermally efficient building shape (see previous section on national and alternative definitions of zero carbon).

Town and Country Planning Act 1990

The key parts of this Act relevant to carbon reductions are:

- Section 106[xxxv], planning obligations – this enables the local plan to require payments for the purpose of making an otherwise unacceptable development into an acceptable one. Section 106 obligations are expected to be reasonable, proportional to the development, necessary to make the development acceptable. This has been used in several example local plans to require carbon offsetting payments from new development.

- Section 61[xxxvi] enables the creation of a Local Development Order. This is a legal tool used by local government to achieve specific local plan objectives by permitting certain types of proposal that would otherwise need to go through the planning permission process. These are sometimes used to bring forward renewable energy, or low-carbon heat to existing buildings.

Infrastructure Act 2015

Section 37 of this Act[xxxvii] included provision for the Building Regulations to be amended to require provision for off-site carbon abatement measures. This was in relation to the erstwhile anticipation of the national net zero carbon building standard which was scrapped before coming into force. Nevertheless, this is where the concept of 'allowable solutions' to carbon emissions originated, in terms of allowing buildings to be legally accepted as 'net zero carbon' by delivering measures off-site to reduce carbon emissions or increase carbon sequestration, which could include paying others to perform those measures or purchasing carbon offset certificates through a national scheme.

Although the national net zero carbon buildings plan was scrapped and the government has not yet proceeded to enact the national 'allowable solutions' scheme envisioned by the Act, this is still the concept taken echoed in many subsequent local plans in the form of requirements for carbon offsetting either by payments or by direct delivery of projects that will reduce carbon emissions.

National Planning Policy Framework (December 2023)

This national policy document, updated December 2023, is the framework by which the preparation of local plans is expected to be guided, and by which their soundness is judged by the planning inspectorate. It expresses four key tests of soundness (all of which appear relevant to carbon):

- Plan should be positively prepared (responding to needs; delivering sustainable development)
- Plan should be justified (having considered alternatives and be based on evidence)

[7] Please note that this document focuses mostly on the carbon impact of **buildings**. Beyond this, new development will often also have carbon impacts from the transport induced in the lifestyles of its residents, workers or visitors. This transport carbon would be part of Swale's overall carbon emissions – and would therefore need to be reduced to zero in order to hit the national goal of net zero carbon by 2050 (or 2030 for the local target). Nevertheless the transport carbon is not considered part of the carbon that belongs to the building itself, thus it is not part of the definition of 'net zero carbon buildings' for which we now explore the planning powers to regulate. Transport and standalone renewable energy are briefly considered in the section entitled "beyond the building".

- Plan should be effective and deliverable over the plan period
- Plan should be consistent with national policy (again delivering sustainable development and being in accordance with other statements of national planning policy, where relevant).

It also reaffirms the ways in which the local plan (and whole planning system) can mitigate climate change. Beyond the NPPF paragraphs 157-160 in the previous section, the following paragraphs also become relevant to the question of which interventions are considered appropriate by the NPPF:

- Paragraph 163: "When determining planning applications for renewable and low carbon development, local planning authorities should not require applicants to demonstrate the overall need for renewable or low carbon energy, and recognise that even small-scale projects provide a valuable contribution to cutting greenhouse gas emissions".
- Paragraph 196: "Plans should set out a positive strategy for the conservation and enjoyment of the historic environment, including heritage assets most at risk through neglect, decay or other threats … taking into account the desirability of sustaining [them] … and putting them to viable uses consistent with their conservation" – This may support a sensitive but permissive approach towards energy retrofit, where this keeps a heritage building fit for long term use.

The NPPF also includes points which could be taken to constrain the extent to which a local plan can require carbon and energy improvements in development, including:

- Paragraph 159b: "Any local requirements for the sustainability of buildings should reflect the Government's policy for national technical standards."
- Paragraph 157c allows that new development should comply with local requirements for decentralised energy supply unless it is demonstrated to be not feasible or viable.

At present, the relevant 'national technical standards' would largely mean the building regulations Part L uplifts in 2021 and 2025, and perhaps also the electric vehicle charging requirements that are being introduced through the new Part S of building regulations.

National Planning Policy Framework Partial Update (2023)

The updated NPPF primarily reflect desired changes to onshore wind development.

The changes amend paragraphs 157 – 160, with the most notable change being that the impacts of onshore wind development must now be 'appropriately' addressed, replacing previous wording that required impacts to be 'fully' addressed. Another change is that SPDs can be used as a resource to identify suitable sites for wind development, although it is currently unclear whether the wider role of SPDs will be sustained in future NPPF iterations. These minimal changes offer a slight relaxation for onshore wind development, but are insufficient to allow onshore wind development to come forward with equal ease as other energy technologies.

National Planning Policy Framework Update Consultation (July 2024)

The general discourse from the Government (pre- and post the general election in May 2024) surrounds reforming the planning system. The previous Conservative government held a consultation on the NPPF at the end of 2022 as part of the Levelling Up and Regeneration Bill. Within a month of taking power, Labour has issued a consultation on amendments to the NPPF, commencing on the 30th July 2024. This report will focus on the most recent NPPF consultation.

The key points of the July 2024 NPPF consultation, in reference to this topic are:

1. Restoring mandatory housing targets

Labour has pledged to built 1.5 million homes by the end of their first term in Government. To achieve this, significant changes are required to how Local Plans calculate housing need and set allocations to meet housing need. The Standard Method is proposed to be changed, which is likely to increase the housing need across the majority of districts.

The desire to deliver housing and the changes proposed, whilst does not change the NPPF's overall goal of sustainable development under paragraph 11 which includes 'mitigation to climate change', puts greater pressure on plan making and decision taking to deliver more homes over the plan period.

2. Advocating for effective cooperation across local authority boundaries to deliver strategic objectives, including climate resilience.

Proposed paragraph 27 outlines that strategic policy-making authorities are consistent with those of other bodies where there is a relationship on these matters. This is important where regional strategies are in place for climate mitigation or adaptation, to ensure that local authorities align with strategic policies at a regional or sub regional level.

3. Local plans should set a clear strategy for economic growth and investment

This includes the allocation of sites to support the 'modern economy' including labs, data centres and freight and logistics. We note the absence of supporting infrastructure e.g. electricity networks or renewable energy sources to facilitate growth, but in amended paragraph 85 (a) there is reference to upgraded facilities and infrastructure to support growth which includes grid connections.

4. 'Grey belt land' within the Green Belt

Amended paragraph 142 outlines that Green Belt boundaries should be reviewed in exceptional circumstances, which include meeting the identified need for housing or commercial development. This may put Green Belt land at greater pressure in some constrained districts, or urban areas, who have seen increase housing demand through changes to the Standard Method.

One of the key changes is the introduction of a new definition of 'grey belt land' which is previously developed land, or land which does not contribute to the purposes of the Green Belt. Development of grey belt land would not be regarded as inappropriate under proposed paragraph 152 under certain circumstances.

5. Changes to Chapter 14 'Climate Change'

There is no significant changes proposed to the paragraphs within the Climate Change chapter which would have a significant impact on the information previous outlines in respect of the duties and powers of local plans.

There are however several changes to note:

- Paragraph 159 (now proposed 161b) outlines that local plans should 'identify' suitable areas for renewable and low carbon energy sources. The removal of 'consider identifying' outlines that

local plans are now expected to identify areas for infrastructure to support the development plan's ambition and allocations.

- Removal of paragraph 160 relating to support for community led initiatives for renewable energy, however this is replaced in proposed paragraph 164(b) in recognition of the contribution small scale or community led projects can deliver. Continued support under paragraph 163 (proposed paragraph 164) for improvement to energy efficiency and low carbon heating in existing buildings.
- Proposed paragraph 164 now outlines support for 'all forms of renewable and low carbon energy' and in addition footnote 59 and 60 relating to onshore wind is also removed.

Planning Practice Guidance (PPG)

The PPG section on Climate Change[xxxviii] reiterates several powers relevant to carbon, and also constraints on how those should be exercised. It highlights several opportunities including:

- Reducing the need for travel and providing sustainable transport
- Providing opportunities for renewable and low carbon energy and decentralised energy
- Promoting low-carbon design approaches to reduce energy consumption in new buildings.

It confirms that appropriate mitigation measures in plan-making can be identified by:

- Using available information on the local area's carbon emissions [such as BEIS subnational carbon inventories referenced elsewhere in this report]
- Evaluating future emissions from different emissions sources, taking into account probable trends set in national legislation, and a range of development scenarios
- Testing the carbon impact of different spatial options, as emissions will be affected by the distribution and design of new development and each site's potential to be serviced by sustainable transport
- Noting that different sectors have different opportunities for carbon reductions, noting that "In more energy intensive sectors, energy efficiency and generation of renewable energy can make a significant contribution to emissions reduction".

For existing buildings, the PPG notes that many carbon-reducing measures may not require planning permission, but for those that do, "local planning authorities should ensure any advice to developers is co-ordinated to ensure consistency between energy, design and heritage matters."

It reiterates the Planning & Energy Act powers that the local plan can require developments' energy/carbon performance to be higher than those of national building regulations to an extent:

- For homes: up to the equivalent of Level 4 of the Code for Sustainable Homes
    - [We note that this limit should no longer apply, as it has been exceeded by national building regulations Part L 2021, whereas that part of the PPG citing the Code was last updated in March 2019.]
- For non-residential buildings, the plan is not restricted or limited in setting energy performance standards above the building regulations.
- Requirements for new buildings' sustainability are expected to be set in a way consistent with the government's zero carbon buildings policy … adopt nationally described standards … and be … based on robust and credible evidence and pay careful attention to viability".

The PPG section on renewable and low carbon energy confirms that:

- Local planning authorities hold decisions on renewable energy development of ≤50MW [From 2016, onshore wind over 50MW is also now a local planning decision[xxxix]]
- Neighbourhood Development Orders and Community Right to Build Orders can be used to grant planning permission for renewable energy development.
- There are no concrete rules about how to identify suitable areas for renewable energy, but should consider the requirements of the technology and cumulative environmental impacts, and could use tools such as landscape character assessment to inform this.
- Identifying suitable areas gives greater certainty to where renewable energy will be permitted – and wind turbine development should only be approved in such identified suitable areas.

The PPG section on viability confirms that:

- Plans should set out the contributions expected from a new development, including for infrastructure, informed by evidence of need and viability-tested alongside other policies.
- The role of viability assessment is mainly at plan-making stage, and should not compromise sustainable development but should ensure that policies are realistic and deliverable.
- Once the plan is made, the price paid for land is not considered a valid reason for failing to comply with the relevant policies of that adopted plan.

The PPG section on planning obligations[xl] (such as Section 106 payments) notes that:

- The previous restriction on pooling more than 5 planning obligations towards a single piece of infrastructure has been removed – so LPAs can now pool as many S106 or CIL as they wish, subject to meeting the other tests (necessity, scale and direct relation to development).
- The Community Infrastructure Levy "is the most appropriate mechanism for capturing developer contributions from small developments".
- Planning obligations should not be sought for development that consists only of residential extensions/annexes.

Other government outputs that relate to how local plans can wield powers

Written Ministerial Statement on Planning (WMS2015)

In 2015, Government announced that it would update building regulations to have on-site carbon emissions equivalent to the withdrawn Code for Sustainable Homes Level 4 (a 19% reduction on the emissions rate of Part L 2013). It stated that on this change, it would remove local plans' Planning & Energy Act powers to require higher energy standards. It stated that meanwhile, local plans should not set policy requiring any level of the Code nor other standard in layout, performance or construction and that local authorities were 'expected' not to set conditions requiring more than the 19% reduction.

This, along with the tension between the duties for carbon and viability/housing delivery, has caused many to discard policies – or else to adopt only nominal 'zero/low-carbon' policies that stop far short of requiring carbon improvements to the extent that would have been technically feasible.

However, these changes to building regulations and the Planning & Energy Act are, as yet, still not implemented. As a result, the 2015 statement should carry limited weight with the planning inspector. There has since been successful adoption of several local plans that go well beyond the supposed limit of a 19% reduction on Part L 2013 (London 35%; Reading 35%; Milton Keynes 39%). London (among others) also requires other standards relating to 'construction, internal layout or performance' such as the Home Quality Mark or BREEAM, despite the 2015 ministerial statement. Developers in these locations have for many years proven able to consistently comply with these higher standards.

The 'interim uplift' to Part L of building regulations in force since June 2022 (see 'Future Homes Standard consultation response') now makes the 2015 Ministerial Statement obsolete, because the new Part L already delivers a carbon saving greater than the supposed 19% limit. Relatedly, a recent planning inspectorate appeal decision expressed the view that the 2015 Ministerial Statement is no longer the most relevant expression of national policy, as the Future Homes Standard and Climate Change Act net zero carbon goal are now quite clearly more relevant.

Similar views appeared in the Inspectors' reports on several recent successfully adopted plans that further diverge from the WMS2015. Bath & North East Somerset Council, Cornwall Council and Central Lincolnshire Council recently adopted ground-breaking new housing policies that require an on-site net zero energy balance and specific absolute targets for energy efficiency. These plans were supported by evidence of feasibility and viability. The Inspectors' examination reports considered the 2015 WMS and found it no longer relevant. Bath also received a letter from Government reaffirming local plans' power to exceed Building Regulations standards. Correspondence with Bath indicates no drop in housing applications in 2023 (with the policy) compared to 2022 – in fact, the number was higher in 2023

Legal advice [xli] **in the 'net zero evidence' suite produced for Essex Design Guide** (to support more effective 'true operational net zero' policies) similarly concludes that "Despite the 2015 WMS remaining extant and despite the failure to update the Planning Practice Guidance, it is clear that the Government does not consider that they constrain [local planning authorities] and that the [Planning & Energy Act 2008] empowers [them] to set energy efficiency standards [that] go beyond national Building Regulations … This is the correct approach in law. In my view, the right approach is that adopted in the Report on the Examination of the Cornwall [DPD]: The 2015 WMS should not be accorded any weight".

An inspector's decision to reject a similar policy in Salt Cross Area Action Plan due to the WMS2015 was recently overturned (February 2024) in the High Court[iii] on the basis that the decision placed too much weight on the WMS2015 which had been overtaken by Part L 2021.

Finally, it is also important to note that **this WMS of 2015 was then overtaken and replaced by a subsequent WMS of 13th December 2023**. That latter WMS is discussed next.

Written Ministerial Statement on Energy Efficiency 2023 (WMS2023)

On 13th December 2023, a new Written Ministerial Statement (WMS) was made by Lee Rowley (Minister of State for Housing) together with Baroness Penn (Parliamentary Under Secretary of State for Levelling Up, Housing and Communities). Its topic is "Planning - Local Energy Efficiency Standards".

The new WMS2023 attempts to place severe new limitations on the exercise of existing powers held by local planning authorities to require improvements in new builds' energy performance.

What does the WMS2023 say?

The WMS2023 does not remove the ability to set improved local standards, but purports to constrain them in this way:

- Energy efficiency policy must be expressed as % reductions on a building's TER (Target Emissions Rate set by Building Regulations), using a specified version of SAP.
- Policies that go beyond national building regulations should be "applied flexibly to decisions … where the applicant can demonstrate that meeting the higher standards is not technically feasible, in relation to the availability of appropriate local energy infrastructure … and access to adequate supply chains."

The above would affect how the plan can exercise its power to require energy efficiency standards beyond those of building regulations (a power granted by the Energy & Planning Act 2008). This WMS therefore undermines several recent adopted local plan precedents that used other more effective metrics to deliver buildings suitable for the UK's carbon goals, such as energy use intensity and space heat demand (Cornwall, Bath & North-East Somerset, and Central Lincolnshire).

The WMS also states that any such energy efficiency policies should be rejected unless they have a "well-reasoned and robustly costed rationale that ensures that development remains viable, and the impact on housing supply and affordability is considered in accordance with the National Planning Policy Framework". This is not really new – any new policy should typically come with such justification. Still, this reiteration in the WMS is likely to bring additional scrutiny to any evidence put forward.

What impact does the WMS2023 therefore have on local plan climate mitigation efforts?

For new buildings, the WMS2023's stipulations make it much harder to fulfil local planning authorities' legal duty to mitigate climate change (Planning & Compulsory Act 2004) and the expectation laid on them to support "radical reductions in greenhouse gas emissions … [taking] a proactive approach … in line with the objectives and provisions of the Climate Change Act 2008" (National Planning Policy Framework).

The main reason the WMS make this duty harder to fulfil are:

1. **Pushing the use of a *carbon* metric, when contrarily the goal is *energy efficiency*.** The biggest problem is that the WMS asks for energy efficiency policies to be expressed using the Part L TER metric – but TER is in fact not an energy efficiency metric. As the acronym suggests, TER is instead a *carbon emissions* metric. It is unclear why this choice was made in the WMS, given that the Part L methodology (SAP) does also contain two energy efficiency metrics: the TFEE (Target Fabric Energy Efficiency) and TPER (Target Primary Energy Rate). Additionally, as previously noted, the SAP methodology is notoriously poor at estimating the actual energy performance of a building, and therefore any of the SAP metrics would not reliably ensure that buildings have the absolute energy efficiency performance that is known to be a necessary part of the UK's legally binding carbon goals. That unsuitability is why several recently adopted precedents (Cornwall etc, as above) had used alternative metrics that are effective for delivering energy efficiency and measuring whether a building is 'net zero'.

2. **Forcing the use of a 'specified version of SAP' for the required metric:** SAP is the method used to calculate all target metrics set by Part L of Building Regulations, including the TER metric named by the WMS. SAP is updated more often than Part L. SAP updates can include anything from changes to the assumptions about the baseline building characteristics or the performance of standard types of equipment, through to changes in the carbon intensity of grid electricity. The current version is SAP10.2. Some precedent local plans had previously overcome this issue by stating that calculations must simply use 'the latest available version' of SAP. That way, the policy does not go out of date each time a new version of SAP is released.
    a. The WMS does not make clear whether it would be acceptable to say 'the latest version of SAP', or if it would have to be 'SAP10.2' or similar. If the latter, then the WMS would require the policy to be at risk of going out of date very quickly.
    b. SAP is due to be replaced with a new model, HEM (Home Energy Model) in 2025 when the Future Homes Standard (FHS) is introduced. This too would put local policy out of date unduly quickly if written only for a 'specified version of SAP' to placate the WMS. The HEM recently underwent consultation alongside the FHS consultation – therefore HEM's final form, function and outputs are not yet known. Thus it is not yet possible to write a policy that uses HEM metric for targets, as it could not currently be robustly assured that these would be feasible or their cost uplifts assessed, even if the WMS had not failed to acknowledge HEM's imminent introduction.

3. **Creating a hostile climate towards buildings energy and carbon improvement policies:** Beyond constraining on how policy is expressed and implemented, the WMS sets a tone that is generally discouraging (albeit not prohibitive) towards any local policy that goes beyond "current or planned building regulations", stating that the government does not "expect" this. This negative stance is likely to be used in objections from developers in local plan consultations and examination. However, the WMS does not actually prohibit the use of such policies so long as they are well-justified. The Council should prepare to strongly and accurately counter any such claims that the WMS contra-indicates any such local energy policy.

What is the status of the WMS compared to the legal duties and powers, and must it be followed?

The National Planning Policy Framework confirms that Written Ministerial Statements are one of the "statements of government policy [which] may be material when preparing plans or deciding applications". However, being a 'material issue' does not make a WMS incontrovertible.

Legislation holds far more material weight than a WMS. Therefore, it might be possible to diverge from the WMS' stipulations if a strong case can be made that following the WMS would prevent the local authority from fulfilling its legal obligation to 'contribute to the mitigation of climate change' imposed by the Planning & Compulsory Purchase Act. This argument could be further strengthened by similar evidence relating to the ability to meet the NPPF expectation for 'radical' carbon reductions *in line with the Climate Change Act*. The NPPF, too, should hold far more material weight than the WMS, as the NPPF undergoes extensive public consultation before adoption – whereas the WMS2023 was released without any consultation or democratic process. There may also be other formal statements of national policy (e.g. around energy efficiency targets) whose achievement the WMS2023 would inhibit.

Government has not indicated that there was any assessment of how the WMS would affect the ability to fulfil those climate mandates, nor advised which should take priority where they are in conflict.

The most robust evidence for this argument is energy and cost modelling to demonstrate the difference that would occur as a result of following the WMS stipulations as opposed to using the more accurate energy metrics. For example:

- The difference in carbon emissions, thus moving the buildings sector's carbon reduction trajectory even further from what it needs to be within the 'balanced pathway to net zero' as analysed by the Committee on Climate Change to comply with the UK's legislated carbon budgets (set under the aegis of the Climate Change Act)
- The difference in energy efficiency compared to what the Climate Change Committee has shown to be necessary as part of the UK's wider energy system transition needed for all sectors (not just buildings) in order to meet the legislated carbon budgets as above. This may also be relevant to any other local plan objectives about the affordability of home running costs, as opposed to the up-front price of buying or renting a home.

Even with such evidence, there remains a risk that it may be challenging to fully express this argument to the Inspector in the time available at examination, as it is a highly technical topic to explain, both in written form and verbally, to anyone not already expert in net zero carbon building design. The WMS states that such policies may draw close scrutiny from central government, meaning the Council may have to defend against not only the usual objectors but also central government pressure to comply with the WMS.

Regarding the WMS' effect on local plans' powers, we note a recent High Court decision[ii] (February 2024) overturned a planning inspector's decision based on a *different* WMS. The decision confirmed that the WMS "cannot mis-state the law, or restrict the legal powers of the LPA under the 2008 [Planning & Energy] Act." This should therefore also be true about the WMS2023. However, that decision also notes that the Planning and Energy Act includes a clause saying that local policies using the powers of that Act 'must not be inconsistent with relevant national policies for England'. It is

therefore difficult to predict how this would be interpreted by a planning inspector or the court, as there would appear to be something akin to a 'circular reference' in that the Planning and Energy Act could be interpreted to contain within it a clause allowing 'national policy' to invalidate the exercise of the powers that it grants, although the Act itself – as a piece of formal legislation – holds primacy over the ill-defined set of items that could be considered to constitute 'national policy'.

However, we note that legal challenges are underway against the WMS2023. A non-profit and local authority have won permission from High Court[ii] to hear their case that the WMS2023 is an unlawful overreach of Government power. Similarly, the Secretary of State had to defend itself in pre-action legal correspondence against a similar case raised in a pre-action letter by a coalition of local authorities and had to concede that the WMS is only a material consideration (not a concrete constraint) and cannot limit the use of powers granted to local planning authorities in legislation. Meanwhile, Good Law Project has also begun a public campaign[iii] to pressure Michael Gove to revoke the WMS, and Essex County Council has updated its open legal advice[iv] to explain why the 2023 WMS should not legally be interpreted as a binding constraint from which local policy cannot diverge with sufficient justification. If successful, these legal challenges could reopen the door for the Council to revert to the more effective policy later on.

What can the Local Plan still do if the WMS2023 were strictly interpreted?

The WMS only relates to *energy efficiency* policies, not to policies on *renewable energy, embodied carbon*, or *overall carbon reductions*.

Therefore, policies on renewable energy could still:

- Require a certain proportion of energy use to be met with on-site renewable energy provision.
    - Define 'energy use' to mean *total* energy use, not just the regulated energy use as calculated by building regulations
    - Support this with feasibility and cost evidence – noting that several other local plans' similar requirements have been shown to be feasible, albeit those required that energy efficiency targets were met before calculating the amount of renewable energy needed.

And policies on embodied carbon could still (with suitable feasibility and viability evidence):

- Require reporting of embodied carbon, and/or
- Require new development to stay within certain target limits on embodied carbon
    - Support this with suitable feasibility and cost evidence – either from the local context, or pointing to suitably relevant data from other recent local plans' evidence bases.

These embodied carbon requirements might need to apply over a certain threshold so as to ensure the cost of the embodied carbon assessment itself is not prohibitive and that smaller sites are not held back by any shortage of professionals able to undertake the calculation.

Meanwhile, policies on *energy efficiency* – which is what the WMS affects – could either:

- Comply with the WMS by expressing the policy as a requirement to 'achieve a certain % carbon reduction on the Part L 2021 Target Emission Rate *through energy efficiency measures*' (see examples later in this report, e.g. London Plan 2021; this would require a definition of what is an 'energy efficiency measure'),
  Or
- With sufficient evidence to justify diverging from the WMS - continue to use metrics that are not endorsed by the WMS, including:
    - A fixed or relative improvement on the Target Fabric Energy Efficiency metric calculated by Part L SAP10.2 (less risky, as this is still a metric from national technical standards),
      Or
    - Fixed targets for space heat demand and energy use intensity, set to align with the performance known to be necessary for the UK's carbon budgets as previously noted; see later section of this report for examples of how existing and emerging local plans have formulated similar policies – these are now more risky in light of the WMS).

Written Ministerial Statement on brownfield development, February 2023

A statement was made by Michael Gove on 19th February 2024[v] which could make it difficult to implement some policies on sites that are recognised as brownfield (previously developed land).

This approach was also previously announced on 13th February 2024 via a press release[vi].

This Statement indicated the Government's intent to introduce a 'presumption in favour of brownfield development' in 'the twenty most populous cities and urban centres in England'.

Based on the accompanying consultation paper[vii], the national policy changes would mean:

- In planning decisions, additional weight would be given to the benefits of housing delivery on brownfield sites (in all local planning authority areas)
- A 'presumption in favour' for development proposals on brownfield sites where the local authority is failing to meet at least 95% of its housing requirement.
- Any policies relating to the *internal layout* of development, including daylight and sunlight policies, should be applied flexibly on brownfield so that they do not "inhibit making the most efficient use of a site (as long as the resulting scheme would provide acceptable living standards)". This would apply to all local planning authority areas.

The latter point should not strongly affect the ability to implement *carbon*-related policy, as this is not strictly a policy about 'internal layout', nor external layout and appearance or other policy standards. However, the consultation also asks a question about whether the consultee agrees that 'internal layout' should be the only kind of policy that has to be made flexible in this way. It is therefore not impossible that the Government's future policy direction could be further extended to include any other policies that could potentially add to the cost or perceived complexity of brownfield sites.

However, the 'presumption in favour' principle, depending on how it is interpreted, could make it more difficult to refuse brownfield housing schemes that fail to comply with carbon or energy policies.

The proposed changes to the NPPF issued on the 30th July by the new Labour government, reasserts the importance of brownfield land for delivering new homes. To that effect, paragraph 123 (now proposed paragraph 122c) outlines that policies and decisions should give substantial weight to brownfield land and consider the principle of development of brownfield land as acceptable. This is further strengthened by the amendment to paragraph 11 which further extolls the presumption in favour of the [sustainable] location and effective use of land for new development. At this time, no further comment has been made by the new government about the previous brownfield consultation undertaken by the previous government.

Future Homes Standard Consultation Response (2021)

This document was the government's response to public consultation on the new Future Homes Standard, which will update building regulations in 2025 with tighter standards in energy and carbon. The document also lays out an 'interim uplift' titled Part L 2021, which is now in force as of June 2022.

The government asked whether it should now enact the changes to Planning and Energy Act that would remove local planning authorities' power to require higher standards of energy efficiency and renewable energy, as per the 2015 Written Ministerial Statement. 86% of responses said no. The response confirms that "in the immediate term" it will not enact those changes and that local plans thus retain their existing powers. It notes the previous "expectation" set by the 2015 Ministerial Statement, but does not say that this still applies, and recognises that many local plans exceed this.

The response document also lays out an indicative specification for the 'notional building' for the 2021 & 2025 Part L. This is the imaginary building with several energy efficiency and renewable energy measures, whose carbon emissions rate the proposed building must not exceed. See table below. It was later confirmed that the document forms a piece of official government policy.

Part L Interim uplift 2021 (changes vs 2013)	Part L Future Homes Standard 2025
Minor improvements to roof, windows, doors Solar PV panel m^2 equal to 40% of ground floor Wastewater heat recovery system Still has gas boiler as basic assumption	Major improvements to walls, roof, floors, windows, doors Low carbon heat pump Solar panels and wastewater heat recovery are not part of notional building spec
Result: 31% reduced target emissions rate compared to 2013	Result: 75% reduced target emissions rate compared to 2013 (low enough to rule out gas boilers)

Future Homes Standard second consultation (2023-24)*[i]*

In December 2023, the Government commenced a new round of consultation on the standard that is to be adopted for new homes' energy and carbon from 2025. As this is a consultation only, looking at multiple options for future regulation, its contents presumably do not yet constitute a formal statement of national policy. This consultation ran until 6th March 2024, therefore it is unlikely that Government will digest the responses and release its response (which would constitute a national policy statement) in time for it to be considered within the present scope of net zero carbon local plan support work for Swale.

However, we here summarise the content of the current consultation to inform Swale of the potential future national policy direction that could be implied. This could further strengthen the evidence of need for local policy, because the current approaches described in the FHS consultation do not meet the standards needed for the national carbon budgets as described previously.

This new consultation puts forward two options that Government may adopt as the Future Homes Standard, both of which are significantly weaker than the previously drafted standard that had been described in 2021. Essentially, these are the weakest two options from the range of six 'Contender Specifications' that had been devised[ii] by the Future Homes Hub (a collaboration involving major developers along with various industry professional bodies and central government observers).

The two currently proposed options now on the table are shown in Table 3. Please note the 'DFEE' and 'space heat' figures are not taken from the consultation itself, but rather from prior analysis by the Future Homes Hub[iii].

We note that the consultation also proposes to replace the SAP calculation methodology with a new model titled HEM, the Home Energy Model, which is intended to be more transparent and adaptable.

Part L 2021 (today's standard)	FHS (as previously indicated in 2021)	FHS (2023 consultation) Option 1	FHS (2023 consultation) Option 2
Fabric: [see Table 3]	Fabric: [see Table 3]	Fabric: All U-values identical to Part L 2021. Small improvement to airtightness.	Fabric: No changes therefore no improvement on Part L 2021.
Heat: Gas boiler.	Heat: Air-source heat pump.	Heat: Air-source heat pump and wastewater heat recovery	Heat: Air-source heat pump.
PV: Equal to 40% of ground floor area.	PV: None.	PV: Equal to 40% of ground floor area.	PV: Removed; none.
Results: [Carbon - see Table 2] • Heat bill/year: £640 • DFEE: 19.3 – 55.9 kWh /m^2 /year	Results: [Carbon - see Table 2] • Heat bill/year: Unknown • DFEE: 13.5 – 51 kWh/m^2/year	Results: • Carbon emissions in semi-detached home: 0.05t/year • Heat bill/year: £520 • DFEE & space heat demand unknown, as this Option does not match any of the Future Homes Hub Contender Specifications	Results: • Carbon emissions in semi-detached home: Not given. • Heat bill/year: £1,220 • DFEE: Identical to Part L 2021.

The Levelling up and Regeneration Act 2023 *(LURA)*

This Act received Royal Assent in late October 2023. It will affect the planning system in a variety of ways, the most relevant of which for carbon are:

- The Act reiterates the requirement that 'local plans must be designed to secure that the use and development of land in the local planning authority's area contribute to the mitigation of, and adaptation to, climate change'.
- The Act as passed in 2023 does not appear to directly end the use of Section 106 or the Community Infrastructure Levy. However, Schedule 12 (Part 1) grants powers to the Secretary of State to "make regulations providing for … a charge to be known as Infrastructure Levy (IL)" and that these IL regulations "may include provision about how the following powers are to be used":
    - a. Community Infrastructure Levy
    - b. "section 70 of TCPA 1990 (planning permission),"
    - c. "section 106 of TCPA 1990 (planning obligations)"
    - d. "section 278 of the Highways Act 1980 (execution of works)."
- Therefore it appears that until the Secretary of State creates the new Infrastructure Levy Regulations which may change how S106 is permitted to be used, we will not know whether S106 will still be usable for the purpose of raising carbon offsetting funds, or for any other purposes related to reducing the carbon emissions impact of development.
- **New 'national development management policies' (NDMP)** with which local plan policies must not be inconsistent. The Act 2023 does not confirm the content of the DM policies. It only states that (Chapter 2, point 94):
- "A "national development management policy" is a policy (however expressed) of the Secretary of State in relation to the development or use of land in England, or any part of England, which the Secretary of State by direction designates as a national development management policy"
- Before making, modifying or revoking an NDMP, the Secretary of State must:
    - Consult with relevant parties on this unless it is a) an immaterial change to the NDM policy or b) it is 'necessary, or expedient …to act urgently'.
    - "Have regard to the need to mitigate, and adapt to, climate change".
- A previous consultation suggested that an NDMP for carbon measurement and reduction could be set. Carbon is not mentioned at all in the Act text as passed, so we cannot determine yet whether this could affect the ability of LPAs to set their own standards on carbon reduction and energy efficiency in new buildings.
- **A new 'Environmental Outcomes Report'** to replace the existing system of Sustainability Appraisals, Strategic Environment Assessments and EU Environmental Impact Assessment. The outcome topics are yet to be clarified but may conceivably include carbon.
- The Act as passed in 2023 (Part 6) establishes that "Regulations made by an appropriate authority … may specify outcomes relating to environmental protection in the United Kingdom or a relevant offshore area that are to be 'specified environmental outcomes'".
    - 'Appropriate authority' is defined as the Secretary of State and/or a devolved authority.
    - "'Environmental protection' means … protection of the natural environment … from the effects of human activity" – and this definition, along with the definition of 'natural environment, mentions chalk streams specifically.
    - The definition of 'natural environment' names 'living organisms … their habitats … [unbuilt] land, air and water … and the natural systems, cycles and processes through which they interact". This could logically be implied to include the climate – as this is a natural cycle or process.

However, neither climate nor carbon is specifically mentioned anywhere in Part 6. Therefore it is unlikely that the Act's 'Environmental Outcomes' will affect the way the local plan can choose to pursue climate mitigation.

The Planning and Infrastructure Bill (2024)

The new Labour Government set outs its legislative priorities in the Kings Speech on 19th July 2024. Included as a priority was the Planning and Infrastructure Bill which is anticipated to come forward this autumn. The Bill will seek to:

- Ensuring the planning system is an enabler of growth – delivering both housing and critical infrastructure
- Streamline the planning process for major infrastructure projects (including boosting renewable energy infrastructure to meet net zero obligations and energy security)
- Modernising planning committees
- Increase local authority capacity
- Ensuring development funds nature recovery

This Bill may have implications for policies relating to renewable energy as the Bill seeks reinforce and unlock the delivery of renewable energy, however it is expected that the majority of the changes will relate to the consenting regime for NSIPs.

Provisions previously set out in the enacted in the Levelling Up and Regeneration Act (LURA), for example NDMP's or changes to S106 are expected to be continued unless changes are tabled as part of the Planning and Infrastructure Bill, or the Secretary of State chooses not to enact any changes under the provisions allowed to them under the LURA.

What is Swale's current approach, and how have other existing and emerging local plans used those powers?

Swale Local Plan (Reg 19 - 2021) policies to date

Emerging Swale policies signify a starting point for policy improvements to be made. The policies assessed below are derived from the withdrawn Reg19 local plan from 2021. For completeness, the previously emerging policies are reviewed. However, the recommendation Bioregional and Edgars is to wholly replace the previous suite of climate change policies. This is because best practice for net zero policy has developed considerably since 2021 and it is more sensical to start from scratch based on new innovative approaches rather than use the previous Reg19 policies as a basis for the new Reg18 policies that will be recommended as part of this evidence base. Where appropriate, policy components from the previous Reg19 local plan will be drawn on for the recommendations made for the SBC local plan.

Policy	Comments
DM1	• Would benefit from mentioning mitigation to climate change to ensure that the strategic objection of reducing carbon emissions is captured.
DM2	• The 'Resources' chapter is referenced specifically which covers the energy hierarchy, material selection and construction techniques at a high level.
DM3	• Swale already require a 50% reduction on 2013 Building Regulations. • Policy thresholds could be clearer, particularly in determining whether the policy applies to new development or all proposals including existing buildings? • The policy falls short in requiring that all new buildings are net zero carbon, and the initial general paragraphs uses a less deterministic language, e.g. 'demonstrate a commitment to', which could result in excessive subjectivity being applied during decision making. The policy covers a significant level of detail and requirements which may be clearer if approached in a hierarchical manner, e.g. fabric first. • The linkage between the % reductions against Building Regulations and the offsetting could be made clearer. It could be made clearer in showing that from 2025 all buildings will be expected to be net zero through a 50% reduction of regulated carbon emissions and then 50% offset, increasing to 75% reduction in carbon and maximum 25% being offset. • Requires consideration to DM 35 (water) but could include BREEAM for minor commercial development the Wat01 credit to reduce water use (note area of water stress). All other new development is required to limit water use to maximum 110 litres with major development restricted to 100 litres, which positively exceeds national standards. • As net zero carbon is required by 2030, the % requirement from on-site renewables should also be 100% by 2030 to avoid excessive contribution from carbon offsetting. % from renewables on regulated energy only, which therefore doesn't include unregulated sources. The definition of net zero carbon should be made clear to address this. • Embodied carbon threshold could be outlined more clearly.
DM4	• The policy uses non-deterministic language by referring to 'a commitment to sustainable energy production/renewable energy' but we acknowledge that the requirements for on-site renewables are included in DM3. • There could be the requirement in the Energy Masterplan to consider the use of heat networks, rather than relying on the requirements of 3a-b in requiring heat networks depending on the size of the development. • The policy does not reference consideration to designated heritage assets, Conservation Areas or NDHA's.
DM11	• The policy could include requirements for the infrastructure for all spaces. • Large scale development is expected to prepare an energy masterplan, which could be cross referenced with EV charging to ensure that demand could be incorporated into the energy planning of a development, as this demand is excluded from regulation energy figures from buildings.
DM 14	• Does not align with the % reductions outlined in DM3.
DM 33	• It is not clear whether policy aligns with biomass sources of heating as indicated under DM4.
DM 38	• The policy could reference retrofitting or renewables. There is no cross reference to para 5 of DM3 states that *'development on existing sites should recognise that retaining and upgrading existing structures may be more sustainable than building new. Redevelopment of existing stock should make the most of opportunities to improve water and energy efficiency'.*

Reductions on the building regulations baseline carbon emissions

Using powers granted by the Planning and Energy Act, most local plans lay out their 'low carbon' or 'net zero carbon' policy requirements in terms of a percentage reduction on the Target Emission Rate set by the previous version of Part L of Building Regulations (Part L 2013) as Part L 2021 is recent and not used as the baseline in most existing local plans.

This percentage reduction in on-site carbon emissions usually ranges from 19% to 40%. Some local plans also require the remaining Part L carbon emissions to be offset at a fixed cost per tonne, payable by the developer through a Section 106 payment, to be spent on local projects for carbon reductions.

Older example plans have sought a 19% reduction, because this reflected the national Code for Sustainable Homes which was previously seen as best practice – and because of a 2015 Written Ministerial Statement previously mentioned, which was taken to mean that 19% was the limit.

Later, requirements for higher percentage improvements in Part L carbon emissions were pioneered by the London Plan, justified by evidence assembled by the GLA and its consultants to show that new developments in preceding years had already been typically achieving 30 to 40% reductions[xlii]. Several other adopted local plans have similarly adopted similar requirements (see examples box).

As of 2022, the building regulations Part L has been updated, resulting in a ~31% reduction in the carbon emissions rate compared to Part L 2013. And from 2025, it will be updated again to a 75% reduction. It is important to note that these reduction values exceed the 19% reduction limit referred to in the 2015 WMS, which clarifies the invalidity of the statement.

Requirement to demonstrate implementation of the energy hierarchy

Some local plans divide their carbon and energy requirements into several steps prioritising the most effective and long-lasting carbon reduction measures first. This follows **the energy hierarchy**, generally accepted best practice across the building design sector.

The logic is that if energy demand is minimised first, this reduces not only the burden that the new building places on our limited energy resources in operation, but also the amount of new equipment needed to generate and distribute energy to meet that demand. This reduces the materials, carbon and cost involved in producing and installing that equipment (and lowers energy bills).

The energy hierarchy is as follows:

1. Reduce energy demand (also known as 'be lean')
2. Supply energy efficiently (also known as 'be clean')
3. Supply renewable energy (also known as 'be green').

A policy requiring minimum improvements in each stage of the energy hierarchy makes the developer demonstrate that they have applied the hierarchy before resorting to offsets to reach zero carbon. Local plans usually express this as a requirement for the developer to show that they have made a minimum % improvement in the building's carbon emissions rate by measures taken at each stage. Policy compliance is demonstrated in an energy statement submitted with the planning application.

Example local plans requiring percentage reduction on regulated carbon emissions compared to Part L 2013

London Plan 2016, Policy 5.2: 35% reduction on site via the use of the energy hierarchy (expressed at the time as 40% reduction on previous Part L 2010) in both homes and non-residential. To rise to zero carbon for homes from 2016 and other buildings from 2019.

Reading Local Plan 2019, Policy H5: 35% reduction on site and offset the rest to zero (major developments). All other new build housing to achieve 19% reduction on site.

New London Plan 2021: 35% on-site emissions reduction, followed by carbon offset payment for the remainder of Part L regulated emissions.

Bath & North East Somerset Local Plan Partial Update 2023: 100% reduction to be met following a fabric-first energy hierarchy (major non-residential). Any residual on-site emissions to be offset.

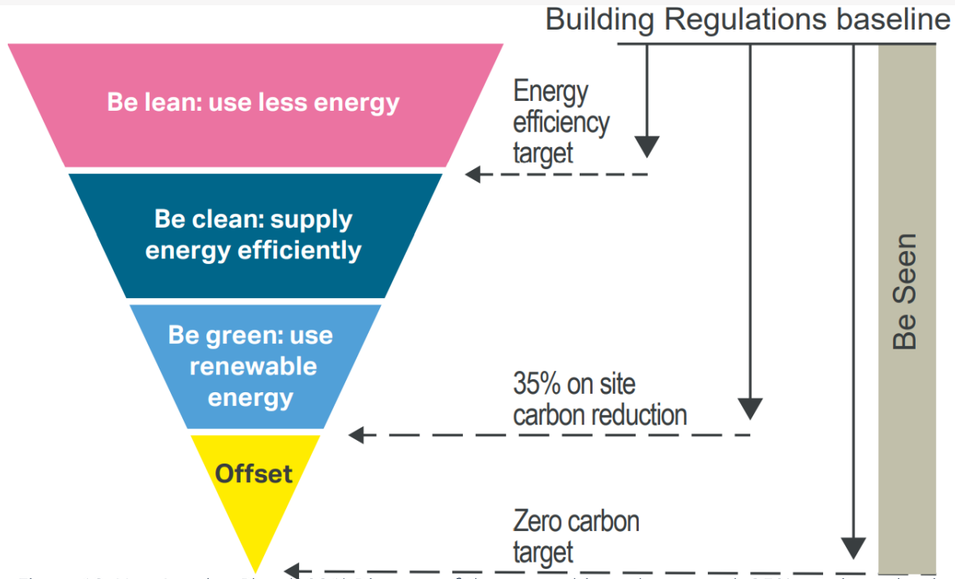


Figure 12: New London Plan (2021) Diagram of the energy hierarchy to reach 35% on-site reduction compared to baseline carbon emissions rate set by Building Regulations Part L 2013.

The following sections explore example local plan policies in each of these steps and how they were justified. Three more sections then look at offsetting, existing buildings, embodied carbon and new innovative approaches based on Energy Use Intensity.

Reducing energy demand

To achieve the legislated target of net zero carbon by 2050, we must reduce our total energy consumption as well as scaling up the supply of renewable energy. In the country's transition to net zero carbon, increased demand will be placed on the electricity grid as vehicles and existing buildings' heating switch from fossil fuels to electricity. Upgrading the electricity grid and expanding renewable generation is already a huge but necessary challenge, involving a great deal of shared cost and embodied carbon to produce that infrastructure. It is thus vital to minimise the extra burden that new buildings place on our energy infrastructure, to ensure that it does not become technically or financially unfeasible to deploy the required amount of renewable energy to meet our demands.

Improving the energy efficiency of new homes (minimising their energy demand) is a very cost-effective way to minimise the new infrastructure that will be required to support them in a future zero-carbon energy system. New homes should therefore target reductions in energy demand to reduce the amount of total energy that must be supplied, both from the electricity grid and from other renewable energy sources. Put simply, optimising the efficiency of the building fabric is the starting point for the whole net zero journey.

It is critical to set higher fabric energy efficiency standards to ensure buildings do not need to be retrofitted expensively at a later date, as the cost of retrofitting to tight energy standards is typically three to five times the cost of achieving the same performance in a new build[xliii]. This argument will be further underscored if the Government proceeds with the recent Committee on Climate Change proposal that no home should be able to be sold unless it reaches EPC Band C by 2028. However, EPCs have recently been deemed 'not fit for purpose' by Lord Deben, the Chair of the Committee on Climate, since the grading system is primarily based on the *cost* of energy and not the actual *amount* of energy used. This statement is supported by research that shows the actual operational energy use of existing buildings differs significantly from values predicted through EPCs.

(However: Please note that this point on the cost of energy performance in new builds vs retrofit is not an argument to allow demolition of existing buildings so that they can be replaced with new buildings – as this would result in greater embodied carbon from new building materials. Reuse of existing buildings is also desirable in that it reduces the need to build on greenfield, and tends to occur in urban areas where there is typically less need for car use. Therefore, planning policy should encourage and enable reuse, especially wherever a proposal includes retrofit that would significantly improve an existing building's energy efficiency. But where new buildings *are* proposed the policy should be designed to avoid a need for *future* retrofit by building to excellent standards in the first place).

Fabric efficiency (insulation and airtightness) is particularly pertinent for housing schemes that use heat pumps and MVHR, as these will require highly insulated and draught-proofed buildings to operate efficiently. The previously referenced costs report also found that if very high thermal efficiency is reached, the whole construction can become more cost-effective because the developer can then save money on smaller-sized heating systems (pipes, radiators, heat pumps, etc.).

A further final justification for including a minimum improvement on energy efficiency is that it helps with the social needs of affordable living, fuel poverty and healthy homes. An energy-efficient home saves energy bill costs for the home occupiers and also often helps make the home interior more comfortable and conducive to good health (warmer, less draughty, and with less condensation on cold spots on walls or windows thus reducing the chance of respiratory harm from mould growth).

How can local plans set requirements for improvement at the *energy efficiency* stage?

The Planning and Energy Act 2008 grants Local Planning Authorities the power to require "energy efficiency standards that exceed the energy requirements of building regulations". It defines "energy efficiency requirements" as standards that are endorsed by national regulations, national policies, or guidance issued by the secretary of state. It defines 'energy requirements' as regulated energy only (the energy affected by Part L of building regulations – this does not include plug-in appliances).

Example adopted plans generally require a set % reduction value to be achieved through energy efficiency measures ranging from circa 5-15% against the emissions rate set by Building Regulations Part L 2013. In the examples we have examined, this contributes part of the total required % improvement on the Part L baseline, and were set to ensure that energy efficiency (not just energy supply) played a role within that total target. These percentages were set according to best practices already being achieved in local proposals at the time, which may now be considered outdated).

An alternative could be a percentage improvement on the 'Target fabric energy efficiency' (TFEE) set by Part L and SAP. The TFEE is the legal limit on how much heat a home needs per m^2, based on the *fabric* not the efficiency of the heating *system*. Part L sets the TFEE to reflect a home of the same size and shape to the proposed home, with a certain minimum standard of insulation, glazing and airtightness. The TFEE therefore varies by the size and shape of the proposed building. By law, new homes must not exceed the TFEE. An improvement on the TFEE would demonstrate effort at this stage of energy hierarchy. The requirement could be a % improvement on the Part L 2021 TFEE, or could be set as an absolute kWh/m2/year figure that the proposed home must achieve. The target may need to be updated when Part L 2025 (Future Homes Standard) enters force.

Potential targets for fabric energy efficiency	Justification
Homes: 10% improvement on the Target Fabric Energy Efficiency Rate set by Part L 2021 using SAP10.2 Non-residential: Energy efficiency measures (fabric and supply) to deliver 19% reduction in carbon emissions compared to Part L 2013 or equivalent vs Part L 2021.	As of June 2022, the new national baseline is Part L 2021. In 2025 it will be replaced again by the Future Homes Standard, which has upgrades to the building fabric. This 10% figure represents the approximate difference in fabric (average of all building element U-Values and airtightness) between Part L 2021 and Future Homes Standard 2025. Unfortunately, the Future Buildings Standard specification 2025 for *non-residential* buildings has not yet been released so no equivalent percentage can be calculated at present. Meanwhile, a 19% improvement on Part L 2013 has been demonstrated feasible and viable in Milton Keynes (see case study).
Homes and schools: 15-20kWh/m^2/year Fabric Energy Efficiency using Part L SAP10.2. Additional energy reporting with PHPP or TM54.	Homes: kWh limit shown to be necessary for the UK to stick to its carbon budgets between now and 2050, and reach the net zero goal by 2050. Schools & homes: kWh limit shown to be feasible in emerging example evidence bases (Greater Cambridge & Central Lincolnshire). However, this evidence used different energy modelling methods (PHPP or TM54) because SAP/SBEM are inaccurate at predicting energy usage.

Example: New London Plan (adopted 2021)

As part of its requirement for an overall 35% reduction in carbon emissions against the building regulations baseline, London requires that part of this carbon reduction is achieved through energy efficiency measures, as follows:

- *New homes: 10%*
- *Other new buildings: 15%.*

A topic paper on energy efficiency (within the New London Plan evidence base) explains the evidence that justified how this was set:

London's requirement for a total 35% reduction in Part L carbon emissions in major developments had been in place since 2013, but not much of this was being delivered through energy demand reduction. Instead, developers were showing the reduction through energy supply, expedited by grid carbon reductions. The GLA commissioned a study of the carbon savings achieved through energy efficiency across major developments' energy statements submitted to the GLA in 2013-2017 to understand what was already possible with best practice:

- The average carbon saving achieved from energy efficiency alone was only 3.5% (in homes), 11.6% (non-residential) or 6.3% (mixed-use)
- But much higher performance was achieved in many cases (37% of new home projects achieved at least a 5% reduction, and 13% achieved a 10% reduction)
- New homes could technically achieve a 5 – 10% reduction, and other buildings could technically achieve a 15% reduction in many cases.

The GLA the commissioned a further detailed study of the implications of achieving an energy efficiency target of this sort for a set of typical development types. It found that homes could typically achieve a 10% improvement just through the then-current best practice. It also found that offices could achieve a 15% improvement and schools could get close to this. These percentage improvements were tested and found to be viable for most development types. They were therefore adopted, with flexibility for certain non-domestic development types such as hotels which would struggle to meet the target due to high hot water demand.

The London Plan 2021 also requires action on *unregulated* energy use:

- Policy SI 2 (E): "calculate and minimise carbon emissions … that are not covered by Building Regulations, i.e. unregulated emissions".
- Supplementary guidance instructs that unregulated energy calculations should use "BREDEM 2012 methodology".

Example: Milton Keynes Local Plan 2019

Milton Keynes Local Plan 2019 Policy SC1 includes a requirement for a reduction of 19% on the building regulations carbon emission rate, followed by a *further* reduction of 20% through the use of renewable energy and low/zero carbon technologies.

The latter 20% would fall under step 3 of the energy hierarchy ('be green'), implying that the first 19% must be achieved through the first two steps of the hierarchy (reducing energy demand, and supplying energy efficiently)[8]. Milton Keynes Sustainable Construction Supplementary Planning Document (2021) states why the overall requirement is considered to be feasible:

> "As the Whole Plan Viability Study (2017) for Plan:MK demonstrates, the requirement to exceed the TER by 19% would not be unduly onerous for developers. Analysis of BRUKL data for recently consented schemes in Milton Keynes also indicates an average improvement of 41% over the TER is already being achieved at the design stage.."

[8] This is within reason. Bioregional recently worked on a mixed-use planning application in Milton Keynes whose homes achieved a carbon emissions reduction of approximately 26% using energy efficiency measures only. For the non-residential parts of the scheme this figure was 25%. The scheme then adds renewable/low carbon measures to achieve a further 20% site-wide carbon emissions reduction. The site-wide total carbon emissions reduction is 51.39%. Homes were flatted blocks. Non-residential spaces were office, retail and gym.

Efficient energy supply

This stage of the energy hierarchy is also referred to as 'be clean'.

This step generally refers to measures to use heat networks[9] to distribute heat efficiently and cleanly and with minimal losses.

Heat networks usually serve several buildings or sites from a common energy source and can be expanded over time to serve more sites. Networks have variously included:

- Heat networks fed by local waste heat sources such as from waste incineration or data centres which generate a lot of heat as a by-product of their normal activity
- Heat networks fed by large-scale heat pumps (taking energy from air, ground or water sources) at a standalone energy centre that does not 'belong' to any individual new building
- Heat networks fed by CHP plant (combined heat and power), essentially a small-scale power station which burns fuel to generate electricity and heat at the same time. This was previously seen as 'efficient' because the CHP plant would be close enough to homes and businesses that the heat could be reused. This is generally no longer seen as a sustainable option because they almost always run on fossil gas which needs to be fully phased-out to meet net zero carbon goal and carbon budgets, unless carbon capture technologies emerge in future. The electrical grid now provides electricity at a lower carbon intensity than a CHP plant, and heat pumps are a more efficient and cleaner heat source which is ready to reach zero carbon as the electrical grid decarbonises, and avoids the negative air quality impacts that come with fuel combustion in CHP.

Because local waste energy sources are extremely geographically site-specific and because heat networks in general are dependent on a relatively high density of heat demand, it is not appropriate to seek a universal carbon percentage reduction that should be achieved at this stage of the energy hierarchy.

Because heat networks are often powered by waste incineration or fossil gas – neither of which currently has a path to zero carbon – there is a risk that a building connected to a heat network may not necessarily save carbon compared to a building with an individual heat pump other electrical heating combined with renewable electricity supply. One grey area is waste incineration, where the incineration may occur whether or not the heat is reused. A case-by-case treatment may be the most logical approach (considering the counterfactuals and embodied carbon of the new network).

Thus, it may be beneficial to design a policy so that heat network connection is only sought where the heat source is low- or zero-carbon and/or a lower carbon solution to individual electrical heating solutions per building. If the local plan also has a policy requiring on-site renewable electricity generation (see section), then it is likely that individual heat pumps run on this renewable electricity would be a lower-carbon solution than a heat network – unless in major mixed use development, in which case a communal heat sharing network driven by heat pumps could be the optimal solution as these can (if correctly designed) enable recycling of heat rejected from cooling systems at commercial uses at the scheme.

Local plan examples (see overleaf) are therefore instead expressed as:

- A requirement to connect to an existing or planned heat network, if present
- A requirement to have an energy strategy that is compatible to connect to a future heat network, if the proposed development is within suitable area identified in a heat mapping exercise
- An acknowledgement that lower-carbon energy options may be available, in which case the heat network connection will not be required, and
- An acknowledgement that the requirement may be waived if there are unsolvable feasibility or viability obstacles which make heat networks unsuitable for the specific scheme.

[9] Heat networks (also known as district heating) are networks that supply heat across an area through underground piping systems flowing from a central heat source.

Example: New London Plan 2021

Policy SI3: Energy Infrastructure

This policy requires that major development proposals within identified 'Heat Network Priority Areas' should have a communal low-temperature heating system, whose heat source should be selected according to the following hierarchy:

a. Connect to local existing or planned heat networks
b. Use zero-emission or local secondary heat sources (in conjunction with heat pump, if required)
c. Use low-emission combined heat and power (CHP) (only where there is a case for CHP to enable the delivery of an area-wide heat network, meet the development's electricity demand and provide demand response to the local electricity network)
d. Use ultra-low NOX gas boilers (which must meet requirements of a separate air quality policy).

Where a heat network is planned but not yet in existence the development should be designed to allow for the cost-effective connection at a later date.

Example: Milton Keynes Local Plan 2019

Policy SC2: Community energy networks and large-scale renewable energy schemes

This policy requires that:

- Major development proposals should consider the integration of community energy networks in the development. This consideration should form part of development proposals and take into account the site's characteristics and the existing cooling, heat and power demands on adjacent sites
- All new developments in proximity of an existing or proposed combined heat and power (CHP), combined cooling, heat and power (CCHP) station or local energy network will be expected to connect to the network unless it can be demonstrated that:
    1. A better alternative for reducing carbon emissions from the development can be achieved; or
    2. Heating and/or cooling loads of the scheme do not justify a CHP connection; or
    3. The cost of achieving this would make the proposed development unviable.

Renewable and low carbon energy at new buildings

At present, emerging Swale's Reg 19 policy includes the provision of 20 % of energy demand (regulated energy only) in all developments be provided through renewable energy, increasing to 50% from 2025 and 75% from 2030.

The third step of the energy hierarchy is to decarbonise energy supply: both electricity and heat. The Committee on Climate Change 2019 report ('UK housing: Fit for the future') identified that grid decarbonisation is a vital component in the trajectory towards net zero. Onsite renewable generation at new buildings supports this in two ways. First, it drives investment in additional renewable electricity, and second, it can simultaneously reduce peak and annual demand on the grid.

Requirements for renewable or low-carbon energy supply can be expressed as:

- A further percentage reduction in carbon emissions against the building regulations baseline, in addition to the percentage achieved through fabric (*see example from Milton Keynes*), **or**
- A 'Merton Rule'[10]; where the proposal must include renewable energy generation equipment on-site or near-site, sufficient to meet a certain proportion of the building's own energy demand (see example below from Solihull). This can be total energy, or regulated energy only. This uses the Planning & Energy Act power to require a 'reasonable' proportion of the development's energy use to be from renewable sources in the locality.

At present, emerging Swale's Reg 19 policy includes the provision of 20% energy from renewables on all developments, increasing in time – as such applying a 'Merton Rule'.

The value of onsite generation has long been recognised in local planning policy, but has not been without its critics. It has sometimes been argued that the prescriptive nature of such policies may not be applicable for all sites and can occasionally lead to the installation of inefficient onsite renewables[xliv]. Some sites may not be able to meet a very high requirement for renewables, such as if they are overshadowed (meaning solar PV panels would not work well), or if it is a tall building where there is a larger amount of internal floor space demanding energy but a relatively smaller roof space for PV.

We would therefore recommend including enough flexibility to accommodate unique site constraints, whilst still seeking an ambitious amount of appropriate onsite LZC technologies in all proposals. There is a growing number of adopted example policies that set specific targets for onsite renewable generation towards net zero carbon target. In practice, these policies are often applied flexibly if the developer can show how and why it was not possible to meet the required metric and that they have pursued renewable energy measures to the greatest reasonable extent.

Defining 'low and zero carbon technologies'

If setting a plan policy requirement under this stage of the energy hierarchy, it will be necessary to define the types of measures that will count as 'renewable / low and zero carbon technologies'. Some technologies, such as solar PV panels, solar thermal and turbines, always count. Other technologies – such as heat pumps – may need clarification on where to account for these in an energy statement.

Heat pumps are not automatically zero carbon – they still use mains electricity to run. But they can be a low carbon heating system provided they run at high efficiency (they can deliver about three times as much heat energy as they consume in electrical energy, because take ambient heat from outdoor air – thus there is a renewable element to the heat they deliver). To achieve this level of efficiency, they need to provide heat at a relatively low temperature. This becomes feasible if the heat pump is used in combination with improved thermal efficiency and reduced air permeability[11].

The developer could make the heat pump zero carbon by supplying its electricity from a renewable source such as rooftop solar panels, so long as they are generating the renewable electricity at the same time the heat pump is running or if the building can store the solar electricity in a battery for later use. You will need less energy from your solar panels to run your 300% efficient heat pump, compared to using your solar panels to run direct electric heating which can only ever be 100% efficient – therefore you don't need as many solar panels, resulting in savings in embodied carbon.

Carbon savings from heat pumps are usually treated in planning guidance under the same step of the energy hierarchy as renewables – that is Step 3/'Be Green'. For example, London Plan draft energy guidance[xlv] asks that heat pumps be accounted for as a Step 3 measure, unless they are powering a heat network, in which case all heat from the heat network would be a Step 2 ('be clean') measure.

Counting heat pumps as a Step 3 / 'be green' measure' gives more flexibility in options for buildings to achieve carbon reductions at this stage even if the building is not suitable for solar panels due to shadow or orientation.

Example: Sutton Local Plan (adopted 2018) Policy 31

In Policy 31, All proposed development must apply the Mayor's energy hierarchy in the following order:

1. Being built to 'the highest standards of energy efficient design and layout',
2. Supplying energy efficiently (low or zero-carbon heat networks and cooling networks),
3. Using on-site renewable energy to achieve a reduction in total CO^2 emissions (regulated and unregulated) of 20% in major developments or 10% in minor developments.

[10] The original Merton Rule (introduced in 2003) required only 10%, but more recently adopted and emerging local plans aim higher.

[11] Air permeability is the opposite of airtightness. As defined in Part F of Building Regulations, airtightness is "a general descriptive term for the resistance of the building envelope to infiltration with ventilators closed. The greater the airtightness at a given pressure difference across the envelope, the lower the infiltration".

Example: Milton Keynes Local Plan 2019 (adopted)

Policy SC1 (Sustainable Construction) includes that:

All proposals of 11+ dwellings or non-residential space over 1,000m^2 must apply the energy hierarchy to achieve:

1. A ≥19% reduction on Building Regulations 2013 carbon emissions,
2. A further ≥20% reduction through renewables (onsite or a local network),
3. The developer must then pay to offset remaining carbon emissions (see 'carbon offsets' section further on in this brief).

Emerging example: Solihull Local Plan: Draft Submission Plan 2020

Policy P9, point 3, requires that:

At a site level, development must apply the 'energy hierarchy' to reduce energy demand for heating, lighting and cooling and minimise carbon dioxide emissions as follows:

- All new dwellings to achieve 30% reduction in energy demand/carbon reduction improvement over and above the requirements of Building Regulations Part L (2013) at the time of commencement up to March 2025.
- From April 2025 for all new dwellings to be net zero carbon.
- Minor non-residential development will conform to at least BREEAM Very Good and major non-residential development will conform to at least BREEAM Excellent.
- Provide at least 15% of energy from renewable and/or low carbon sources for all major housing developments and non-residential developments of 1000sqm or more

Example: Warwick District Council Zero Carbon DPD (2024)

Policy NZC2(B) requires that:

New development of one or more new dwellings (C3 or C4 use class) and/or 1,000sqm or more of new non-residential floorspace, hotels (C1 use class), or residential institutions (C2 use class) should demonstrate through an energy statement that additional renewable, zero and low carbon energy technologies have been provided on-site* to achieve the carbon reductions required by Policy NZC1 and achieve on-site net zero regulated operational carbon.

Where full compliance is not feasible or viable having regard to the type of development involved and its design, proposals must:

- Demonstrate through the energy statement that additional renewable, zero and low carbon energy technologies have been provided to the greatest extent feasible and viable.
- Incorporate 'zero carbon ready' (as opposed to immediately providing 'low/zero carbon') technologies.

*This may include off site existing or planned zero, low carbon or renewable energy generation or heat network provision where there is a direct off-grid connection to the development which has capacity to serve the development.

Setting absolute targets for energy use intensity, space heating and on-site renewable energy generation

There is a growing number of local authorities pursuing the industry-recommended approach to achieving genuine net zero new build development. The approach does not use baselines and % reductions based on previous iterations of Part L, as previously explored, and instead sets threshold limits on energy use. A policy that follows this approach sets three key requirements:

1. Energy use intensity (EUI) – the predicted total amount of regulated and unregulated energy used.
2. Space heating demand – the amount of energy required to heat the building.
3. On-site renewable energy generation – must match total energy to be a net zero building.

Comparison of targets for residential development

Space heating demand (kWh/m²/year)	Energy use intensity (kWh/m²/year)	Target referenced
30	40	Cornwall Climate Emergency DPD
		Bath & North East Somerset Local Plan Partial Update
15-20	35	Central Lincolnshire Local Plan
		Greater Cambridgeshire Draft Local Plan
	n/a	Committee on Climate Change
15	35	London Energy Transformation Initiative
		CIBSE
		Good Homes Alliance

The EUI target includes all energy used by the building, importantly accounting for unregulated energy, which Part L does not. EUI does however exclude contributions from renewable energy generation and does not consider electric vehicle charging in the calculation. Reducing the energy used by the building is the primary aim of the EUI approach, which can then be supplemented to net zero by the renewable energy generation requirement that supplies the energy demand of the building.

Following an energy metric approach ensures more control over the fabric and systems installed in buildings. For example, high performance U-values are essential to achieve space heating demand targets set out above. Part L of Building Regulations does not however guarantee such high-performance since absolute energy targets are not set for certain building typologies. An additional benefit of this assessment is that EUI can be easily monitored and verified in practice from meter readings.

Additionally, the EUI target essentially bans the use of on-site fossil fuels, and more specifically, gas boilers for heating. Although explicitly stating the ban of gas boilers in policy wording may cause concern, the EUI target does this implicitly since gas boiler efficiency (c. 90%) will likely result in too large a contribution of overall energy use to result in a compliant EUI value. Contrarily, the superior efficiency of heat pumps makes achieving the EUI target significantly easier, as the technology can produce over 3 units of heat per 1 unit of electricity used.

Particularly for more stringent EUI and space heating demand targets, as proposed by Central Lincolnshire and Greater Cambridgeshire, more than just the installation of a heat pump and high fabric efficiency will be required to achieve such targets. To meet the more stringent targets, decisions must be made at an early stage of the development process to make appropriate decisions on form factor, glazing ratios and building orientation, which encompasses a fabric first approach. These decisions will contribute towards the maximisation of energy demand reductions and the ability of the renewable energy generation system to create an on-site net zero energy balance.

This remedies a key weakness in Building Regulations, which fail to incentivise applicants to design a building with an inherently thermally efficient form or orientation because all of the Part L targets are not fixed targets but are set in relation to a building of the same size and shape as the proposed building.

To further strengthen a policy informed by this approach, a robustly accurate energy modelling methodology will need to be used. SAP 10.2, used for Part L compliance, is currently unable to accurately assess unregulated energy since the relevant equation is based on 1998 appliances, which clearly does not reflect modern efficiencies. It is therefore more difficult to comply with an EUI target using SAP because the proportion of unregulated energy, which can be up to 50%, is severely overestimated. SAP also frequently underestimates space heat demand by up to 270%, and SBEM has also been shown to generally underestimate overall energy use.

To mitigate such inaccuracies, an alternative energy modelling methodology is required to ensure design-stage performance values correspond to the as-built performance of the building. The industry-recommended energy modelling method to minimise such a performance gap is Passive House Planning Package (PHPP), which is used for the leading Passivhaus standard. Contrary to common misconceptions, PHPP can be used without needing to pursue the stringent Passivhaus certification process. An alternative accurate energy modelling calculation method, if used correctly, is CIBSE TM54. TM54 works by starting with the SBEM calculation and making adjustments to the inputs to reflect how the building will be used based on reasonable adjustments about occupancy and so on.

On-site renewable energy generation must match the EUI (multiplied by the floor space) to reach an on-site net zero energy balance. In the majority of cases, this has been shown to be technically feasible for EUI targets up to 40 kWh/m²/year. The taller the building, the less likely it is that there will be sufficient roof space to match EUI. However, even for such taller, more shaded buildings, façade-mounted panels and other ground-mounted renewable energy technology should be considered.

Several examples are explored overleaf, which, although they take a similar approach, have received very different reactions from their respective Inspectors during examination.

Example: Cornwall Climate Emergency DPD 2023 (adopted)

The Cornwall Climate Emergency Development Plan Document (DPD) was adopted in February 2023 and retained all key elements of its net zero carbon policies.

Policy SEC1 (Sustainable Energy and Construction) includes that (paraphrased):

1. Major non-residential development (over 1,000m^2) to achieve BREEAM Excellent (or "equivalent or better methodology")
2. New residential development to achieve all of the following:
    i. Space heating demand of <30kWh/m2/year
    ii. Total energy consumption of <40kWh/m2/year
    iii. On-site renewable generation to match the total energy consumption, with a preference for roof-mounted solar PV. Where it is not feasible or viable to include enough renewable energy generation to match total energy consumption, the development should pursue the following:
        - Renewable energy generation to be maximised as far as possible
        - Connection to an existing or proposed district energy network
        - Offset the residual energy demand by a contribution to Cornwall Council's Offset Fund.

This is supported by evidence in the form of energy modelling analysis[1] by expert green building engineers. This analysis used accurate energy modelling method (PHPP) to identify a range of energy performance targets that are feasible in Cornwall and can reach the net zero carbon target in a variety of ways (different combinations of fabric / energy efficiency and renewable energy measures). This evidence piece also compared the proposed 'net zero carbon' building performance options against how a building would perform if it simply met the Future Homes Standard.

The analysis included cost information for each modelled building that was then used in the viability assessment for the DPD. That viability assessment found that most residential development scenarios remained viable with the policies applied, and that the majority of the cost uplifts over the 2013 building regulations will be incurred by developers anyway in order to meet the new 2021 building regulations, even without the local plan carbon policy.

Contrarily to the Salt Cross AAP, the Inspector's report positively stated that the 2015 WMS has clearly been overtaken by more recent events.

A difference between standards set between residential and non-residential development may be noted in these examples. This an important aspect of the energy-based policy approach. The typical usage of residential buildings is less variable therefore relatively easy to predict and understand, whereas non-residential buildings can vary significantly in terms of energy use. For example, an office with computers at each desk (and potentially a computer server bank) will have a far higher energy consumption than a retail unit that primarily consumes energy only through lighting and heating.

Therefore, non-residential buildings need to be treated in isolation of the archetype assessed because the whole scope of non-residential buildings involves a very wide range of energy consumption levels associated with the unique activities of the occupier. Setting specific energy use limits per archetype is one approach that has been used, whilst setting a level of BREEAM certification acts as another. The latter approach may not be as stringent on energy use (as BREEAM does not set absolute targets for energy use or renewable energy and does not guarantee net zero carbon schemes), but ensures a wider range of sustainability issues are considered and addressed (for example, materials, management, water, biodiversity and other issues beyond energy use).

Example: Bath & North East Somerset Local Plan Partial Update (adopted)

The Local Plan Partial Update (LPPU) was adopted in January 2023 and became the first local plan in the UK to set net zero energy standards for new housing.

Policy SCR6 sets identical standards to Cornwall for residential development and was informed by the same technical evidence base. As set out in the Sustainable Construction Checklist Supplementary Planning Document, PHPP is required for major development, whilst an option to use SAP with the Energy Summary Tool is available for minor residential development. The Energy Summary Tool adjusts outputs from SAP to reflect in practice performance. These options reflect the same approach as Cornwall. It is however important to note that the calculation approaches were not tested at examination as the requirements are set out in supplementary guidance.

A specific technical study for the Bath & North East Somerset (B&NES) area was not seen as necessary because Cornwall and B&NES share the same prominent housing typologies and climate patterns that influence the efficiency of solar PV to provide an on-site net zero energy balance.

A key piece of evidence that assisted B&NES to successful adoption was a letter received from DLUHC, which reiterated the fact that local authorities are able to set standards that exceed Building Regulations i.e. that exceed the standards set out in the 2015 WMS. The 2015 WMS was not explicitly stated in this correspondence from government, yet the clarification on exceeding Building Regulations all but confirms that the 2015 WMS is no longer relevant.

This view was directly stated in the Inspector's report:

"*The **WMS 2015 has clearly been overtaken by events** and does not reflect Part L of the Building Regulations, the Future Homes Standard, or the legally binding commitment to bring all greenhouse gas emissions to net zero by 2050.*

*I therefore consider that the **relevance of the WMS 2015 to assessing the soundness of the Policy has been reduced significantly**, along with the relevant parts of the PPG on Climate Change, given national policy on climate change. The NPPF is clear that mitigating and adapting to climate change, including moving to a low carbon economy, is one of the key elements of sustainable development, and that the planning system should support the transition to a low carbon future in a changing climate. Whilst NPPF154b sets out that any local requirements for the sustainability of buildings should reflect the Government's policy for national technical standards, for the reasons set out, that whilst I give the WMS 2015 some weight, any inconsistency with it, given that it has been overtaken by events, **does not lead me to conclude that Policy SCR6 is unsound, nor inconsistent with relevant national policies**.*"

The logical view provided by the B&NES Inspector appropriately summarises the context of local authority powers to set their own energy efficiency standards. In contrast, the West Oxfordshire Inspectors' views represent inconsistency in decision making on net zero policies at PINS. As more local authorities propose ambitious policies that will need to be weighted against consistency with national policy, increased consistency should become apparent.

Example: Central Lincolnshire Local Plan (adopted)

The Central Lincolnshire Local Plan was adopted in April 2023[1]. The adoption of this plan is significant as the energy requirements for Policy S7 and S8 are aligned with recommendations from LETI and the Committee on Climate Change.

Proposed Policy S7 (Reducing Energy Consumption - residential) includes that:

> "Unless covered by an exceptional basis … all new residential development proposals must include an Energy Statement which confirms in addition to the requirements of Policy S6 that all such residential units:
>
> 1. Can generate at least the same amount of renewable electricity on-site (and preferably on-plot) as the electricity they demand over the course of a year, such demand including all energy use (regulated and unregulated), calculated using a methodology proven to accurately predict a building's actual energy performance; and
> 2. To help achieve point 1 above, target achieving a space heating demand of around 15-20kWh/m^2/yr and a total energy demand of 35 kWh/m^2/yr … No unit to have a total energy demand in excess of 60 kWh/m^2/yr [which means] the amount of energy used as measured by the metering of that home, with no deduction for renewable energy."

The policy also includes a clause to address the energy performance gap:

> "The Energy Statement must include details of assured performance arrangements. As a minimum, this will require:
>
> a) The submission of 'pre-built' estimates of energy performance; and
> b) Prior to each dwelling being occupied, the submission of updated, accurate and verified 'as built' calculations of energy performance. [This] should also be provided to the first occupier … Weight will be given to proposals which demonstrate a deliverable commitment to on-going monitoring of energy consumption … which has the effect … of notifying the occupier [if] their energy use appears to significantly exceed the expected performance of the building, and explaining to the occupier steps they could take to identify the potential causes."

Proposed Policy S8 (Reducing energy consumption – non-residential) replicates the clauses except with a higher permitted total energy demand of 70-90kWh/m^2/year. The assured performance clause is also mirrored.

If a non-residential proposal can demonstrate why the metrics are not achievable, it can instead source renewable energy from off-site, pay the local authority to deliver equivalent renewable energy or other offsite infrastructure to deliver the appropriate carbon saving, or connect to a decentralised energy scheme.

Alternatively, a non-residential proposal may demonstrate achievement of BREEAM Excellent or Outstanding, instead of complying with the energy metrics.

Emerging example: Merton New Local Plan (draft 2022)

In April 2023, the inspectors expressed concerns in the Post-Hearings Letter[xlvi] around the viability of policies set out below, particularly for smaller development, that may negatively impact delivery. This relates to potential issues for small housebuilders in that required expertise in energy efficient construction may not be widespread.

The currently proposed draft with main modifications after the inspectors' first comments[xlvii,xlviii] sets Policy CC2.3, which includes the following maximum **Energy Use Intensity** targets from Jan 2025 – this is likely to change now following the Post-Hearings Letter:

- Residential and multi-residential – 35 kWh/m^2/year
- Offices, retail, GP surgery, hotels and higher education – 55 kWh/m^2/yr
- Schools – 65 kWh/m^2/yr
- Leisure – 100 kWh/m^2/yr
- Light industrial uses – 110 kWh/m^2/yr

Supporting text paragraph 2.3.18 explains that major developments should calculate these with (CIBSE) TM54, (PHPP) methodology or equivalent. Minor residential schemes are permitted to instead calculate these with Part L SAP. 5-year post occupancy monitoring is also required for major development.

The targets match those developed by the London Energy Transformation Initiative to be consistent with achieving national net-zero carbon targets (paragraph 2.3.21) and proven feasible by energy modelling for another emerging local plan. In contrast, paragraph 2.1.14 notes that typical current Part L EUI is 140/kWh/m^2/yr.

The policy also includes the following **space heat demand** targets, with SAP:

Development type	Until 31/12/2022	01/01/2023 – 31/12/2024	From 01/01/2025
Block of flats & mid-terrace house	<43 kWh/m^2/year	39 kWh/m^2/year	15 kWh/m^2/year
Semi-detached, end-terrace & detached house	52 kWh/m^2/year	46 kWh/m^2/year	20 kWh/m^2/year
Non-residential (target flexible)	-	-	15 kWh/m^2/year

Supporting text paragraphs 2.3.9 – 2.3.13 explain that the gradual uplift allows time for developers to adapt, and that the 2022-24 targets reflect the Zero Carbon Hub 'interim fabric energy efficiency standard' and 'full fabric energy efficiency standard' which have been demonstrated to be feasible, viable, and achieved in several schemes in Merton.

In Policy CC2.4, proposals must use low carbon heat. Proposals must demonstrate "how the proposal has made the best potential use of roof space" to maximise renewable energy generation, which should meet "100% of energy demand … where possible".

Emerging example: Winchester Draft Local Plan (draft 2022)

This proposed submission underwent Regulation 19 consultation in March-May 2022[xlix].

Proposed Policy CN3 (Energy efficiency standards to reduce carbon emissions) requires that all residential development must demonstrate the following:

- **No on-site fossil fuels** for space heating, hot water or cooking.
- Space heating demand of **15 kWh/m^2/year.**
- Energy consumption (EUI) of the building(s) to less than **35 kWh/m^2/year.**
- **Passive House Planning Package or CIBSE TM54** to be used for predicted energy modelling.
- On-site renewable energy generation to provide 100% of the energy consumption required by residential buildings.

It appears in the Draft Plan that there is no option to offset shortfalls to the renewable energy generation and/or EUI target. No other authority has proposed the EUI approach without a last resort option to offset, although most evidence studies prove that the absolute energy requirements are technically feasible for the majority of housing typologies and therefore offsetting may not be required.

High-rise flat block is the primary typology that may struggle to meet on-site renewable energy requirements since there is limited roof space relative to the internal floor area. Given the housing mix in Winchester is unlikely to include this typology, this could explain why offsetting is not currently included in the Plan.

Emerging example: Greater Cambridge Local Plan (First Proposals 2021[i])

Policy CC/NZ *will require and guide net zero carbon new builds.* This will include:

- Space heat demand of 15-20 kWh/m^2/year in all new developments
- No new developments to be connected to the gas grid; all heating low-carbon
- Total energy use intensity targets to be achieved as follows:
    - Dwellings including multi-residential: 35 kWh/m^2/year
    - Office, retail, higher education, hotel, GP surgery: 55 kWh/m^2/year
    - School: 65 kWh/m^2/year
    - Leisure: 100 kWh/m^2/year
    - Light industrial: 110 kWh/m^2/year
- Proposals should generate at least the same amount of renewable energy (preferably on-plot) as they demand over the course of a year [including] all energy use (regulated and unregulated), calculated using a methodology proven to accurately predict a building's actual energy performance.

The need and deliverability of this policy is evidenced by a suite of net zero carbon evidence reports including:

- Local area carbon reduction targets that would represent a fair local contribution to the national net zero carbon transition and Paris Agreement
- Expert analysis by the Committee on Climate Change and various building industry experts about what must happen in the buildings sector to deliver the national net zero goal and interim carbon budgets – including proposed targets for heat demand, total energy use, and on-site renewable energy generation – and explaining how/why this is not delivered by building regulations (current or incoming)
- Technical feasibility studies which modelled whether it was possible to reach the proposed zero carbon energy balance in the typical types of development expected to come forward in the plan period (based on applying a range of energy improvement measures to real recent development proposals that received permission) – this showed that the targets were feasible
- Cost modelling to show the cost uplifts to meet the modelled energy improvement measures, as above, for inclusion in the viability assessment.

The supporting text notes that the alternative – having no policy and relying instead on incoming uplifts to building regulations – would fail to fulfil the plan's statutory duty to help fulfil the Climate Change Act and would fail to play Greater Cambridge's role in helping the UK fulfil its commitment to the Paris Agreement to limit climate change to 1.5C or 2C.

The plan is still in its relatively early stages as of May 2022. It completed its First Proposals/Preferred Options consultation in December 2021, from which issues are being explored. A draft of the local plan itself is expected be released in 2023.

Emerging example: Leeds City Council Draft Local Plan (2023)[ii]

Policy EN1 Part B *requires new development to be operationally net zero.*

All development must demonstrate a space heating demand of 15 kWh/m^2/year.

Energy use intensity required targets vary significantly between typologies, as set out below:

- All residential development – 35 kWh/m^2/year
- Offices, retail, GP surgery, hotels and university facilities – 55 kWh/m^2/year
- Schools – 65 kWh/m^2/year
- Leisure – 100 kWh/m^2/year
- Light industrial uses – 110 kWh/m^2/year
- Research facility – 150 kWh/m^2/year

On-site renewable energy generation is to deliver an annual net zero carbon balance (including regulated and unregulated emissions).

Additional secondary requirements:

- Calculations must be carried out using an approved building modelling software such as IES-VE, SBEM and PHPP.
- Gas boilers and direct electric resistive heating will not be supported.
- Expected official UK government electricity grid carbon intensity values to be used instead of static SAP10.2 factors.
- Offsetting at a cost of £248/tCO_2 – rising to £280 by 2030 to reflect further predicted grid intensity reductions.

Policy EN1 Part B goes further than similar recently adopted policies, since it prescribes EUI targets for non-residential typologies alongside residential. The policy is also explicitly refers to the use of gas boilers, whereas other policies rely on the energy targets themselves to rule out gas boilers and direct electric heating.

Emerging example: Bristol City Council Draft Local Plan (Publication version November 2023)[lii]

Policy NZC2 requires new development to be operationally net zero based on absolute energy limits.

All development will be expected to:

- Achieve a maximum 15-20 kWh/m^2/year space heating demand
- Achieve a maximum 35 kWh/m^2/year energy use intensity – new homes and other forms of accommodation to achieve
- Comply with operational energy/carbon requirements of BREEAM 'Excellent' – major non-residential
- Provide on-site renewable electricity generation with an output equivalent to at least the annual energy consumption of the development
- Development should provide onsite renewable energy of 105 kWh/m^{2}fp/year

In the case of Policy NZC2, offsetting is a last resort option for energy use intensity instead of on-site renewable energy generation – price set at £99/MWh or 9p/kWh. See *previous section* for further information.

The key policy element here that is unique to similar emerging examples is the expectation of a certain amount of renewable energy based on the footprint of the building. Best practice for this metric is currently 120 kWh/m^{2}fp/year. Setting a target for this ensures that it is easy for planning officers to assess whether a development has truly maximised all available roof space. In most cases, if on-site roof top solar PV generation is predicted to be lower than the target set out, it can be assumed that all opportunities for generation have not been maximised from the earliest stage of the scheme.

Now that confirmed examples and emerging policies have been explored thoroughly, it is clear what the Local Plan can achieve. The successfully adopted examples above show that the equivalent Swale policies could include standards on:

- Energy Use Intensity
- Space heating demand
- On-site renewable energy generation
- Potentially an additional technical certification for non-residential buildings such as BREEAM

To ensure it is clear that on-site renewable energy generation has been truly maximised, a target using a kWh/m$^2_{\text{building footprint}}$/year could be set.

Links between energy-based policy approaches and overheating risk

In addition to the key energy metrics for these policies, the Swale Local Plan could ideally seek to incorporate measures on climate adaptation, most notably overheating risk, which is linked to energy efficiency. An overview of overheating risk and how it could be integrated into policy is explored below.

Overheating risk becomes a greater concern as buildings (necessarily) become more energy efficient and thermally insulated. Overheating risk can decrease comfort or even safety of residents. Integrating overheating assessment requirements into policy alongside operational energy/carbon requirements works towards a well-rounded policy approach, that can address mitigation and adaptation holistically.

Building Regulations Part O offers either a simplified method or a dynamic modelling method to assess overheating, but the more effective 'dynamic method' is not necessarily required although it provides more detailed information on specific risks and their locations within a building. Alternatively, CIBSE TM52 and TM59 overheating risk assessment methodologies provide a robust approach for accurately assessing and mitigating such risks, which could be implemented as policy alongside operational energy/carbon measures. Requiring that new development appropriately integrates the cooling hierarchy into design decision-making also best ensures that overheating risks are considered throughout the entire decision process, allowing for more effective measures to be selected. The cooling hierarchy prioritises passive measures to reduce overheating risk, instead of allowing active cooling measures to be installed, such as air conditioning units that will unnecessarily increase energy demand and impact Energy Use Intensity levels.

Although a 2021 Written Ministerial Statement claims that now Building Regulations Part O (Overheating) has been introduced "there will be no need for policies in development plans to duplicate this", we note that Part O does not make mandatory the more effective full dynamic overheating modelling approach exemplified by CIBSE TM52 and TM59 as above. Therefore, it is recommended that this more detailed policy approach requiring CIBSE overheating methods should be utilised.

Overheating and operational energy/carbon should be treated together, for example to ensure that the development does not increase overheating risk by excessively pursuing solar gain to reduce heating demand, and that the design does not require energy use for active cooling now or in future climate conditions. Therefore, it is important that passive cooling measures are prioritised and active cooling measures are only used as a last resort because their use will increase energy consumption and subsequent associated carbon emissions. Design elements such as building form, orientation, shading and passive ventilation should be decided at the earliest possible stage to ensure passive measures are maximised and overheating is sufficiently addressed.

Carbon and energy offset payments

This section considers the principles of offset approaches.

Carbon offsetting

Carbon offset payments are sometimes set as a Section 106 requirement in order to make a development's unavoidable carbon emissions acceptable through off-site actions to mitigate them.

Carbon offset payments from developers were pioneered by Milton Keynes in 2008 and later adopted by Ashford and Islington, then across London, and now also Reading. These funds are meant to deliver actions that will prevent or remove the same amount of carbon that the development is calculated to emit over a certain number of years. Several key differences arise in how this kind of policy can be applied:

- Calculation and scope
- Pricing
- Collection and spending.

Calculation and scope

Key differences here are:

- Whether to offset only regulated carbon emissions as calculated by SAP or SBEM (national calculation methods), or also unregulated emissions (and how to calculate these if so)
- Number of years of carbon emissions that the developer should pay for
- When the calculation should be performed – i.e. at the time of planning application, or on completion or post-occupation to ensure the offset amount reflects reality.

Some local authorities in London and elsewhere also seek offsets for unregulated emissions. Where local plans require *carbon* offsetting to 'net zero' we have not found any examples that use a non-SAP / non-SBEM method to calculate the *regulated* portion of the carbon emissions that must be offset (although some seek offsetting of the *unregulated* portion using a different method). However, some energy-based policies that offset energy and not carbon use tools such as PHPP when calculating the amount of offsetting required for policy compliance.

Pricing

- Either tied to a nationally recognised 'carbon price' such as the BEIS carbon valuation,
- Or the cost of delivering local projects that would remove or prevent the same amount of carbon.

The recommended London offset price is based on a 2017 study by AECOM. This explored a range of costs to enact carbon-saving projects, minus the amount of 'copayment' that can be secured (e.g. if homeowners pay part of the cost towards insulating their home, and the fund pays the rest). These projects mostly consisted of retrofitting existing buildings with insulation or renewables. It concluded:

> "Given the wide variability in the costs and carbon savings for potential carbon offsetting projects combined with the uncertainty in the percentage copayments that could be secured, it would be difficult to assemble sufficient evidence … to analytically derive a robust [London-wide] carbon price based on the cost of offsetting projects. As such, the approach adopted in this study is to … base [offset] prices … on a nationally recognised carbon pricing mechanism".

The AECOM study notes that offsetting [within the London Plan policy approach] must be considered in viability studies and could be varied by the location in the same way that CIL zones differ. The London Plan 2021 lets boroughs set their own price, noting that "a nationally recognised non-traded price of £95/tonne has been tested as part of the viability assessment for the London Plan". The equivalent cost of offsetting based on the original £95/tCO_2 is now set at £378/tCO_2 (2023 price) to reflect a decrease in carbon intensity of the grid. 2018 Mayoral guidance notes some LPAs have based their price on the average cost of local projects to save carbon, e.g. Lewisham (£104/tonne), which is re-tested in a local viability assessment. We note that it is important that viability assessments must not 'double count' the cost impact of net zero carbon policy: that is, the viability assessment should firstly consider the cost of meeting policy requirements for carbon reductions on-site through improvements to the building, and then only apply the cost of offsetting where there is any *remaining* carbon.

Collection and spending of offset payments

London mayoral guidance (2018) notes that offset payments should be collected via Section 106 agreements in the usual way and by the same team, and that:

> "LPAs generally choose to take **payment on commencement of construction** on site. Some choose to **split the payment**, with 50 per cent paid post-construction and 50 per cent prior to occupation. This is up to the LPA to determine. However, taking payment later than commencement of works can mean a high degree of uncertainty as to when funding will be received and is unlikely to enable carbon savings from the offset fund to be delivered before the development is occupied, creating a delay in offsetting a development's carbon impact. LPAs should also note the time limits that apply to discharging Section 106 agreements and ensure funds are collected and spent in this time period."

One potential pitfall is that carbon offset payments received via S106 agreements have sometimes had to be returned after not being spent in the allotted timescale. National Planning Practice Guidance notes that:

> "[S106] agreements should normally include clauses stating when and how the funds will be used by and allow for their return, after an agreed period of time, where they are not."

This can be avoided. London's 2019 annual survey of the use of offset funds notes that in that financial year, "No LPAs reported returning offset payments to developers" and also that "The GLA would not expect offset payments to be returned in any instance and expects LPAs to be collecting offset payments for all applicable developments and identifying suitable projects for spending funds."

The Centre for Sustainable Energy notes that developers can ask for a refund of carbon offset payments that are unspent within 5 years. To avoid this, it recommends setting up:

> "defined structures and processes to stimulate new markets and opportunities for carbon saving measures … [Creating] an open application process to stimulate and attract carbon saving projects from council departments, the market and community that would be unviable without subsidy, for example community energy projects or insulation schemes. Applications should be proportionate to the scale of the funding provided, the emissions to be saved and the risk profile of projects."
>
> "Programmes of standardised measures, low unit cost, low risk and lower variability of carbon savings (such as the many domestic insulation programmes, run by council housing departments) should be required to apply to the fund just once as a whole programme, with detailed implementation targets, specifications, predicted carbon savings and reporting processes and timetables. Once approved, it should be as simple as possible for residents, communities or businesses to access funding through these programmes."

The 2018 London mayoral guidance encourages LPAs to pool Section 106 carbon offset payments rather than committing to spend them on specific projects. When the guidance was written, local planning authorities were only permitted to pool up to five S106 payments towards the same project, but this restriction was removed in 2019 and this can now be pooled with CIL payments too. Councils using either CIL or S106 must publish an infrastructure funding statement annually. When setting the carbon price, the LPA should factor in a cost to administer the fund and set up a pipeline of projects to be funded.

Energy offsetting

Due to the rising number of local authorities setting standards based on the approach set out in the previous section (with fixed energy targets and 100% renewable supply), energy offsetting is becoming more prominent. In this context, it is preferred over *carbon* offsetting because the cost of offsetting is based directly on residual kWh (£/kWh), instead of tCO_2 (£/tCO_2). Carbon intensity factors (see glossary) of the grid or other energy sources are not required for calculations when energy is offset (instead of a carbon offset), which leads to a more direct reflection of exactly what is being offset. Carbon factors for offsetting are often quickly outdated, and are somewhat crude in their estimation since they are annually averaged and do not reflect seasonal grid intensity variations. Planning decisions on carbon offsetting could also face a stumbling block around uncertainty about what the grid carbon factor will be by the time the development is completed; energy offsetting avoids this problem.

Energy offsetting simplifies the process for project selection due to the absence of carbon factors, since it becomes easier to assess how many kWh a new rooftop solar PV installation will produce, for example. This better ensures that the residual kWh that were not mitigated on-site can be directly measured and mitigated off-site through a funded project through an energy offset fund.

With *carbon* offset funds, several types of project including energy efficiency, retrofitting, and renewable energy could be appropriate for the delivery of those offsets, because the residual amount of CO_2 is not directly assigned to a particular measure. In some cases even tree planting is proposed despite uncertainty about its longevity, or transport measures despite uncertainty that this will deliver the required CO_2 savings in reality. This uncertainty can result in political disagreement about how to spend the fund on competing priorities, and administrative complexity in assembling a portfolio of projects, thus the required amount of carbon mitigation may not be swiftly (if at all) achieved.

When *energy* needs to be offset, it is usually due to a technical inability to deliver the required on-site renewable energy generation. This makes it a simple decision to spend the fund on off-site solar PV installations, preferably on existing buildings, which should aim to at least generate the residual on-site kWh. Through this simplified system, energy offsetting can become a reliable mechanism to ensure that any residual on-site renewable energy generation is wholly mitigated elsewhere.

It should however be explicitly noted that offsetting in this context, as well as a carbon offset context, should strictly be a last resort only acceptable in exceptional circumstances. The risk of offsetting is that it may increase the burden on existing district-wide decarbonisation plans and use up low hanging fruit resources. Additionality must therefore be the primary consideration of both offset approaches to ensure that the offset funding delivers something that would not have otherwise been created.

To best guarantee offset mechanism effectiveness, a locally-specific net zero offset price should ideally be set, which should be based on the cost of existing delivered renewable energy schemes of varying size. Subsequently, an appropriate price should be set to sufficiently deliver the residual kWh not mitigated on-site. In recent examples, prices to achieve this have been set at 9-12p/kWh.

Assuming the current electricity emissions factor in SAP10.2 (136 gCO_2/kWh), an estimated net zero local offset price - £652/tCO_2 for Bath & North East Somerset Council – can be close to double the price of the 2023 BEIS Green Book valuation of £378/tCO_2. This represents the importance of a correctly set price, which otherwise risks insufficient funds to deliver the residual on-site energy elsewhere.

A recent study by the Centre for Sustainable Energy (CSE) for West of England (WoE) authorities determined the cost of energy offsetting based on 131 domestic rooftop PV installations that were delivered through the Local Authority Delivery Scheme (LADS), which was managed by Bristol City Council's energy service. The installation costs of solar PV projects through the LADS scheme well represents the costs of energy offset fund projects that are likely to occur in the WoE in the future, particularly due to the average installation capacity of 3.37kWp. The subsequent median installation cost under the LADS scheme was £2,180/kWp, in contrast to the BEIS installed cost statistics for 4-10kWp solar PV installations (2020-2021) value of £1,586/kWp. This again reiterates the importance of establishing a *locally-specific* offset price as nationally-averaged costs can produce a price 25% lower than the local cost, as demonstrated above. Using the £2180/kWp median installation cost value, an offset price (including 15% administration costs for the fund) of 9p/kWh was estimated by CSE, which can be considered a local net zero energy offset price for the West of England authorities.

Energy performance gap

The energy performance gap is the difference between the predictions for a designed building's energy use, and the amount of energy it actually uses in operation. This is due to three factors:

1. Poor methods used to predict the energy use of a building (including poor calculations, incorrect assumptions, and exclusion of 'unregulated' energy loads)
2. Errors in construction which lead to worse airtightness or thermal envelope
3. Errors in system operation, and user behaviour different to assumptions (for example, turning up space heating while opening windows to dry laundry, not using heat system as intended, spending more time in the building than anticipated, or bright lighting left on overnight).

Unfortunately, the calculation methods used in Building Regulations Part L (SAP and SBEM) are very poor predictors[liii] of the actual energy use of a building. SAP and SBEM are compliance tools[liv], not really tools to predict energy and carbon performance (even though they purport to be). This is not only due to out-of-date carbon factors used for different energy sources, but the entire methodology.

For this reason, recalculating SAP on completion[12] will not prove that the building *performs* to the same metrics as in the SAP output (kWh/m^2 and CO_2/m^2), only that it is *built* as designed in terms of installed specification of insulation, heating system and renewable energy generation. The nation-wide lack of post-occupation energy monitoring means that both developers and planning/building control enforcers are often unaware of the scale of difference between SAP outputs and actual performance.

Point (2) above relates to how imperfections in the construction process can lead to worse energy performance than predicted. For example, a building may leak a lot of heat if insulation is incorrectly installed, or if a hatch to a cold loft is put in the wrong place and then moved, leaving holes in the air tightness membrane. Lower-spec products or poor substitutions may be made in the building –for cost-cutting reasons, supply difficulties, or simply because the right person was not on site at the time[lv].

Methods to address the performance gap

There are energy modelling methods that give much more accurate predictions than SAP/SBEM, such as the Passivhaus Planning Package (PHPP) and the CIBSE TM54 method. However, it is not entirely clear whether local planning authorities are legally empowered to require conformance with standards set using these alternative calculation methods because of definitions in the powers granted by Planning & Energy Act 2008 (discussed). The Local Plan may be able to require *reporting* of predicted energy use using these methods (subject to viability linked to the cost of the modelling), but it is uncertain whether the plan could require the building to *achieve* a certain metric using them (although please note the new examples from Bath/North-East Somerset, Cornwall and Central Lincolnshire have all successfully required this, sometimes through supplementary guidance). Of the two, TM54 is likely to be more clearly supported by the 2008 Act as it uses building regulations Part L as a starting point[lvi] and is now recognised in Part L 2021 for non-residential as a valid method to fulfil the new requirement for accurate energy forecasting).

There are also several quality assurance processes that can be applied during construction to avoid the unnecessary errors that can cause the building to perform worse than expected. Examples include:

- BEPIT (Building Energy Performance Improvement Toolkit) – a set of checks during construction that identify and remedy defects in the construction at every stage up to completion
- Passivhaus process – in addition to using accurate energy modelling, a Passivhaus project undergoes a series of stages during design and construction which improve the build quality
- NEF/GHA Assured Performance Process™ – this maps to the five stages of the RIBA Plan of Work (inception to verification) and involves expert impartial review by accredited assessor.
- Soft Landings – recommended by the UKGBC (as above) but discounted by some local planning authorities as an acceptable 'quality assurance' method (see example of Milton Keynes).
- BS40101 (Building performance evaluation of occupied and operational buildings – a framework to enable consistency in the evaluation of building performance.

There may be other suitable quality assurance processes. These **must** be based on quality of energy performance, not just generic building quality. Swale would need to decide whether these are acceptable based on their individual merits and evidence that they are effective (verified by track record of previous projects' post-completion testing or post-occupation energy monitoring).

The Local Plan could require the use of these processes, subject to viability (again relating to the cost of appointing qualified professionals to undertake these processes). Proposals could submit:

- Energy modelling: evidence to be submitted in energy statement with planning application, and recalculation of this if any relevant details are changed at reserved matters / amendments. (This would be necessary in any case to demonstrate compliance with energy intensity targets even at design stage, even without an in-use verification requirement.)
- Quality assured construction: evidence to be submitted along with other documentation to gain sign-off on completion from building control and discharge of planning conditions.
- UKGBC Policy Playbook recommends "a recognised performance gap / assured performance tool will be used to minimise the potential performance gap between design aspiration and the completed development. The effectiveness of measures will be reviewed and ratified as part of the post-completion discharge of conditions".
- Evidence requirements in the case of no 'quality assured construction' scheme relating to energy use: set a standalone requirement to carry out air tightness tests whilst the air barrier is still accessible as a construction requirement, if the full use of specific third-party quality assurance schemes would make necessary development unviable.

Verifying energy performance post-completion

Post Completion certificates can be issued once Planning Conditions are discharged. Local Authorities can condition to ensure that buildings are performing as anticipated; however, this would require

[12] As-built SAP calculations have been used by several local authorities to determine the final amount of offset payments the developer must provide, but it does not verify performance or change the energy performance gap. Relying only on SAP will always mean the developer offsets far less carbon than the building will actually emit – although it does simplify the offset decision-making and data gathering process.

engagement with the main contractor outside of their practical completion contract. Examples have sought this through an Area Action Plan and site-specific allocations.

There is debate about whether it is reasonable to hold developers accountable for carbon impacts of unregulated energy use, which would be untested by Part L SAP and largely out of their influence in terms of unconfirmed occupant fit-out, operational hours, occupancy, and other third-party factors. These uncertainties are larger in non-residential buildings, where there is a wider range of variation in how the buildings are used compared to residential building use patterns which tend to be more homogenous and predictable. However, even for non-residential, reasonable assumptions can be made about many of these uncertain factors, in order for the developer to include the appropriate amount of renewable energy in the design, even if the metered data in any post-occupation monitoring turns out to vary from the design-stage assumptions.

The following pre-completion testing requirements would help in the assurance of as-built performance against the design standard. Outline costs[13] are provided:

- Air tightness testing ~£1000 per property
- Thermographic testing[14] ~£400 per property
- U Value testing ~£400 for a dwelling (3 weeks per property)[15]
- Post-occupancy evaluation testing: ~£5000[16]. (if applied to scalable developments >c.50 dwellings, the economy of scale would reduce the cost burden through sample testing only).

[13] Communities and Local Government (2008), Performance Testing of Buildings BD 2535
[14] Thermographic surveys can only be completed during the heating season. Where building completion occurs outside that season, the applicant could commit test at the earliest opportunity and perform remedial measures where needed. Homeowners must be fully informed.

[15] Accredited construction details are to be checked through thermographic testing performed according to BS EN 13187: 1999 Thermal performance of buildings. Qualitative detection of thermal irregularities in building envelopes. Infrared method. Identified locations with deviations from expected performance are further investigated through a borescope survey and remedial works performed if practical.
[16] https://www.pollardthomasedwards.co.uk/download/PTEpost-occupancy_evaluation2015_LR.pdf

Example: Milton Keynes Local Plan 2019 (adopted)

Policy SC1 includes that:

- K. 5 All proposals of 11+ dwellings or non-residential space over 1,000m^2 must
    - "implement a recognised quality regime, which assures that 'as built' performance (energy use, carbon emissions, indoor air quality, and overheating) matches the calculated design performance", and
    - "Put in place a recognised monitoring regime to allow the assessment of energy use, indoor air quality, and overheating risk for 10% of the proposed dwellings for the first five years of their occupancy, and ensure that the information recovered is provided to the applicable occupiers and the planning authority..
- The Sustainable Construction SPD explains that a 'recognised quality regime' must include
    - (1) modelling of different scenarios at design stage and issuing performance targets such as kgCO2e/year or energy use (which must use expected usage profiles rather than standard ones, and should ideally include Dynamic Simulation Modelling using the National Calculation Methodology [SAP or SBEM] as a baseline),
    - (2) processes and plans in place to ensure everyone in construction and dwelling management knows how to avoid common reasons for the performance gap,
    - (3) suitable fabric testing and iterative feedback mechanisms,
    - (4) demonstrating that the 'as built' targets set are achieved, and
    - (5) third-party verification that the quality regime has been carried out.
- The SPD also asserts that the quality regime must ensure the post-occupancy data will be available by implementing a suitable metering and monitoring strategy that can deliver performance data to compare with the designed performance targets.
- The SPD also notes that two suitable regimes are the Quality Assurance sections of Home Quality Mark ONE, and BSRIA Soft Landings Framework.
- The above specified requirement for the 'quality regime' means that the developer must also test the 'as-built' performance and submit data to the council. A report is then submitted to both occupiers and to Milton Keynes Council, which states the performance gap metric and identifies any reasons for deviation from predicted energy usage, carbon emissions, indoor air quality and overheating performance, as well as specific actions that have or will be taken to reduce the gap.

Example: Greater London Energy Monitoring Guidance 2020 (adopted)

The 'Be Seen' energy monitoring guidance (April 2020) requests that[lvii]:

"Analysis guided by CIBSE TM54, which recommends using a tailored Part L model for the estimates of regulated and unregulated loads, should be undertaken and its findings should be reported in the 'be seen' reporting webform. A TM54 analysis gives more accurate predictions of a building's energy use. This approach also aligns with the reporting requirements under the GLA's Whole Life-Cycle Carbon (WLC) Assessment Guidance. The CIBSE TM54 findings should therefore also be used to represent the regulated and unregulated energy requirements for non-residential uses of Module B (operational energy use) of BS EN 15978."

Example: B&NES and Cornwall 2023 (adopted)

Supplementary guidance from Cornwall Council, and the Sustainable Construction Checklist SPD from B&NES respectively set out compliance and reporting frameworks for the councils' recently adopted net zero homes policies.

Both documents recognise the inaccuracy of SAP to accurately assess building energy performance, particularly with policies that assess energy use intensity and space heating demand. To resolve issues with SAP and subsequently minimise a performance gap, the councils take the same approach, which provides two options to developers for new build residential applications:

- Passive House Planning Package (PHPP) – suitable for all residential development
- SAP + Energy Summary Tool – suitable for minor residential development

PHPP is the preferred option for any size of development, but it is a requirement for major residential development.

The option for SAP to be used alongside the Energy Summary Tool is offered as a benefit to developers, so that the use of familiar Part L software can continue for minor residential development. The use of the Energy Summary Tool ensures that final outputs from SAP for energy use intensity and space heating demand reflect genuine in practice performance.

It is important to note that these requirements, which have the intention to reduce the performance gap, were not subject to deep interrogation during Examination.

Emerging Example: Solihull Draft Local Plan (draft 2021)

Policy P9 requires that all major developments must "implement a recognised quality regime that ensures the 'as built' performance (energy use, carbon emissions, indoor air quality, and overheating risk) matches the calculated design performance of dwellings as specified above [a 30% reduction on Part L 2013 commencing from now, and net zero carbon for all new development commencing from April 2025]"

Emerging Example: Merton New Local Plan (draft 2021)

Merton is currently awaiting a response from the Inspector following the submission of additional requested information and documents post-examination. Its proposed draft with main modifications after inspector's first comments[lviii] Policy CC2.3 includes a range of space heat and energy use intensity targets whose compliance must be demonstrated using calculations with (CIBSE) TM54, (PHPP) methodology or equivalent.

The supporting text explains that these calculation methodologies help to reduce the performance gap because they generate much more accurate predictions of energy use, compared to the SAP methodology used to fulfil Building Regulations Part L.

Setting effective energy performance targets is crucial, yet it is equally important to ensure that they are effectively implemented in practice. Therefore, policies need to be in place to address and monitor the energy performance gap. As shown in the examples above, policies in this area address accurate energy performance calculations, assured performance processes throughout construction, and post-occupancy monitoring mechanisms.

Existing buildings

There is less clear direction in legislation, and fewer examples available, to demonstrate the acceptability of seeking energy and carbon improvements in existing buildings compared to new ones.

The variety of types, ages, uses and conditions of existing buildings make it impractical to devise universal requirements for their energy and carbon performance that could be reasonably sought through local plan policies. It is difficult or impossible to retrofit them to the same energy performance standard as new builds can achieve, and the workforce has a shortage of skills to do this effectively.

The decarbonisation of existing buildings is actually a more important challenge compared to new buildings, simply due to scale. This is supported by the fact the approximately 1/3 of the districts' emissions are sourced from existing buildings. The Committee on Climate Change has shown[lix] (and Government has recognised[lx]) that in order for the UK to meet its legally binding carbon reduction goals, it is vital that the existing building stock must be decarbonised via three main courses of action:

- Upgrades to building fabric and other energy efficiency measures
- Switching from gas or oil boilers to low carbon heating (largely heat pumps; some heat networks; and a small role for hydrogen in some areas in the future)
- Decarbonisation of the electricity grid via increases in wind and solar electricity generation to allow phase-out of fossil fuelled power stations.

The rollout of insulation and low carbon heating to existing buildings ('energy retrofit') have been far slower than predicted and needed[lxi]. Heat pump rollout in particularly must be vastly accelerated[lxii]. Costs for these technologies are decreasing and will continue to do so, particularly with Government grant assistance. It is important to note however that fabric measures should be prioritised initially before heat pump installation to avoid excessive energy use; this is to ensure heat retention as heat pumps operate at lower temperatures than conventional gas boilers. These measures are vital for net zero carbon and will deliver economic and wellbeing-related benefits in the long term if implemented correctly.

Take-up of solar panels to existing homes dropped steeply[lxiii] since the closure of the Feed-In Tariff scheme in 2019, as new installations no longer generate income from energy sent to the grid. Solar PV installations are however now back on the rise due to householders becoming increasingly concerned about the cost-of-living and energy crises.

Local plans also have only a very limited influence on the carbon and energy performance of existing buildings, as they can only seek changes to buildings where the building owner is seeking to require a change to the building that requires planning permission.

However: The planning system can (correctly or incorrectly) be perceived by building owners as yet another obstacle to retrofitting, on top of the cost, disruption, and risk of building damage. Owners may (wrongly) assume that all changes need permission, or that permission is likely to be refused. Building owners' willing action and investment is essential to the net zero carbon transition, and therefore it is vital that the planning system becomes a facilitator and not an obstacle to this.

The National Planning Policy Framework confirms that (paragraph 152): "The planning system should support the transition to a low carbon future … [by] encourag[ing] the reuse of existing resources, including the conversion of existing buildings; and support renewable and low carbon energy and associated infrastructure". It also confirms that (paragraph 158) when determining applications for renewable and low carbon development, the local planning authority should not require the applicant to demonstrate the overall need for renewable energy, and should approve the application if its impacts are acceptable or can be made so. This supports a permissive approach towards proposals for the addition of carbon-saving and renewable energy measures to existing buildings.

The role of local plan policy in reducing existing buildings' carbon therefore has two main strands:

1. Removing the actual or perceived planning barriers to energy retrofit changes to buildings.
2. Allocating or identifying sites suitable for renewable energy generation and distribution in order to decarbonise the energy that existing buildings use.

Point 1 (a permissive, supportive approach) could be pursued through the following tools:

- A local plan policy that explicitly encourages energy efficiency and carbon improvements to existing buildings with significant weight attached to those benefits, and signposts the reader to further guidance about how to make such changes acceptable in heritage-sensitive settings
- Supplementary planning guidance that clearly explains the range of retrofit measures that can be effective in improving energy performance of existing buildings, which kinds of changes are acceptable in different settings, how to make acceptable changes in heritage settings (referencing available expert guidance[lxiv]), and advising which changes simply do not need permission in most settings
- A Local Development Order giving blanket permission to specific changes in geographic locations that are not considered heritage-sensitive – such as certain acceptable types of upgraded windows, doors, external insulation, or heat pumps visible from the street.

One further option is to seek 'consequential improvements' when changes are being made to a building that require planning permission. This could expand on Building Regulations requirements for the same. We have identified one example for this. However, discussions with energy officers at that local authority reveal that this has not proven very effective because very few relevant proposals pass over their desk, and the improvements can only be applied to the part of the building that is undergoing works, not the whole building – which can render some retrofit measures ineffective (such as airtightness). Nonetheless, the Local Plan can look to encourage low-carbon measures to be integrated into the areas of the building where planning permission is needed, and require that the energy hierarchy is followed for design decisions.

Point 2 (proactive promotion of renewable energy generation and low-carbon energy distribution) could be pursued through the following tools:

- Spatial strategy (allocating or identifying suitable locations for such renewable energy features and potential low carbon heat network locations, in consultation with citizens, local business, conservation bodies and the electrical grid District Network Operator) – this can help to de-risk the prospect for potential investors, site owners and developers of renewable energy
- Infrastructure Delivery Plan – ensuring the electrical grid District Network Operator is ready to make the capacity upgrades necessary to serve a growing proportion of all-electric, gas-free, solar-exporting buildings, electric vehicles, and suitably located large-scale renewable energy
- A Local Development Order that gives blanket permission to add solar panels to buildings in locations not considered heritage-sensitive, expansion of strategic low carbon heat networks.

Example for actively welcoming energy improvements to existing buildings: Milton Keynes Local Plan (adopted 2019) [lxv]

Policy SC1 (Sustainable Construction) includes that:

> "Proposals which would result in considerable improvements to the energy efficiency, carbon emissions and/or general suitability, condition and longevity of existing buildings will be supported, with significant weight attributed to those benefits."

Supporting text notes that:

- "existing domestic buildings contribute 28% of the Borough's carbon dioxide emissions (1.5 tonnes of CO_2 per capita in 2014). Along with other non-domestic buildings, retrofitting the existing building stock in the Borough presents a significant opportunity to help meet the strategic carbon dioxide reduction target of 57 per cent by 2030".

- Policy SC1 recognises the benefits that retrofitting buildings can bring [such as fit-for-purpose housing as well as carbon reductions], giving significant weight to them … in order to help achieve Strategic Objectives 11 [delivery of housing that meets needs] and 13 [mitigation of climate change]. The Council will encourage retrofit improvements to existing buildings in the Borough, on an individual and area-wide basis. Where appropriate the Council may employ Local Development Orders to support area-wide schemes".

Example using a Listed Building Consent Order to enable easier solar PV installation in listed buildings: Kensington and Chelsea (2022)

The Royal Borough of Kensington & Chelsea is the first council in the UK to issue a Listed Building Consent Order, which gives consent for solar PV on the majority of Grade II and Grade II* listed buildings without a requirement for listed building consent.

Certain conditions must be demonstrated on:

- Positioning
- Materials
- Fixings
- Protecting the appearance of fabric of the listed building

Providing the conditions are demonstrated, a far simpler application compared to a usual listed building consent application is required. This makes solar PV installations a more attractive and less time intensive prospect for householders in Kensington and Chelsea.

Examples (various): using Local Development Orders to expand renewable and low carbon energy systems and promote energy retrofit

Swindon Borough Council has used LDOs to promote the growth of renewable energy generation and use, both on specific sites and in borough-wide terms. Examples include:

- A borough-wide LDO for non-domestic air source heat pumps and district heating
- Hydrogen and electric vehicle charging stations (specific sites) –
- Identifying specific sites for solar photovoltaic arrays including solar farms. The LDO on solar farms has been particularly successful, by de-risking the process. It was created by issuing a 'call for sites' and then assessing these sites against various criteria.

Across several London Boroughs, an LDO was created to make it easier to deliver heating and cooling networks. By removing the need to make a separate application for each new network section, this makes the network more flexible for new connections and reduces the costs of expansion. It also creates a common standard for new heat networks.

Milton Keynes local plan 2019 indicates a willingness to use LDOs to encourage wide scale energy retrofit.

Actively welcoming energy and carbon improvements to existing buildings

The following policies are not intended to be strict requirements, as the local plan cannot do this. Yet they are important examples of how to signal a positive stance by the council towards retrofitting, offering confidence to potential applicants and steering officers to take very seriously the benefits of energy efficiency retrofitting when weighing up its impacts.

Emerging example: Wokingham Draft Local Plan Update 2020

Draft Climate Change Policy SS8 confirms the local plan will "support retrofitting existing buildings with measures to improve their energy efficiency and generate onsite renewable energy".

Supporting text notes that "Proposals to sensitively refurbish or retrospectively improve the performance to reduce their energy use and improve comfort will be supported. Interventions to upgrade historic buildings should be undertaken sensitively in recognition of their heritage value."

This is supported by policy DH7 (Energy) which includes that:

> "Development proposals which would result in considerable improvements to the energy efficiency, carbon emissions and/or general suitability, condition and longevity of existing buildings will be supported, with significant weight attributed to those benefits[*]. The sensitive retrofitting of energy efficiency measures and the appropriate use of micro-renewables in historic buildings, including listed buildings and buildings within conservation areas will be encouraged, providing the special characteristics of the heritage assets are protected."

Example: Cornwall Climate Emergency Development Plan Document (adopted)

This emerging plan has been through Regulation 19 consultation, underwent independent examination in Summer 2022[lxvi], and was adopted in early 2023.

Policy SEC1 (Sustainable Energy and Construction) includes that:

> Significant weight will be given to the benefits of development resulting in considerable improvements to the energy efficiency and reduction in carbon emissions in existing buildings.
> Proposals that help to increase resilience to climate change and secure a sustainable future for historic buildings and other designated and non-designated heritage assets will be supported and encouraged where they:
> 1. conserve (and where appropriate enhance/better reveal) the design, character, appearance and historical significance of the building; or
> 2. facilitate their sensitive re-use where they have fallen into a state of disrepair or dereliction (subject to such a re-use being appropriate to the specific heritage asset).

Emerging example: Greater Cambridge Local Plan (First Proposals 2021[lxvii])

Policy GP/CC *is titled* 'Adapting heritage assets to climate change'.

The proposed policy direction includes

- "Require retrofit works to be carried out in accordance with the BSI PAS 2035 framework and Historic England guidance for energy improvements to heritage assets
- Require proposals to take a 'whole building' approach to undertaking works to heritage assets to enhance environmental performance"
- Support proposals which seek to undo the damage caused by previous inappropriate interventions (e.g. removal of cement render and replacement with breathable options).
- Give consideration to measures that will reduce carbon emissions and assist with adaptation to our changing climate (for example external shading or property level flood protection).
- The plan will also direct residents to further guidance on how to approach works to older homes."

> The supporting text notes that need for this policy is evidenced by the local plan's Net Zero Carbon Study which showed that existing buildings cause one-third of the area's greenhouse gas emissions and therefore "we cannot meet our climate targets without reducing emissions and energy usage in all our homes", given that "the Committee on Climate Change have concluded that at least 90% of existing buildings in the UK should have energy efficient retrofits for the UK to meet its zero carbon targets".
>
> The supporting text emphasises that this is particularly relevant because 20% of homes were built before 1919, and Listed Building Status applies to 1% of homes in Cambridge and 3% of homes in South Cambridgeshire. It also notes that such improvement to existing buildings reduces running costs and also increases the lifespan of the building.
>
> It explains that "Policy is therefore needed to support owners of heritage assets to undertake sensitive works to address the performance of their buildings, in line with best practice guidance for heritage assets".

The Swale local plan should ensure that policy is in place to support energy and carbon improvements to existing buildings. Although it may not be possible to strictly set this as requirements, it is important for the local plan to take a stance that supports positive measures to existing buildings.

Embodied carbon

Embodied carbon means the carbon that was emitted in the production and transport of building materials, and their assembly on site. It can also include the emissions associated with maintaining and eventually disposing of a building too. If the latter are included, this is termed 'whole-life embodied carbon'.

These emissions rise largely from fossil fuel energy use to extract and process raw materials such as minerals and metals, then transport them. There can also be emissions from chemical processes to produce building elements (such the carbon dioxide that is cooked-off minerals to make cement) or from the breakdown of the material at the end of its lifespan.

Embodied carbon makes up a very large share of the total carbon emissions caused by the creation and use of a building across a typical 'design lifetime' of a building, usually 60 years (see UKGBC pie charts diagram previously referenced). Many commonly used building materials like ordinary cement, steel, aluminium and zinc have inherently high embodied carbon because of how they are produced. Vice versa, plant-based materials like timber can have less than zero embodied carbon because the tree absorbed carbon dioxide from the atmosphere and this is locked up in the material for as long as it is in use.

Unlike operational energy and carbon, there is currently no mechanism to address embodied carbon in national building regulations or other national legislation for planning and building. Still, embodied carbon is relevant for the net zero goals of the UK and Swale because some of materials or products will have been produced here, and all will have been transported within the country or district, and energy will be used during construction.

In the absence of a national regulatory approach to address embodied carbon and without a specific local planning power granted to address it, some local plans have nevertheless taken steps to ensure embodied carbon is not entirely neglected.

Example plans have taken one or both of the following approaches:

- Requirement to assess the building's embodied carbon, reported within the planning application
- Requirement to provide narrative about what steps are being taken to minimise embodied carbon, such as reusing existing buildings, use of lower-carbon materials, or efficient design to reduce material use.

Our review has only identified one adopted and one emerging plan that require a development to achieve a specific numeric target for embodied carbon, whether a limit or a % improvement on a baseline; see B&NES and Bristol examples below. This may be because of a lack of explicitly granted powers, and the 2015 Written Ministerial Statement that directed local plans not to set 'additional technical standards' for the sustainability of housing. It may also simply be because this is an emerging area where local planners do not yet feel confident to set these requirements, robustly justify them at inspection, or interpret whether developers have sufficiently demonstrated compliance.

There is an industry standard method to calculate a building's embodied carbon: the RICS Whole Life Carbon Assessment for the Built Environment[lxviii], which builds on the relevant British/European Standard (BS EN 15978). This RICS method splits the building's whole-life embodied carbon into a series of 'modules':

- Modules A1 – A5: 'Cradle to completion stage' (from raw material extraction through to completion of the building)
- Modules B1 – B5: The 'use stage' of the building (such as maintenance, repair, replacement and refurbishment)
- Modules C1-C4: 'End of life stage' (deconstruction, demolition, transport, waste processing, and final disposal).

It is important to note that the RICS / EN15978 approach assumes that any carbon that was sequestered by trees and stored in timber is released during the C1-C4 modules. In reality this may be avoided if the timber is eventually reused. This means that a whole-life carbon assessment may not recognise the full benefit offered by timber buildings, which is that the timber would lock up carbon for most of this century. This is a critical period[lxix] in which we are at risk of reaching tipping points for feedback loops of runaway climate change – such thawing permafrost releasing huge amounts of methane, or large areas of rainforest dying back. It matters not only *how much* carbon is emitted, but *when*.

Therefore it makes sense to set targets that exclude modules C1-C4, to give timber buildings the 'credit' for the carbon they will lock up for many decades. B1 – B5 also include many assumptions about uncertain future actions, therefore may need to be omitted from any planning targets due to a lack of robust justification.

Using the RICS 'modules', other building industry specialist bodies have created benchmarks and 'good practice' targets expressed in kilogrammes of embodied carbon per square metre of floor area:

RIBA Climate Challenge embodied carbon targets[lxx]: Includes all RICS modules **A1-C4**.			
	Business as usual	2025	2030
Homes	1200 $kgCO_2e/m^2$	<800 $kgCO_2e/m^2$	<625 $kgCO_2e/m^2$
Offices	1400 $kgCO_2e/m^2$	<970 $kgCO_2e/m^2$	<750 $kgCO_2e/m^2$
Schools	1000 $kgCO_2e/m^2$	<675 $kgCO_2e/m^2$	<540 $kgCO_2e/m^2$

LETI Embodied Carbon Primer targets[lxxi]**:** RICS modules **A1-A5 only**.			
	Business as usual	2020	2030
Homes	800 kgCO2e/m^2	500$kgCO_2e/m^2$, (400 including sequestration)	300$kgCO_2e/m^2$ (200 including sequestration)
Office or school	1000 $kgCO_2e/m^2$	600$kgCO_2e/m^2$ (500 including sequestration)	350$kgCO_2e/m^2$ (250 including sequestration).

Bath & North East Somerset Council (see example below) has adopted an embodied carbon policy that requires a target to be met, yet this does not go as far as the LETI standards. However, it forms a highly important example that it is possible to justify such a target.

LETI/RIBA levels of target could still inform supplementary planning guidance, to educate developers and allow planning officers a point of comparison to assess the relative merits of schemes' embodied carbon reports submitted by developers.

If a local plan were to seek to require any of the LETI or RIBA embodied carbon targets, there would be challenges from the development sector consultees and potentially also the inspector. One likely objection is the argument that such a requirement may inhibit the delivery of housing targets.

The LETI and RIBA baselines are derived from a range of existing project data. Their future targets may also be based on case studies that would justify the planning policy, especially on technical feasibility.

RICS may be able to provide estimates of the typical cost of embodied carbon assessments and the number of professionals who are able to conduct such assessments.

Example: New London Plan 2021 (adopted)

Policy SI 2 includes that:

F. Development proposals referable to the Mayor should calculate whole lifecycle carbon emissions through a nationally recognised Whole Life-Cycle Carbon Assessment and demonstrate actions taken to reduce life-cycle carbon emissions.

Example: Bath & North East Somerset Council Local Plan Partial Update (adopted, 2023)

Policy SCR8 of requires that large scale development (>50 dwellings or >5000m^2 of commercial floor space) achieves an embodied carbon target of 900 kgCO_2/m^2 for RIBA modules A1 – A5 (upfront embodied carbon). The target only includes the following building elements:

- *Substructure*
- *Superstructure*
- *Finishes*

The policy requirement was selected because it is predicted to be cost neutral, as set out in the evidence study produced by WSP.

There is no last resort option to offset any shortfall of embodied carbon emissions to the required target.

We also note that further evidence is continually emerging on this topic, which could help the planning justification for such targets. For example, in early 2022, the UK Green Building Council[lxxii] found that a real-world large low rise residential development in south-west Cambridgeshire achieved a 20% reduction in embodied carbon reduction at masterplan level compared to a typical baseline, with only a negligible impact on capital costs (0.6%). This was achieved through simple changes such as reducing the area of asphalt in favour of low-carbon permeable paving and using swales to reduce the need for other drainage infrastructure.

Further relevant data could begin to be assembled by the local authority if it firstly adopts a local plan requirement for major developers to simply *report* on their embodied carbon using the RICS methodology, and ideally also any costs associated with steps taken to reduce embodied carbon as a percentage of overall costs. From these, local benchmarks for 'business as usual' and 'best practice' could be derived for inclusion in a subsequent local plan policy or supplementary planning document. This is an important next step for Swale if an embodied carbon policy is successfully adopt

Emerging example: Bristol Local Plan Review (draft 2022)

Policy NZC3 of this draft plan requires that new development will be expected to achieve the following targets as a minimum:

- Residential (4 storeys or fewer) - <625 kgCO_2e/m^2
- Residential (5 storeys or greater) - <800 kgCO_2e/m^2
- Major non-residential schemes - <970 kgCO_2e/m^2

The requirements are based on the RIBA Climate Change targets for 2025 Homes, 2030 Homes and 2025 Offices.

Any shortfall against the embodied carbon targets will be offset at a cost of £373/tCO_2 – the BEIS Green Book 2023 value. Embodied carbon offsetting and target setting at this level has yet to be tested at Examination. Additionally, the £373 price is based on operational emissions and has not been calculated based on embodied carbon, which could be seen as a flaw in the approach.

To conclude: The Local Plan can and should look to setting embodied carbon targets, as solely requiring embodied carbon reporting is insufficient to deliver emissions reductions that align with net zero targets locally and nationally. An ambitious target should be set to limit the 'upfront embodied carbon emissions carbon' (modules A1 – A5). Including modules B and C could pose an additional unnecessary risk to policy adoption because these are reliant on many assumptions during the operational and end-of-life stages of a building. Additional requirements such as pre-demolition audits should be set to ensure that retrofit of existing buildings is promoted for new development where appropriate, instead of demolition and subsequent embodied carbon emissions.

Justifying the requirements: Necessity, feasibility and viability

Necessity and feasibility

The **necessity** for net zero carbon policies is clearly demonstrated by the previous sections' exploration of the scale and urgency of the climate crisis, the changes necessary to deliver the UK's legislated Net Zero Carbon 2050 goal and legislated carbon budgets (Climate Change Act), the absence of suitably ambitious national regulation or other incentives to deliver those changes, and the Local Plan's legal duty to proactively pursue carbon reductions (Planning & Compulsory Purchase Act) in line with the Climate Change Act 2008 (National Planning Policy Framework).

The Royal Town Planning Institute[lxxiii] points out that "Where local plan policy which complies with the duty [to mitigate climate change] is challenged by objectors or a planning inspector on the grounds, for example, of viability, they must make clear how the plan would comply with the duty if the policy were to be removed". This is because that duty stems from the Planning and Compulsory Purchase Act and Climate Change Act (supported by powers in the Planning & Energy Act). Formal legislation holds more weight than other government guidance that might seek to limit local plans' requirements.

Nevertheless, for a plan to meet the NPPF soundness test of being 'positively prepared to meet the area's objectively assessed needs for housing', the inspector will expect evidence that the carbon policies' cost impact does not prevent the delivery of the required housing targets. In addition, the NPPF paragraph 159 still requires local requirements to reflect national technical standards. This was reiterated through the WMS2023 (as previously discussed) which emphasises that energy efficiency policies in particular must be accompanied by a 'robustly costed rationale that ensures development remains viable, and that any improvements to energy efficiency is set against SAP.

The **feasibility** of identified measures is demonstrable through case studies and modelling.

Further evidence of feasibility of similar performance requirements is found in supporting documents of several pioneering recent and emerging plans. The evidence bases for local plan documents in Greater Cambridge (emerging)[lxxiv], Central Lincolnshire (adopted 2023)[lxxv] and Cornwall (adopted 2023)[lxxvi] all have studies showing that the requirements can be fulfilled in typical new buildings types in these areas. In these studies it was shown how recent local new builds could have complied with the policy without changing the form or orientation of the building – only needing to add reasonably improved fabric, a heat pump, and solar panels that fit within the roof area.

In addition, feasibility in general is evidenced by the fact that all measures have been previously delivered by the building design and construction industry in the UK before today (low heat demand via effective insulation and airtightness; accurate energy modelling; heat pumps or other low carbon heat; well-oriented solar panels; Section 106 offset payments; embodied carbon assessment).

The only potential policy components whose feasibility might be difficult to prove are the enhanced energy reporting and embodied carbon reporting. These skills are present and growing in the sector, but may not be mainstream outside of London projects and so there might be a bottleneck of skilled professionals available to conduct these. The impact of this bottleneck depends on the rate and scale of development that comes forward (in any local plan areas making a competing demand for these skills, as these services can be performed remotely). If development takes the form of fewer but larger applications consisting of broadly similar house types, these can be assessed efficiently via representative sampling. The skills bottleneck may be more impactful if housing comes forward via smaller and more varied applications that each need a separate assessment.

It should be noted that these specialist skills will be a far smaller factor in housing delivery compared to the overarching construction labour shortage[lxxvii] which constrains the whole sector today. As national housing targets are thought to already be too large for the workforce to deliver[lxxviii], energy/carbon modelling should not be assumed the deciding factor in the feasibility of delivering housing.

Additionally, for the UK to hit its legally binding carbon reduction targets, it will be vital for the specified energy targets to be achieved in reality, which will not be possible unless the industry swiftly develops these skills and deploys them as a standard practice in the vast majority of development.

The policy requirements would stimulate the industry to expand its capacity to fulfil them (similar to commentary noted in the FHS Consultation Response, paragraph 2.40, 2.60, 2.61, 2.62). In the absence of data to show whether there is or is not enough capacity in the industry to deliver these reports, a cautious approach could be to require the enhanced energy & carbon modelling only in major developments. If this choice is made, a required minimum specification could be devised for minor and householder proposals that would be likely (if not guaranteed) to deliver the required targets.

Viability of required improvements to the building

The cost of meeting building energy performance targets should be considered within a whole-plan viability assessment. Despite a range of precedent policies on carbon reduction, there is not a consistent approach to transparently assess the cost of policy compliance. Some viability studies (for policies seeking reductions of 35-50% on Part L 2013) have variously applied cost uplifts of:

- £5/m^2 for 'BCIS Energy + Carbon' although it is not explained how this reflects the policy requirements, and somehow reaching £25,000/dwelling for fully zero carbon homes.
- £15,000 per dwelling for a bundle of sustainability measures including carbon and renewable energy– without clarifying the breakdown, or how this cost of policy compliance was identified.
- 1% uplift to overall costs to allow for professional fees, and BCIS cost data reflecting the construction cost of the Code for Sustainable Homes Level 4.

These precedents were successfully adopted, so their viability assessments must have been deemed sound by the Planning Inspectorate for the purpose of those plans' policies.

Note that HDH Consultants have assumed costs in the region of 6% to achieve the FHS and 8% to reach operational net zero.

Nevertheless, it would be more robust to use more transparently evidenced cost uplift data, specific to Swale's policy proposals. The strongest way to assess viability impacts would be to commission a study of up-to-date cost uplifts specific to Swale for a range of building types expected to arise during the plan period. This would ideally show the cost uplift compared to the current baseline (Part L 2021).

However, there are also several sources of credible evidence on the cost uplifts for a range of building energy performance standards at or close to 'true net zero' operational carbon. For example, there are published cost evidence bases for recent energy-based local plan policies in Greater Cambridge (emerging), Central Lincolnshire[lxxix,lxxx] (adopted), Essex[lxxxi], and a collection of London boroughs[lxxxii]. It may be possible to adapt this data for the Swale context, if Swale decides to take a policy approach similar to that taken in these plans; for example by finding the % cost uplift from the baseline of current building regulations in those local plan areas and translating this into a % cost uplift that could be applied to today's base build cost in Swale. This is recommended to be explored as an evidence gap to be filled during the next steps of this net zero carbon policy creation and evidencing.

Carbon reductions as an issue of design quality

There is evidence that the new National Planning Policy Framework is leading the Planning Inspectorate to place a greater focus on design quality. A recent analysis[lxxxiii] of appeals since July 2021 found that inspectors are no longer dismissing poor design as a reason for refusal simply because of a shortfall in housing land supply, and that the likelihood is very low of the developer being awarded costs if their application is refused on design grounds.

The relevant parts of the NPPF state that:

- "Development that is not well designed should be refused, especially where it fails to reflect local design policies … [and] Significant weight should be given to … outstanding or innovative designs which promote high levels of sustainability". (Paragraph 139)

- "Local planning authorities should seek to ensure that the quality of approved development is not materially diminished between permission and completion". (Paragraph 140)

This is likely to be most relevant to the setting of bold local plan policies on the topic of embodied carbon and the use of specific processes to reduce the energy performance gap. This is because:

- Embodied carbon is related to design quality through durability, heritage. biophilia[17] and generally 'innovative design which promote[s] high levels of sustainability'.

- Energy performance gap remediation processes are created solely for the purpose to 'ensure that the quality … is not materially diminished between permission and completion'.

[17] 'Biophilia' refers to humans' innate attraction to the living natural world, and wellbeing benefits experienced via exposure to it. Renewable materials like timber can support this and also reduce embodied carbon, reflected in today's growing focus on biophilic design in architecture.

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Swale Borough Council

Net Zero Policy Development

Output i: Literature Review (Executive Summary)

31 July 2024

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Checked by: Lewis Knight (Head of Sustainable Places) and Marina Goodyear

Introduction

Bioregional and Edgars are appointed to provide an assessment of options available within the local planning system to address climate change, to inform local plan policy development within Swale Local Plan (SLP).

Local Planning Authorities (LPAs) have a legal duty to mitigate climate change (deliver carbon reductions) via the planning process[1]. National Government planning policy[2] confirms that these reductions should be in line with the Climate Change Act. The Climate Change Act includes both the 2050 goal for a net zero carbon UK, and sharply declining five-yearly carbon budgets between 2008 and 2050.

Our appointment to support Swale Borough Council (SBC) in this effort comprises of the following workstreams:

This appointment will produce three outputs (i – iii below):

1. Assessment of powers, duties and policy options:
    i. Literature Review & position statement: Exploring the powers, duties, precedent policies, and links to SBC's existing climate commitments.
    ii. Policy options & 'risk matrix': Devise a range of potential policy approaches to carbon reduction in buildings, and evaluate the relative merits of each of these.
2. Evidence and draft policies:
    iii. Preparation of an evidence base to close any gaps in necessary evidence beyond what was already identified in the Literature Review (part 1.i, as above), as necessary to support SBC's chosen policy option (that will have been chosen as a result of stage 1 above) with draft recommended policy wording

As background work during Part 1 (above) there has also been a review of SBC's existing draft policy wording on climate and carbon. There is also engagement built into key points during Parts 1-2 to explain the findings to key policy decision-makers within SBC and/or to liaise with SBC's other relevant consultants where needed (e.g. viability).

This report comprises Output i of Part 1. Later, when any gaps in necessary evidence for the preferred policy are uncovered, this report may either be adapted into a future version to fulfil Part 2, or else Part 2 may be fulfilled by a separate report containing only the additional evidence identified to be necessary.

To aid Swale BC's decision-making for the new Local Plan, this piece of work explores:

- Defining 'net zero carbon' at different scales and how these fit together
- LPA duties to address carbon, as per the National Planning Policy Framework and Climate Change Act
- LPA powers to address carbon and energy granted by key pieces of national legislation, policy, and official guidance (and the limitations placed on how the LPA wields those powers)
- Existing and emerging precedents of Local Plans that wield powers regarding energy and carbon of new development
- How potential policies may be justified in terms of necessity, feasibility and viability.

[1] Planning & Compulsory Purchase Act 2004, Section 19, 1(A).
[2] National Planning Policy Framework, paragraph 153, footnote 53.

Glossary of terms and acronyms

BREDEM	Buildings Research Establishment Domestic Energy Model. A methodology for estimate calculations of the energy use and fuel requirements of a home based on its characteristics. BREDEM is the basis for SAP (see elsewhere in this glossary) but BREDEM retains more flexibility by allowing the user to tailor some assumptions made in the calculations to better reflect the project.
Carbon, or carbon emissions	Short for 'carbon dioxide emissions' but can also include several other gases with a climate-changing effect, that are emitted to the atmosphere from human activities (see 'GHG', below).
Carbon budget	Amount of greenhouse gas that can be emitted by an individual, organisation or geographic area. Usually set to reflect a 'fair share' of the global amount that can be emitted before reaching a level of atmospheric carbon that causes severely harmful climate change.
Carbon intensity/ carbon factors	A measure of how much carbon was emitted to produce and distribute each kWh of grid energy at a certain point in time. For electricity, this has been falling as coal-fired power stations have been phased out over years. It also varies on an hourly basis: at times of high renewable energy generation, the carbon intensity is lower than at points where gas-fired electricity dominates the generation mix.
CIBSE	Chartered Institution of Building Services Engineers.
CO_2	Carbon dioxide. Often shortened to 'carbon'.
CO_2e	Carbon dioxide equivalent. The sum of a mixture of gases, in terms of their climate-changing impact in a 100-year period expressed as the amount of CO_2 that would have the same effect. Often shortened to 'carbon'.
Embodied carbon	Carbon that was emitted during the production, transport and assembly of a building, infrastructure, vehicle or other product, before the product is in use. As opposed to 'operational carbon' which is emitted due to energy use when operating the building / infrastructure / vehicle / other product.
EUI	Energy use intensity, a measure of how much energy a building uses per square metre of floor. Expressed in kilowatt-hours per square metre of floor space per year.
GHG	Greenhouse gas (CO_2 and several other gases: methane, nitrogen dioxide, and fluorinated refrigerant gases). Often collectively referred to as 'carbon'; see above.
LETI	Low Energy Transformation Initiative. A coalition of built environment professionals working to establish and achieve the energy performance needed for net zero.
MVHR	Mechanical Ventilation with Heat Recovery
NPPF	National Planning Policy Framework. A central government document laying out how the planning system should function, including plan-making and decisions.
Part L	Building regulations section that sets basic legal requirements regarding buildings' energy and CO_2.
Performance gap	The difference between the amount of energy a building is predicted to use during design, versus the actual amount of energy it uses. The gap is due to poor prediction methodologies, errors in construction, and unexpected building user behaviour.
PV	Photovoltaics: solar panels that generate electricity.
PHPP	Passivhaus Planning Package – a tool to accurately predict a building's energy use. It is used to design buildings that seek Passivhaus certification but can be used without pursuing certification.
Regulated energy or carbon	Carbon emissions associated with energy uses that are 'regulated' by Building Regulations Part L. This covers permanent energy uses in the building, (space heating, space cooling hot water, fixed lighting, ventilation, fans, and pumps).
RIBA	Royal Institute of British Architects.
SAP	Standard Assessment Procedure – the national calculation method for residential buildings' energy and carbon, used to satisfy building regulations Part L. SAP is based on BREDEM model, but with fixed assumptions and thus less flexibility.
SBEM	Simplified Buildings Energy Model – the national calculation method for non-residential buildings' energy and carbon, used to satisfy building regulations Part L.
Sequestration	Removal and storage of carbon dioxide (or other GHGs) so that it cannot perform its harmful climate-changing role in the atmosphere. Currently only achieved by trees/plants and soil. May be achieved by technologies in future.
Space heat demand	Amount of energy needed to heat a building to a comfortable temperature. Expressed in in kilowatt-hours per square metre of floor space per year.
TER	Target Emission Rate – a limit set by Part L of building regulations on CO_2 emissions per square metre of floor, from regulated energy use in the building.
TPER	Target Primary Energy Rate – limit set by Part L of building regulations on 'primary energy' use per square metre of floor. Unlike metered energy, 'primary energy' takes into account energy lost to inefficiencies during power generation and distribution.
TFEE	Target Fabric Energy Efficiency – limit on space heat energy demand per square metre of floor, set by Part L of building regulations. Based only on fabric; not affected by building services like heating system, lighting, ventilation[i].
TM54,	A method to accurately calculate buildings' energy use. Devised by CIBSE (as above).
Unregulated energy or carbon	Carbon associated with energy use in a building or development but which is not covered by Building Regulations Part L. Includes plug-in appliances, lifts, escalators, external lighting, and any other use not covered by Part L.

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Defining net zero carbon buildings

There are several ways to define a 'net zero carbon building'. These definitions rely on calculations that cover some or all of the following scopes (varying by the definition chosen), on an annual basis:

- Use of different types of fuels and grid energy at the building: These cause carbon emissions.
- Renewable energy use at the building: Usually from on-site generation, but some definitions/calculations of 'net zero carbon buildings' also allow off-site sources.
- Amount of renewable energy that the building *exports to the grid* at times when the building produces more than it is using): This counts as a *negative* amount of carbon emissions, because it actively reduces the amount of fuel burned in power stations to supply grid energy to others.
- Embodied carbon: Carbon emitted to produce/transport and use the construction materials.

The 'National Calculation Methodologies' for buildings' energy use and carbon emissions are called SAP (for homes) or SBEM (for other buildings). These are used in the Building Regulations Part L, which sets limits per m^2 per year for carbon, heat demand, and 'primary energy'[3] use. However:

- They only cover operational carbon (energy use), not embodied carbon (materials/construction)
- They do not include 'unregulated' energy uses like plug-in appliances, which can be 50% of total energy (or total emissions, depending on the carbon intensity of different fuels used).
- They provide inaccurate predictions because they are based on a theoretical model instead of specific conditions, and their predictions do not get validated in practice. They are compliance tools and not designed to accurately assess building energy performance; buildings typically use two or three times the amount of energy predicted by SAP or SBEM (see *Figure 1*).

Thus a 'net zero carbon' building defined by the Building Regulations is not actually net zero carbon. Updates to Building Regulations Part L, SAP and SBEM are due in 2025 (the 'Future Homes Standard' and 'Future Buildings Standard'). However, even the 2025 update will not deliver[ii] the very low space heat demand that the UK needs for its legislated carbon budgets. This is partly because SAP and SBEM underestimate energy demand and are not verified in operation (as there is no regulatory requirement for the building to actually perform to the SAP/SBEM predictions) and partly because Part L sets energy and carbon targets that vary by the building's form (shape and size), not the absolute targets that are needed for UK carbon budgets. For example, we need[iii] new homes' space heat demand to be ≤15-20kWh/m^2/year. Space heat demand is affected by building form not just insulation and airtightness, but Part L doesn't require better insulation and glazing to counter an inefficient form.

Other calculation methods and definitions are available. The two leading alternatives are:

- LETI operational net zero carbon: A building that (each year) generates as much renewable energy as it uses, sometimes using grid electricity and other times sending renewable energy to the grid. The building must also be gas-free and meet specific energy efficiency targets that match the performance needed for national carbon budgets.
- UKGBC Framework Definition of Net Zero Carbon: This has two parts:
    - Operational: When the carbon associated with a building's energy use is zero, by use of renewable energy (from onsite or offsite sources) or purchasing verified carbon offsets.
    - Embodied: When the carbon associated with a building's construction up to the point of completion is zero or negative, through the purchase of verified carbon offsets.

Because the LETI and UKGBC definitions are for *actual* operational performance not just modelling, they require the use of *accurate* energy calculation methods during design, specifically PHPP or TM54 (glossary). PHPP and TM54 account for total energy, not just the share that is 'regulated' by Part L.

Building on the work by LETI and UKGBC, a unified industry definition is in the works by a coalition that includes LETI and UKGBC alongside BRE, RIBA, RICS, and other standard-setting professional organisations in the built environment sector. This "UK Net Zero Carbon Buildings Standard" will align with science-based trajectories needed for net zero by 2050 and a 78% reduction by 2035 in the UK. A draft version for beta testing is anticipated in Winter 2023/24; timelines for finalisation are unknown.

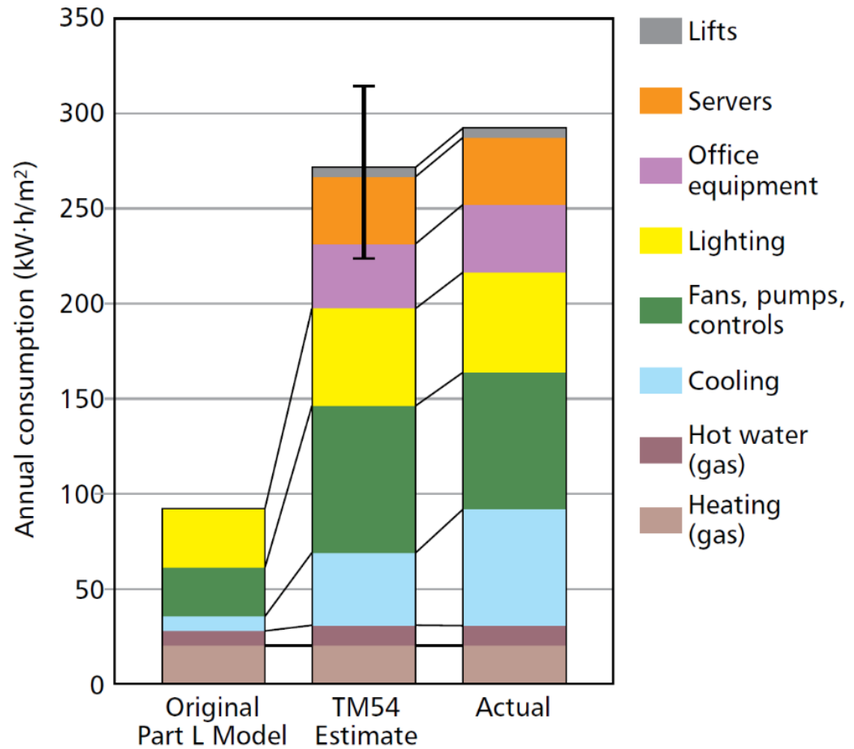


Figure 1: CIBSE graph that reveals the inaccuracies of Part L SBEM prediction of energy use, compared to a prediction using the CIBSE TM54 method, and the building's actual measured energy use in operation. This is for an office building.

[3] 'Primary energy' is the energy from renewable and non-renewable sources which has not undergone any conversion or transformation process. This metric is meant to show the total amount of energy or fuel that must be put *into* a system in order to get one unit of useful energy *out* at the other end, accounting for the losses that occur in (for example) converting fossil fuel to electricity or heat, or in distributing power through the grid.

About the local plan and what it does

A local plan is a land use or spatial plan that responds to identified issues and needs. Preparation of a local plan must conform with specific legal requirements and national planning policy. It must be evidence-based and informed by community engagement, and co-operation with prescribed partners and organisations.

The local plan sets out policies for change in the type, quality and location that will be considered acceptable for a range of land uses in the area and includes a strategy for delivering future required growth. It includes policies that are used to determine planning applications. It identifies appropriate areas and sites for development, such as new homes, offices, shops, and community facilities. It also identifies circumstances where development is not appropriate, and it can set certain conditions around changes to existing buildings or other land uses.

The local plan is separate from Building Regulations. Building Regulations apply nation-wide and define the national minimum standards that new buildings must meet in order to be legal. These standards cover a wide range of technical topics including quality of materials, structural design, drainage, contaminants, fire and electrical safety, acoustics, ventilation, sanitation, water efficiency, overheating, electric vehicle charging, as well as energy efficiency/carbon emissions. Building Regulations apply not just to new developments, but also to extensions and alterations.

The local plan must be in accordance with the National Planning Policy Framework (NPPF), which is set by central government (most recently in December 2023). The NPPF sets out principles and aims that the planning system should aim to fulfil. The NPPF establishes that the overarching purpose of the planning system is "the achievement of sustainable development". After a local plan is drafted and consulted upon, the local authority must then submit the draft plan to the Planning Inspectorate for independent examination before it is adopted and becomes part of the development plan. The Planning Inspectorate will assess the draft local plan to see if it is 'sound'. The NPPF's four 'tests of soundness' are:

- The plan must be positively prepared: It should respond to 'objectively assessed needs' (in particular, needs for housing), and should deliver sustainable development.
- The plan must be justified: Its approach should be appropriate based on evidence and consideration of reasonable alternative approaches
- The plan must be effective: It should be based on effective joint working on cross-boundary strategic matters (cooperation between local authorities), and 'deliverable in the plan period' (e.g. often taken to mean that the policies should not make it impossible to deliver the required amount of housing within the plan period).
- The plan must be consistent with national policy: This means it is in accordance with the other policies in the NPPF and other relevant statements of national policy.

Some decisions relevant to climate and carbon are out of scope for the local plan. For example, large infrastructure projects – such as major road/rail, major renewable energy and airports – are considered 'nationally significant'. Such projects require national rather than local consent. The local plan's influence on existing buildings and other existing land uses is also limited, as the local plan cannot force changes to existing buildings where none have been proposed, and there are many typical changes to existing buildings or land use that do not require planning permission. Some changes to existing land or buildings can occur via permitted development in some cases, without the need for planning permission.

About the local plan

- **Has a duty to deliver 'sustainable development'** that meets environmental, social, and economic needs – housing delivery targets are a key part of this
- **Separate from Building Regulations** (which set minimum technical standards for buildings nationwide)
- **Has powers to require new development to do better than some of the standards set by Building Regulations** – including for energy efficiency and carbon emissions
- **Must be based on proportionate evidence** showing that the plan policies are justified, effective, deliverable, and consistent with national policy
- **Must pass an examination by the national Planning Inspectorate** – who will check it is in accordance with the National Planning Policy Framework, including that it proactively enables 'sustainable' development.

About Building Regulations Part L

- **Sets basic targets for new builds' energy and carbon:**
  - Fabric Energy Efficiency in kWh/m^2/year – this is a measure of the building's need for space heating
  - Carbon emissions in $kgCO^2/m^2$/year
  - Primary Energy Demand in kWh/m^2/year
- **Building must use specific calculation methods to fulfil these targets:** SAP for homes; SBEM for other buildings. However, these do not accurately reflect actual performance.
- **New requirement for 'energy forecasting' in non-residential buildings** – which can use CIBSE TM54 method

Why must the Swale Local Plan take action towards net zero carbon?

The Planning & Compulsory Purchase Act 2004 imposes a legal duty for every local development plan to have "policies designed to secure that the development and use of land in the local planning authority's area contribute to the mitigation of … climate change".

Mitigation of climate change means reduction in the impact of human activity on the climate[iv] by reducing greenhouse gas in the atmosphere[v,vi]. It therefore cannot just mean 'minimising the additional emissions from *new* development' – rather it requires an overall reduction in the net amount of emissions from all activities in Swale. This has two parts: reduction of emissions and increase of sequestration (removal and storage of carbon by trees, other natural features, or future technology).

The National Planning Policy Framework clarifies the extent of mitigation, i.e. the local plan should:

- Take a proactive approach in line with the Climate Change Act 2008
- Shape places in ways that contribute to radical reductions in greenhouse gas emissions
- Support the transition to a low carbon future
- Provide a positive strategy to increase the use and supply of renewable and low-carbon energy.

The Climate Change Act 2008 contains the following legislated carbon reduction targets for the whole UK, therefore in order to be in line with the Act the local plan would need to be designed to take the necessary local action to achieve these:

- Net zero carbon by 2050 (based on a 1990 baseline)
- Steeply reducing 'carbon budgets' for each five-year period up to 2050 (see Figure 2, to right)

The budgets place a limit on the amount of carbon that can be emitted before the net zero goal. This is a vital action towards the UK's commitment to the international Paris Agreement 2015, in which 174 countries worldwide agreed to limit climate change to no more than a 2C rise on pre-industrial temperatures – above which the global impacts would be catastrophic due to 'tipping points'. For context, the world has already passed a 1C rise and is on track for a 3-4C by the end of the century.

These carbon budgets are devised by the Committee on Climate Change, before being legislated every few years by Parliament as per its duties in the Climate Change Act. The Committee also identifies the necessary sectoral changes to deliver those carbon budgets, of which most relevant to the local plan are:

- All new homes from 2025 to have low carbon heat (not gas), and very low space heat demand
- Rapid and large-scale roll-out of heat pumps to existing homes, and expansion of heat networks
- No installation of new fossil fuel boilers from 2033
- Fully decarbonise the electricity grid by 2035 (to be 80% renewable and 20% nuclear by 2050)
- Reduce travel mileage by car, and ensure all new cars/vans are electric from 2032
- Increase woodland cover to 18%, up from today's 13%, and restore peatlands
- All sectors net zero carbon by ~2045 except aviation, waste, & agriculture (most or all of the UK's capacity for carbon removals will be needed to balance these sectors' remaining emissions).

Committee on Climate Change analysis[vii] shows that national government plans are insufficient to deliver all these necessary changes. The government's Net Zero Strategy was (2022) found unlawful[viii] as it failed to deliver on the Climate Change Act obligation to produce sufficiently detailed policies that show how the carbon budgets will be met. Therefore, in order to mitigate climate change in line with the Climate Change Act, the local plan will need to act ahead of national government action, using the powers available to local planning authorities.

The legal and policy mandate

- **Planning & Compulsory Purchase Act 2008** establishes that the local plan has a legal duty to mitigate climate change (reduce carbon)
- **National Planning Policy Framework (2021)** states the mitigation should be in line with the Climate Change Act 2008
- **Climate Change Act 2008** sets the 2050 net zero carbon goal, and also interim 'carbon budgets' that reduce every 5 years
- **Committee on Climate Change analysis and a High Court Ruling (2022)** shows that national government's current policies & plans will not deliver the Climate Change Act goals – so the local plan would need to take further action to fulfil its duty to mitigate climate change in line with that Act.

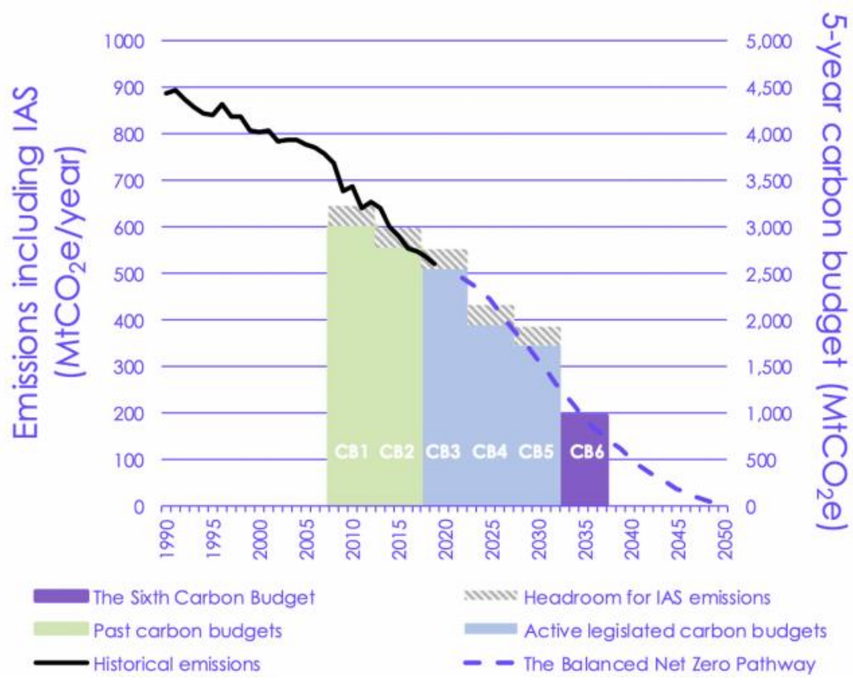


Figure 2: UK legislated carbon budgets under the Climate Change Act. From Committee on Climate Change (2020), The Sixth Carbon Budget: The UK's Path to Net Zero. "IAS" = international aviation & shipping.

How can the Swale Local Plan take action towards net zero carbon?

The main sources of emissions (and removals) that a local plan can affect are:

- New buildings – energy efficiency, energy supply / on-site generation, and embodied carbon
- Transport – enabling the right type and location of new development to reduce new and existing communities' car dependence, and bringing forward sustainable transport infrastructure
- Existing buildings – encouraging carbon-reducing renovations where permission is needed
- Renewable energy – encouraging new large-scale renewable energy generation and distribution
- Natural environment – protecting and expanding landscape features that capture or store carbon
- Using the planning permission process to raise funds for the measures above where lacking.

In this report, we focus on planning powers towards net zero carbon in the *buildings* and *energy* sectors. The Planning and Energy Act 2008 gives the local plan the power to set 'reasonable requirements' for:

- Energy efficiency standards higher than those set by building regulations
- Renewable or low-carbon sources to supply a proportion of energy used at the development.

The Act defines 'energy efficiency standards' as ones that are set out or endorsed by the Secretary of State. This may imply only the methods used in Part L of Building Regulations (SAP or SBEM), despite their aforementioned shortcomings. However, the new non-residential Part L 2021 endorses the more accurate TM54 method for the purpose of energy forecasting (a new requirement to give the building owner a prediction of total metered energy use). Thus, it appears the local plan could require energy efficiency standards based on TM54, which accounts for *total* energy use, not just regulated (glossary).

The Act does not define 'reasonable requirement', nor does it define the term 'energy used at the development'. It therefore appears to empower the local plan to set requirements for renewable energy to meet a proportion of the new building's *total* energy, not just 'regulated' energy (glossary). In that case a method would need to be chosen to account for that unregulated energy, ideally in a way that works alongside the calculation for regulated energy. Several methods could be used: TM54 (as above), BREDEM, and SAP Appendix L. PHPP could also be used but may not be compatible with SAP/SBEM.

The Town & Country Planning Act 1990 gives two key powers often used for carbon reductions:

- Section 106[ix] enables the local plan to require payments from new development. These must be reasonable, proportional to the development, and necessary to make the development acceptable. This has sometimes been used as a mechanism to offset new developments' carbon.
- Section 61[x] enables creation of Local Development Orders. This is a tool used to achieve specific objectives by granting certain types of development fast-track planning permission (or at least certainty of permission). These have been used to promote renewable and low-carbon energy.

The National Planning Policy Framework reaffirms ways the local plan can mitigate climate change:

- Paragraph 159b: "New development should be planned for in ways that … help to reduce greenhouse gas emissions, such as through its location, orientation and design. Any local requirements for the sustainability of buildings should reflect the Government's policy for national technical standards".
- Paragraph 160a-b: "Plans should … provide a positive strategy for energy from [renewable and low carbon] sources … [and] consider identifying suitable areas for [these] and supporting infrastructure".
- Paragraph 196: "Plans should set out a positive strategy for the conservation and enjoyment of the historic environment, including … putting [heritage assets] to viable uses consistent with their conservation".

Local plan powers for net zero carbon development

- **Energy & Planning Act 2008:** The local plan can require new builds to provide / use renewable energy and improved energy efficiency.
- **National Planning Policy Framework (2023)**
  - Policies should 'reflect national technical standards' – this may influence the performance metrics or calculation methods that can be used in local policy around energy efficiency & renewables (*albeit some local plans have successfully adopted alternative metrics, justified by their effectiveness in delivering on national carbon reduction targets – see precedents*)
  - It is appropriate to seek carbon reductions through new development's location, orientation and design, and to plan for renewable energy
- **Building Regulations (Part L 2021) exceed the supposed previous limit on how far the local plan carbon and energy requirements could go** (the limit was expressed in Planning Practice Guidance and a 2015 Ministerial Statement),
  - Therefore it can be assumed that the limit is obsolete and that local plans can go as far as necessary to fulfil their duty to mitigate climate change
  - … so long as the requirement is shown to be 'reasonable' and does not stop the plan passing the four tests of soundness (justified, effective, consistent with national policy, and positively prepared to deliver development that meets needs)
- **Town & Country Planning Act 1990** allows the local plan to:
  - Seek payments from development (sometimes used to offset new developments' carbon emissions)
  - Make 'local development orders' to fast-track desirable development e.g. renewable energy
- A new Written Ministerial Statement on 13th December 2023 attempts to limit energy efficiency policies to be expressed as a percentage reduction on the Building Regulations Target Emission Rate. However, this is facing an ongoing legal challenge that it would inhibit local plans' ability to meet their climate mitigation duty.

How have local plans used their powers towards carbon reductions?

Most adopted local plan example policies on net zero carbon buildings have been based on metrics from Building Regulations, taking the following approach:

- A minimum reduction in carbon emissions compared to the standard sent by Building Regulations Part L (the Target Emission rate), and
- The remainder of the Building Regulations 'regulated carbon' (Building Emission Rate) to be offset by a payment per tonne of regulated carbon emissions.

However, newer pioneering examples are taking a potentially more effective route of energy use limits and/or 100% renewable energy. Examples are given below, outlining their differences:

Some example policies require energy efficiency to deliver a certain amount of the carbon savings, as this is the first step of the 'energy hierarchy' (list of measures in order of most to least preferred):

- London Plan 2021: Energy efficiency measures should deliver the following minimum improvements in the carbon emissions rate (within the overall minimum 35% on-site):
  - Residential: 10%
  - Non-residential: 15%.

  These levels were set to reflect the technically feasible energy efficiency improvements identified by analysing the Building Regulations Part L figures of recent development.

Some examples require a minimum contribution of renewable energy, either as a percentage of the building's energy use, or as a percentage reduction on the carbon emissions rate. For example:

- Milton Keynes (2019): Renewable energy to contribute a further 20% reduction in the carbon emissions rate, *after* an initial 19% reduction has been made by other measures.
- Solihull (Emerging): Provide at least 15% of energy from renewable or low carbon sources.
- West Berkshire (2012): Renewable/low carbon energy to achieve net zero total carbon emissions (regulated and unregulated) from 2016 for homes, or 2019 for other buildings, unless demonstrated unviable/ unfeasible. We note that this requirement was upheld by the planning inspector at appeal in 2022, although other parts of the same policy that were based on the now-withdrawn Code for Sustainable Homes were deemed inapplicable.

Where carbon offsetting is one of the mechanisms within the net zero carbon policy approach, the cost per tonne of carbon is set by various rationales. London's £95/tCO_2 rate matched a previous national carbon value, set annually by BEIS (as of 2023 this national value has risen to £378/tCO_2). By contrast, some other plans have used a per-home payment (see Central Lincolnshire in this table) with lower and upper bounds reflecting the amounts of funding that would be needed to install renewable energy sufficient to offset the typical new building's emissions.

However, there is a vanguard of newer pioneering local plans are moving away from Building Regulations metrics and taking a more effective route of energy use limits and/or 100% renewable energy. Examples are given in the table here, outlining their differences and comparing them to the London Plan 2021 which is based on Building Regulations as previously noted.

Residential new-build requirement	London Plan (2021)	Milton Keynes (2019)	Central Lincolnshire (2023)	B&NES and Cornwall (2023)
Scope of emissions that must be 'net zero'	Regulated carbon as per Part L (some boroughs also include unregulated)	Regulated carbon as per Part L	Total operational carbon emissions from all energy use (regulated and unregulated)	
Minimum reduction in on-site carbon emissions (vs Building Regulations Part L 2013)	35%	39% (19%, plus a further 20% by renewable energy)	n/a	n/a
Energy use limits	n/a	n/a	35-60 kWh/m^2/year (EUI) 15 kWh/m^2/year (space heating demand)	40 kWh/m^2/year (EUI) 30 kWh/m^2/year (space heating demand)
On-site net zero (i.e. 100% on-site renewable energy supply)	No	No	Yes, through 100% renewable energy, but with exceptions for feasibility	Yes, through 100% renewable energy
Offset price	Recommend £60-£95/tCO_2, but decision by borough (e.g. Lewisham, £104/tCO_2)	£200/tCO_2	£5-15k/dwelling, or direct provision of offsite renewable energy equivalent to dwelling usage	£373/tCO_2 (BANES) 10p/kWh (Cornwall)
Years' worth of emissions to be offset	30	1	n/a	30

This table shows that some recent successfully adopted local plans now go well beyond the Building Regulations approach, and instead require absolute energy use limits and on-site renewable energy generation capacity to reach net zero carbon.

These policies are inspired by LETI and UKGBC net zero carbon buildings definitions (previously explained) and are considered a more effective and reliable approach to energy and carbon reduction as opposed to policy approaches that rely on an improvement relative to the Part L regulated baseline. Key examples include:

- Bath & North East Somerset (B&NES) Council and Cornwall Council (2023):
  - 40 kWh/m^2/year (EUI) and 30 kWh/m^2/year (space heating demand) limits.
  - On-site renewable energy generation requirement to match total energy use.
- Central Lincolnshire Council (2023):
  - Residential: 35 kWh/m^2/year (EUI) and 15-20 kWh/m^2/year (space heating demand) limits.
  - Non-residential: 70 kWh/m^2/year (EUI) and 15-20 kWh/m^2/year (space heating demand).
  - Residential and non-residential development: on-site renewable energy generation to at least match total energy demand.

There are also several other local authorities that aim to follow this net zero carbon development approach by not relying on the Building Regulations Part L carbon emissions rate as the basis for the improvements that must be made. Examples include:

- Greater Cambridge Emerging Local Plan
- Bristol City Council Emerging Local Plan
- London Borough of Merton Emerging Local Plan
- Leeds City Council Emerging Local Plan
- Winchester Emerging Local Plan
- Uttlesford Emerging Local Plan
- South Oxfordshire & Vale of the White Horse Emerging Joint Local Plan 2041

Common features of these emerging pioneering plans include performance targets identified by the Committee on Climate Change to be necessary in new builds to help deliver the UK's legislated carbon budgets:

- Limiting space heat demand to 15-20kWh/m^2/year (sometimes up to 30kWh where this is found to be more cost-effective).
- Limiting total energy use intensity in kWh/m^2/year – the target varies by building type but is always set to a level that rules out gas boilers and requires a heat pump or other efficient low carbon heat (as heat pumps use about one-third of the energy of gas boiler or direct electric).
- Use of an accurate energy prediction calculation to demonstrate the building's compliance with these metrics, such as PHPP or TM54 (glossary), not the methods used in Building Regulations.

These policies also require on-site renewable energy generation equal to the building's energy use. The aim is that although the building may use grid energy at times when its own renewable generation is not sufficient, there will be other times when it generates more than it is currently using and exports the excess to the electricity grid, resulting in a net 'zero energy balance' over the year.

These emerging policies are all supported by evidence bases showing feasibility and viability in new building types typical to the local area, using highly accurate specialist energy modelling and analyses of build cost uplift compared to the existing building regulations.

'Energy offsetting' (rather than 'carbon offsetting') is permitted in the case of technical non-feasibility, in these emerging policies. Developers would have to pay an amount per kWh of energy use not matched with on-site renewables. Funds would be used to install renewable energy elsewhere in the local plan area and priced accordingly per kWh. The aim is to simplify the offsetting process by avoiding the need for complicated calculations about the changing amount of carbon related to use of different fuels and electricity over time linked to grid carbon reductions.

It must be noted that not all plans following the energy-based net zero approach are receiving positive reactions from the Inspectorate at examination. While Cornwall, B&NES and Central Lincolnshire have now adopted such policies receiving positive feedback in the Inspector's examination report, by contrast West Oxfordshire (Salt Cross Area Action Plan) and Lancaster City Council were instructed by their Inspector to remove similar policy requirements.

In the case of the West Oxfordshire Salt Cross AAP, the Inspector removed the absolute energy requirements to instead suggest them 'as guidelines only'. The Inspectors' main reasoning for this decision was their view that the proposed local energy targets (in Policy 2 – Net Zero Carbon Development) were not sufficiently justified by evidence and also conflicted with expressions of national policy (in the form of a Written Ministerial Statement of 2015 which had placed a restriction on how far local energy performance standards could go – a limit which was in fact overtaken by national building regulations Part L 2021). The Salt Cross case was successfully challenged by a third-party organisation focusing on that interpretation of the policy's soundness. The case was heard in the High Court in November 2023. On 20th February 2024 a decision was passed down that the Planning Inspectors "erred in law in their approach by finding that Policy 2 of the AAP was inconsistent with the WMS[2015]" because the limit placed by the WMS[2015] was overtaken by the introduction of Part L 2021 and had been contradicted by subsequent expressions of national policy[xi]

A decision on whether the Salt Cross AAP can proceed to re-examination or adoption is likely to follow in coming months. But if re-examined, it will now face a new hurdle: the Written Ministerial Statement of 13th December 2023. The WMS2023, unlike the WMS2015, does not limit *how far* a policy can go in requiring carbon reductions, but instead prescribes a specific (and in our view, highly inappropriate) carbon metric to be used to express any energy efficiency policy that goes beyond building regulations. However, any future argument to overcome the new WMS may now be bolstered by the comment in that High Court decision that a WMS "cannot restrict the legal powers of the LPA under the 2008 [Planning & Energy] Act"[xii]. A further indication in favour of Salt Cross is some pre-action legal correspondence (as yet unpublished) between the Secretary of State and the legal representative of a coalition of local authorities, who had posited that the WMS2023 would be unlawful if it sought to restrict the exercise of local planning authorities' primary powers stemming from the Energy & Planning Act 2008. The Secretary of State's response was that the WMS2023 did not intend to do that and that it is only a *material consideration* to be taken into account in the planning system, not a fixed constraint on how policy is expressed, despite the forceful language within the WMS.

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Swale Borough Council

Net Zero Policy Development

Output ii: Identification of policy options and evaluation of their relative merits (including in light of the WMS2023)

26 July 2024

Bioregional EDGARS

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Glossary of terms and acronyms

Carbon, or carbon emissions	Short for ‘carbon dioxide’ but can also include several other gases with a climate-changing effect (nitrous oxide, methane, refrigerants) that are emitted to the atmosphere from human activities.
Carbon budget	Amount of greenhouse gas that can be emitted before reaching a level of atmospheric carbon that causes severely harmful climate change.
CO_2	Carbon dioxide. Often shortened to ‘carbon’.
CO_2e	Carbon dioxide equivalent. The sum of a mixture of gases, in terms of their climate-changing impact in a 100-year period expressed as the amount of CO_2 that would have the same effect. Often shortened to ‘carbon’.
DESNZ	Government Department for Energy Security and Net Zero.
Embodied carbon	Carbon that was emitted during the production, transport and assembly of a building, infrastructure, vehicle or other product, before the product is in use. As opposed to ‘operational carbon’ which is emitted due to energy use when operating the building / infrastructure / vehicle / other product.
Energy hierarchy	A description of best-practice approach to designing for improved energy and carbon performance. The hierarchy asks the designer to take a series of steps in order within the design process so that the most effective and reliable measures are implemented first, which also optimises the final resulting energy performance. The hierarchy stipulates to firstly maximise energy efficiency (reduction of energy demand) before implementing efficient energy *supply*, then adding *renewable energy*, and then as a last resort offsetting that energy or its associated carbon.
EUI	Energy use intensity, a measure of how much energy a building uses per square metre of floor space.
FHS / FBS	Future Homes Standard / Future Buildings Standard
kWh	Kilowatt-hour. A unit of energy.
LETI	Low Energy Transformation Initiative. A coalition of green building experts working to identify and implement targets for energy use and embodied carbon that would be compatible with the UK’s climate commitments.
LPA	Local Planning Authority.
NPPF	National Planning Policy Framework.
Operational energy use	Energy used for the normal operation of a building. (As opposed to energy used in the production, construction or demolition of a building).
Paris Agreement	An international agreement[i] to limit climate change to no more than 2°C of global warming and pursue a lower limit of 1.5°C, with action to be taken by each country to an extent that would “reflect equity and … common but differentiated responsibilities and respective capacities, in light of the different national circumstances”. This means that greater action should be taken by countries like the UK that are richer and have a greater historic responsibility for greenhouse gas that is already in the atmosphere. The UK is a signatory to this agreement.
Part L	Building regulations section that sets basic legal requirements regarding buildings’ energy and CO_2.
Performance gap	The ‘energy performance gap’ is the difference between the amount of energy a building is predicted to use during design, versus the actual amount of energy it uses. The gap is due to poor prediction methodologies, errors in construction, and unexpected building user behaviour.

PV	Photovoltaics: solar panels that generate electricity.
PHPP	Passivhaus Planning Package – a tool to accurately calculate a building's energy use. It is used to design buildings that seek Passivhaus certification, but can be used without pursuing certification.
Regulated energy	The uses of energy within a building that are regulated by Part L of building regulations. This covers fixed energy uses in the building – mainly space heating, space cooling, hot water, permanent lighting, fans/ventilation and pumps.
SAP	Standard Assessment Procedure – the national calculation method for homes' energy and carbon, used to satisfy building regulations Part L.
SBEM	Simplified Building Energy Model. The national calculation method for non-residential buildings' energy and carbon, used to satisfy building regulations Part L.
Space Heat Demand	A measure of how much heat energy is needed to keep a building at the desired temperature, regardless of how that heat is delivered.
tCO_2 (or tCO_2e)	Tonne of CO_2 (or tonne of CO_2 equivalent). See CO_2 and CO_2e, above.

TER	Target Emission Rate – limit set by Part L of building regulations on CO_2 emissions per square metre of floor.
TFEE/DFEE	Target/Dwelling Fabric Energy Efficiency – limit on space heat energy demand per square metre of floor, set by Part L of building regulations. Based only on fabric; not affected by building services like heating system, lighting, ventilation.
TM54 (or CIBSE TM54)	Method to accurately calculate buildings' energy use. Devised by Chartered Institution of Building Services Engineers (CIBSE).
Unregulated energy	Energy uses within a building or its curtilage but that are not regulated by Part L of building regulations. Examples: plug-in appliances, catering, external lighting among other uses. This can represent 50% of the total energy used at a property, depending on the building type and use.
WMS **(or WMS2023)**	Written Ministerial Statement. A formal statement of national policy made by a government Minister in the House of Commons or Lords. (WMS2023 refers to the WMS made on 13th December 2023 on energy efficiency standards in local planning.)

Introduction

Bioregional and Edgars are appointed to provide an assessment of options available within the local planning system to address climate change, to inform local plan policy development within Swale Local Plan (SLP).

Local Planning Authorities (LPAs) have a legal duty to mitigate climate change (deliver carbon reductions) via the planning process[1]. National Government planning policy[2] confirms that these reductions should be in line with the Climate Change Act. The Climate Change Act includes both the 2050 goal for a net zero carbon UK, and sharply declining five-yearly carbon budgets between 2008 and 2050.

Our appointment to support Swale Borough Council (SBC) in this effort comprises of the following workstreams:

This appointment will produce three outputs (i – iii below):

1. Assessment of powers, duties and policy options:
    i. Literature Review & position statement: Exploring the powers, duties, precedent policies, and links to SBC's existing climate commitments.
    ii. Policy options & 'risk matrix': Devise a range of potential policy approaches to carbon reduction in buildings, and evaluate the relative merits of each of these.
2. Evidence and draft policies:
    iii. Preparation of an evidence base to close any gaps in necessary evidence beyond what was already identified in the Literature Review (part 1.i, as above), as necessary to support SBC's chosen policy option (that will have been chosen as a result of stage 1 above) with draft recommended policy wording

As background work during Part 1 (above) there has also been a review of SBC's existing draft policy wording on climate and carbon. There is also engagement built into key points during Parts 1-2 to explain the findings to key policy decision-makers within SBC and/or to liaise with SBC's other relevant consultants where needed (e.g. viability).

This document is Output ii. It firstly recaps key points of the previous report (Output i) on the local plan's duties and powers to reduce the carbon impact of new development. It then identifies a range of policy options from most to least ambitious in terms of carbon reduction in new buildings. It then evaluates these against a range of criteria, giving a 'score' for how much risk is involved under each criterion for each policy option. This helps to fulfil the NPPF 'test of soundness' requirement[ii] to consider reasonable alternative policies.

[1] Planning & Compulsory Purchase Act 2004, Section 19, 1(A).
[2] National Planning Policy Framework, paragraph 153, footnote 53.

Recap of the previous report (Literature Review)

The local plan has a legal duty to mitigate climate change (deliver carbon reductions), established in the Planning & Compulsory Purchase Act 2004. National planning policy (the NPPF) confirms that this mitigation should be in line with the Climate Change Act 2008.

The Climate Change Act includes both the 2050 goal for a net zero carbon UK, and sharply declining five-yearly carbon budgets between today and 2050. Analysis by the Committee on Climate Change sets those carbon budgets and reveals the changes needed in order to meet those carbon goals. However, analysis cited in our previous report unfortunately revealed that:

- **Current & future Building Regulations (Part L) do not deliver** the space heat demand needed for UK carbon budgets (15-20kWh/m^2/year) nor make homes zero carbon. Also one of the Government's possible Part L update in 2025 would double heating bills compared to those of a home built to today's current new build standards.
- **Building Regulations (Part L) calculations for energy and carbon are inaccurate** (severely underestimating these) and only cover ~50% a building's energy use
- **Many other changes necessary for the carbon budgets are also off track** – such as the rollout of heat pumps to existing buildings, and the rollout of solar PV generation.

To 'mitigate climate change in line with the Climate Change Act' therefore, local plan policy would need to expedite these changes that are currently lacking in national regulation.

The Planning & Energy Act 2008 grants the local plan the power to require renewable energy provision, and energy efficiency standards beyond those set by Building Regulations.

However, the NPPF also states that local sustainability standards should not be inconsistent with relevant national policy. One such statement of national policy is the **December 2023 WMS**, which urges any local plan energy efficiency policies to be expressed as a % reduction on the Target Emission Rate (TER) set by Building Regulations Part L. Yet, TER is not an energy efficiency metric, creating confusion on the intent of the WMS. Prior to the 2023 WMS, three local plans earlier in 2023 had adopted other metrics (space heat demand and energy use).

The WMS2023 also emphasises that any such policy must have a 'well-reasoned and robustly costed rationale [ensuring] development remains viable'. Even prior to WMS this was already best practice for any local policy.

The WMS is a 'material consideration' that must be taken into consideration, like the NPPF. However, **a WMS cannot lawfully inhibit the function of legislation** (such as the climate mitigation duty and energy-related powers, as above). Also, this WMS faced a Judicial Review (heard on 18th June 2023) on the basis that it obstructs those legislations and is unevidenced.

Finally: **the WMS2023 only relates to *energy efficiency*** – it does not constrain policy on the separate issues of *renewable energy* standards or *embodied carbon* requirements.

Current context regarding how far local plan policies can go, in light of the December 2023 Written Ministerial Statement

In the immediate wake of the December 2023 WMS, there was much confusion on the ability of local planning authorities to set energy efficiency standards that exceed Building Regulations, alongside uncertainty of the status and implications of the WMS. It is now abundantly clear that local authorities retain the power to set local energy efficiency standards that exceed Building Regulations – it is just the method in which this is done that the WMS purports to constrain (and the degree of scrutiny that the WMS will bring to such policies during examination giving rise to a need to be even more ready to robustly defend any such policy in terms of necessity, feasibility and viability).

There is increasing rebound confidence in the local planning sector that there is still scope for local authorities to pursue an 'industry best practice' approach that utilises absolute energy metrics, particularly if local circumstances are demonstrated that justify departure from national policy. This is explored in Approach 3.

Legal advice has begun to be formed around the 2023 WMS, primarily emphasising that the WMS is subservient to statute and cannot undermine the primary powers (i.e. Planning & Energy Act 2008) and duties (Planning & Compulsory Purchase act 2008) to act on climate change. The Climate Change Act 2008 is also statute, in line with which local plan policy must deliver carbon reductions, according to the NPPF which should hold at least as much material weight as a WMS does.

Additional lines of argument in the sector focus on the fact that the WMS cannot prohibit local authorities from using their primary powers to mitigate climate change, as required in order to fulfil the Climate Change Act 2008 and the Planning & Compulsory Purchase Act section 19. These debates emphasise that the WMS is contradictory in places, not fit for purpose given its instruction to use unsuitable metrics, and not evidenced in the problem it purports to address (i.e. the thesis that the adoption of local standards would slow down the delivery of housing targets). As noted in the introduction, these points were the basis for the formal legal challenge against the government on the lawfulness of the 2023 WMS (being pursued by the Good Law Project and Rights:Community:Action). The legal challenge was rejected earlier in July 2024.

Nevertheless, the WMS2023 will be an area of focus raised by objectors and the inspector during the Examination in Public. The WMS text even states that such policies may draw direct scrutiny from the Secretary of State (although this may not be followed through now there has been a change of government). As such, for any energy efficiency policy that goes beyond Building Regulations Part L, the WMS2023 does raise the level of risk of rejection, especially for policies that use metrics other than those used in Building Regulations.

In the risk matrix assessment later in this report therefore, we reflect this in the criteria of 'planning acceptability' and 'compatibility with national policy'.

Potential local plan policy approaches in the current national legislative & policy context

Overview

Based on existing powers, duties and mandates in legislation and national policy, we next outline and evaluate the following three broad policy approach options:

1. **Fully WMS-compliant**
2. **Testing WMS boundaries**
3. **Overcome the WMS**

Approaches 2 and 3 look to exploit certain areas where the WMS is unclear or not prescriptive, whilst Approach 1 acts as a WMS-compliant option that is relatively 'safe' in terms of planning acceptability and less complex to defend at examination.

As noted in the introduction, the scope of the 2023 WMS is limited to energy efficiency standards. Therefore, it does not inhibit the existing powers to set local policies on issues other than energy efficiency, for example requiring a proportion of on-site renewable energy generation, or embodied carbon standards (as illustrated in precedents in the previous report).

However, there are interrelationships between energy efficiency and renewable energy requirements. For example:

- There is evidence that in most home types it is feasible to meet a policy requirement to generate renewable energy on site equivalent to 100% of energy use *if* energy efficiency targets are met first. Without the energy efficiency targets, some building type' energy use may be too high to match with PV within the available roof space, and would have to be met partially through offsetting instead. This is part of the reason why organisations like LETI have proposed absolute energy use intensity targets within their 'net zero carbon buildings' definitions (as outlined in the previous Literature Review report and emulated in 'Approach 3' within the current report).
- If there is a requirement for 100% (or other percentage) of energy use to be met with on-site renewable generation, then a decent energy efficiency target will reduce the cost of meeting that renewable energy provision, because the energy efficiency target reduces the energy use that the renewables must match. Vice versa, if a % renewable energy provision is required *without* a target for energy efficiency, the cost of providing that renewable energy would be greater. In all policy options evaluated here, there is a requirement to improve energy efficiency (in light of inadequacies of current and future building regulations to meet the UK's carbon goals as outlined in the Literature Review).

It is also important to note that there exists a multitude of different policy options that SBC may consider within or beyond these three approaches. The three approaches we explore in this report reflect professional judgement of the broad categories of approach that exist in existing precedents and industry best practice. Each approach could be adapted by SBC to better align with the Council's degree of climate commitment and risk appetite.

Risk matrix approach to policy options evaluation

The three policy approach options will be assessed against the criteria set out in the table overleaf, taking into account the context of the December 2023 WMS as outlined above.

Our previous literature review of planning duties, powers and precedents shows that to achieve net zero carbon buildings within a net zero carbon district and UK, several different requirements can and should be deployed in local plan policy. **These form broad themes**:

- Energy efficiency
- Efficient, fossil-free and renewable energy supply
- Carbon offsetting
- Embodied carbon.

Secondary requirements, in order to reduce the energy performance gap, could consist of:

- Post-occupancy evaluation
- 'Assured performance' schemes
- On-site construction supervision
- Airtightness tests and/or other fabric tests prior to completion.

These themes follow the energy hierarchy, plus offsetting and embodied carbon. An effective policy for zero-carbon buildings would cover all of these themes, allowing none to be neglected or concealed. Planning powers and (pre-WMS) precedents exist for all of them. To deliver the necessary actions for the scale and urgency of the UK's carbon goals, we would need to emulate the more ambitious end of the range of existing precedents, which have been creatively testing the boundaries of the powers available (before the WMS2023).

There is somewhat of a mismatch between local plans' *duty to radically reduce carbon*, versus the potential constraints around:

- The *extent* to which local planning authorities can wield the powers explicitly granted to them require carbon reductions (due to pressures such as the WMS2023),
- Local planning authorities' *duty to enable other outcomes* such as housing delivery.

This mismatch has caused some ambitious 'net zero' policies to stumble at the hurdle of examination, despite other very similar policies having successfully passed that hurdle.

The well-tested, 'low planning risk' policy precedents tend to rely on requiring moderate reductions against Building Regulations Part L. However, as noted previously, Part L is not well suited to delivering actual energy and carbon reductions in practice.

Because of this mismatch, an approach that is low-risk for planning acceptability and viability is generally high-risk for climate, as it would fail to remedy the status quo of allowing new builds to add to the UK's carbon burden, and expose occupants to high costs of energy bills and future retrofit that almost all existing buildings will need if the UK is to reach its carbon goals.

It is thus necessary to differentiate the level of risk across several topics. These topics reflect the key debates in the literature on the low carbon transition, emerging practice in local plans, and recent experience working with local authorities and developers.

Key messages

- The local plan has a **legal duty to mitigate climate change, and national policy says this should be done in line with the Climate Change Act 2008**
- **Mitigation in line with the Act 2008** would logically need to deliver the built environment changes **shown to be necessary for the Act's carbon goals**
- National government's current policies (including Building Regulations Part L and the Future Homes Standard) are **insufficient to deliver the necessary changes**
- Local energy efficiency standards **are able to exceed Building Regulations**, as per the power granted by the Planning & Energy Act 2008
- **There are local plan powers that can help deliver the changes**
  - There are perceived limits to how far these powers can be exercised – due to definition of powers, consistency with national policies, and potential to clash with other local plan duties (such as deliverability or viability).
  - Some adopted precedent local plans have now gone as far as necessary (in setting targets for buildings' operational energy in line with the UK's carbon goals), e.g. B&NES, Cornwall and Central Lincolnshire.
- **A local plan policy could be 'low' or 'high' risk** depending on whether we focus on carbon & bills, or on viability & precedent
- We therefore use a **'matrix' to assess risk across multiple topics.**

Table 1: Scope of risk topics for which policy options should be assessed.

Climate (2˚C carbon budgets)	Occupant energy bills	Future retrofit costs/disruption	Electrical grid readiness	Delivery / sector readiness	LPA internal capability	Viability / cost uplift (vs current Part L)	Planning powers / precedents	Compatibility with national approach
Will this policy deliver carbon and energy savings consistent with what the Committee on Climate Change has shown to be necessary for the UK to meet its legislated carbon budgets? Consider also the even more ambitious Tyndall Centre carbon budgets for climate change ≤2˚C (more reliable for the Paris Agreement). Any new build that is not true net zero carbon will worsen the already-huge challenge faced. Any insufficiently energy-efficient buildings will place excessive demands on the region's limited renewable energy capacity (current capacity, and speed/scale at which future capacity can be added).	Might this policy permit or cause the developer to deliver a building that exposes its occupants to unnecessarily high energy costs or energy price volatility? Vice versa, is the resulting building likely to save energy bills long term?	Will this policy induce the developer to deliver a building that is fit for the UK's zero-carbon future according to the Committee on Climate Change's identified necessity for minimal heat demand and low-carbon heat? (i.e. heat pumps or networks, not gas) If not, how disruptive and expensive would future retrofit works be?	Will this induce the developer to minimise the burden that the new building places on the electricity grid, considering that the grid will already face the huge challenge of switching existing buildings and transport from fossil fuel to electricity? Will there be additional grid stress to account for any energy exports from solar PV installed, and electrification (gas-free status) due to the policy, compared to Building Regulations? Might this component induce the delivery of buildings that burden the grid more than they need to – beyond the grid upgrades that will need to happen anyway for the net zero carbon future?	How readily available are the materials, technologies and skills needed to comply with this – including energy calculation skills? How mainstream is this practice or level of performance, and are the relevant workers likely to understand how to deliver it (immediately, or with a reasonable amount of learning)?	Is there sufficient resource and capacity available internally at the local authority to accurately implement the policy and assess information that developers would need to submit? Is there scope to upskill individuals in planning to assess net zero carbon policies? Is it likely that external consultants will be required to assess policy compliance? (Please note: all scores given in this topic are our best estimate of this challenge – only SBC itself has accurate knowledge of its own capacity to address these issues, or willingness to develop capacity).	Would it cost developers much more to comply with this policy, compared to a business-as-usual new build? (Based on estimates – by central government and evidence bases of various emerging local plans – of cost uplift for various elements of improved building performance, and project experience of the cost of enhanced professional services in energy & carbon.)	Is the local plan explicitly empowered to require this standard, via the Planning and Energy Act 2008, other legislation or formal national policy statement (including the December 2023 WMS)? Is there an existing adopted local plan precedent, showing that this approach can be found sound? If not explicitly empowered but also not explicitly prohibited: • Is there an emerging precedent for this, and how was it justified? • Can it be shown that this is the only reliable way to fulfil the duty for 'radical' carbon reductions in line with the Climate Change Act? (NPPF)	To what extent would this policy component: • Use existing nationally endorsed methodologies / metrics for carbon and energy? (taking into account the December 2023 WMS) • Help or hinder other changes that the government has committed to or intends to achieve with regards to carbon and energy? Such as: ○ Future Homes Standard 2025 (2023 consultation) ○ Net Zero Strategy (2021) ○ Heat and Buildings Strategy (2021) ○ Fully decarbonised electricity grid by 2030.

Beyond the **themes** themselves (previously listed), there are several different possible ways in which a local plan policy requirement could address each theme – using different mechanisms, calculations, standards, and required degree of energy and carbon performance improvement. These differ in their climate effectiveness and alignment with national policy.

The risk level would then change again depending on:

- *The means by which* each theme is addressed, e.g. –
  - Using national building regulation calculations for energy and carbon (lower risk in planning terms, but higher risk for climate due to these methods' inaccuracy)
  - Using far more accurate calculation methods (lower risk for climate but higher risk in planning terms, as these differ from the WMS2023 stipulation, may require specialist skills that are not abundant, and some methods may lack certainty on whether they fall within Energy & Planning Act powers)
  - Replicating an existing precedent for offsetting (lower risk in planning terms)
  - Devising a more effective mechanism for offsetting (medium risk in planning terms due to fewer precedents; but lower risk in terms of climate outcomes).
- *The extent to which* the improvement is required, e.g.–
  - the amount and type of on-site energy and carbon improvement,
  - the offset price per tonne of carbon payable by developers.

We therefore assess a range of potential '**policy components**' that each represent a *means* and *extent* of requirements under each theme. These are arranged along the vertical axis of our full risk matrix (overleaf).

Each of these 'policy components' is scored against the full range of risk topics – climate, bills, retrofit, sectoral readiness, cost, powers/precedents, and consistency with national policies. (The topics 'powers' and 'national approach' overlap somewhat, as some legislated powers refer to national policy, and some national policies[iii] purport to constrain those powers.)

A short note on viability via the 'build cost' risk topic

Our scoring in the 'build cost' risk topic reflects whether each policy component would drive the uptake of features that other recent analyses show are more costly than the current building regulations minimum, ie:

- Heat pumps (albeit these will become the norm from 2025 via the FHS)
- Fabric improvements (based on national government cost uplift figures)
- Solar panels beyond existing Building Regulations specification (and how many – to meet total energy, or just regulated)
- Cost to offset any remaining residual carbon or energy
- Cost of specialist energy modelling or energy performance verification, where known.

Our 'build cost' risk evaluation was based on prior experience of the % cost uplift that these combinations of measures tend to add to a typical base build cost, based on studies from central government and other local plans' evidence bases. The actual impact on *viability of development in SBC* will depend on the land values, sales values, and regional build costs and labour. There is some evidence that home sale value rises in more energy-efficient buildings.

About risks relating to a carbon offsetting policy in a local plan

Local plan offsetting usually means collecting payments from developers per tonne of carbon their building will emit, or per kWh of the building's total operational energy use that is not matched with on-site renewable energy generation. This is then ringfenced to be spent on local projects to save the same amount of energy or carbon. 'Climate' risks arise if the amount paid is not enough to deliver the required verifiable amount of carbon savings, or if the Council does not spend the funds effectively. Risks also arise in the topics 'occupant' and 'future retrofit' because offsetting might be used in lieu of creating an energy-efficient building.

About the ongoing changing situation in terms of precedents – how this affects 'planning acceptability'

Please note that several highly ambitious local plans have been adopted with ground-breaking net zero carbon policies that have thoroughly tested existing planning powers and the limits of such powers (albeit all prior to the WMS2023). The most notable are the local plans of Bath & North East Somerset, Cornwall, and Central Lincolnshire Council. However, some other local plans (e.g. Salt Cross Area Action Plan, and Lancaster) have had similar policies rejected at examination, which suggests that risks and uncertainty remain over net zero planning powers. Yet, the rejection of Salt Cross was recently[iv] overturned in court as it was an unlawful interpretation of a previous WMS made in 2015. Also, there has been a High Court challenge against the WMS2023 itself[v] because it tries to prevent such net zero policies.

Numerous other local authorities are either at examination or have emerging ambitious net zero carbon policies at Regulation 18 and 19 consultation stages. As more of these receive their examination reports, additional clarity and consistency will emerge regarding local authority net zero planning powers and the extent to which these can be used.

About levels of risk relating to planning powers/precedents and compatibility with national approach

These two columns incorporate consideration of any limitations placed by the NPPF, PPG, WMS2023, and legislation, on the acceptability of the use of local authorities' powers to reduce buildings' carbon. The WMS2023 makes the risk levels in these two columns higher than they would have been previously. However, an element of uncertainty remains on whether the WMS really increases risk to such a level. This uncertainty is expected to shrink once a number of local authorities put policies through examination with the WMS2023 in place. Those examinations should clarify the status of the WMS in balance against the climate mitigation duty. For the purpose of this exercise, the risk level is set at the higher end of the possible range, to ensure SBC is not underinformed of the potential associated risk.

Matrix of all policy components (note: each approach will combine a selection of these – not all of them)

Scope	Policy requirements	Climate (2˚C carbon budgets)	Occupant energy bills	Future retrofit costs/ disruption	Electrical grid readiness	Delivery/ sector readiness	LPA internal capability	Build cost	Planning powers/ precedents	Compatibility with national approach
Energy efficiency	63% improvement on Part L 2021 (residential)/19% improvement on Part L 2013 (non-residential) TER, *from energy efficiency measures**	3	3	3-4	2	1	3	2	2	1
	No fossil fuels (i.e. heat pump required)	0	2	0	2	1	1	1	1	0
	SAP Fabric Energy Efficiency (FEE) *guideline* limit 15-20kWh/m^2/year	2	2	2	0	2-3	2	4 (due to lack of existing cost data)	3	1
	EUI *guideline* targets and mandatory reporting	No impact	No impact	No impact	No impact	3	2	No impact	No impact	4-5
	EUI limits using PHPP/TM54 (Homes: 35kWh/m^2/year; Non-residential: varies by typology)	0	0	0	0	3-4	2	3	5	5
	Space heat demand limit of ≤15-20kWh/m^2/year (predicted with PHPP/TM54)	0	0	0	0	3	2	3	5	5
Performance gap	Apply any one of several named proven processes to remedy the performance gap	0	0	0	0	3	3	2	2	2
Renewable energy	On-site renewable energy to match 100% of annual *regulated-only* energy use (residual regulated energy use after the required reduction from energy efficiency)	3	3	2	3	1	2	2	2	2
	On-site renewable energy to match *total* energy use (i.e. on-site net zero energy); or ≥120 kWh/m$^2_{\text{building footprint}}$/yr	0	0	0	3	2	2	3-4 (higher in flats; lower in houses)	2-3	4

Scope	Policy requirements	Climate (2˚C carbon budgets)	Occupant energy bills	Future retrofit costs/ disruption	Electrical grid readiness	Delivery/ sector readiness	LPA internal capability	Build cost	Planning powers/ precedents	Compatibility with national approach
Offsetting	Offset 30 years' worth of regulated emissions at £269/tonne (DESNZ annual carbon valuation) via S106 fund (not tested to meet cost of local carbon saving schemes)	4	4	3	No impact	2	3	2	1	1
	Offset any shortfall in on-site renewable energy generation to match total energy use (via S106 or direct investment); at the estimated cost of delivering that renewable energy (set as £/kWh)	1	1-3	1-3	3	1	2-3	2-3 (higher in flats; lower in houses)	3	3
Embodied carbon	Embodied carbon reporting-only, for major development, using RICS WLC methodology	4	No impact	No impact	No impact	2	2	1	2	No impact
	Embodied carbon reporting for major development using RICS WLC methodology; target 900kgCO_2e/m^2 GIA set for large-scale development	3	No impact	No impact	No impact	2	3	1	3 (powers not defined thus not constrained)	4
	Embodied carbon reporting for major development using RICS WLC methodology; LETI-aligned[3] targets set for large-scale development	0	No impact	No impact	No impact	3	4	3	3-4 (precedents are emerging only; powers not defined)	No impact (lack of embodied carbon national policy to align with)
**In residential buildings, this policy would count heat pump installation an energy efficiency measure not a renewable energy measure. In non-residential buildings, the type of building heating system would not make a difference as the Part L TER reflects type of heating system that is actually proposed, unlike in residential buildings. Non-residential buildings can still achieve reductions on the TER by using a heating system that has a higher efficiency than the standard efficiency that Part L sets for that respective heating system type. All kinds of buildings can also achieve TER reductions through other efficiency improvements, including insulation/glazing, airtightness, lighting, heat recovery from wastewater/exhaust air, and fans and pumps.*									

Actively reduces risk	0
Low risk	1
High risk	5

[3] LETI is the Low Energy Transformation Initiative. In addition to their work on setting energy targets aligned with the UK's carbon budgets, they have also done the same with embodied carbon targets (which they have in turn aligned with the similar target setting/benchmarking conducted by RIBA, the Royal Institute of British Architects). Their optimal recommended targets (especially for future years) represent significant improvement on current typical practice.

About this matrix

The matrix orders the policy components by theme from top to bottom according to the energy hierarchy: energy efficiency measures, energy supply measures, offsetting. Separately and after this, the final theme is embodied carbon.

Three potential policy approaches are presented overleaf: Approach 1 (comply fully with the WMS2023); Approach 2 (comply with but test the boundaries of the WMS2023); and Approach 3 (diverge from the WMS2023 on justification of more effectively fulfilling the climate duty).

It should be noted that although the majority of policy components outlined above apply to both residential and non-residential development, the risk scores in the topic of 'planning powers' primarily reflect *residential* development. This is largely because the WMS2023, which is the main source of planning risk, focuses mainly on residential. The WMS2023 does appear to refer to buildings in general, but the metric calculation method it prescribes ("a dwellings Target Emission Rate … using a specified version of SAP") are residential, thus logically cannot apply to non-residential buildings. Therefore, although Approaches 1 and 2 (overleaf) placate the WMS by using the TER metric within their respective energy efficiency requirements for all building types, our opinion is that the WMS2023 brings only minimal additional planning risk to Approach 3 for non-residential policies. Still, policies for any type of building may still see additional scrutiny because of the general presence of the WMS2023 and its emphasis on a "*well-reasoned and robustly costed rationale that ensures… that development remains viable*".

Most policy components have either a lower risk for climate and consumers but higher risk for build cost/planning powers, or vice versa. This is because of the current constraints on powers granted to local plans, and the fact that this is a cutting-edge emerging policy area with few precedents that reduce emissions sufficiently to be in line with the Climate Change Act.

Key reasons for higher risk to climate and occupants are:

- **Failing to require use of accurate methodologies** to predict a building's actual carbon emissions in use (SAP and SBEM are not accurate)
- **Requiring only % improvements on carbon and energy limits set by Building Regulations** (which fail to account for unregulated energy, and fail to incentivise thermally efficient building shape) instead of absolute energy and carbon targets
- **Failing to require steps to deliver energy performance as designed and predicted** (that is, failing to confront the energy performance gap)
- **Failing to ensure that the offsetting mechanism delivers** measurable and certain carbon savings that count towards the local area's carbon account and would not have happened otherwise, and that the offsetting is truly a last resort. Overly cheap offsets disincentivise the developer from making the feasible on-site energy and carbon improvements – raising the risk of new buildings that have high energy bills and need expensive, disruptive retrofit later.

Key reasons for higher planning risk are:

- **Setting requirements that are not based on the national calculation methodology** of building regulations (Part L SAP/SBEM), instead using more accurate methodologies
- **Higher (or unknown) cost of certain measures** – in particular, PV solar panels and some kinds of low carbon heating – although this may change as these become more mainstream and economies of scale take effect (e.g. due to the fact that these technologies are part of the latest Future Homes Standard draft specifications)
- **Workforce skills at scale to deliver the higher standards** – but this will improve as the industry improves its normal practice in response to demand and regulation. This is a good rationale for promoting growth of green construction skills within the SBC area and wider region.
- **Non-compliance with the WMS2023:** any residential energy efficiency target that uses a metric other than Target Emissions Rate in SAP will have higher planning risk.

The right combination of policy components is vital

It is important to note that none of these policy components is enough on its own to achieve new buildings that deliver the required energy and carbon performance that is needed to support the national and local carbon budgets. Any effective net zero carbon buildings approach in a local plan would need to adopt a suite of requirements covering all of the following topics:

- Energy efficiency improvements in design
- Energy performance gap
- Fossil-free energy supply
- Renewable energy supply
- Offsetting
- Embodied carbon.

Not all of the policy components are compatible with all others – the combinations in the policy approaches shown are designed to be internally compatible. There is a degree of pick and choose available to SBC, but policy components must be carefully selected to ensure a holistic and complete policy suite that is internally consistent. SBC must therefore decide which combination of requirements it is willing to pursue, prioritising either the risk of challenge/delay to adoption, or the risk of failing to achieve the carbon reductions required by climate science and legislation. (However, the 'embodied carbon' requirements are independent from the energy performance requirements and therefore could be swapped between the three different approaches). The three potential approaches that we have explored in this report are summarised overleaf.

The diagram to the right summarises the three approaches that are assessed in detail below. Each approach is devised into 5 sections that follow the energy hierarchy themes as previously explained:

- **Energy efficiency**
- **Reduction of energy performance gap**
- **On-site renewable energy generation**
- **Carbon/energy offsetting**
- **Embodied carbon**

Please note that policies on renewable energy generation and infrastructure, sustainable design principles and overheating will be recommended as part of Output 3.

As previously mentioned, it is only the energy efficiency boxes (orange) that are *directly* impacted by the WMS2023. The on-site renewable energy generation boxes (green in this diagram) are indirectly impacted by the yellow boxes (energy efficiency) because energy efficiency will control the amount of renewable energy required to become 'net zero carbon' (by the respective definition of each approach – Approach 1 covers only regulated energy, whereas Approaches 2 and 3 cover total energy use).

Embodied carbon emissions (light blue boxes in this diagram) are not constrained by the WMS2023 and there is no defined national approach to embodied carbon. Therefore, embodied carbon requirements increase from Approach 1 to Approach 3 in order of ambition, but these are reflective of existing precedents and planning powers, instead of being controlled by the 2023 WMS.

Please note again that the different levels of embodied carbon requirement are assigned to different Approaches here purely so that the level of ambition is consistently stepped up from Approach 1 to 2 to 3 across all policy themes. But in practice, the embodied carbon requirements of each Approach could in fact be swapped between different Approaches if SBC chooses, as the embodied carbon requirement is independent of the type of energy performance metrics.

Please note that the colours shown here are used to group components by theme, while the colour coding system used in the rest of this report is instead used to express levels of risk. See key at the bottom of each risk matrix table.

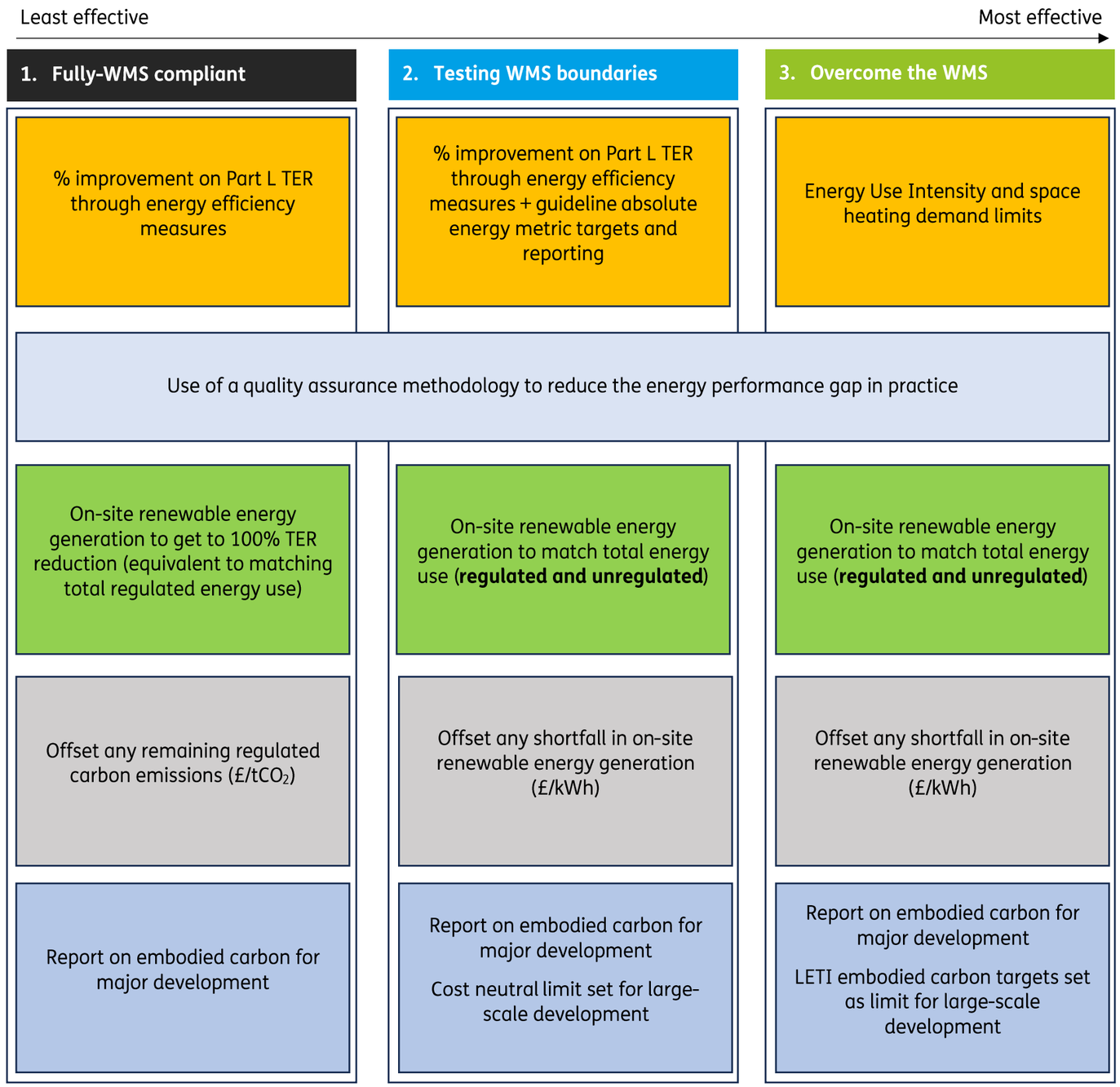


Figure 1: Overview of the three broad policy approach options devised.

Approach 1 – Fully WMS compliant

Medium-high risk for climate, low risk for planning

Scope	Policy requirements	Climate (2˚C carbon budgets)	Occupant energy bills	Future retrofit costs /disruption	Electrical grid readiness	Delivery / sector readiness	LPA internal capability	Build cost	Planning powers/ precedents	Compatibility with national approach
Energy efficiency	63% improvement on Part L 2021 (residential)*/19% improvement on Part L 2013 (non-residential) TER *from energy efficiency measures*	3	3	3-4	2	1	3	2	2	1
	No fossil fuels (i.e. heat pump or similar required)	0	2	0	2	1	1	1	1	0
Performance gap	Apply any one of several named proven processes to remedy the performance gap	0	0	0	0	3	3	2	2	2
Renewable energy	On-site renewable energy to match regulated energy use	3	3	2-3	3	1	2	2	2	2
Offsetting	Offset 30 years' worth of regulated emissions at £269/tonne (DESNZ annual carbon valuation[vi]) via S106 fund (not tested to meet cost of local carbon saving schemes)	4	4	3	No impact	2	3	2	1	1
Embodied carbon	Embodied carbon reporting for major development using RICS WLC methodology	4	No impact	No impact	No impact	2	2	1	2	No impact

**Heat pump installation in residential would count as an energy efficiency measure not a renewable energy measure. In non-residential, Part L incorporates the heating system type into the baseline. Non-residential can still gain TER reductions by using a heating system that has a higher efficiency than Part L's standard efficiency for that respective heating system type.*

Actively reduces risk	0
Low risk	1
High risk	5

Approach 1 acts as a **policy approach that is fully compliant with the December 2023 WMS** and confidently sits within the bounds of mechanisms already adopted by local plans to date, whilst maximising ambition as far as possible. It follows the structure of several 'net zero carbon buildings' policy precedents in local plans that have passed inspection and been successfully implemented with good compliance rates (e.g. London Plan 2021; Reading Local Plan 2019; Milton Keynes Local Plan 2019; Oxford Local Plan 2020; Warwick NZC DPD 2024).

As previously stated, the scope of constraints the WMS inflicts is strictly focused on local energy efficiency standards. Therefore, the core requirement of Approach 1, requiring a 63% TER improvement through energy efficiency measures only, does not include renewable energy generation measures. The 63% reduction aligns with the Future Homes Standard (FHS) improvement on Part L 2021. The requirement is feasible in that the Government's previous indicative FHS specification indicates that this FHS performance can be achieved solely through fabric improvements and heat pumps without any solar PV. Requiring this carbon reduction to be made solely through energy efficiency measures is positive for climate, occupant bills, electrical grid capacity and retrofit risks, in that it ensures developers cannot mask poor energy efficiency by adding more solar PV. Energy efficiency is essential within the UK's carbon budgets, reduces demands placed on the grid, and is also a more effective way of reducing energy bills and is much harder to retrofit later (compared to the relative ease of adding solar PV later). Improved energy efficiency also reduces the amount of PV needed to get to net zero.

Although still based on metrics within SAP, that are known to be inaccurate, this approach allows us to maximise improvements made solely through energy efficiency measures. By classifying heat pumps as an energy efficiency measure (whereas SAP typically classifies heat pumps as a renewable energy measure), the policy recognises the **efficiency gains of heat pumps (300% efficient compared to 100% maximum value of direct electric and gas boilers)**. Due to the efficiency gains provided by heat pumps, the **grid will be put under reduced stress** because fewer units of electricity will be required to produce the units of heat needed to sufficiently heat the building (and because less PV will be needed for the onsite net zero balance, resulting in a lower 'peak export' of PV energy to the grid at the times when PV is producing more electricity than the home can immediately use, such as midday in summer).

It is almost guaranteed that the Future Homes Standard will prohibit the use of gas boilers, as indicated by the 2019-20 FHS consultation and both options proposed in the 2023/24 FHS consultation. However, for the sake of clarity, fossil fuels are stated as unacceptable for all approaches proposed in this document in case this position of future national policy is delayed, weakened or withdrawn. This is compatible with the 63% TER reduction through energy efficiency measures.

Because absolute energy targets are not used, it is **not guaranteed that the building will completely avoid any retrofitting in the future**. This is because the standards vital[vii] to meet the UK's legally binding carbon targets of the Climate Change Act include a space heating demand value of 15-20kWh/m^2/year. Subsequently, for the building to operate at this level in the future, the retrofit required could be disruptive to the occupant, may damage the building (especially insulation[viii,ix]), and could cost the future occupant three-to-five times the price it would have cost the developer to include in the first place[x]. Future retrofit also comes with extra embodied carbon as outdated building elements are replaced.

As the **2023 WMS does not impact on-site renewable energy requirements**, we can set the policy requirement as high as possible within the framing of SAP and Building Regulations (i.e. provide solar PV to match 100% of residual regulated energy use after the initial 63% TER reduction from energy efficiency improvements). As the scope of the renewable energy requirement in Approach 1 is *regulated* energy only, it remains safely within the bounds of the WMS and national technical standards (see separate Approach 2 for how this scope could be expanded to include unregulated energy use too). Matching regulated energy use with solar PV output means that the building could be considered 'net zero energy' under a SAP/Building Regulations definition (although it may not achieve a 100% TER reduction because SAP gives less carbon 'credit' per kWh of PV energy exported than the carbon it associates per kWh of grid energy used). However, we cannot consider this to be true net zero because unregulated energy is not accounted for.

Also within Approach 1, it is **essential that a proven scheme to address the performance gap is implemented** alongside operational measures. This is particularly pertinent for this Approach as its requirements are based on metrics from Building Regulations SAP methodology, which is known to suffer from a performance gap due to modelling inaccuracies and insufficient quality verification during construction. Having a process in place to mitigate the performance gap can help compensate for that weakness. Suitable methods could include the NEF/GHA Assured Performance Process, the BS40101 framework, the BSRIA Soft Landings Framework, or NABERS UK (offices only).

A **carbon offsetting approach is suggested for Approach 1**, which is supported by dozens of existing local plan precedents. The up-to-date national valuation of carbon 2024 price is set to low, medium and high values of £134, £268 or £384/tCO_2 respectively. The central value of £269 has been quoted in the policy. This is the same source from which Greater London sourced its original carbon prices of £60-90/tonne in 2015[xi], but London has not kept this price up to date with the increases to that nationally recognised price. These increases from previous annual valuations flow partly from the cost of delivering the UK's increased carbon saving targets in the Climate Change Act update 2019, but also inflation and grid decarbonisation. Even the up-to-date price might not cover the actual cost of local projects that deliver the same amount of measurable and demonstrably additional carbon savings – for example, a study in Bath & North East Somerset found that the local cost of such projects could be as high as £652/tCO_2[xii]. However, selecting the up-to-date national valuation of carbon is a reliable approach at examination due to previous precedents and is demonstrably in line with the recognised national figure. Offsetting in Approach 1, as with both other Approaches next evaluated, is strictly seen as a last resort because benefits will always be maximised when on-site performance is prioritised and achieved as intended under policy requirements.

Any offsetting price should include not just the project itself, but also the administrative cost of devising projects with a measurable carbon benefit, identifying a pipeline of opportunities, project management, legal negotiation with third-party asset owners (such as buildings that are to receive energy retrofitting), fund administration, and potentially land acquisition (if the project involves tree planting or standalone renewable energy generation). SBC may find it useful to compare the national carbon price against any recent experience it has of adding solar panels to its own estate.

Embodied carbon is increasingly important to consider as operational energy standards are ramped up. However, the national position on embodied carbon is not clear and only one local authority (Bath & North East Somerset Council) has had an embodied carbon emissions limit requirement tested at examination. Therefore, to ensure the overall approach remains fully WMS-compliant and does not significantly depart from national policy, Approach 1 only requires that embodied carbon is reported on for major development and does not set a limit.

To summarise, Approach 1 is considered to be fully WMS-compliant and aims to be as ambitious as possible within these perceived bounds. The **level of carbon reduction is high risk** because unregulated energy is not accounted for, whilst occupant bills are not at optimal levels as fabric and solar PV standards are not as high as Approach 2 and 3. Planning and build cost risks are relatively low in comparison to more ambitious approaches, whilst numerous existing local plans have similar policy requirements in place, meaning they have been tested and proven at examination before. Overall, pursuing Approach 1 would result in high risk for climate (albeit less than if no policy were applied at all) but low risk for planning.

Approach 2 – Testing WMS boundaries

Medium risk for climate, medium risk for planning

Scope	Policy requirements	Climate (2˚C carbon budgets)	Occupant energy bills	Future retrofit costs /disruption	Electrical grid readiness	Delivery/ sector readiness	LPA internal capability	Build cost	Planning powers/ precedents	Compatibility with national approach
Energy efficiency	63% improvement on Part L 2021 TER (residential)*/19% improvement on Part L 2013 (non-residential) TER from energy efficiency measures	3	3	3-4	2	1	3	2	2	1
	Space heat demand *guideline* limit 15-20kWh/m^2/year using SAP Dwelling Fabric Energy Efficiency (DFEE)	2	2	2	0	2-3	2	4 [due to lack of existing cost data]	3	1
	EUI *guideline* targets and mandatory reporting	No impact	No impact	No impact	No impact	3	2	No impact	No impact	4-5
Performance gap	No fossil fuels (i.e. heat pump or similar required)	0	2	0	2	1	1	1	1	0
	Apply any one of several named proven processes to remedy the performance gap	0	0	0	0	3	3	2	2	2
Renewable energy	On-site renewable energy to match regulated and unregulated energy use (i.e. on-site net zero energy); output at least 120 kWh/m^2$_{\text{building footprint}}$/yr	0	0	0	3	2	2	3-4 (higher in flats; lower in houses)	4	4
Offsetting	Offset any shortfall in on-site renewable energy generation to match total energy use (via S106 or direct investment); at cost of delivering that renewable energy (set as £/kWh)	1	1-3	1-3	1-3	1	2-3	2-3 (higher in flats; lower in houses)	3	3
Embodied carbon	Embodied carbon reporting for major development using RICS WLC methodology[xiii]; target of 900 kgCO_2e/m^2 GIA for large-scale development	3	No impact	No impact	No impact	2	3	1	3	4

**Heat pump installation in residential would count as an energy efficiency measure not a renewable energy measure. For further commentary see equivalent note in Approach 1 table.*

Actively reduces risk	0
Low risk	1
High risk	5

Approach 2 looks to **utilise the ambiguities of the WMS** to assume the maximum possible freedom that the WMS could be interpreted to allow. The basic structure of Approach 2 is similar to the fully-WMS compliant requirements of Approach 1 but builds upon this by maximising policy requirements on topics where the position of the WMS and national policy is not entirely clear. The requirements in Approach 2 **test the WMS boundaries whilst remaining robust and defensible** against the letter of the WMS' constraints and anticipated challenges throughout the examination process. There may be other ways that the WMS boundaries can be tested, but we feel this collection of requirements is most defensible and simultaneously ambitious in the context of the 2023 WMS and its perceived constraints.

The TER % improvement by energy efficiency measures is the same as in Approach 1, but is now supported by additional metrics to further ensure energy and fabric efficiency:

- The absolute space heat demand limit, set as the Dwelling Fabric Energy Efficiency (DFEE) in SAP, means the **building must have an inherently thermally efficient form**. SBEM (non-residential equivalent to SAP) does not have a FEE metric and this component therefore does not apply to non-residential development.
- The inclusion of this component makes the policy approach stronger than adopted precedents that just require a percentage improvement on the Part L baseline – because the Part L baseline is not absolute but relative: it is derived from a 'notional' building of the same size and shape. If the proposed building has a complex form with many joins and surface areas that leak heat, Part L would simply allow leeway to use more energy. Setting an absolute limit on this metric will remove this weakness of 'relative' improvement and move towards the level of performance vital to making new buildings compatible with the UK's carbon budgets (which are absolute, not relative).
- We do however **recognise that the building may not achieve this performance level in actual** operation because Part L calculation methods dramatically underestimate space heat demand. 15-20kWh/m^2/year target is the space heat demand target recommended by the Committee on Climate Change. While space heat demand is not precisely the same as DFEE, Part L does not set a specific target for space heat demand and so DFEE is used as the closest proxy metric available within Part L. 15-20kWh would equate to a ~60-70% improvement on a typical home's DFEE[xiv] if it were built to Part L 2013, or an 39-54% reduction on the DFEE of a home built to Part L 2021 modelled using SAP[xv]. (A more robust space heat demand metric is utilised later in the separate Approach 3, using Passive House Planning Package PHPP, which can far more accurately predict space heating demand and more closely represents operational performance.)

As set out above, an absolute target in DFEE is an improvement in energy efficiency over Approach 1. However, this brings **additional risk in terms of compliance against the 2023 WMS** because the DFEE requirement is an improvement upon Building Regulations that aren't based on the TER. It is not yet clear how this individual requirement would be assessed against the WMS: On one hand, it deviates from the TER, but on the other hand, it does strongly remain within NPPF and Planning & Energy Act 2008 requirements stating that national technical standards must be used – and is effectively a first step towards (thus contributes towards) the % TER reduction target.

However, setting the DFEE target as low as 15-20kWh/m2/year brings additional risks in the topic of cost, because there is not any available cost data for homes built to a 15-20kWh DFEE. Evidence from the Future Homes Hub[xvi] indicates that even with the strongest fabric standard they had modelled, some home types would still exceed 20kWh DFEE. This is not to say that it is unachievable but that there is no existing cost evidence that can be drawn upon for viability testing. Therefore, for soundness reasons, it might be necessary to vary this target to reflect a fabric standard for which there *is* cost data, such as for the 'Future Homes Standard Fabric Only' specification released by the Government in 2021, which has been costed by Government[xvii] and by third parties in other local plans' evidence bases[xviii,xix,xx]. That specification would result in a DFEE of about 21-45kWh in most homes (but could be as low as 13.5kWh for mid-floor high rise flats or as high as to 51kWh for a bungalow), according to the Future Homes Hub modelling cited above. However, this would not have a direct link to the necessary energy efficiency for the UK's carbon budgets indicated by the Committee on Climate Change as previously cited. Therefore, for the purposes of this comparison of approaches, we use a 15-20kWh DFEE target and assign a higher risk in the topics of 'cost' and 'industry readiness'. If the DFEE target were revised upwards (to 21-51kWh as cited above to match the available cost evidence), then the 'cost' and 'industry readiness' risk would be lower but the 'climate', 'energy bills', 'retrofit' and 'electrical grid readiness' risks would all be higher.

In addition to the TFEE limit, Approach 2 proposes that a guideline Energy Use Intensity (EUI) target is included in the policy suite (EUI represents the amount of *total* energy use per square metre of floor space). This is expressed as non-mandatory because a mandatory EUI metric would go against the 2023 WMS and is not a standard Building Regulations Part L metric. Instead, the proposed nonmandatory EUI target would provide a benchmark for applicants to work towards and understand how the building performs against best practice metrics and standards such as those set by LETI[xxi] and RIBA[xxii] which align with the energy efficiency needed in new builds to align with the sectoral changes necessary for the UK's carbon budgets. EUI can be crudely estimated with data produced by SAP, but it would be encouraged that the applicant uses PHPP (or CIBSE TM54 in non-residential) to estimate EUI. The requirement for TM54 calculations in non-residential is less divergent from national standards, in that TM54 is endorsed in Building Regulations Part L 2021 as a suitable method for the energy forecasting that Part L 2021 requires in new build non-residential over 1,000m^2.

Alternatively, to address the problems of inaccurate DFEE metric and the lack of an EUI metric in SAP, SBC could explore using emerging tools such as the South West Net Zero Energy Hub SAP Energy Adjustment Tool[xxiii], which is now being utilised in practice by Cornwall Council and Bath & North East Somerset Council (titled 'Energy Summary Tool'). This tool starts with SAP calculations for a home, then adjusts these to reflect the probable actual performance (in total energy use and space heating) by remedying SAP's underestimation of space heat demand and other regulated energy, and SAP's overestimation of unregulated energy.

Since the WMS does not affect the local plan's ability to require on-site renewable energy, **Approach 2 pushes the on-site renewable energy requirement to reaching net zero further** than Approach 1 by requiring that both regulated *and* unregulated energy use is matched by solar PV output, meaning the development is 'net zero' for *total* operational energy (whereas Approach 1 only required this for *regulated* energy, which can represent as little as 50% of the total). A supplementary target of 120 kWh/$m^2_{building\ footprint}$/yr is included under this policy requirement, which acts as a metric to ensure a building truly maximises solar PV on rooftops. That 120kWh/m2/year figure reflects the feasible provision of PV demonstrated in other local plans' evidence bases; however, it may need to be adjusted to reflect the amount of sunlight that SBC gets compared to those other local plan areas (such as Cornwall, Bath/Somerset, Essex and Oxfordshire).

It is important to note that because a fixed EUI limit is not required in Approach 2, a **large amount of solar PV may be required to match total energy use**, which in some cases may not be feasible on-site. By contrast, if there were an EUI limit in place (as in Approach 3 later), this would limit the amount of solar PV needed (and indeed the exact specific amount of necessary solar PV to reach net zero can be modelled). Without an EUI limit in place, the amount of solar PV needed for net zero can significantly vary from house to house depending on the degree of energy and fabric efficiency.

In Approach 2, assuming a building has reduced energy demand sufficiently that the resulting energy demand can be met using solar PV that can fit on the building's own rooftop, true net zero will have *technically* been achieved. However, the building would still most likely not fulfil the industry best practice frameworks for compatibility with the UK's carbon goals (as per LETI and RIBA previously cited), which are instead defined by EUI and space heating demand limits in addition to the solar provision. Essentially, as previously mentioned, **true net zero in Approach 2 may require more solar PV than in Approach 3**. This additional solar PV comes with associated embodied carbon, cost and grid infrastructure burdens.

Another key improvement from Approach 1 is the offsetting approach. Where Approach 1 involves *carbon* offsetting (i.e. any residual *carbon* to a 100% TER reduction, with a payment per tonne of *carbon* emissions), **Approach 2 approaches offsetting under an energy framing (a payment per kWh of energy use not matched by onsite renewable energy generation)**. Only the shortfall in renewable energy can be offset; this means that the 63% TER reduction through energy efficiency must be achieved on site, as it cannot be offset. Additionally, the offset price per kWh of missing renewable energy generation can specifically be set a value that directly represents the cost of installing renewable energy, to raise funds that will be sufficient to install the residual renewable energy elsewhere in SBC.

Additionally, offsetting through renewable energy projects ensures that this policy **avoids forcing other sectors (land use or existing buildings) to pick up avoidable excess carbon of new buildings**. As discussed in the previous report, the UK's carbon budgets will need steep drops in carbon emissions from all sectors, meaning every sector faces a large challenge and is unlikely to have ability to pick up slack from other underperforming sectors. This aspect of the 'energy offsetting' approach helps with overall climate outcomes, given that the offset fund will directly deliver what was missing on site (i.e. renewable energy generation, not tree planting or other uncertain interventions whose carbon saving cannot be reliably measured). Offsets may be made via Section 106 payments to follow precedents, or the developer could contribute directly to the expansion of renewable energy schemes in the area.

Embodied carbon standards in Approach 2 are improved. The WMS does not impose any constraints on embodied carbon standards. Reporting for major schemes is required (same as in Approach 1), but also a backstop target is set for large scale schemes to prevent excessive embodied carbon emissions. This backstop target is here set to reflect a business-as-usual embodied carbon figure which is therefore cost neutral[xxiv] and thus does not impact viability. As it does not improve on business-as-usual, it also does not represent best practice design; however, it does however ensure that applicants do not perform worse than average. This limit has been used in at least one adopted precedent (Bath & North East Somerset 2023[xxv])

There may be scope to tighten this embodied carbon target, as other more recent studies have estimated that current standard practice could be as low as **600 $kgCO_2e/m^2$ GIA** (see 2023 evidence[xxvi] from South Oxfordshire and Vale of White Horse emerging local plan). That study found that this was the maximum embodied carbon value across residential and non-residential typologies with current building regulations (Part L 2021). Therefore, this target can also be considered cost neutral, as the materials and specification assumed under this scenario of current Building Regulations are already applied. However, there is no adopted precedent for embodied carbon policy at this value, meaning additional planning risk would be associated with this lower emissions limit compared to the limit of 900 $kgCO_2e/m^2$ shown in the Approach 2 risk matrix. The mandatory embodied carbon reporting will generate data that could be used to set a custom benchmark from which to base future targets in future iterations of the SBC plan policy.

In summary, the required standards in this Approach test the boundaries of the 2023 WMS, yet all of the mandatory energy standards are based on the national calculation models SAP and SBEM (as used in Part L of Building Regulations). Therefore, **they all are safely within the Planning and Energy Act 2008 powers to set "reasonable requirements"** for energy efficiency and a proportion of energy to be met with local renewable supply, which is primary statute and cannot be overruled by non-legislated policy such as the 2023 WMS. Given the climate crisis and the UK's carbon budgets, it is 'reasonable' to require 100% renewable energy so long as this can be demonstrated viable using appropriate cost estimates.

There is still 'medium' climate risk because of the shortcomings of SAP in terms of accurate prediction of energy use, but this weakness is somewhat reduced in the following ways:

- Requiring use of a methodology proven to reduce or eliminate the energy performance gap.
- Encouraging use of a guideline EUI target.
- Requiring that on-site renewable energy generation matches not only regulated, but also unregulated energy use (as opposed to Approach 1 which only covered regulated).

Approach 3 – Overcome the WMS

Low risk for climate, high risk for planning

Scope	Policy requirements	Climate (2˚C carbon budgets)	Occupant energy bills	Future retrofit costs/ disruption	Electrical grid readiness	Delivery/ sector readiness	LPA internal capability	Build cost	Planning powers/ precedents	Compatibility with national approach
Energy efficiency	EUI limits using PHPP/TM54 (Homes: 35kWh/m^2/year; Non-residential: varies by typology)	0	0	0	0	3-4	2	3	5	5
	Space heat demand limit of 15kWh/m^2/year (predicted with PHPP/TM54)	0	0	0	0	3	2	3	5	4-5
	No fossil fuels (i.e. heat pump or similar required)	0	2	0	2	1	1	1	1	0
Performance gap	Process to remedy performance gap	0	0	0	0	3	3	2	2	2
Renewable energy	Onsite PV to match total energy use, including unregulated (estimated with PHPP/TM54); output must demonstrate at least 120 kWh/m$^2_{\text{building footprint}}$/yr	0	0	0	3	2	2	3-4 (higher in flats; lower in houses)	2-3	4
Offsetting	Offset any shortfall in on-site renewable energy generation to match total energy use (via S106 or direct investment); at cost of delivering that renewable energy (set as £/kWh)	1	1-2	1-2	3	2	2-3	1	3	3
Embodied carbon	Embodied carbon reporting for major development using RICS WLC[xxvii] methodology; LETI-aligned targets set for large-scale development	2	No impact	No impact	No impact	3	4	3	4	4

Actively reduces risk	0
Low risk	1
High risk	5

The final policy option proposed, Approach 3, supports a position that **diverges from the 2023 WMS,** specifically the WMS' stipulation to express any energy efficiency requirements as % TER reduction. This would involve justifying this divergence from the WMS, making the argument at examination on the grounds that the WMS' purported constraints are unjustified in that to follow the WMS would inhibit or even prevent the fulfilment of the local plan's legal duty to mitigate climate change. Clearly this policy approach comes with additional planning risk, but should still be considered due to the climate mandate.

Although this Approach will come under greater scrutiny at examination and greater opposition from objectors due to the WMS2023, a WMS is not a fixed and final rule that must always be followed. The Courts have placed emphasis on the point that planning guidance from the Secretary of State "does not amount to a legal rule, and that **local decision-makers are free to rely on local or exceptional circumstances** as to why a departure from that national guidance is considered to be justified" (Keep Bourne End Green v Buckinghamshire CC & SSHCLG [2020] EWHC 1984 (Admin) at §105). In addition, in response to a challenge from a collection of LPAs to the WMS2023, Michael Gove, the then Secretary of State, confirmed that the WMS2023 was a material consideration in the formation of a Local Plan.

If local circumstances are demonstrated to show that there is a need for alternative metrics and standards such as those proposed in Approach 3 and that these are viable in the local area, then it can be defensible to diverge from the WMS. This will **still need to be backed by robust evidence of viability based on costings[4] of the proposed policy**. This could draw on the itemised costs in evidence bases of existing and emerging plans that have similar requirements, such as Cornwall, Bath & North-East Somerset, Central Lincolnshire, Essex, and South Oxfordshire and Vale of White Horse.

Demonstration of such local circumstances would require a substantial evidence base to support departure from Building Regulations. An evidence base of local feasibility and cost assessments testing energy-based metrics against Building Regulations would constitute strong evidence. This could be further strengthened by evidence that the specified energy metrics are necessary to hit the national and local carbon reduction commitments (this argument relating to national carbon budgets, and insufficient national action towards them, was outlined in the previous report, and the ways in which policy Approach 3 remedies this are discussed on this page). Engagement with local residents might further strengthen this approach if it demonstrates that residents are unsupportive of Building Regulations metrics and prefer industry-proven metrics that will deliver energy efficient homes with low running costs and help directly deliver the committed carbon goals. Additionally, **emphasising the local plan's duty to meet local carbon budgets that align with the UK's legally-binding 2050 net zero target** is an essential piece of evidence to support the need for stronger policy that departs form Building Regulations.

As previously discussed, it is the view of Bioregional that the 2023 WMS places only minimal additional planning risk on Approach 3 for non-residential development. The general position of the WMS places constraints on the energy efficiency metrics that can be sought in *residential* development, but its preferred metric is not applicable to non-residential development. Therefore, the **elevated planning risk levels in the matrix above primarily apply to residential development** and would be reduced if this EUI-based approach were only applied to non-residential development.

Approach 3 essentially reflects the operational net zero carbon definition proposed by the range of industry experts that form LETI, which was promoted in Task 1 of the original appointment. Central Lincolnshire successfully adopted this policy approach in April 2023, whilst Cornwall Council and B&NES had slightly less stringent versions of this approach adopted in January 2023. Various other councils are in the process towards bringing identical or similar approaches to be tested at examination (e.g. Greater Cambridge, South Oxfordshire & Vale of White Horse, and Uttlesford supported by evidence at Essex level). Where these policies have successfully been adopted, the success at examination is largely down to robust evidence bases that include feasibility[xxviii] and cost[xxix] assessments on policy delivery, in addition to demonstrating the necessity for these policies in order to deliver on their duty to mitigate climate change. **However, please note that all of the successfully adopted plans to date that use policies like Approach 3 were examined and adopted before the WMS2023.**

The use of PHPP or TM54 energy modelling methods (to evaluate performance against the targets) reduces risk to climate, occupants, and future retrofit needs, by providing a far more accurate prediction of energy use compared to the industry's usual Part L SAP.

The space heat demand limit reduces risk of in-use carbon emissions, energy costs, and future retrofit needs. It also supports health and comfort as the home will be less subject to temperature fluctuations or condensation. Note that this metric has the same numeric target sought in Approach 2, but is calculated with the more robust and accurate PHPP modelling tool, instead of using the proxy metric of SAP DFEE.

The **EUI limit effectively mandates the use of a heat pump** as these are ~300% efficient (allowing them to fulfil a 15kWh heat demand using only 5kWh of electricity, thus reducing the overall energy use). This ensures the use of low carbon heat which is a crucial element required for the achievement of the UK's carbon budgets as noted in the previous report. This implicitly **rules out fossil gas systems and direct electric heating**, thus saving energy bills,

[4] Estimated build cost uplifts for Approaches 1, 2 and 3 as outlined here can be assembled for the subsequent evidence base to be produced for SBC (Output iii within our appointment, as described in the current report's introductory overview.

minimising the additional demand on the electricity grid, and sparing the occupant from the disruption and cost of future retrofit.

Because of the superior efficiency of heat pumps, their running costs are typically similar to gas, but here the occupant may benefit from even lower bills because onsite solar PV is also required.

The limits on space heat demand and EUI both reduce the demand placed by the development on electrical grid capacity (however, see also commentary further down regarding the potential additional grid capacity demand that may be exerted by on-site PV).

It important to note that overheating risk becomes a greater concern as buildings become more energy efficient and thermally insulated. Overheating risk can decrease comfort or even safety of residents. Integrating overheating risk mitigation assessment requirements into policy alongside operational energy/carbon requirements works towards a well-rounded policy approach, that can address climate change mitigation and adaptation holistically.

Overheating and operational energy/carbon should be treated together, for example to ensure that the development does not increase overheating risk by excessively pursuing solar gain to reduce heating demand, and that the design does not require energy use for active cooling now or in future predicted climate conditions within the building's lifespan. Therefore, it is important that passive cooling measures are prioritised and active cooling measures are only used as a last resort, because active cooling would increase energy consumption and subsequent associated carbon emissions. Design elements such as building form, orientation, shading and passive ventilation should be decided at the earliest possible stage to ensure passive measures are maximised and overheating is sufficiently addressed.

The renewable energy targets will mean that the building's roof must be oriented to maximise solar PV generation. This may require adjustment to volume builders' standard designs on some sites, but the **target has proven achievable without changing the design or orientation of existing ordinary new builds** in Central Lincolnshire[xxx]. Please note that as with Approach 2, the 120kWh/m2footprint/year target for PV is taken from the feasible target evidenced in other local plans' evidence bases, and may need adjustment to what is feasible in the SBC context considering regional differences in annual solar irradiation.

Aside from non-compliance with the 2023 WMS, another high-risk policy element to planning acceptability is the setting of targets using PHPP, which is not a method used to fulfil national Building Regulations (SAP / SBEM), thus could be argued to diverge from the definition of an 'energy efficiency standard' that the Energy and Planning Act empowers local plans to require. Acceptability will become better understood in the next year as some local authorities continue to push ahead with EUI-based policies, even in light of the 2023 WMS.

Some adopted plans with this policy approach have set requirements for major development's energy target compliance to be shown using PHPP or TM54, in supplementary guidance documents at Bath & North East Somerset Council[xxxi] and Cornwall Council[xxxii]; albeit these documents were not tested at examination. This risk primarily applies to PHPP, given that TM54 is now acknowledged in Part L 2021 (non-residential) as a suitable method for energy forecasting, thus should now be considered to have been 'endorsed … by the Secretary of State' as per the definition of an 'energy efficiency standard' laid out in the Planning & Energy Act 2008.

This approach is also subject to risks relating to the industry's readiness to deliver all of the measures at scale – such as availability of construction materials and systems that perform well enough, and also potential constraints in the number of professionals familiar with the required skillset to design, deliver and verify such high-performing buildings. That is not to say that these skills and materials do not exist, but that further studies may help to bolster the evidence on whether this could constrain the speed of housing delivery to a point that would affect SBC's achievement of housing targets beyond the existing construction skills shortage that already constrains housing delivery even without the policy.

This approach has **some level of risk relating to infrastructure readiness**. The extensive on-site PV will export energy to the grid at times of peak generation and low onsite energy demand. This is part of the necessary solution to net zero carbon: the export of clean energy reduces the need for fossil fuel use at power stations, balancing out the times when the building must draw power from the grid. However, in some locations, the grid may not be ready for these exports without capacity upgrades. This **risk could be reduced by energy storage** (batteries; hot water tanks) or other smart 'demand side response' system. It should also be noted that extensive upgrades to grid capacity and 'smart grids' will be essential as part of SBC's (and the UK's) net zero carbon transition of the *existing* buildings and transport sectors anyway even in the absence of this local plan policy; these capacity upgrades should not be assumed to have been triggered solely by a local plan policy for new development rooftop PV. This issue is also apparent for Approach 2, but less so since the higher energy demand due to a lack of EUI target for Approach 2 would mean more on-site PV generation is used rather than exported.

The renewables and offsetting approach would mean that the building must have enough renewable energy capacity to generate an equal amount of energy to what the building uses per year. The policy would expect this to be delivered on-site, but if necessary it can be delivered on other buildings' roofs or separate land in SBC. This is the **most reliable and climate-safe offsetting option we have identified**, as it is easily measurable, and clearly additional to what would happen without the funding. This offsetting approach aligns with best practice but still has a minor level of risk to the climate as some offsetting projects may not achieve entire equivalency or pure additionality.

Like Approach 2, this policy Approach 3 uses '**energy offsetting'** instead of 'carbon offsetting'. This requires a £/kWh cost metric, which is agnostic to the carbon factor of the grid and allows more specific allocation of funds on projects based on what specifically has been offset (either residual total energy use or deficit in on-site renewable energy generation).

Nevertheless, this offsetting approach has 'low' rather than 'zero' risk for climate, as is the same for Approach 2 offsetting. This is because the carbon budgets require such drastic cuts that all buildings and most sectors will need to become net zero carbon on their own terms, meaning that as we near the net zero carbon end-goal there will be very little room for trading carbon savings between sectors. The **built environment is one sector that is expected to be able to become net zero without offsetting**; the UK's capacity to generate 'carbon credits' should therefore primarily be reserved for hard-to-abate sectors, such as aviation and agriculture. This would mean that existing buildings will probably eventually need their own roof space to deliver their own renewable energy to eliminate their own carbon, rather than being able to lend that roof space to eliminate the carbon of new buildings. Alternatively, delivering the renewable energy generation equipment on open land would compete with other land uses vital to the UK's carbon reduction trajectory such as woodland creation to capture carbon, or local food production. Any impact on Green Belt or other landscape protection designations could also potentially constrain the ability of SBC to bring forward off-site large scale renewable energy as scheme to offset new builds' carbon.

In this Approach 3, embodied carbon policy is maximised to industry best practice (LETI embodied carbon targets). The policy requirement for an embodied carbon limit is only applicable to large-scale development (i.e. more than 50 dwellings or more than 5000 m^2 non-residential floorspace) so that minor development, and even major development under that limit, would not be hit by the increased build costs of this. This higher threshold was set in recognition that the cost of assessment itself can be more of an impact on smaller developments, compared to larger developments that can spread the cost of assessment across their larger sale value. The cost of assessment does not scale up in direct proportion to the development size, because large-scale developments typically consist of a small number of repeated home types (or similar floor space) that can be assessed together for their embodied carbon, creating an economy of scale.

The **2023 WMS poses no additional risk regarding embodied carbon,** as the WMS2023 only relates to energy efficiency policies.

Please note: This higher level of embodied carbon targets shown in Approach 3 would also be equally compatible with Approaches 1 or 2, provided the overall policy suite remains viable as a whole. These enhanced embodied carbon standards have here been shown only for Approach 3 so as to fully differentiate the three Approaches so that they represent three distinct levels of ambition in each of the different policy themes; from lowest ambition (Approach 1), to medium (Approach 2) or high ambition (Approach 3). As Approach 3 represents the highest level of energy-related ambition, it is here shown with the highest level of embodied carbon ambition too.

Justification evidence requirements for policy approaches

The higher the level of ambition in the policy (and the more it diverges from national metrics and national building regulations standards), the more robust evidence required. Therefore, before a decision is made, it is important to consider the scale of evidence that would be required to appropriately defend the preferred policy position.

As outlined in the introduction to this report, one of the next stages in this appointment is to produce evidence to justify whichever carbon policy approach SBC selects for its next stages of plan development, where necessary beyond the evidence already identified in the previous Literature Review (Output i in this report suite).

The table overleaf sets out general evidence that should ideally accompany each of the three assessed policy Approaches, in order to be able to robustly defend them. It is important to highlight that not everything we have identified as desirable evidence may be readily available, which we have recognised in the table overleaf with the red and orange boxes based on our other recent experience of assembling local plan evidence bases. Some cells have been merged across the policy options for one evidence requirement, which means that the evidence content will not differ significantly between approaches. Cells that have not been merged, even though the status of the evidence requirement is the same across the three approaches, means that the content of the evidence should be specifically tailored to the differing policy standards under the respective policy approach.

Where two colours have been given for an evidence requirement of a particular policy approach, this means that we have identified two different desirable evidence points that both contribute to the same evidence requirement, but these two evidence points differ in their availability. To use requirement 11 as an example, application acceptance rates – to demonstrate that housing supply is not impacted by higher policy standards – should be readily available but supply chain data on materials and presence of a skilled workforce may not be available in the public domain.

The majority of evidence topics are relevant to all three Approaches, primarily because they are needed to satisfy the four NPPF tests of soundness. For example, no matter what standard is set, feasibility and viability are core issues that SBC must be ready to demonstrate at examination. Additionally, since all three Approaches exceed standards proposed under the Future Homes Standard, all three should be supported by evidence that the FHS is insufficient to deliver on local and/or national carbon budgets (requirement 6) and that it will have an excessive impact on grid infrastructure upgrades and capacity (requirement 8) due to a lack of energy demand mitigation through poor fabric measures in the FHS. (Regarding the evidence of 'need to exceed Building Regulations in order to satisfy the climate mitigation duty', much of this evidence is already provided in the separate Literature Review report).

The three instances where evidence is not required are all because the evidence requirement is not relevant to any policy component in that Approach. There are a number of evidence points that are not entirely vital for a particular Approach's policy component, yet would be desirable to further strengthen the justification. One example is demonstrating the effectiveness of absolute energy metrics over Building Regulations, for Approach 2. Approach 2 requires absolute energy metrics to be reported, but no target limit is set using these metrics as a policy requirement. Therefore, no cost uplift is associated with this policy component, but it is still important to address why this policy requirement is necessary or desirable, to fully justify its inclusion (i.e. that this policy requirement educates and compels developers to understand the building's actual probable energy use rather than relying on inaccurate Building Regulations metrics, and that data gathered through this requirement can form the basis of benchmarks that would be invaluable to inform future policy targets in later iterations of the local plan).

Blue boxes in the table overleaf denote where there would be an element of input needed from SBC to maximise robustness for certain evidence requirements. For evidence requirement 2 (feasibility of offsetting), this entails an understanding of the willingness and capacity of SBC to deliver offsetting projects and spend the resulting offset fund. This could follow a council-led or partnership-led approach, with the latter being driven by project delivery through external organisation mechanisms such as a local community energy group or housing provider. Requirement 8 (impact on grid capacity) may also need input from SBC through provision of any local studies or data on grid connectivity issues in particular areas, depending on the capabilities of whoever carries out the study to produce this evidence.

Please note that some elements of desirable evidence may not be available to the consultants or SBC, hence why the high risk of availability has been marked. For example, a detailed assessment of grid connectivity across SBC would be helpful but would need highly specialist input, and instead SBC may choose to revert to a high-level overview on grid connection trends in SBC. Similarly, a detailed SBC-specific assessment of supply chain readiness to deliver on these standards (and its impact on housing supply) could be challenging as there is no standard assessment approach for this.

Overall, the evidence requirements are similar throughout all options, but Approach 1 is the least intensive because evidence points 4, 9 and 11 are not necessary.

- The only difference between the necessary requirements for Approaches 2 and 3 relates to requirement 1, where standards and associated cost/feasibility data for Approach 2 is more bespoke and therefore may be more difficult to robustly amalgamate.
- Contrarily, there are multiple proven existing evidence bases that directly align with the standards proposed under Option 3, thereby providing a highly reliable collection of cost and feasibility data.

	Evidence required – input from SBC
✓	Evidence required – readily available
✓	Evidence required – high risk of availability
✓	Evidence required – low risk of availability
×	Evidence not required

	Approach 1 – Fully WMS compliant		Approach 2 – Testing WMS boundaries		Approach 3 – Overcome the WMS	
1. Feasibility and viability of operational carbon/energy build standards	✓	✓	✓	✓	✓	
2. Offsetting is viable and feasible	✓		✓		✓	
3. Embodied carbon requirements are viable and feasible	✓		✓		✓	
4. Arguments why the 2023 WMS should not be applied	×		✓		✓	
5. Demonstration of local circumstances to justify departure from Building Regs	✓	✓	✓	✓	✓	✓
6. Future Homes Standard insufficient to deliver on local carbon budgets	✓					
7. Feasibility of grid connection for on-site PV generation	✓	✓	✓	✓	✓	✓
8. Impact of building to FHS on grid capacity/infrastructure	✓					
9. Demonstrate effectiveness of PHPP over SAP/SBEM	×		✓		✓	
10. Demonstrate effectiveness of absolute energy metrics over Part L metrics	×		✓		✓	
11. Supply chain readiness/housing supply	✓	✓	✓	✓	✓	✓
12. Arguments why the policy option aligns with the 2023 WMS	✓	✓	✓	✓	✓	✓

Next steps

SBC now has the opportunity to select a policy approach that represents the desired level of ambition and risk, depending on the Council's appetite for risk and any prior commitments it may have made to specific carbon reduction or other climate targets. Any of the options assessed throughout the risk matrix exercise could be selected, or used as a basis to develop a more tailored policy suite to suit needs and ambition of SBC.

Approach 1 represents a safe route to compliance with the WMS, whilst exceeding Building Regulations standards to an extent, yet does not go far enough to create true net zero buildings that are needed to align with the UK's legally-binding carbon budgets. This option therefore represents the safest option in terms of planning risk but poses significant risk to the climate and could cause future disruption to occupants and the electricity grid.

Approach 2 represents a strong middle ground between compliance with the WMS and showing additional ambition to create robust net zero policy. The standards suggested, if achieved on-site, could create true net zero buildings due to the requirement that on-site renewable energy matches both regulated and unregulated energy use. However, the energy used within the building will be higher than recommended and result in additional strain on local grid infrastructure. Additionally, a performance gap (gap between energy prediction and actual energy use) is likely the use of SAP to calculate the energy use and carbon reductions.

Approach 3 is the ambitious best practice approach that aligns with the scale of action needed in the new build sector for the UK's carbon budgets, and importantly has the lowest risk for occupant bills and future retrofit disruption/costs. However, to reiterate, this option will undoubtably require extensive evidence to support such an ambitious approach at examination, which must importantly demonstrate local circumstances to justify departure from Building Regulations metrics. Importantly, Approach 3 utilises a sophisticated modelling tool, PHPP (or TM54), to predict energy use and space heating demand that will better align with in practice energy performance.

As mentioned previously, the three Approaches represent three selections of individual policy components that could be adjusted upwards or downwards or combined differently. Bioregional views each option as the best representation of the sliding scale of ambition.

Optimism remains throughout industry that the 2023 WMS will not act in practice as intended – to confuse and slow progress of local authorities developing ambitious net zero policies. With the WMS continuing to face legal challenge in 2024, its weight granted in planning decision making may deteriorate, as was the fate of the preceding 2015 WMS in the recent legal case decision on the Salt Cross Area Action Plan that deemed the 2015 WMS was incorrectly applied (this plan proposed EUI-based policies). Additionally, pre-action legal correspondence[5] between a coalition of local authorities and the Secretary of State shows that the Secretary of State concedes that the WMS2023 does not constrain or inhibit the exercise of local planning powers granted by legislation, and that the WMS2023 is only a material consideration alongside the various other material considerations. Therefore, although the WMS2023 is bluntly worded, the degree to which it constrains the formulation of net zero local planning policy should not be over exaggerated.

The immediate next steps will be:

- SBC to consider the findings of this report and the separate Literature Review
- SBC to select a policy approach (or combination of approaches) based on the insight from these and their interpretation of SBC's priorities, and feed this decision back to the consultant team
- Consultant team to draft policy wording according to SBC's selected policy approach
- Consultant team to assemble any further evidence needed to justify SBC's selected policy approach, beyond what was already covered in the Literature Review report. This may include cost and value evidence, such as:
    - Exploring existing published evidence of the build cost uplifts associated with the selected policy approach
    - Exploring existing published evidence of the potential sale value uplift that might be achieved through improved energy efficiency policy compliance which could also support viability.

[5] This correspondence is not yet published at the time of writing this report, but copies were shared with the authors of this report by the legal representative of that coalition of local authorities. It is expected that copies will soon be published by a planning body along with interpretive commentary very soon.

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Swale Borough Council:

Net Zero Policy Development

Output iii: Evidence base and policy recommendations

6 December 2024

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Glossary of terms and acronyms

Albedo	Measure of the reflectivity of a surface, defined as the fraction of incident light or radiation that is reflected by that surface.
Agrivoltaics	The combination of agriculture and solar PV generation on the same land. The solar panels provide shade, which helps reduce plant stress and water evaporation, while the plants help cool the panels, increasing their efficiency.
BRE	Buildings Research Establishment. The UK's building science research institution which develops and/or tests various building products, techniques, standards, and qualifications and data. Originally a UK civil service body, but now independent.
CAPEX	Capital expenditure. Upfront capital costs required to acquire and develop land or properties.
Carbon, or carbon emissions	Short for 'carbon dioxide emissions' but can also include several other gases with a climate-changing effect, that are emitted to the atmosphere from human activities (see 'GHG', below).
Carbon budget	Amount of greenhouse gas that can be emitted by an individual, organisation or geographic area. Usually set to reflect a 'fair share' of the global amount that can be emitted before reaching a level of atmospheric carbon that causes severely harmful climate change.
Carbon intensity/ carbon factors	A measure of how much carbon was emitted to produce and distribute each kWh of grid energy at a certain point in time. For electricity, this has been falling as coal-fired power stations have been phased out over years. It also varies on an hourly basis: at times of high renewable energy generation, the carbon intensity is lower than at points where gas-fired electricity dominates the generation mix.
Cool building materials	Cool building materials are designed to reduce overheating in buildings by reflecting more sunlight and absorbing less heat. These materials typically have high albedo and high infrared emittance, which help keep surfaces cooler and reduce the amount of heat transferred into the building.
CCC	Climate Change Committee
SBC	Swale Borough Council
CIBSE	Chartered Institution of Building Services Engineers.
Circular economy	A circular economy is an economic model designed to minimise waste and make the most of resources. Unlike the traditional linear economy, which follows a "take, make, dispose" approach, a circular economy emphasises keeping products and materials in use for as long as possible through strategies like sharing, leasing, reusing, repairing, refurbishing, and recycling.
CO_2	Carbon dioxide. Often shortened to 'carbon'.
CO_2e	Carbon dioxide equivalent. The sum of a mixture of gases, in terms of their climate-changing impact in a 100-year period expressed as the amount of CO_2 that would have the same effect. Often shortened to 'carbon'.
DESNZ	Department of Energy Security and Net Zero
Embodied carbon	Carbon that was emitted during the production, transport and assembly of a building, infrastructure, vehicle or other product, before the product is in use. As opposed to 'operational carbon' which is emitted due to energy use when operating the building / infrastructure / vehicle / other product.
EUI	Energy use intensity, a measure of how much energy a building uses per square metre of floor. Expressed in kilowatt-hours per square metre of floor space per year.
GIA	Gross Internal Area
GHG	Greenhouse gas (CO_2 and several other gases: methane, nitrogen dioxide, and fluorinated refrigerant gases). Often collectively referred to as 'carbon'; see above.
HEM	Home Energy Model
kW	Kilowatt. A unit of energy generation capacity.
kWh	A unit of energy, which can be either generation or usage.
kWp	Kilowatt-peak. A measure of energy generation capacity typically used to describe the size of a solar PV array in terms of the maximum amount of energy it can generate under optimum conditions.
LETI	Low Energy Transformation Initiative. A coalition of built environment professionals working to establish and achieve the energy performance needed for net zero.

MCS	Microgeneration Certification Scheme. MCS certifies, quality assures and provides consumer protection for microgeneration installations and installer of renewable energy.
MVHR	Mechanical Ventilation with Heat Recovery
MW	Megawatt. A unit of energy generation capacity.
Net zero terminology	At a global scale, net zero carbon is defined as the balance between the amount of greenhouse gases emitted into the atmosphere and the amount removed from it. Net zero carbon at a built environment level means that the net annual *operational* carbon emissions value from a development is zero. Zero carbon is defined as absolute zero operational carbon emissions from a development. Net zero energy is defined as on-site renewable energy generation being equal to total energy consumption on an annual basis.
NPPF	National Planning Policy Framework. A central government document laying out how the planning system should function, including plan-making and decisions.
Offsetting	Offsetting in the built environmental is a financial contribution to an official body (e.g. local authority) to compensate for a shortfall in the required amount of carbon emissions reduction on-site. For this study, carbon offsetting is referred to as the above. Energy offsetting (as for policies A4 and B4) follows the same principle but refers to financial contributions where there is a shortfall is matching the on-site renewable energy generation to the total energy consumption on-site.
Operational carbon	Carbon dioxide emitted during the operational phase of a development.
OPEX	Operational expenditure. These are the operational costs of a development or building.
Part L	Building regulations section that sets basic legal requirements regarding buildings' energy and CO_2.
Performance gap	The difference between the amount of energy a building is predicted to use during design, versus the actual amount of energy it uses. The gap is due to poor prediction methodologies, errors in construction, and unexpected building user behaviour.

PV	Photovoltaics: solar panels that generate electricity.
PHPP	Passivhaus Planning Package – a tool to accurately predict a building's energy use. It is used to design buildings that seek Passivhaus certification but can be used without pursuing certification.
POE	Post Occupancy Evaluation
Regulated energy or carbon	Carbon emissions associated with energy uses that are 'regulated' by Building Regulations Part L. This covers permanent energy uses in the building, (space heating, space cooling hot water, fixed lighting, ventilation, fans, and pumps).
REPD (should be in row above)	Renewable Energy Planning Database
RIBA	Royal Institute of British Architects
RICS	Royal Institute of Chartered Surveyors
SAP	Standard Assessment Procedure – the national calculation method for residential buildings' energy and carbon, used to satisfy building regulations Part L. SAP is based on BREDEM model, but with fixed assumptions and thus less flexibility.
SBEM	Simplified Buildings Energy Model – the national calculation method for non-residential buildings' energy and carbon, used to satisfy building regulations Part L.
Sequestration	Removal and storage of carbon dioxide (or other GHGs) so that it cannot perform its harmful climate-changing role in the atmosphere. Currently only achieved by trees/plants and soil. May be achieved by technologies in future.
Space heat demand	Amount of energy needed to heat a building to a comfortable temperature. Expressed in in kilowatt-hours per square metre of floor space per year.
TER	Target Emission Rate – a limit set by Part L of building regulations on CO_2 emissions per square metre of floor, from regulated energy use in the building.
TPER	Target Primary Energy Rate – limit set by Part L of building regulations on 'primary energy' use per square metre of floor. Unlike metered energy, 'primary energy' takes into account energy lost to inefficiencies during power generation and distribution.

TFEE	Target Fabric Energy Efficiency – limit on space heat energy demand per square metre of floor, set by Part L of building regulations. Based only on fabric; not affected by building services like heating system, lighting, ventilation[i].
TM54	A method to accurately calculate buildings' energy use. Devised by CIBSE (as above).
UKGBC	UK Green Building Council.
Unregulated energy or carbon	Carbon associated with energy use in a building or development but which is not covered by Building Regulations Part L. Includes plug-in appliances, lifts, escalators, external lighting, and any other use not covered by Part L.
Upfront embodied carbon	Upfront embodied carbon refers to the greenhouse gas emissions associated with the initial stages of a building or infrastructure's lifecycle. This includes the emissions from the extraction of raw materials, their transportation, manufacturing, and the construction process itself, up until the building is completed and ready for use
U-value	A measure of how much heat is transmitted through a building element, such as the walls, floor, roof, windows or doors. Lower U-values mean a greater retention of heat within the building.
Whole life carbon	**Whole life carbon** refers to the total greenhouse gas emissions associated with a built asset throughout its entire lifecycle. This includes all emissions from the extraction of raw materials, manufacturing, construction, operation, maintenance, and eventual demolition and disposal of the asset
WMS	Written Ministerial Statement. A formal statement made by a Government minister that can form a relevant statement of national policy that needs to be a material consideration in the creation and examination of local plan policies. In this report, where appended by a year (e.g. 2015 WMS, 2023 WMS) this denotes a specific written ministerial statement made in that year that has been referred to and explained in a prior paragraph of this report.

Introduction

Bioregional and Edgars are appointed to provide an assessment of options available within the local planning system to address climate change and to inform local plan policy development within Swale Local Plan (SLP).

Our appointment to support Swale Borough Council (SBC) in this effort comprises of the following three outputs (i – iii below):

1. **Assessment of powers, duties and policy options:**
    i. Literature Review & position statement: Exploring the powers, duties, precedent policies, and links to SBC's existing climate commitments.
    ii. Policy options & 'risk matrix': Devise a range of potential policy approaches to carbon reduction in buildings, and evaluate the relative merits of each of these.

2. **Evidence and draft policies:**
    iii. Preparation of an evidence base to close any gaps in necessary evidence beyond what was already identified in the Literature Review (part 1.i, as above), as necessary to support SBC's chosen policy option (that will have been chosen as a result of stage 1 above) with draft recommended policy wording

A meeting was held with Swale officers on the 7th August 2024 to review the policy options, which were presented to members on 23rd September 2024. Following these meetings, the policy team at Swale outlined the policy option they wanted to progress. This report represents policy recommendations and the evidence base to support the formation of policy in Swale's Local Plan.

This report comprises Output iii of Part 2, which includes:

- Executive summary of the Literature Review (Part 1, output i)
- Policy recommendations on the following scopes
    a. Net zero operational carbon in new build residential buildings
    b. Net zero operational carbon in new build non-residential buildings
    c. Sustainable design and adaptation principles
    d. Embodied carbon and waste
    e. Renewable energy development and infrastructure
- Policy implementation and monitoring recommendations and guidance
- Energy Statement example format

Terminology used throughout this report

Throughout the report, a range of terminology relating to net zero is used. At a global scale, net zero carbon is defined as the balance between the amount of greenhouse gases emitted into the atmosphere and the amount removed from it.

Net zero carbon at a built environment level means that the annual *operational* carbon emissions value from a development is zero, which typically is achieved through a wholly electrified system that has on-site solar PV. Because the development will not be powered entirely by the on-site solar PV every hour of every day, net zero carbon is the term used rather than zero carbon because development will still rely on the UK electricity grid for electricity during periods of low solar PV electricity generation – the UK grid still contains fossil fuel electricity generation and therefore grid electricity results in carbon emissions. On the other hand, there will be periods where the on-site solar PV produces surplus electricity, which is what balances the overall carbon emissions to zero on an annual basis.

Zero carbon is defined as zero operational carbon emissions from a development. Once the UK grid is fully decarbonised, what we currently call a net zero carbon building will be called a zero carbon building.

This study also refers to net zero energy, which is largely interchangeable with net zero carbon, as the amount of energy used or generated corresponds to how much carbon is emitted. Specifically, net zero energy refers to the policy approaches set out for A- and B-suite policies where energy metrics are used to achieve net zero emissions on an annual basis, rather than carbon metrics.

It is important to note that where net zero carbon is referred to for buildings, this is not a wholly net zero carbon building because the definition only applies to operational carbon, not embodied carbon. To achieve a wholly net zero carbon building, the embodied carbon of a building would need to be offset or removed from the atmosphere.

Executive summary of the Literature Review

This executive summary summarises the key topics outlined in the Literature Review (Output i). Additional information or evidence published between the preparation of the Literature Review (August 2024) and the production of this report is included in a blue box.

Climate change and legislation

The international and national context

The UK is a signatory to the international Paris Agreement 2015, brokered via the United Nations. This commits all signatories to ensure global average temperatures rise is limited to 2˚Celsius on pre-industrial levels, and to pursue a limit of 1.5˚C.

> The UN's Emission Gap Report in October 2024 highlighted that globally nations are not on track to achieve 2030 targets for limiting carbon emission which means that it would be impossible to limit global warning to 1.5°C.
>
> The report outlines that nations must deliver ambitious policy immediately to set a credible and achievable pathway for emission reductions. To delay action or a lack of ambition would lead to more significant reduction's year-on-year, and would lead to a failure to curb temperature rise to within 2 °C which would have catastrophic consequences for the world's population.

In 2019 the UK Government declared a climate emergency and updated the legally binding carbon reduction goal for 2050 enshrined in the Climate Change Act 2008. The new goal is to achieve a net zero carbon UK by 2050. The Act also comes with interim 5-yearly carbon budgets that are devised by the independent Committee on Climate Change (CCC). The last (sixth) carbon budget mandated a 78% reduction in carbon emissions by 2035 (this would be roughly equivalent to a 65% reduction compared to current levels, which would require an average drop of about 4.3% a year). The seventh carbon budget is expected before February 2025 and will mandate carbon reductions until 2042.

The carbon budgets require that the sectors of buildings, energy and land transport should all achieve steep and rapid reductions and reach zero or near-zero emissions on their own terms. Given that all sectors face a huge challenge in achieving their own required reductions, this means there is very little room to offset emissions in one sector by reductions or removals in another sector, and it is therefore essential that buildings achieve net zero carbon without offsetting from other sectors.

Why must the local plan act on climate change?

Legal duty to mitigate climate change through the plan

The local plan is legally obligated to design its policies "to secure that the development and use of land in the local planning authority's area contribute to the mitigation of, and adaptation to, climate change" (Planning & Compulsory Purchase Act, Section 19[ii]). This duty is further underscored by similar wording in the more recent Levelling Up & Regeneration Act 2023[iii] in which the obligation is to design the plan, not just the individual policies, to achieve that goal.

The National Planning Policy Framework (NPPF) defines climate change mitigation as:

> "Action to reduce the impact of human activity on the climate system, primarily through reducing greenhouse gas emissions".

Therefore, the local plan's duty is not simply to minimise the amount of new emissions that new development adds to the district, but rather to ensure that its local plan reduces the overall amount of carbon emissions of the district. This means that the more carbon new development is permitted to emit, the greater the reductions that will be needed in existing buildings, business, industry, transport, energy production, and land use within the council in order to fulfil that duty to deliver an overall mitigation.

Given that the local plan can only ensure change via the granting or refusal of planning permissions (and raising of funds as a condition/obligation of permission), it cannot force changes to existing buildings, transport, industrial/business operations, or land use. Its only certain route to climate mitigation, therefore, is in ensuring that proposed developments are designed and located to actively reduce the amount of emissions associated with the District.

Standalone renewable energy can actively mitigate the district's carbon emissions, as can provision for public transport, walking and cycling. New buildings, however, will only help to actively mitigate the district's carbon emissions if the new building exports more renewable energy than they consume in grid energy, or if it replaces an existing building that had greater carbon emissions. This is therefore a strong argument that new buildings are only logically compatible with the duty to mitigate climate change if they are, at least, net zero carbon in their own right or are delivered in step with sufficient renewable energy to match or exceed that building's energy demands.

What degree of mitigation is justifiable?

The NPPF provides detail illustrating the extent to which this mitigation should go. In particular:

- "The planning system should support the transition to a low carbon future … shape places in ways that contribute to radical reductions in greenhouse gas emissions, [and] encourage the reuse of existing resources, including the conversion of existing buildings; and support renewable and low carbon energy" (Paragraph 157).
- "Plans should take a proactive approach to [mitigation] … In line with the objectives and provisions of the Climate Change Act 2008" (Paragraph 158 and footnote 56).

Logically therefore, a local plan should aim to proactively ensure the changes necessary to hit the carbon targets set by the Climate Change Act 2008. That Act sets the legally binding net zero target for 2050, and requires fixed carbon budgets for each 5-year period between 2008 and 2050. The Climate Change Act 2008 commits the UK to limit climate change to no more than 2°C above pre-industrial global average temperatures, and to pursue a lower limit of 1.5°C.

The UK's five-yearly carbon budgets also detail a combination of actions necessary to stay within the budgets. A full list is included in the literature review, but the key measures relating to the built environment include:

- No new homes connected to the gas grid from 2025 at the latest (and ideally be zero carbon), instead using low-carbon heat such as heat pumps or gas-free heat networks
- New homes to have a very low space heat demand of only 15-20kWh/m2/year (a 60-70% reduction on a new home that just complies with the previous 2013 building regulations)
- Construction materials to be used more efficiently and switching to low carbon materials
- Dramatically increase the rollout of electrical heat/heat pumps to existing buildings
- Increase in renewable energy generation capacity to reach 60% of total grid electricity generation by 2030 and 80% by 2050

The Committee on Climate Change's analysis found that the government's policy plans are insufficient to deliver the full suite of necessary actions for the carbon budgets. The 2021 building regulations do not rule out gas (and many buildings granted under the 2021 regime will actually be completed post-2025). The Future Homes Standard (2025) is expected to deliver gas-free new homes, but will not deliver a low enough space heat demand nor make buildings net zero carbon from first operation, nor include any regulation around low-carbon materials or material efficiency.

The local context – Swale Borough Council's commitments

In recognition of the urgency to tackle climate change, Swale Borough Council declared a Climate Emergency in 2019. SBC have committed to:

- be a net zero Council by 2025
- be a net zero Borough by 2030

The SBC Climate and Ecological Emergency Action Plan followed in 2020 and outlined key actions required to decarbonise the district. Those relevant to this study include:

- Prior to the adoption of the new Local Plan, use a planning condition based on a 50% improvement over current building regulations, ratcheting to 75% and 100% improvement by 2025 and 2028 respectively
- Use the local plan review to investigate the potential to introduce minimum requirements for on-site renewables on new developments
- Investigate the potential of a carbon offset fund (106 Agreements) where on-site measures (renewable energy or carbon reductions) cannot be delivered
- Incorporate a policy on climate change adaptation in the local plan review

The work of this study, and subsequent policy recommendations in this report align with the actions set out in the SBC's Climate and Ecological Emergency Action Plan and more widely with the Borough's ambitions to be net zero by 2030.

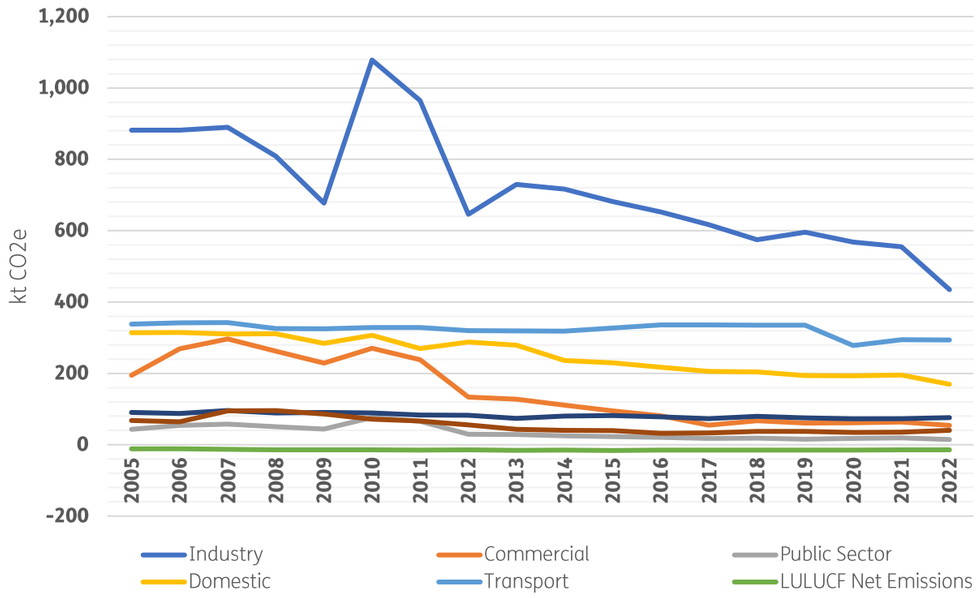


Figure 1: Sectoral emissions trajectories in Swale from 2005-2022 – BEIS/DESNZ UK local authority greenhouse gas emissions (2024).

Figure 1 illustrates that there is significant progress required to allow Swale to become a net zero borough by 2030. Whilst industry and commercial emissions have proportionally reduced their emissions the most, domestic building emissions only show a modest reduction. Local plan policy has a significant impact on influencing future emissions contributions from the domestic and commercial sectors by limiting the energy consumption of buildings and ensuring that building can generate renewable energy for their own use and support grid decarbonisation more widely.

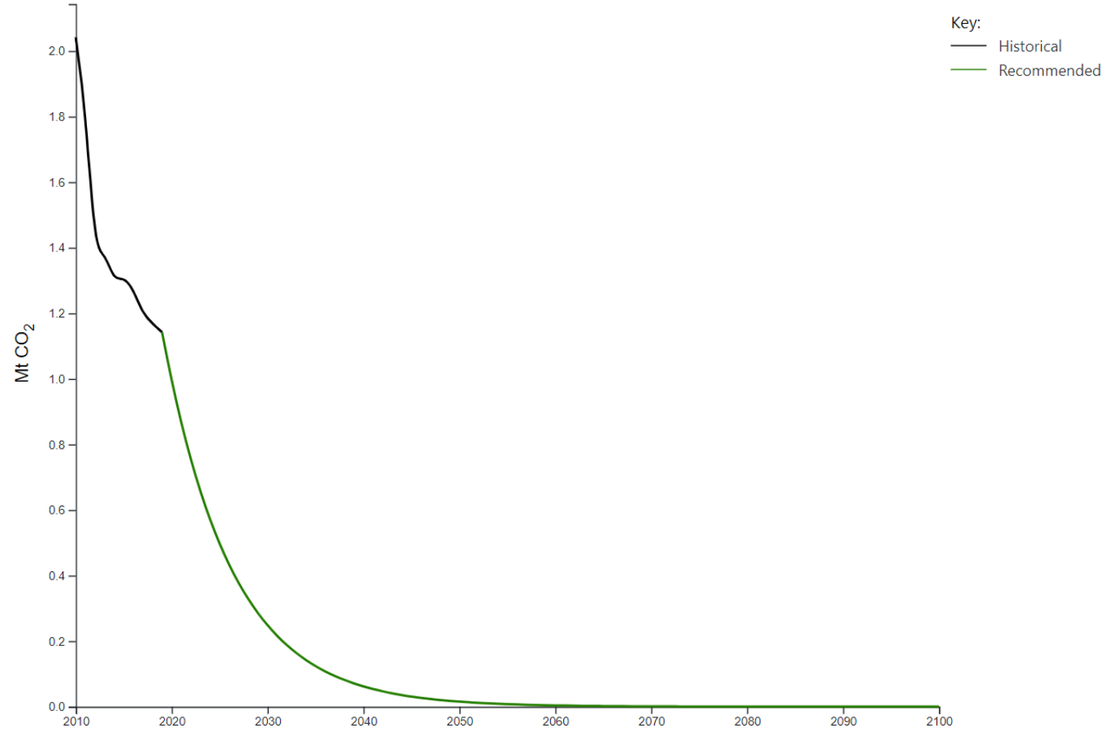


Figure 2: Emissions reduction pathway for energy-only CO2 emissions to fulfil carbon budgets for Swale from 2018 to 2100 compatible with the Paris Agreement. Tyndall Centre (2024).

Academic experts at the Tyndall Centre have conducted an exercise for all local areas of the UK but with different assumptions about the fairest way to derive the local budget, and the activities that should be accounted for at national level rather than local level. Unlike the national carbon budgets that are legislated through the Climate Change Act 2008, the Tyndall Centre does not presume that carbon removal technology will appear in the future.

The Tyndall Centre's recommended pathway to net zero within the Swale carbon budgets are represented in Figure 2. To avoid exceeding the Tyndall carbon budget, Swale emissions would need to fall sharply starting from the 2018 baseline. This pathway amounts to a required annual 13% reduction to energy-related CO2.

The challenge of bringing forward net zero carbon new buildings, scaling up retrofit of existing buildings, and decarbonising transport and the wider energy system, will not be possible without the

support of the local plan. By shaping what kind of development happens and where, the local plan can help to realise Swale's ambitions.

A local plan that achieves dramatic carbon reductions will help to avoid contributing to the risk of Swale's residents being impacted by financial and health-related harms that would come with climate change. If the local plan does not take all possible steps within its grasp to achieve rapid and drastic carbon reductions, it would arguably be failing to deliver not just on its carbon reduction duties, but also its duties to protect the natural environment and the wellbeing of its population.

The local plan's duties and powers to address carbon are explored next.

Legislation that defines powers that the local plan may use towards achieving net zero carbon

Primary legislation relating to mitigation of climate change is included in the Planning and Compulsory Purchase Act 2004 and Planning & Energy Act 2008.

Planning and Compulsory Purchase Act 2004

This is the key foundational legislation that enshrines the local plan's duty to act on climate change. Section 19, paragraph 1a, states that:

> "Development plan documents must (taken as a whole) include policies designed to secure that the development and use of land in the local planning authority's area contribute to the mitigation of, and adaptation to, climate change".

Mitigation of climate change means reduction in the impact of human activity on the climate system[iv], primarily by reducing the level of greenhouse gas in the atmosphere[v],[vi].

Planning & Energy Act 2008

The Planning & Energy Act is the source of the local plan's most important power to influence the energy and carbon performance of development.

It grants the local planning authority the power to set 'reasonable requirements' for:

1. Energy efficiency standards higher than those set by building regulations
2. Renewable or low carbon sources 'in the locality of the development' to supply a proportion of energy used at the development.

Policies using these powers "must not be inconsistent with relevant national policies"; that is, those relating to energy from renewable sources, low carbon energy, or furthering energy efficiency.

The Act defines 'energy efficiency standards' as ones that are set out or endorsed by the Secretary of State. This may imply only the methods used to demonstrate compliance with Part L of Building Regulations (SAP or SBEM despite their shortcomings – as outlined in Output i –, or TM54). As TM54 is one of the methods endorsed by Part L as of 2021, it appears the Act would therefore permit local energy efficiency to account for *total* energy use, not just regulated (see glossary).

The Act does not define 'energy used at the development'. It therefore appears to empower the local plan to set requirements for renewable energy to meet a proportion of the new building's *total* energy, not just 'regulated' energy (see glossary). We interpret this to mean that a policy could require renewable energy to supply a 'reasonable proportion' of the *total* energy use of the development, not just the share that is 'regulated' by Part L of building regulations. This could arguably be a 100% proportion, if it can be shown why this requirement is 'reasonable' – for example in its necessity or effectiveness to meet the duty for climate mitigation, with evidence of its technical feasibility and its cost for viability testing.

The Act does not define 'renewable energy', 'low carbon', or 'in the locality of development'. Presumably therefore the local planning authority is free to define these.

The Act furthermore does not specify whether these powers can be used in new or existing development. The implication therefore is that these powers could be used to set local plan policy that applies to proposals regarding existing buildings, not only new development. However, this would still be subject to the requirement to be 'reasonable'. This study does not recommend existing buildings policies as this is out of scope.

Town and Country Planning Act 1990

Includes provision of planning obligations (Section 106[vii]). Enabling the collection of payments for the purpose of making an otherwise unacceptable development into an acceptable one.

Secondary legislation (i.e. national planning policy or statements) form a material consideration to local plan making and policies for mitigating against climate change, these are noted below.

National Planning Policy Framework

The NPPF (December 2023 edition) reaffirms various ways in which it is appropriate to pursue carbon reduction policies or other undefined sustainability improvements through the local plan:

- Paragraph 159b: "New development should be planned for in ways that … reduce [carbon] emissions, such as [via] location, orientation and design … Local requirements for [buildings'] sustainability should reflect the Government's policy for national technical standards".
- Paragraph 160a-b: "Plans should … provide a positive strategy for energy from [renewable and low carbon] sources … consider identifying suitable areas for [these] and supporting infrastructure … [and] identify opportunities for development to draw its energy supply from [these sources]".
- Paragraph 196: "Set out a positive strategy for the conservation and enjoyment of the historic environment, including … putting [heritage assets] to viable uses consistent with their conservation". This may be relevant in that a building's energy efficiency affects whether use of that building is viable.

Written Ministerial Statement 23rd December 2023 (2023 WMS)

On 13th December 2023, Government released a Written Ministerial Statement. The 2023 WMS purports to place quite stringent new limitations on the exercise of existing powers held by local planning authorities to require improvements in the energy and carbon performance of proposed new buildings in their area. The WMS does not remove the ability to set improved local standards, but it purports to limit them by stating:

1. **Energy efficiency policy must be expressed as percentage reductions on the Building Regulations Part L TER (Target Emissions Rate)**, using a "specified version of SAP".
2. Policies that exceed building regulations should be "**applied flexibly … where the applicant can demonstrate that meeting the higher standards is not technically feasible**, in relation to … local energy infrastructure … and access to … supply chains."

The WMS also emphasises that **any such policies must have a "well-reasoned and robustly costed rationale that ensures that development remains viable, and the impact on housing supply and affordability is considered** in accordance with the National Planning Policy Framework".

For new buildings, the 2023 WMS's stipulations make it much harder to fulfil local planning authorities' legal duty to mitigate climate change (Planning & Compulsory Act 2004) and the expectation laid on them to support "radical reductions in greenhouse gas emissions … [taking] a

proactive approach … in line with the objectives and provisions of the Climate Change Act 2008" (National Planning Policy Framework).

The main reason the WMS make this duty harder to fulfil are:

- Pushing the use of a carbon metric, when contrarily the goal is energy efficiency: the biggest problem is that the WMS asks for energy efficiency policies to be expressed using the Part L TER metric – but TER is in fact not an energy efficiency metric, but a carbon emissions metric. Furthermore, SAP methodology is notoriously poor at estimating the actual energy performance of a building, and therefore any of the SAP metrics would not reliably ensure that buildings have the absolute energy efficiency performance that is known to be a necessary part of the UK's legally binding carbon goals
- Forcing the use of a 'specified version of SAP' for the required metric: by specifying the version of SAP, the WSM2024 risks being out of date by not keeping pace with changes to SAP or future version e.g. Home Energy Model (HEM).
- Creating a hostile climate towards buildings energy and carbon improvement policies: beyond constraining on how policy is expressed and implemented, the WMS sets a tone that is generally discouraging (albeit not prohibitive) towards any local policy that goes beyond "current or planned building regulations", stating that the government does not "expect" this. However, the WMS does not actually prohibit the use of such policies so long as they are well-justified.

National Planning Policy Guidance (NPPG)

The NPPG is a resource of further guidance to help interpret various sources of government policy regarding planning, including written ministerial statements and the NPPF.

The NPPG section on climate change[viii] still echoes the now superseded WMS2015 supposed limit on energy/carbon reduction policies (i.e. no more stringent than Code for Sustainable Homes Level 4). However, that limit is now obsolete because the Code is no longer a national standard and should be considered irrelevant. We note that this section of the NPPG has not been updated since 2019 and is thus outdated. This is further evidenced in that it refers to the "national target to reduce the UK's greenhouse gas emissions by at least 80% … by 2050" – this is now incorrect as the target is now a 100% reduction, as established by the 2019 update to the Climate Change Act.

In contrast to its obsolete advice on housing energy standards, the NPPG section on climate change confirms that local plans "are not restricted or limited in setting energy performance standards above the building regulations for *non-housing* developments" (emphasis added).

It also emphasises that where local plan standards for buildings' sustainability or carbon are set, they must be "based on robust and credible evidence and pay careful attention to viability."

Regarding energy improvements to *existing* buildings, the NPPG does not clarify how local policy should approach these, but notes that the planning authority "should ensure any advice to developers is co-ordinated to ensure consistency between energy, design and heritage matters", and notes that many energy improvements may not need planning permission.

Balance of power between legislation, NPPF and Ministerial Statements

It is important to note that legislation, and the powers granted, or duties imposed by it, cannot legally be undone by national policy. As such, legislation holds far more material weight than a WMS. Moreover, legislation and policy which is subject to public consultation should also be considered to have been made or published democratically, having considered views of the public or organisations in a transparent manner, unlike the 2023 WMS.

At the time of publication of the 2023 WMS, the then government did not indicate there was any assessment against how the WMS would affect a Council's ability to fulfil its legal obligation under the Planning & Compulsory Purchase Act to 'contribute to the mitigation of climate change', nor align with legally mandated carbon emission budgets under the Climate Change Act 2008.

Open legal advice on this topic notes that it has been established in case law that a WMS "cannot lawfully countermand or frustrate the effective operation of any … relevant statutory power" (such as the duty to mitigate climate change and the power to require higher local standards) and that "any WMS must lawfully be applied subject to relevant statutory powers, and … justifiable local exceptions, rather than in a blanket fashion".

It is therefore essential that a Local Plan aligns with the legal mandates of primary legislation, as well as taking national policy or statements as material considerations.

In local plan making, the NPPF plays an important role in setting the overarching set of principles by which the Inspector will conduct the Examination in Public of the submitted local plan, to see if the plan can be considered 'sound', before it can be adopted. A Local Plan is expected to align with the NPPF, which includes the overarching goal of achieving 'sustainable development' and the Local Plans' role in securing radical carbon emissions, among many others.

The role of the 2023 WMS in Local Plan formation is therefore as a 'material consideration', i.e. one of the relevant considerations that the plan must take to account in order to be found sound and adopted. Evidence submitted in support of Local Plan policy should therefore clearly outline the justification where there is a departure from national policy or statements.

Defining net zero carbon buildings

If carbon emissions are not consistently accounted for, there will be a risk of not reducing emissions but simply displacing them – or failing to account for the full emissions of new development.

When devising local plan policies for Swale, it will be vital to make sure those policies use a definition of 'net zero carbon development' that fully contributes to the achievement of a net zero carbon Swale and net zero carbon UK and aligns with the UK's legal mandate under the Climate Change Act 2008.

Operational energy and carbon: Building Regulations Part L (and the Future Homes Standard)

Building Regulations Part L sets the minimum national standard of operational energy and carbon performance of new buildings. It only covers "regulated energy uses": space heating, hot water, fixed lighting, fans, pumps and ventilation. It does not regulate other energy uses in the building, for example appliances or plug-in lighting. These *unregulated* energy uses can be 50% of a building's total energy use[ix], or between 23%-54% of a building's operational carbon[x]. This means a 'zero carbon' building using Part L is not truly zero carbon.

Over time, the target emissions rate (TER) set under Part L has been reduced, with the current version of Part L (2021) representing a target emission rate 31% lower than 2013 standards. Looking forward, The Future Homes Standard, expected to arrive in 2025, should deliver a further 75% reduction of in carbon emissions against the Part L 2013 baseline.

The current version of Part L in place is Part L 2021, which came into force in June 2022. Prior to this, Part L 2013 was in place from 2013-2022. The next update due to Part L is the Future Homes Standard (FHS) (or Future Buildings Standard, FBS, for non-residential) which Government has indicated will be introduced in 2025. However, it is not yet clear which of the two proposed options outlined in the 2023 consultation will be selected.

Part L works by modelling an imaginary ('notional') building of the same shape and size as the proposed building, with a certain minimum set of building elements applied (such as the amount of insulation, airtightness, the type of heating system, and the amount of solar panels). This sets the target limits for energy use and carbon emissions that the proposed building must meet. This means the targets vary by the shape and size of the building, as shape and size strongly affect how much heat is lost through external walls, roofs and joins. The FHS will update the standards in that 'notional' building – for example a heat pump instead of gas. However, the latest consultation[xi] shows that neither of the proposed options will improve the insulation or airtightness.

Compliance with these targets is established through a calculation method titled 'SAP', in homes, or 'SBEM' in non-residential buildings (see glossary). Part L sets the following targets:

- TER, Target Emission Rate: A carbon emissions metric. All building types (residential and non-residential) are subject to a TER.
- TPER, Target Primary Energy Rate: A measure of energy consumption of the building, taking into account the 'raw' energy that was used up in order to generate and transmit the energy used by the building (including the losses in converting one type of energy to another – for example burning gas in power stations to produce electricity – and the losses that occur in transmission of gas or electricity through the grid before it reaches the home). TPER also applies to all building types.
- TFEE, Target Fabric Energy Efficiency: A measure of energy demand for *heating and cooling*, based only on the building's fabric, irrespective of the heating system efficiency.

Additionally, the SAP or SBEM calculation methods can be used to extract other pieces of estimated data for a building, such as space heat demand or total energy use (for example, both of those were estimated using SAP10.2 in the 2023 modelling by the Future Homes Hub). However, these other data points are not part of the compliance metrics that Part L requires.

Unfortunately, even for the regulated energy uses, SAP and SBEM are not accurate predictors of a building's actual performance. In operation, buildings have been repeatedly documented to use far more energy than the SAP or SBEM methods predicted[xii,xiii,xiv]. This difference between SAP/SBEM-predicted energy performance and *actual* performance in use is termed in industry the 'Energy Performance Gap'. This is not common knowledge for home renters or purchasers, who may rely on the EPC certificate (which reflects the building's SAP calculation). In particular, space heat demand is dramatically underestimated by SAP[xv,xvi]. This is a real problem for climate mitigation given the aforementioned importance of the 15-20kWh/m^2/year space heat demand within the UK's route to hit its legislated carbon budgets.

Although SAP also contains an 'Appendix L' that tries to calculate unregulated energy use too, this overestimates the unregulated energy use[xvii] because it is based on outdated data about the efficiency of appliances. That data was collected many years ago and does not reflect the much more efficient typical appliances of today. Still, the *over*estimation of unregulated energy use does not fully balance out SAP's *under*estimation of space heat demand and total energy use.

Government has stated that when the Future Homes Standard is introduced, SAP will be replaced with a new model named HEM. As only an early-stage consultation version of HEM has been released to date, it remains to be seen whether HEM will avoid the inaccuracies of SAP.

The current Part L 2021 and FHS do not deliver the 15-20kWh/m^2/year space heat demand limit found to be necessary by the Committee on Climate Change as previously noted. To achieve that limit, improved fabric would be needed. This is true whether calculated with SAP (for example see the Future Homes Hub 'Ready for Zero' report and appendix[xviii]) or a more accurate energy prediction method[xix,xx]. The 'Ready for Zero' work shows that a building fabric similar to that of Option 1 in the recent FHS consultation would result in a space heat demand of up to 54 kWh/m^2/yr depending on home type, even before taking into account SAP's underestimation of this.

Despite the Committee on Climate Change recommendation for "rapid and forceful pursuit of zero-carbon new-build"[xxi], the current Part L 2021 and the FHS do not make buildings net zero carbon. Government has described the FHS as "zero carbon ready", but this only means the building will be all-electric (no gas) and thus will eventually get to net zero carbon only when the national electricity grid is entirely zero carbon. Also, the latest FHS consultation[xxii] shows that one of the options under consideration would have heating bills twice as high as a current new build home, due to switching from gas to electric heating without improving fabric at all.

Beyond Part L compliance, there are other more accurate methods that are used in the more forward-thinking parts of the buildings industry to better predict the energy performance of a given building design (and to improve it):

- PHPP: Passivhaus Planning Package. Can be used for any building. Does not require the pursuit of Passivhaus certification; can be used as a standalone tool.
- CIBSE TM54 (Technical Memorandum 54 by the Chartered Institute of Building Services Engineers). Intended for use primarily with non-residential buildings.

The use of PHPP outside the cutting-edge of the sector is in the minority, but growing. However, TM54 is recognised in Part L 2021 as a suitable method for the 'energy forecasting' that is now legally mandatory for non-residential buildings of 1,000m^2 or greater size[xxiii]. This means TM54 can be said to comply with the Planning & Energy Act definition of 'energy efficiency standards' as ones that are 'endorsed or laid out by the Secretary of State' (paraphrased). However, Part L 2021's requirement for energy forecasting is not linked to the achievement of the actual *targets* set by Part L (TER, TPER, and TFEE, as previously noted).

Regarding embodied or whole-life carbon of buildings (the carbon emitted in order to construct the building (including material extraction, product manufacturing, transport of materials to site, use of energy during construction): National Government has continued to neglect this despite opportunities to implement it. For example, a forward-thinking industry coalition in the development sector drafted and proposed a "Part Z" to building regulations. This was then put forward by a House of Lords member as an amendment to the Levelling Up & Regeneration Act but was never debated and thus never implemented.

In the absence of any action by national government to introduce mandatory standards for whole-life carbon, the industry has acted to develop these. There is a single formal established standard for the accounting of whole-life carbon (BS/EN15978) and this has been translated into a methodology or 'Whole Life Carbon Assessment' by RICS. In turn, forward-thinking bodies and coalitions within the industry have developed benchmarks and targets using that RICS methodology, differentiated by building type. The prominent examples are the RIBA and LETI aligned carbon targets[xxiv]. Given that target-setting policy is necessary on embodied carbon in order to fulfil the UK's carbon budgets, and given the absence of any national government standard with which local policy needs to be consistent, there is a clear role for the local plan to play and no reason why the LETI/RIBA targets could not be adopted if feasible and viable.

Two main types of approach to net zero carbon buildings policy – and their variations, strengths and weaknesses

There are two broad categories of policy that extant and emerging local plans in other local authorities fit into with regards to requiring enhanced energy and carbon performance in new buildings:

- Policy type 1, Using building regulations metrics: Policies that require a % improvement on the Target Emissions Rate that is set by Part L of building regulations (in some cases is a 100% reduction) and/or improvements to be demonstrated in other Part L metrics.
  - Adopted examples: London Plan 2021 policy SI 2; Milton Keynes 2019 policy SC1; Reading 2019 Policy H5, Warwick Net Zero Carbon DPD 2024; many others.
- Policy type 2, 'True net zero operational carbon' using energy-based metrics: Policies set fixed energy efficiency targets in terms of 'space heat demand' and 'total energy use intensity' (EUI), and renewable energy provision to match 100% of the development's total annual energy use. This follows the recommendations of expert green building coalitions LETI and UKGBC.
  - Adopted examples: Cornwall, Bath & North East Somerset; Central Lincolnshire.

In addition to the operational carbon policy types described above, there is one adopted and several emerging local plans that require reporting and/or specific targets in embodied carbon. In some cases, the 'embodied carbon' can also include the maintenance and eventual demolition/disposal of the building at end of life – in which case the scope is termed 'whole life embodied carbon'. If the 'embodied carbon' scope is only considered up to building completion, that is termed 'up-front embodied carbon'.

There is no current national building regulation that regulates embodied carbon, nor any nationally described standard for reporting it. However, the industry has developed its own standards for reporting on embodied carbon (the RICS Whole Life Carbon Assessment methodology). The London Plan is the most well-known adopted example that requires whole-life carbon reporting, yet it does not set any targets that must be met. The only precedent plan that we are aware of that sets such a target is Bath & North East Somerset (B&NES) Local Plan Partial Update (adopted 2023).

Existing buildings

It is not yet known when the Government will phase out the installation of gas boilers in existing buildings, which is currently muted for 2035. The Committee on Climate Change has shown (and Government has recognised) that in order for the UK to meet its legally binding carbon reduction goals, it is vital that the existing building stock must be decarbonised via three main courses of action:

- Upgrades to building fabric and other energy efficiency measures
- Switching from gas or oil boilers to low carbon heating (largely heat pumps; some heat networks; and a small role for hydrogen in some areas in the future)
- Decarbonisation of the electricity grid via increases in wind and solar electricity generation to allow phase-out of fossil fuelled power stations.

In respect of existing buildings, the variety of types, ages, uses and conditions of existing buildings make it impractical to devise universal requirements for their energy and carbon performance that could be reasonably sought through local plan policies. Local plans also have only a very limited influence on the carbon and energy performance of existing buildings, as they can only seek changes to buildings where the building owner is seeking to require a change to the building that requires planning permission. However, Local Plan policies can be used to support retrofitting by providing positive weight to proposals that improve fabric efficiency, energy efficiency and lower carbon emissions in existing buildings, including seeking alternatives to fossil fuel heating.

Local Plans, in combination with embodied carbon themes, can also place greater weight to the retention, reuse and refurbishment of existing buildings in recognition of the embodied carbon they have inbuilt in the structures, and the cause of new emissions in replacing existing buildings.

Summary of policy objectives

To summarise the key ingredients for a policy that would ensure it thoroughly fulfils the local plan's legal duty to mitigate climate change:

- **New development's energy demand must be minimised** so as to minimise the needed amount of new renewable energy generation and grid reinforcement, given that all other sectors' net zero transition (e.g. transport and industry) will also place high demands on the UK's finite capacity for renewable energy, and other land uses (e.g. afforestation and farming) – considering the limited land supply and the embodied carbon of new energy equipment. This energy efficiency is vital to protect people from excessive energy bills in the ongoing cost of living crisis.
- **New development should not use fossil fuel on site** given that the UK needs to transition its building stock away from gas, not add new gas users to the grid – and also given that heat pump technology exists that is three times as efficient as gas
- **New development should ideally come with enough new renewable energy generation to 'meet the energy used on site'**, so that it does not worsen the existing huge challenge of weaning existing buildings, transport and industry off fossil fuel to electricity – when this condition is met, the building is 'net zero carbon in operation'. Evidence found in other existing and emerging local plan precedents elsewhere (Uttlesford/Essex, Greater Cambridge, South Oxfordshire & Vale of White Horse, Central Lincolnshire, Cornwall, Bath & North East Somerset) showed this is feasible in an array of typical types of building, so long as the building is energy efficient as above.
- **The energy/carbon metrics used in Building Regulations are unsuited to deliver the performance described above** therefore other more accurate methods are needed. As the national carbon budgets are absolute, the performance standards for new buildings should also be absolute limits, not percentage improvements on standard practice.
- **Therefore, the ideal policy for climate purposes would adopt absolute targets** for space heat demand, total energy use intensity per square metre, and 100% renewable energy on site (or payment towards off-site installation), and that all of the above should be demonstrated using an energy modelling approach known to be typically accurate in predicting the building's total energy performance. This approach has been taken in several successfully examined and adopted local plan precedents (Central Lincolnshire, Cornwall, Bath & North East Somerset) albeit these were examined and adopted prior to the Written Ministerial Statement 2023.
- **In light of the Written Ministerial Statement of December 2023, the robustness and thoroughness of evidence on feasibility and viability will be even more vital** in order for any energy efficiency policies to successfully pass examination.

A truly comprehensive plan for buildings' climate mitigation would also include mandatory reporting and targets for embodied carbon. Embodied carbon policies are not affected by the Written Ministerial Statement 2023. However, the local planning authority will need to exercise its own judgement on what size threshold would be reasonable to require either reporting or targets, using the local authority's insight into the typical size and type of development in the area and the viability headroom to cover the cost of an embodied carbon assessment.

Policy recommendations

Swale Borough Council has been informed on a range of potential broad policy options, set out in the diagram overleaf, in light of the 2023 WMS in addition to the range of other material considerations and evidence. The options that have been presented to SBC are displayed in the diagram overleaf. Upon review of the issued outputs and further liaison between Bioregional and SBC, **Option 3 has been selected by SBC as the preferred policy approach.**

The following policy recommendations are therefore a more detailed iteration of Option 3. Recommendations expand upon what was presented to SBC as part of Output i.

The previous exploration of three different policy approaches addresses the requirement of local plans to explore reasonable alternatives prior to selecting a preferred policy suite. The approaches were assessed by determining risk levels on the following topics:

- **Planning powers**
- **Climate impacts**
- **Cost and future disruption to occupants**
- **Impact on grid capacity/infrastructure**
- **Ability of Development Management to assess policies**
- **Sector readiness**
- **Viability/capital cost**
- **Compatibility with national approach [e.g. policy goals, legislated goals, and technical standards]**

Option 3 was selected by SBC as a result of balancing risk levels among topics, of which 'climate impacts' and 'cost and future disruption to occupants' were given significant weight in the decision-making process. The selection of Option 3 results in higher risk of compatibility to the 2023 WMS, yet SBC are confident that sufficient evidence is provided through this study to justify departure from the statement. Industry consensus is that policies as per Option 3 should still be pursued and are defensible at examination.

Due to viability constraints, the embodied carbon policy approach in Option 3 has been slightly reduced in level of emissions reductions to remain viable.

Potential policy approaches considered by SBC

Least effective for climate → Most effective for climate

1. WMS compliant	2. Test the boundaries of the WMS	3. Industry best practice (beyond WMS)
63% TER improvement from energy efficiency measures	63% TER improvement from 'energy efficiency features' (And *guideline-only* targets and reporting for energy use intensity & space heat demand)	Energy Use Intensity and space heating demand limits
Use of a quality assurance methodology to reduce the energy performance gap in practice		
On-site renewable energy generation to get to 100% TER reduction (equivalent to matching total ***regulated*** energy use)	On-site renewable energy generation to match total energy use (***regulated and unregulated***, calculated using Building Regs methods)	On-site renewable energy generation to match total energy use (***regulated and unregulated***, calculated with more accurate methods)
Offset any remaining regulated carbon emissions (£/tCO_2)	Offset any shortfall in on-site renewable energy generation (£/MWh)	Offset any shortfall in on-site renewable energy generation (£/MWh)
Report on embodied carbon for major development LETI embodied carbon targets set as limit for large-scale development	Report on embodied carbon for major development LETI embodied carbon targets set as limit for large-scale development	Report on embodied carbon for major development LETI embodied carbon targets set as limit for large-scale development

Relevant policy themes

Operational energy

Operational energy is an area of policy development where the local plan can push boundaries and ensure the provision of buildings that are fit for the future, both in terms of reduced energy consumption and holistic integration of design decisions that address climate adaptation.

As explored in Output i, recent examples have detached from the previously typical CO_2 % reduction approach that had been driven by metrics used for Building Regulations compliance. These examples now assess operational energy based on three key metrics:

1. **Space heating demand**

Space heating demand simply represents the thermal energy efficiency of a building, which is primarily controlled by insulation properties of external and internal building elements, air tightness and thermal bridging. Unlike EUI, space heating demand is agnostic to any technology that requires powering within a building; rather the space heat demand metric is a measure of how many units of heat are required to provide sufficient comfort levels for occupants of the building. Whatever technology is used, whether this is a heat pump or gas boiler, will not change the space heating demand value as it is solely based on the fabric efficiency of the building.

2. **Total energy use (Energy Use Intensity)**

This is the total energy consumption of the whole building, measured in kWh/m^2/year. Energy Use Intensity (EUI) takes account of regulated *and* unregulated energy. This is important because the scope of Part L of Building Regulations does not include unregulated energy, meaning any policy based on Part L cannot result in a truly net zero building.

It is a crucial metric because it can essentially prevent inefficient heating technologies (e.g. gas boiler or 'direct electric') from being used in designed buildings that are aiming to achieve policy compliance – setting the right value can therefore implicitly ban inefficient technologies as compliance with an EUI requirement is not possible due to significant energy use inefficiencies. For example, for one unit of energy used, a gas boiler will produce slightly less than one unit of heat (or a direct electric heater will produce one unit of heat), whereas a heat pump will produce three units of heat. Therefore, the heat generation proportion of the final EUI value will be three times less with a heat pump when compared to gas boiler or electric, to produce the same amount of heat. This saves bills for the occupant, and puts less stress on the electrical grid than if the building were to use direct electric heating.

3. **On-site renewable energy generation**

Under this energy-based policy approach – instead of a carbon-based approach – with these three key metrics, on site renewable energy generation typically is set at a level that requires equivalent annual on-site generation to match annual total energy use. This final metric therefore provides the final piece in achieving a low energy consumption, energy efficient, net zero energy (and therefore net zero operational carbon) building.

The lower the required EUI limit in policy, the less on-site renewable generation is needed to reach an on-site net zero energy balance. Generation is most easily achieved via rooftop PV.

Key benefits from the approach taken in this theme include:

- A truly operationally net zero building
- Low energy consumption
- Zero fossil fuel use
- Significantly reduced operational costs for residents
- Reduced reliance on grid decarbonisation
- Simple post-occupancy monitoring to understand performance gap
- Potential for decentralised energy networks
- High levels of building comfort for occupants

Embodied carbon

Operational energy policy requirements are gradually becoming more consistently set at levels necessary to align with UK carbon budgets and its eventual 2050 net zero target. However, as operational energy and carbon are reduced, the proportion of embodied carbon becomes larger than ever as a share of the building's lifetime carbon emissions. This means that reductions to embodied carbon will require increased attention going forward.

The definition of net zero is key when considering operational and embodied carbon, since a truly net zero carbon building (over its entire lifetime) would require zero embodied and operational carbon emissions. The vast majority of nominally 'net zero' buildings today only consider operational emissions. In working towards a wholly net zero carbon building, local plan policy would need to address embodied carbon with equal weight, if not more, than operational energy/carbon policy.

A number of local authorities have now implemented embodied carbon policies that require reporting for development above a certain threshold, typically only larger development. However, where viability allows, requirements for embodied carbon targets to be hit should be promoted and integrated into local plans.

Overheating and sustainable design

The link between overheating and operational energy is becoming ever important and must now be put at the forefront of local plan policy, simultaneously with operational energy and embodied carbon policies.

As climate change impacts worsen, particularly more extreme and more variable temperatures, the need for overheating assessments to be undertaken for new buildings is crucial for current and future occupant comfort. In particular, new buildings that meet ambitious space heating demand requirements (previously described) will be at increased risk of overheating due to the ability of the building to retain heat well. Clearly, throughout winter this is a key comfort benefit, yet during summer this can result in the opposite effect if not otherwise mitigated with measures to enhance ventilation and avoid excess solar gain, in warmer months. It is therefore paramount that overheating risk is sufficiently assessed and integrated into decisions throughout design stages to ensure high fabric efficiency standards are not achieved at the detriment of internal comfort and temperature levels.

In addition to addressing overheating with building-related measures, overheating mitigation measures can also be integrated alongside blue and green infrastructure policies. Benefits here are

further intertwined, whereby overheating risks can be mitigated whilst also improving the biodiversity of a site. For example, green roofs, walls and trees are effective at reducing surface temperatures through natural shading and evapotranspiration.

Renewable energy and energy management

The UK grid is becoming increasingly powered by renewable energy, primarily through solar and wind technologies. This is a vital part of the UK's carbon reduction trajectory, which will need[1] near-total grid decarbonisation by 2035 and a mix that includes 80% renewables by 2050 while catering for a doubling of electricity demand between 2020 and 2050.

However, it is more important now than ever to ensure that the future energy network is resilient to increasingly variable weather patterns, which will require a balanced mix of generation and storage technologies. Without resilient energy networks at local and national levels, a reliance on fossil fuels will remain when solar and wind power generation is low due to weather constraints.

Partly due to the current rise in large-scale renewable energy installations, some local grid substations are at risk of reaching full capacity in coming years without infrastructure reinforcement investments. As the industrial, commercial, domestic and transport sectors continue to electrify (switching from gas, coal and oil) at increasing rates, local policy must support as best it can the development of smart grids and energy sharing networks to relieve pressure on local areas at risk of reaching full grid electricity capacity. On-site energy management systems will play an important role in achieving this, through the provision of battery storage alongside solar PV generation and enabling peak-demand response management systems throughout new buildings. A permissive policy approach towards applications for standalone grid-connected battery storage can also play a role in readying the energy system for the UK's renewable-heavy, electricity-led future.

As local renewable energy generation schemes become more prominent and take up a larger proportion of land, it is also important to ensure that adverse impacts are not inflicted on local communities. Therefore, whilst local policy should support renewable energy generation schemes as much as possible, it should also set criteria that mitigates potential negative impacts, such as addressing community co-benefits and improving biodiversity on-site.

[1] Committee on Climate Change (2020), The Sixth Carbon Budget: The UK's path to net zero.

Outline of recommended policies

The following policy recommendations have been split up according to development type or policy theme. This mix seeks to best ensure the utmost ease of policy implementation, considering the roles of developers/applicants and the Development Management team to respectively demonstrate and assess policy compliance.

This section sets out policy recommendations for:

a) **Net zero operational carbon new build in residential development**

b) **Net zero operational carbon in new build non-residential development**

c) **Sustainable design and adaptation principles**

d) **Embodied carbon and waste**

e) **Renewable energy development and infrastructure**

The recommended policies are organised in 'modules' which reflect requirements across the sub-sections of the title policy's objective. SBC may choose to redraft or relabel how the modules appear in the Local Plan, and we leave this at the Council's discretion according to how other local plan policies are presented. Where no threshold is stated, the policy recommendation applies for all new development.

Beneath each of the above policy recommendations, we provide commentary assessing the following:

- **Scope for future improvements in next local plan review**
- **Alignment with national policy (including 2023 WMS)**
- **Implementation considerations**
- **Development industry capability to deliver policies**
- **Development Management capability to assess policies**
- **Costs and feasibility**
- **Co-benefits**

A. Net zero operational carbon in new build residential development

All new build dwellings (use class C3 and C4) are required to submit an energy statement demonstrating that the development meets the following requirements:

A1. Total energy use	≤ 35 kWh/m²/year GIA
A2. Space heating demand	≤ 15 kWh/m²/year GIA (or <20kWh/m²/year in bungalows only). The use of fossil fuels and connection to the gas grid will not be considered acceptable.
A3. On-site renewable energy	On-site annual renewable energy generation capacity to at least equal the predicted annual total energy use. Where an on-site net zero energy balance is not possible[2], it must be demonstrated that the amount of on-site renewable energy generation equates to ≥120 kWh/m²$_{\text{projected building footprint}}$/year. Where a building in a multi-building development cannot individually achieve the requirements of A3, this shortfall is to be made up across other units on-site before energy offsetting (A4) is considered. Large-scale development (50 residential units or more) should demonstrate that opportunities for on-site renewable energy infrastructure (on-site but not on or attached to individual dwellings), such as solar PV canopies on car parks, have been explored. Renewable energy output should be calculated in line with MCS guidance for the relevant technology (expected to be PV in most cases).
A4. Energy offsetting	Only in exceptional circumstances and as a last resort where it is demonstrably unfeasible to achieve an on-site net zero regulated and unregulated energy balance, any shortfall in on-site renewable energy generation that does not match energy use is to be offset via a **S106 financial contribution,** reflecting the cost of the solar PV that will need to be delivered off-site. The energy offset price is set as £2.31/kWh[3]. This price is based on cost of solar PV data from the Department for Energy Security and Net Zero, and includes inflation and a 10% margin to enable administration of the offset fund to deliver off-site solar PV by the Council or its appointed partners. The price should be revised annually. This is set as a one-off payment, where the shortfall in annual on-site renewable energy generation is multiplied by the energy offset price.
A5. Reduced performance gap	An assured performance method must be implemented throughout all phases of construction to ensure operational energy in practice performs to predicted levels at the design stage.
A6. Smart energy systems	All proposals should demonstrate how they have considered the difference (in scale and time) of renewable energy generation and the on-site energy demand, with a view to maximising on-site consumption of energy generated on site and minimising the need for wider grid infrastructure reinforcement. This may include smart local grids, energy sharing, energy and thermal storage, demand-side response, vehicle-to-grid charging provision, and/or solutions that combine elements of the above.
A7. Post-occupancy evaluation	Large-scale development (50 units or more) is to monitor and report total energy use and renewable energy generation values on an annual basis. An outline plan for the implementation of this should be submitted with the planning application. The monitored in-use data are to be reported to the local planning authority for 5 years upon occupation.

Supporting text and notes

A1 sets a requirement for total energy use (or Energy Use Intensity) per m² per year, and such covers both regulated and unregulated energy use within a dwelling. The policy acts as a limit on the energy consumed within a building on an annual basis. A2 sets a requirement for space heating demand using the same metric. A2 is agnostic to any technology in the building for heating and is determined by the level of insulation and air tightness specified for the building, it is therefore driving fabric efficiency to ensure that demand for heat is minimised in the first place. Space heating demand is the number of units of heat required to sufficiently heat spaces within the building.

The purpose of A3 is to deliver an on-site energy balance on an annual basis, by providing enough renewable energy generation to equal the total energy use value in A1. The secondary requirement, using the kWh/m²$_{\text{projected building footprint}}$/year, acts as a mechanism to ensure that on-site renewable energy generation is maximised where an on-site net zero energy balance is not feasible. The value set is aligned to roughly 70% of roof space being covered by high efficiency solar PV panels.

Policy elements A1, A2 and A3 are to be addressed at the design and post-completion stages, to ensure that the development has been built to intended standards. Post-completion resubmission of

[2] Exceptional circumstances where an on-site net zero energy balance is not achieved may only be found acceptable in some cases, for example with taller flatted buildings (4 storeys or above) or where overshadowing significantly impacts solar PV output.

[3] The price is determined from the median cost of solar PV bands of 4-10kW and 10-50kW, and assumes a conservative panel efficiency rate of 850kWh/kWp. These bands have been selected as they are likely to represent the scale of PV projects that the offset fund contributes to.

the original energy statement including energy performance calculations, informed by the relevant tests to systems and fabric, should be required as a condition as part of the planning application process. A5 and A7 compliance should also be demonstrated post-completion through planning conditions.

A1 – A7 are to be demonstrated at the planning application stage through submission of an energy statement, which should include associated output reports from energy modelling software (e.g. PHPP, or HEM when available for general use).

Steps to calculating and narrating amount of renewable energy provision

Policy A3 should contain the following steps, to be expressed in an energy statement:

- First calculate the total predicted annual energy use in kWh for all proposed new buildings (whole buildings, regulated and unregulated)
- This is to be modelled in PHPP. The Council may later take a view on whether the incoming Home Energy Model (HEM) is a suitable method for energy use prediction when the final form of HEM is available.
- Then calculate the annual renewable energy generation for whole site in accordance with the MCS guidance for the relevant renewable energy technology (anticipated to be solar PV in most cases as this is typically the most suitable technology in an urban setting). This does not have to be exclusively on the buildings themselves, and can include provision of new standalone renewable energy installations within the site. The figure does not include renewable heat delivered by heat pumps, as that would count instead towards Policy A1.
- Deduct the annual renewable generation from the annual energy use. The result should be zero or less.
- If the result is not zero or less, explore how to provide more on-site renewable energy (for example through an adjustment to roof orientation, and ensuring PV area provision has been explored up to at least equivalent of 70% of projected building footprint including roof overhangs and with reasonably efficient panels available on the market).
- If it proves unfeasible to increase renewable energy generation on-site to result in an annual balance of energy generation with energy use, then divide the total annual renewable energy generation by the building footprint. This result should be at least 120 kWh/$m^2$$_{\text{projected building footprint}}$/yr. If this is not possible, provide evidence as to why this is not possible even with a PV area equivalent to 70% of projected building footprint and reasonably efficient panels available on the market.
- Calculate the residual energy demand (whole building, not per m^2 because the offsetting price is set as £/kWh rather than £/kWh/m^2) for all proposed new buildings, then proceed to use this figure to calculate the required amount of offsetting provision in policy A4.

About the offsetting calculation

This is a one-off payment, where the annual shortfall in on-site renewable energy generation is multiplied by the energy offset price. Because the kWh energy use of the home, and the kWh of energy generation that the offset fund will install, are both annual figures, this amount does not need to be multiplied by any number of years.

The requirement for offsetting may be applied flexibly where it is demonstrated that this makes social and affordable housing unviable due to unique site circumstances that result in cost uplifts significantly higher than assessed in the Whole Plan Viability Assessment. The flexibility could include a reduction in the scope of energy that has to be offset, or a discounted price per kWh if the Local Authority is confident it can still deliver the required offset projects within this price (when pooled into the offsetting fund which will primarily consist of full-price offset contributions). This could be determined by testing the cost of solar PV for a specific scheme if there is a pipeline of projects available to be funded by the offset payments. Full price offsetting should still be applied to market housing where the proposal includes both market and social housing. The degree of flexibility will depend on the unique scheme characteristics and evidence submitted to the local authority about what could be viably accommodated.

About assured performance methods

These are processes to follow throughout design, construction, commissioning and building handover that reduce the energy performance gap (the gap between predicted energy use and actual energy use). These not only help keep the building's actual carbon emissions to a minimum (as opposed to their predicted emissions using inaccurate methods like SAP), but they also help to ensure occupant satisfaction. Suitable methods include BSRIA Soft Landings, NEF/GHA Assured Performance Process, and Passivhaus certification. Other processes may be available or become available during the course of the plan. Alternative processes proposed by the applicant will be subject to consideration by the Council about their evidence-based merits. There are also some additional tools in the industry which are not in themselves an assured performance process but can assist in improving the energy performance of a building in-use, such as BS40101.

Applicability to outline applications

Compliance with the policies will be conditioned at outline stage and must be confirmed in detailed reserved matters. However, the Council accepts that the degree of detail provided in the outline energy strategy will be less than for full and reserved matters applications. It is also recognised that this means the outline energy calculations may be largely based on assumptions. The aim should be to demonstrate that options have been identified by which the development could comply with the policy targets, taking into account the broad mix of anticipated floorspace, typologies and site conditions. Statements made about estimated carbon and energy performance based on a high degree of assumptions at outline stage should be reassessed at detailed reserved matters, albeit the reserved matters may diverge in *how* the required compliant performance will be achieved.

Where more detail is known, it should be reflected in the outline application; for example if expecting to connect to a site-specific low-carbon energy source. For a further example, if expecting a limited number of repeated home types, then the energy modelling would ideally reflect similar archetypes and identify a specification by which they could meet the policy targets for energy efficiency and renewable energy (taking into account site conditions). The modelled homes could reflect, for example, a sample of a relevant housebuilder's 'products' most likely to be built on site. This exercise benefits the developer in that it gives an early understanding of the degree of amendment needed to their existing regular specifications, allowing them to set up supply chains and economies of scale well in advance of commencing on site.

The estimated offsetting contribution of outline applications should be stated in the outline Energy Assessment. These will be subject to a Section 106 agreement, but not paid at the time of the outline application. In that case the offset contribution must be recalculated within the subsequent reserved matters application, and paid on or prior to commencement of works on site for the reserved matters scheme (phase of the development). The reason for payment into the offset fund

prior to commencement of works is so that the offset fund administrators are able to deliver the offset projects on a timescale not too dissimilar from the timescale for completion and occupation of the development. The aim is to enable, wherever possible, the offsetting project to be producing renewable energy no later than the development's occupants begin to place their demands on the grid.

Scope for future improvements

Policies A1 and A2 could be improved by further reducing the targets for Energy Use Intensity and space heating demand, but this is currently not seen as necessary as the targets are broadly aligned to the current industry best practice (e.g. UK Net Zero Carbon Buildings Standard). Policy A6 could be revisited in future to increase requirements on smart energy solutions depending on how the industry evolves over coming years and what technologies are available in future.

Alignment with national policy

Crucially, all of the policy modules are aligned with the Climate Change Act 2008, since their implementation works towards achieving the legally-binding UK target of net zero by 2050, as set out by the Climate Change Act 2008, and carbon budgets subsequently legislated under the aegis of that Act. These associated carbon budgets are linked to the Climate Change Committee's Balanced Pathway to Net Zero report, which in turn is supported by analysis by the CCC that sets out that all new buildings must be net zero by 2025. Efficiency is key in the delivery of net zero homes, with the CCC recommending a heat demand between 15-20 kWh/m^2/year which aligns with policy module A2.

The Planning and Energy Act 2008 sets out that local standards for energy efficiency in new homes are able to exceed those set in Building Regulations.

The use of no fossil fuels in A2 is aligned to the Government's direction of travel indicated by both the options proposed in the Future Home Standard 2023 consultation, in that no fossil fuel heating systems are proposed.

In the context of the 2023 WMS, explored in detail in the Literature Review (Output i), A1 and A2 policies are not aligned with the requirement in the WMS that requires policies to use the Target Emissions Rate metric of Building Regulations, if policies are to exceed Building Regulations standards. Policies A3-A7 are not impacted by the 2023 WMS as it only applies to energy efficiency standards. A1 and A2 are the only policy recommendations that relate to the energy efficiency perceived constraints of the 2023 WMS. A3 and A4 are not impacted because they address renewable energy, which is out of scope of the 2023 WMS.

As set out in Output i, there is significant scope for local authorities to depart from the requirements of the 2023 WMS where local circumstances are demonstrated. Local circumstances are demonstrated on p.16 (*The role and commitments of Swale Borough Council*) of Output i, through the Borough's net zero target date of 2030. The SCATTER trajectory also demonstrates that urgent reductions are required at a local level.

Demonstration of local circumstances was explicitly addressed in a recent study produced for South Oxfordshire & Vale of White Horse. The study demonstrated local circumstances for a policy suite led by absolute energy metrics through determining a carbon budget for the operational carbon of new housing in the districts. The carbon budget is aligned to the net zero target of 2045 that both districts set under their climate emergency declarations. The study then explored whether the existing draft policy, using absolute energy metrics such as for policies A1 and A2, and WMS-compliant policies were sufficient to remain within the carbon budget.

It was found that only the draft policy was sufficient to remain in line with the carbon budget, whilst the WMS-compliant scenarios resulted in emissions significantly higher than required to sufficiently contribute to the 2045 net zero target. Given that Swale's equivalent net zero target for the Borough is 2030 and more urgent than in South Oxfordshire & Vale of White Horse, there is no doubt the same results would be given under an equivalent study for Swale.

Another important argument found in this study was that the expected emissions from existing buildings are already likely to exceed the carbon budget for the districts by 480%. This reiterates the point that, due to the challenges posed by existing buildings to reduce their emissions at net zero aligned rates, no carbon budget should be apportioned to the new build sector because the overall built environment carbon budget is already highly likely to be exceeded without any input from new buildings. A wholly compliant policy with the 2023 WMS cannot result in zero emissions because the metric required in the WMS only accounts for regulated carbon and therefore leaves scope for emissions to be produced from unregulated energy uses. Therefore, to align with local and national net zero target dates, policies A1 and A2 are undoubtedly required.

Implementation considerations

To support these policies, it is vital that supplementary guidance is provided for the benefit of Development Management officers and the development industry. This is particularly important because specific information for policy compliance must be set such as:

- Examples of assured performance
- Acceptable scenarios where exceptional circumstances are valid for A3 and A4
- Methodologies and assumptions for energy performance calculations (this could explore in more detail the suitable methodologies outlined within the suggested policy text above).

Implementation may also be aided by setting validation criteria/checklist for applications to ensure they are including the right information with their planning application.

Information on the mechanisms of energy offsetting for A4 will need to be included in a planning document that addresses planning obligations.

For A3, renewable energy installations will need to be accompanied with calculations of expected outputs required under the policy by an MCS certifier, which should be set as a planning condition. This is to ensure renewable energy technology has been correctly installed and operates at the predicted output sufficient to deliver an on-site net zero energy balance.

Industry capability

Assuming SBC undertakes appropriate engagement with developers operating in the area throughout the local plan process, the local development industry should be well prepared to deliver on these policies. The policies require enhanced care and detail to be applied through design and construction phases but do not introduce any new skills not currently known and utilised by developers.

The standard of insulation and glazing typically required to achieve A1 are aligned to those set out in the indicative specification for the Future Homes Standard (FHS). Therefore, the development industry should be well prepared to deliver on these policies, particularly as the FHS is understood to be planned for implementation in 2025, and the SBC Local Plan planned for adoption in 2026.

Development Management capability

The capability of Development Management officers to accurately assess these policies is reliant on the degree of training and guidance documents available. It is essential that officers have guidance on hand to assess policies against to ensure that compliance is achieved in accordance with methodologies set out in a subsequent guidance document. Specific upskilling of at least one officer on climate change policies to gain a technical understanding will greatly assist the overall ability of the team to assess policy compliance.

Training for Development Management officers on technical processes involved with net zero carbon development can strengthen internal capabilities to assess whether applications may have submitted over-optimistic building performance values for the sake of policy compliance. These may include:

- Understanding of modelling techniques and tools (e.g. PHPP, HEM)
- Building elements energy performance values (e.g. U-values)
- Low- and zero-carbon heating and ventilation systems/technologies
- Orientation, form factor and design features for solar PV generation

Costs and feasibility

Task 3 of the evidence base produced for South Oxfordshire & Vale of White Horse explores the feasibility of policy requirements. Detached, semi-detached, terraced and flats were all tested as archetypes against metrics set out under A1 – A3. The specific standards set out under A1 – A3 have all been found to be feasible and achievable for these dwelling architypes.

The feasibility of policies A1-A3 is also demonstrated by evidence bases cited in Output i, including Central Lincolnshire (2021[xxv]) and Essex (2023)[xxvi]. As in the South Oxfordshire & Vale of White Horse evidence, the other two studies show that it is possible to match total energy use, including unregulated, on a variety of residential building types up to about 3-4 storeys that meet best practice energy efficiency standards. They also show it is possible to do this in buildings taller than this if optimal energy efficiency is achieved and/or the roof is optimised for PV generation (for example, a monopitch roof facing south). Buildings above this height may struggle to match their own energy use on site and therefore a height over 4 storeys may be considered an acceptable reason for at least partially following the offset route rather than complying entirely on-site.

The feasibility of meeting policy A3 on site will vary by the height of the building. Lower-rise buildings will find it more feasible because they have more roof space (for PV) compared to floor space. Where this becomes a problem, the policy suite offers an alternative route to compliance through Policy A4 (energy offsetting).

No additional cost uplift is assumed for A4 because the offset price is set as the current cost of solar PV and therefore poses no additional cost to what is required on-site to comply with policy A3. Therefore, no change in cost is evident between installing a sufficient amount of solar PV on-site or off-site.

The target of 120 kWh/$m^2_{\text{projected building footprint}}$/year was selected as follows: Several other local plans' energy modelling evidence (Central Lincolnshire, Essex, South Oxfordshire & Vale of White Horse) has evidenced that a target of in those locations with a PV area approximately equivalent to 60-70% of the building footprint area using current typical PV panels (and the area required will reduce as PV technology improves in future). According to the Global Solar Atlas, the specific solar PV output potential of Swale (1,094 kWh/kWp) exceeds that of South Oxfordshire & Vale of White Horse (1,030 kWh/kWp). Therefore, the 120 kWh/$m^2_{\text{projected building footprint}}$/year value is proven to be feasible in Swale as it was in South Oxfordshire & Vale of White Horse.

Task 4 of the South Oxfordshire & Vale of White Horse evidence base explores the costs associated with the policy requirements set out above. To achieve A1 – A3, the following cost uplifts (from Part L 2021) are incurred:

- Detached: 4%
- Semi-detached: 6%
- Terraced: 7%
- Flats: 6%

In the draft Viability Assessment (May 2024) produced by HDH Planning and Development Ltd., a limit of 8% is set for net zero carbon policy to remain viable across development types. As seen above by the residential capital cost uplift values stated, all development types remain comfortably within the 8% limit set. For clarity, the energy performance standards set out in Task 4 of the South Oxfordshire & Vale of White Horse study are identical to those set out under A-suite policies, which means the cost uplift values are directly transferable to this study. According to the draft Viability Assessment, we can therefore assume that the policies A1-A3 are viable.

No additional cost uplift is assumed for A4 because the offset price is set as the current cost of solar PV and therefore poses no additional cost to what is required on-site to comply with policy A3. Therefore, no change in cost is evident between installing a sufficient amount of solar PV on-site or off-site.

Cost uplift from Part L 2021

	Part L 2021	Future Homes Standard (2022 Consultation)	Zero operational carbon
Fabric	£0	£1,312	£4,936
Services	£0	£3,082	£3,082
PV	£0	-£4,291	-£931
Total	£0	£103	£7,087

The table above, taken from Task 4 of the South Oxfordshire & Vale of White Horse evidence base, shows the breakdown of capital cost uplifts from Part L 2021 of fabric, services and on-site renewable energy generation (i.e. rooftop solar PV) for a semi-detached home. The zero operational carbon scenario directly represents policies A1-A3. The study the table is presented in predates the 2023 FHS

consultation. However, the FHS scenario tested broadly aligns with the specification set for Option 2 under the most recent 2023 FHS consultation.

A similar breakdown can be seen for other residential archetypes. Uplifts are most significant for fabric and services improvements whilst the integration of solar PV on-site is in fact less expensive than under the Part L 2021 scenario (i.e. current Building Regulations). This is because Part L 2021 requires that, where a building uses a gas boiler, 40% of the total floor area is covered by solar PV. As policy A1 limits energy consumption to a level far lower than Part L 2021, the amount of solar PV required on-site to create a net zero energy balance for the zero operational carbon scenario is lower than the 40% requirement under Part L 2021. The FHS scenario tested includes a heat pump but no solar PV, which is why there is such a significant difference between the capital cost of solar PV under the Part L 2021 and zero operational carbon scenarios.

Building value uplift

There is evidence that increased energy efficiency and on-site renewable energy in homes, as sought by policies A1-A3, delivers a value uplift which could be offset against the cost uplift to aid the viability of the scheme. This was evidenced in a 2021 study by Lloyds/Halifax[xxvii], which looked at actual home sale value across all regions of England and Wales, not just surveys of willingness to pay. It expressed the sale value uplift in terms of the % difference between EPC bands. The increase is greater between EPC bands at the lower end (for example a 3.8% value increase from EPC G to EPC F) but there is still an uplift between higher bands (an uplift of 2% from EPC C to EPC B, and an uplift of 1.8% from EPC B to EPC A). All of these values are the average across England and Wales; however, the study confirms that the uplift was evident in all regions and therefore should be reasonably applicable to SBC.

Please note that increased sale value does not necessarily translate proportionally into increased cost of owning and running a home, due to the running cost savings on energy bills that can be achieved via the improved energy efficiency (policies A1-A2) and the on-site solar generation (draft policy A3).

Co-benefits

There are benefits to occupants from setting the policy requirement A1 and A2, as to ensure that occupant bills are not excessive from the costs of running a low carbon heat system (e.g. electrified system) by reducing the overall heating demand through an improved fabric efficiency. Combined with recommended C-suite policies, this suite of policies aims to support new buildings which can support occupant health and well-being by creating more comfortable buildings and greater comfort with less fluctuation in temperatures and reducing financial stress (occupant bills costs). Additionally, improved energy efficiency in homes translates into fewer retrofit needs over time, reducing the future financial burden on homeowners to upgrade their properties to meet evolving energy standards. By reducing energy demand these policies can directly address fuel poverty. Lower-income households stand to benefit from reduced energy bills, which can free up income for other essential needs. Tackling fuel poverty is a key social benefit that aligns with SBC objectives and wider government goals to improve living standards, particularly in vulnerable communities

Annual running costs for semi-detached archetype

	Part L 2021	Future Homes Standard (2022 Consultation)	Zero operational carbon (incl low embodied carbon option)
Gas	£542	£0	£0
Electricity (net of PV generation)	£0	£1,259	£383
PV export revenue	£155	£0	£92
Standing charge	£303	£193	£193
Total	£689	£1,453	£484

Occupant energy bill savings are summarised in the table to the above and show the benefits of a zero operational carbon policy (i.e. A1-A3). The savings are assessed on an annual basis and are driven by the absence of gas bills, lower standing charge and benefits from solar PV exports. The electricity (net of PV generation) for Part L 2021 is £0 because a Part L 2021 building uses less electricity than the zero operational carbon scenario as it uses a gas boiler for heating, rather than an electrified heat pump. The overall operational costs of the zero operational carbon scenario exceed the Part L 2021 and FHS scenarios.

The drive for improved fabric efficiency has dual benefits both from a cost perspective, but also from an embodied carbon perspective as materials do not need to be replaced in a relatively short timescale. By ensuring buildings are future-proofed during the construction stage, policies A1 and A3 actively support the objectives of D-suite policies, which aims to minimise the whole-life carbon footprint of new buildings. The policies work in tandem to reduce the environmental impact over the building's lifespan, aligning with broader net zero ambitions.

Additionally, policies A3 would ease local grid stress by promoting on-site renewable energy generation, thereby matching energy demand more efficiently. In cases where full on-site generation isn't feasible, policy A4??? ensures any remaining energy demand is met through district-wide offsetting initiatives. This helps local authorities meet net zero goals while minimising reliance on external energy sources.

The benefits extend further when combined with policy A6, which promotes the use of smart energy systems. These systems enable buildings to store and use energy during optimal periods, reducing grid demand during peak times. For example, smart systems could manage the timing of electric vehicle (EV) charging or coordinate the use of high-energy appliances (e.g., washing machines or dishwashers) to coincide with periods of lower energy demand or higher renewable energy generation.

While upgrades to local electricity infrastructure may be required to accommodate the increased demand from electric vehicles and electrified heating systems, such upgrades are already anticipated as part of broader infrastructure planning. These improvements would largely replace the need for investments in outdated gas infrastructure. As a result, costs associated with these upgrades are not considered additional burdens but rather necessary steps in the transition away from fossil fuels. By promoting on-site renewable energy generation and energy storage systems, homes reduce

dependence on external energy sources, which can be subject to price volatility and supply disruptions. This enhances the resilience of households to energy price hikes or shortages, offering greater energy security.

Furthermore, A-suite policies reduce the reliance and prohibit use of fossil fuels, especially natural gas for heating and cooking, leading to fewer emissions of pollutants like nitrogen oxides (NOx) and particulate matter (PM). This improvement in local air quality can have significant public health benefits, reducing respiratory issues such as asthma and cardiovascular diseases among residents.

Lastly, the requirement for homes to comply with this suite of policies helps stimulate the development of local skills and supply chains, contributing to growth in the green economy. By fostering demand for expertise in low-carbon construction techniques, renewable energy installation, and smart home technologies, the policies create new job opportunities and support local economic resilience. This approach aligns with the UK's wider economic goals for a just transition to a net zero economy, ensuring that the move towards sustainability also delivers social and economic benefits to communities.

B. Net zero operational carbon in new build non-domestic development

All new build non-domestic development (including C1, C2, C2a and C5) are required to submit an energy statement demonstrating that the development is net zero carbon in operation through the following requirements:

B1. Total energy use	Warehouses and light industrial: ≤ 35 kWh/m²/year GIA Offices: ≤ 55 kWh/m²/year GIA Schools: ≤ 55 kWh/m²/year GIA Retail: ≤ 35 kWh/m²/year GIA It is accepted that in some circumstances, unregulated energy loads for the specific use of a non-residential building may result in a total energy use that exceeds the limits set out above. In these cases, applicants are required to demonstrate that regulated energy is limited to 30 kWh/m²/year. Unregulated loads must be justified in an energy statement. Other building types (e.g. heavy industry, data centres etc.) or uses not listed are required to demonstrate that regulated energy is limited to 40 kWh/m²/year. Unregulated loads must be justified in an energy statement.
B2. Space heating demand	All building types and uses: ≤ 15 kWh/m²/year GIA The use of fossil fuels and connection to the gas grid will not be considered acceptable.
B3. On-site renewable energy	On-site annual renewable energy generation capacity to at least equal the annual total energy use. Where an on-site net zero energy balance is not possible[4], it must be demonstrated that the amount of on-site renewable energy generation equates to ≥120 kWh/m²$_{\text{projected building footprint}}$/year. Where this is not achieved, it must be demonstrated to the satisfaction of the Council that this is due to unavoidable design issues such as natural lighting and utility space. Where a building in a multi-building development cannot individually achieve the requirements of B3, this shortfall is to be made up across other units on-site before energy offsetting (B4) is considered. Large-scale development (5000m² non-residential floorspace or more) should demonstrate that opportunities for on-site renewable energy infrastructure (on-site but not on or attached to individual buildings), such as solar PV canopies on car parks, have been explored.
B4. Energy offsetting	Only in exceptional circumstances and as a last resort where it is demonstrably unfeasible to achieve an on-site net zero energy balance, any shortfall in on-site renewable energy generation that does not match regulated and unregulated energy use is to be offset via **S106 financial contribution,** reflecting the cost of the solar PV delivered off-site. The energy offset price is set as £2.31/kWh[5]. This price is based on cost of solar PV data from the Department for Energy Security and Net Zero, and includes inflation and a 10% margin to enable administration of the offset fund to deliver off-site solar PV by the Council or its appointed partners. The price should be revised annually. This is set as a one-off payment, where the shortfall in annual on-site renewable energy generation is multiplied by the energy offset price.
B5. Reduced performance gap	An assured performance method must be implemented throughout all phases of construction to ensure operational energy in practice performs to predicted levels at the design stage.
B6. Smart energy systems	All??? Proposals should demonstrate how they have considered the difference (in scale and time) of renewable energy generation and the on-site energy demand, with a view to maximising on-site consumption of energy generated on site and minimising the need for wider grid infrastructure reinforcement. This may include smart local grids, energy sharing, energy and thermal storage, demand-side response, vehicle-to-grid charging provision, and/or solutions that combine elements of the above.
B7. Post-occupancy evaluation	Large-scale development (over 5000 m² floorspace) is to monitor and report total energy use and renewable energy generation values on an annual basis. An outline plan for the implementation of this should be submitted with the planning application. The monitored in-use data are to be reported to the local planning authority for 5 years upon occupation.

Supporting text and notes

B1 sets a requirement for total energy use (or Energy Use Intensity) per m² per year, and such covers both regulated and unregulated energy use within a dwelling. The policy acts as a limit on the energy consumed within a building on an annual basis. B2 sets a requirement for space heating demand using the same metric. B2 is agnostic to any technology in the building for heating and is

[4] Exceptional circumstances where an on-site net zero energy balance is not achieved may only be found acceptable in some cases, for example with non-residential buildings 3 storeys and above or where a specific use of the building results in a high unregulated energy load (e.g. research lab).

[5] The price is determined from the median cost of solar PV bands of 4-10kW and 10-50kW and assumes a conservative panel efficiency rate of 850kWh/kWp. These bands have been selected as they are likely to represent the scale of PV projects that the offset fund contributes to.

determined by the level of insulation and air tightness specified for the building. Space heating demand is the number of units of heat required to sufficiently heat spaces within the building.

Due to high variability of potential unregulated energy loads in non-residential buildings, B1 includes a regulated-only energy use limit to ensure that this scope of energy is limited to best practice levels, whilst high unregulated loads can be justified according to the specific use. This ensures that the core energy use of a building (from heating, cooling and lighting) is limited whilst not prohibiting non-residential applications that naturally have high unregulated energy loads, such as a hotel with a significant amount of estimated electrical plug-in equipment.

The purpose of B3 is to deliver an on-site energy balance on an annual basis, by providing enough renewable energy generation to equal the total energy use value in B1. The secondary requirement, using the $kWh/m^2_{projected\ building\ footprint}/year$, acts as a mechanism to ensure that on-site renewable energy generation is maximised where an on-site net zero energy balance is not feasible. The value set is aligned to roughly 70% of roof space being covered by high efficiency solar PV panels.

Policy elements B1, B2 and B3 are to be addressed at the design and post-completion stages, to ensure that the development has been built to intended standards. Post-completion resubmission of the original energy statement including energy performance calculations, informed by the relevant tests to systems and fabric, should be required as a condition as part of the planning application process. B5 and B7 compliance should also be demonstrated post-completion through planning conditions.

B1 – B7 are to be demonstrated at the planning application stage through the submission of an energy statement, alongside associated output reports from energy modelling software (e.g. PHPP).

About assured performance for energy performance

Regarding assured performance processes (B5), in addition to those mentioned in relation to the equivalent residential policy (A5) in residential, there is also one additional method for non-residential: NABERS UK (administered by CIBSE). NABERS is currently only available for offices but it is expected to be extendedto other building types in future.

About offsetting

The requirement for offsetting may be applied flexibly where it is demonstrated that this makes otherwise desirable development unviable due to the unique energy use profile of the proposed building and site characteristics, where this results in an offsetting cost uplift significantly higher than assessed in the Whole Plan Viability Assessment. The flexibility could include a reduction in the scope of energy that has to be offset, or a discounted price per kWh if the Local Authority is confident it can still deliver specific offset projects within this price. The degree of flexibility will depend on the unique scheme characteristics and evidence submitted to the local authority about what could be viably accommodated. It may also depend on the degree to which the proposed development represents a socially desirable facility that meets unmet community needs (such as for healthcare, education, or similar).

Please see also the supporting text for the equivalent residential policies (A1-A7) regarding:

1. **calculating renewable energy provision and offset payments,**
2. **applicability to outline applications, and**
3. **assured performance processes.**

Scope for future improvements

Policies B1 and B2 could be improved by further reducing the targets for Energy Use Intensity and space heating demand, but this is currently not seen as necessary as the targets are broadly aligned to the current industry best practice (e.g. UK Net Zero Carbon Buildings Standard). Policy B6 could be revisited in future to ramp up requirements on smart energy solutions depending on how the industry evolves over coming years and what technologies are available in future.

Alignment with national policy

All of these policy modules are aligned with national policy goals since their implementation works towards achieving the legally-binding UK target of net zero by 2050, as set out in the Climate Change Act 2008, and carbon budgets subsequently legislated under the aegis of that Act. These associated carbon budgets are linked to the Climate Change Committee's Balanced Pathway to Net Zero in the Sixth Carbon Budget report, which sets out that all new buildings should be zero carbon from 2025, with high levels of energy efficiency and low-carbon heat. It also found that non-residential buildings should phase out high-carbon fossil fuel boilers no later than 2026, and phase out gas boilers in 2030-33, less than 10 years from today (2024), while boilers have a typical lifetime of 15 years.

Therefore, new buildings today should not have gas boilers, to avoid the need for expensive disruptive retrofit less than 10 years after completion which would also waste embodied carbon (even if the need for 'net zero carbon new builds from 2025' did not already effectively rule out fossil fuel boilers). The policy supports these targets by prohibiting fossil fuel connection and improving energy efficiency, which mandate a heating technology similarly efficient to a heat pump (which a fossil fuel boiler cannot meet).

B2 is aligned to the Government's direction of travel indicated by both the options proposed in the Future Home Standard 2023 consultation, in that no fossil fuel heating systems are proposed. Although the FHS does not relate to non-residential buildings, it still represents the national policy direction. B3 and B4 are not impacted because they address renewable energy, which is out of scope of the 2023 WMS.

As stated for A-suite policies, Output i (p. 16; *The role and commitments of Swale Borough* Council) demonstrates local circumstances to show urgent carbon reductions are required at local level, summarised by the Borough's 2030 net zero target date. Enhanced carbon reduction ambitions at a local level are essential to support the national net zero target of 2050.

The 2023 WMS is directed at residential development and does not specifically state any requirements for non-residential buildings. Importantly, the key requirement of the WMS states that any improvements above Building Regulations should ensure that the policy is expressed as a percentage uplift of a *dwelling*'s Target Emissions Rate, rather than a non-residential building's Target Emissions Rate. Additionally, the WMS asks for the standards to be expressed through the use of SAP, which is a methodology that only applies to residential buildings. Also, the concern that the WMS purports to address is that "multiple local standards [may] add further costs to building new *homes* ... [and therefore] the impact on *housing supply* and *affordability* [must be] considered in accordance with the National Planning Policy Framework". The NPPF only discusses affordability in relation only to homes, not any other buildings.

To conclude, there is significant reference in the 2023 WMS to terminology such as dwellings and homes, whilst non-residential buildings are not explicitly referred to at all. Therefore, for the purpose of this study and setting absolute energy metric requirements for B-suite policies, it is assumed that the 2023 WMS does not apply to non-residential buildings.

Implementation considerations

To support these policies, it is vital that supplementary guidance is provided for the benefit of Development Management officers and the development industry. This is particularly important for B1, B2, B4 and B5 because specific information for policy compliance must be set such as:

- Examples of assured performance
- Acceptable scenarios where exceptional circumstances are valid for B3 and B4
- Methodologies and assumptions for energy performance calculations

Implementation may also be aided by setting validation criteria / checklists for applications to ensure they are including the right information with their planning application.

Information on the mechanisms of energy offsetting for B4 will need to be included in a planning document that addresses planning obligations.

For B3, renewable energy installations will need to be accompanied with calculations of expected outputs required under the policy by an MCS certifier, which should be set as a planning condition. This is to ensure renewable energy technology has been correctly installed and operates at the predicted output sufficient to deliver an on-site net zero energy balance.

Industry capability

With appropriate engagement with developers operating in the area throughout the local plan process, the local development industry should be well prepared to deliver on these policies. The policies require additional levels of skill to be applied through design and construction phases but do not introduce any new skills not currently known and utilised by developers.

Development Management capability

The capability of Development Management officers to accurately assess these policies is reliant on the degree of training and guidance documents available. It is essential that officers have guidance on hand to assess policies against to ensure that compliance is achieved in accordance with methodologies set out in a subsequent guidance document. Specific upskilling of at least one officer on climate change policies to gain a technical understanding will greatly assist the overall ability of the team to assess policy compliance.

Training sessions for Development Management officers on technical processes involved with net zero carbon development can strengthen internal capabilities to assess and scrutinise applications. These may include:

- Understanding of modelling techniques and tools (e.g. SBEM)
- Building elements energy performance values (e.g. U-values)
- Low-and zero-carbon heating and ventilation systems/technologies
- Orientation, form factor and design features for solar PV generation

Costs and feasibility

Task 3 of the evidence base produced for South Oxfordshire & Vale of White Horse explores the feasibility of policy requirements, which are directly aligned to those set out for B-suite policies in this study. An office, school, warehouse and retail unit were all tested as archetypes against metrics set out under B1 – B3. All archetypes are able to feasibly meet the requirement for B2.

Where each archetype has assumed a generic use, the limits set out for B1 are feasible for all archetypes. An on-site net zero energy balance, as required by B3, is feasible for all archetypes but the office. The office archetype shows a small shortfall to matching total energy use, yet feasibly still achieves a renewable energy output of 120 kWh/$m^2_{\text{projected building footprint}}$/year.

The target of 120 kWh/$m^2_{\text{projected building footprint}}$/year was selected as follows: Several other local plans' energy modelling evidence (Central Lincolnshire, Essex, South Oxfordshire & Vale of White Horse) has evidenced that a target of in those locations with a PV area approximately equivalent to 60-70% of the building footprint area using current typical PV panels (and the area required will reduce as PV technology improves in future). According to the Global Solar Atlas, the specific solar PV output potential of Swale (1,094 kWh/kWp) exceeds that of South Oxfordshire & Vale of White Horse (1,030 kWh/kWp). Therefore, the 120 kWh/$m^2_{\text{projected building footprint}}$/year value is proven to be feasible in Swale as it was in South Oxfordshire & Vale of White Horse.

For the retail archetype, the targets for B1 and B3 become not feasible when it is assumed to be a grocery shop (instead of clothes shop for example) that has a high unregulated energy load. In these cases of high unregulated energy loads for a specific use, it is essential that the regulated energy limit (feasible for all archetypes) for B1 is demonstrated.

Task 4 of the South Oxfordshire & Vale of White Horse evidence base explores the costs associated with the policy requirements set out above. To achieve B1 – B3, the following cost uplifts (from Part L 2021) are incurred:

- Retail: 8%
- Retail (with residential unit): 5%
- School: 6%
- Office: 5%
- Warehouse and light industrial: 7%

For clarity, the energy performance standards set out in Task 4 of the South Oxfordshire & Vale of White Horse study are identical to those set out under B-suite policies, which means the cost uplift values are directly transferable to this study.

No additional cost uplift is assumed for B4 because the offset price is set as the current cost of solar PV and therefore poses no additional cost to what is required on-site to comply with policy B3. Therefore, no change in cost is evident between installing a sufficient amount of solar PV on-site or off-site.

In the draft Viability Assessment (May 2024) produced by HDH Planning and Development Ltd., a limit of 8% is set for net zero carbon policy to remain viable across development types. As seen above by the residential capital cost uplift values stated, all development types remain within the 8% limit set. According to the draft Viability Assessment, we can therefore assume that the policies B1-B3 are viable.

Building value uplift

We also note that there is **evidence that improved energy performance increases the sale value** in non-residential. For example, research by Knight Frank[xxviii] found a sale value uplift of 8%-18% for buildings with a 'green' rating. This uplift was 10.1%-10.5% for BREEAM (BREEAM Excellent is required for C5) or 8.3%-17.9% for NABERS depending on how high the NABERS score is (NABERS is an energy-only rating that originated in Australia but is now available for offices in the UK). Noting that this study's UK evidence was of prime offices in the London market[xxix], these uplifts should not be assumed to directly apply to all non-residential buildings in SBC. However, they do provide a strong rationale for the viability assessment to assume some degree of sale value uplift for the draft policies described here (which would be likely to translate to a high NABERS rating).

Co-benefits

The suite of policies outlined under policies B1 and B2 aims to drive significant improvements in energy efficiency and the reduction of operational carbon in new non-domestic buildings.

By improving energy efficiency, these measures mitigate financial stress on businesses, particularly small and medium enterprises (SMEs), which can reinvest savings into growth, productivity, or workforce development. The use of **absolute energy metrics** directly reduces energy bills and promotes operational resilience. These metrics also limit reliance on large solar PV installations if energy consumption was not limited, which would reduce capital investment requirements. Additionally, improved energy efficiency standards reduce the need for future **costly retrofits** to meet tightening regulations, protecting building owners from future carbon compliance costs as the UK moves toward more stringent climate targets. For SBC, this means fewer buildings requiring energy performance upgrades in the future, aligning with national and local net zero goals.

The policy suite, particularly through **B1** contributes to healthier and more comfortable indoor environments. By reducing energy demand and improving thermal efficiency, buildings will experience more stable temperatures, reducing overheating in summer and improving comfort in winter. This benefits **occupant well-being** by creating a healthier work environment, enhancing productivity and reducing absenteeism due to health issues. Moreover, the shift to **all-electric systems** (B2) eliminates reliance on gas, improving **air quality** inside and outside the building, and reducing the incidence of respiratory illnesses associated with fossil fuel combustion.

The limits set on energy consumption under B1 and the focus on on-site renewable energy generation under **B3** significantly contribute to the **reduction of carbon emissions**. These measures help decrease a building's operational carbon footprint and support the local authority's climate targets by ensuring non-domestic buildings align with the UK's pathway to net zero by 2050.

The integration of **on-site renewable energy generation** under B3 helps to alleviate stress on the national grid by increasing local energy resilience and self-sufficiency. This reduces reliance on external energy sources, contributing to **energy security** and lowering the risk of grid overload, particularly during peak demand periods.

Additionally, the removal of **fossil fuels** and connection to the gas grid under B2 further accelerates the transition to a clean energy system, helping to eliminate carbon emissions from heating systems and future-proofing non-domestic buildings against rising energy costs and carbon taxes.

The drive for energy efficiency and on-site renewable generation under **B1** and **B3** also reduces the need for costly and **carbon-intensive retrofits**. By meeting higher performance standards from the outset, buildings are less likely to require significant upgrades to meet future regulations, thus avoiding the **embodied carbon** associated with frequent material replacements or renovations.

Moreover, the focus on energy-efficient design under B1, including reducing energy use and space heating demand, ensures that non-domestic buildings are **future-proofed** for changes in energy demand, climate conditions, and regulatory environments.

By prioritising on-site renewable energy generation through **B3** and encouraging the adoption of **smart energy systems** under B6, the policy suite enhances **energy resilience**. Smart systems help to optimise energy consumption, ensuring that energy generated on-site is stored and used during periods of peak demand. This reduces the need for costly grid reinforcements and supports more efficient use of renewable energy. Additionally, the ability to integrate **energy storage** and **smart local grids** helps to reduce energy waste and enhances **self-sufficiency**, making businesses and buildings less vulnerable to external energy price fluctuations and supply interruptions.

The requirement for **post-occupancy evaluation** under B7 ensures that buildings perform as predicted, closing the **performance gap** between design and operation. This promotes energy accountability and transparency, helping SBC monitor progress toward their climate targets while allowing building owners to adjust operations to optimise energy use over time.

The emphasis on high energy performance standards, on-site renewables, and smart energy systems creates demand for a wide range of skills, driving growth in **local green supply chains**. Policy suite B encourages investment in **green technologies**, supporting the development of local expertise in renewable energy, energy-efficient building design, and smart energy management. This can stimulate **job creation** and economic growth in the local area, while also supporting the transition to a **green economy**.

By setting high energy efficiency and renewable energy generation targets, the policies align with the UK government's broader **net zero by 2050** commitments.

In summary, the co-benefits of B-suite policies extend beyond just carbon reduction. The policies look to drive **economic savings** for building occupants, improve **health and well-being**, foster **energy resilience**, and promote **local economic growth** through the creation of **green jobs**.

C. Sustainable design and adaptation principles

All new build residential and non-residential buildings should mitigate against climate change and adapt to climate change by employing sustainable design and construction principles.

Applicants are expected to demonstrate these elements have been considered, and evidenced where appropriate by the corresponding assessment methodology, in an Energy Statement. The following measures should be demonstrated:

C1. Sustainable construction	All new developments must minimise their carbon footprint and energy impact through sustainable design and construction practices. Proposals should demonstrate efforts to reduce greenhouse gas emissions by considering factors such as site location, building orientation, design, landscaping, and planting strategies, while prioritising a "fabric-first" approach.
C2. Cooling hierarchy	All development proposals should show how designs have optimised the internal and solar heat gains to balance the need to minimise space heating demand with the need to passively maintain comfortable temperatures during hot summers. This should be shown by demonstrating that overheating risk measures have been incorporated in accordance with the cooling hierarchy which prioritises measures, as follows: • Minimise internal heat generation through energy-efficient design and equipment selection. • Reduce and manage the amount of heat entering the building in summer using: a. Building orientation b. Shading c. Albedo d. Fenestration e. Insulation • Manage heat within the building through exposed internal thermal mass and high ceilings. • Passive ventilation, including cross ventilation through a building wherever possible. Passive stack and wind-driven ventilation, night purging and designing windows to allow effective and secure ventilation. Single aspect developments are discouraged. • Natural cooling measures including green and blue infrastructure. • Use of mixed-mode cooling such as low-energy mechanical cooling (fan-powered ventilation). • Mechanical ventilation (which, if it has a heat recovery function, should also have a summer bypass mode).[6]
C3. Overheating assessment	All major residential developments should complete CIBSE TM59 overheating assessment as their route to compliance with Building Regulations Part O (or future equivalent assessment methodology). The simplified Part O route will not be considered acceptable. All major non-residential developments should complete CIBSE TM52 overheating assessment (or future equivalent assessment methodology). Certain aspects of building design intended to increase energy efficiency and reduce heat demand, such as increased glazing and airtightness, can also exacerbate heat risk and cause uncomfortable living conditions. The inclusion of CIBSE TM52/59 overheating assessments provides the flexibility needed to manage this balance, as these assessments allow for more detailed design solutions compared to the simplified approach in Part O of Building Regulations.
C4. Resilience to climate change	All development should incorporate measures that increase resilience to extreme weather events and a changing climate, including increasing temperatures and frequency and intensity of rainfall. All developments should: ▪ Reduce the risk of flooding and conserve water ▪ Employ sustainable urban drainage Reduce the 'heat island' effect through the use of cool materials and green and blue infrastructure within the development. Additionally, all new developments should be designed to enhance resilience to the anticipated effects of climate change. Proposals must incorporate measures to adapt to changing climate conditions, including resilience to extreme weather events, rising temperatures, stronger winds, droughts, heavy rainfall, and snow. Water conservation and storage measures should also be integrated into designs, taking into account best practices and future climate projections.
C5. BREEAM	New major non-residential developments (including C1, C2, C2a and C5) of 1,000sqm or more are required to achieve BREEAM 'Excellent'.

[6] Please note that mechanical ventilation heat recovery units will be required to support policies A1 and B1 due to the assumed specification having a very low air tightness value, meaning the ventilation units are required to ensure sufficient flow and fresh air into the external spaces. Therefore, mechanical ventilation heat recovery units should be supported from an operational carbon perspective, since the heat recovery gains balance out increased electricity demand. However, if mechanical ventilation units without heat recovery are proposed, these should not be supported and would be viewed as a last resort in the cooling hierarchy.

Supporting text and notes

Compliance with C1-4 should be demonstrated within an energy statement at planning application stage, whilst C3 should also be supported by output reports from CIBSE assessments.

Scope for future improvements

This policy focuses on the general principles of sustainable design and construction, and so there are no numerical targets to improve as you would find in the energy and carbon policies above.

Alignment with national policy

Part O of Building Regulations requires overheating assessments to be undertaken in residential development, with CIBSE TM59 provided as one route to compliance for residential buildings. Therefore, C3 is aligned with national policy approaches.

However, Part O does not require that TM59 is completed, as the Simplified Method can be alternatively used. The Simplified Method does not reveal specific insights on which areas of the building are most exposed to overheating risk, or when that may occur during the day. Therefore, the CIBSE assessment is essential to understand overheating risk in buildings at a granular level to make meaningful and precise design decisions to mitigate the risk. CIBSE TM52 is not referenced because Part O does not relate to non-residential buildings.

The Housing Update Written Ministerial Statement (15 December 2021) states that there is no need for local policy to duplicate Part O policy. The cooling hierarchy (C3) is not referenced in Part O and CIBSE assessment are not *required*, therefore C2 is not a duplicate of national requirements.

The extensively referenced 2023 WMS does not impact C1 – C4 as the scope of the WMS only impacts energy efficiency standards.

Implementation considerations

Specific information on overheating assessments should be set out in supplementary policy guidance. Implementation may also be aided by setting validation criteria / checklist for applications to ensure they are including the right information with their planning application and within the Energy Statement. Examples of SPDs and checklists which are comparable are: Warwick Net Zero Carbon Buildings SPD and Pro-Forma and Nottingham & Broxtowe Reduction of Carbon in New Buildings SPD (currently under consultation). See also RBWM Sustainability SPD on adaptive climate measures.

Although mechanical ventilation is listed down the cooling hierarchy as part of C2, the use of mechanical ventilation with heat recovery (MVHR) should not be viewed negatively as this may assist compliance with operational energy policies. However, MVHR should have the ability to bypass the heat recovery function in periods of warmer weather in order to support the overheating risk mitigation goal.

Industry capability

Overheating assessments are a requirement of Building Regulations Part O (for residential), and is a common measure performed in the design of good-quality non-residential new buildings. Therefore, it should not inflict any significant additional burden on the development industry to deliver on C2 and C3. BREEAM is well established as an existing policy requirement in Swale so the development industry should be familiar with the assessment process that comes with C5.

Development Management capability

The cooling hierarchy is simple to follow and assess to grant policy compliance, assuming some officers have had training carried out and have guidance to refer to. CIBSE overheating assessments (referred to in Policy C3) give results in terms of passing or failing certain criteria (or percentage of rooms in the building that pass or fail the criteria). Those criteria vary by type of building or room. Guidance on how to assess CIBSE overheating assessments will make policy compliance simple to grant or not. C5 should be straightforward for officers to assess and implement given that BREEAM is already integrated into Swale's existing local plan.

Costs and feasibility

No evidence of costs available. Feasibility is evidenced in that Part O of Building Regulations essentially includes the TM59 process and will require some buildings to undertake that assessment even in the absence of the policy (SBC is unlikely to be categorised as a 'high risk location', but TM59 is still triggered in Part O where a building exceeds certain glazing ratios). As Part O already requires overheating assessments, it is not considered that any cost uplift will be associated with C3.

Capital cost uplifts for C5 are minimal, as follows:

- School: 0.7%
- Industrial: 0.4%
- Retail: 1.8%
- Office: 0.8%
- Mixed Use: 1.5%

It should be noted that the cost uplift associated with operational energy performance and sustainable materials is already absorbed by B- and D-suite policies. Whilst this contribution is not quantified specifically, there is high confidence that the remaining cost uplift associated with C5 is negligible. Additionally, the capital cost uplift is outweighed by rental premiums for offices that achieve BREEAM accreditations, providing premiums of 3.7 – 12.3%. As Swale's existing policy already requires BREEAM Very Good for development of the same scale that C5 is subject to, many of the costs associated with C5 are already being spent and therefore the uplift is even less significant than stated above.

Co-benefits

While A-suite and B-suite policies ensure that new dwellings and non-residential buildings are energy-efficient, C-suite policies address the critical need to mitigate the risks associated with overheating and climate vulnerability. This is essential in light of rising global temperatures and the increasing

frequency of extreme weather events. Without effective design interventions, factors such as building orientation and glazing ratios could elevate the risk of overheating. To respond to this, C-suite policies include modules C2 (the cooling hierarchy) and C3 (overheating assessments), which ensure that new developments do not contribute to unacceptable levels of overheating risk.

The cooling hierarchy prioritises passive design measures (e.g., shading, natural ventilation, thermal mass) over mechanical cooling systems, creating more comfortable indoor environments that promote occupant health and comfort. This approach reduces the need for air conditioning and other energy-intensive systems, contributing to lower operational energy demands and improved thermal comfort throughout the year. In the context of rising global temperatures, maintaining safe and comfortable indoor conditions helps prevent health risks associated with heat stress, particularly for vulnerable populations such as the elderly, children, and those with pre-existing health conditions.

By prioritising passive cooling measures over mechanical systems, C-suite policies help occupants avoid the additional financial burden associated with running air conditioning or other cooling technologies. This aligns with the overarching goals of policies A and B by further reducing operational energy demand and occupant bills. Through cost savings on energy use, particularly in warmer months, C-suite policies support both affordability and energy resilience.

Policy module C4 emphasises adaptive measures such as sustainable drainage systems (SuDS) and the incorporation of green and blue infrastructure, linking closely with other local plan policies on flood risk management and biodiversity. These measures not only mitigate the impacts of extreme weather events, such as flooding and drought but also provide co-benefits like enhanced biodiversity and improved well-being for occupants. Access to green spaces and natural environments has been proven to improve mental health, promote physical activity, and foster community resilience.

Policy C works holistically with other local plan policies to create environments that are more resilient to climate change. Through strategies like flood management, green infrastructure, and passive cooling, Policy C looks to ensure that occupants are safeguarded from the risks posed by climate events, such as heat waves, flooding, and water shortages. This comprehensive approach not only reduces the likelihood of future retrofitting (which can be disruptive and costly) but also promotes future-proofing of new developments, ensuring long-term sustainability and occupant well-being.

The integration of green and blue infrastructure within the policy framework offers additional social and environmental co-benefits. Green spaces, tree canopies, and water features improve urban cooling by reducing the heat island effect, enhancing air quality, and provide recreational opportunities, which directly benefit both physical and mental health. This contributes to social well-being, promoting healthier, more connected communities. Moreover, these features enhance biodiversity, supporting local wildlife and contributing to ecosystem resilience in urban areas.

Policy C, in conjunction with Policies A and B, contributes to a comprehensive approach to sustainable building design that promotes healthier, more comfortable living environments, enhances climate resilience, and reduces financial stress by limiting energy and water costs. By addressing overheating risks, improving water efficiency, and integrating climate-adaptive infrastructure, Policy C supports the creation of future-proof buildings that align with long-term sustainability goals. This policy ensures that new developments are not only energy-efficient but also resilient to the impacts of climate change, creating environments that enhance occupant well-being and reduce future retrofitting needs.

D. Embodied carbon and waste

Residential and non-residential buildings (thresholds given below) must meet the following requirement:

D1. Embodied carbon reporting	All major new residential (10 dwellings or more) and non-residential (1000m^2 floorspace or more) developments are required to complete a whole-life carbon assessment in accordance with RICS Whole Life Carbon Assessment guidance and the BS EN 15978 standard.
D2. Limiting embodied carbon	All large-scale major development (50 dwellings or more; 5000m^2 non-residential floor space or more) is required to limit embodied carbon (RICS/BS 15978 modules A1 – A5) to 600 kgCO_2e/m^2 GIA.
D3. Building end-of-life	All new buildings are to be designed to enable easy material re-use, adaptation and disassembly, subsequently reducing the need for end-of-life demolition.
D4. Demolition audits	All major development sites that contain existing buildings or structures must carry out a pre-redevelopment and/or pre-demolition audit, following an established industry best practice method (e.g. BRE), for larger structures or significant demolitions. For smaller-scale demolitions, such as individual walls or small outbuildings, developers are required to consider material re-use where feasible, without the need for a full audit. A simplified, proportionate approach should be taken to assess potential material recovery and reuse.
D5. Narrative on embodied carbon in minor development	Proposals for new development of 1 or more homes or ≥100m^2 non-domestic floor space, but below the size thresholds for embodied carbon reporting and targets as noted above, should demonstrate how the embodied carbon of the proposed development has been minimised (including general narrative on options considered and where possible, decisions made).

Supporting text and notes

Compliance with D1, D2 and D3 and D5? are to be demonstrated within an energy statement. If applicable, output reports for D4 should be submitted alongside an energy statement.

For D5, it is accepted that the level of detail will be lower the smaller the development proposal. The aim is to ensure applicants explore the topic of embodied carbon, but without setting requirements that are impractical or excessively costly at small sites. Points of narrative encouraged in the fulfilment of D5 could include, but are not limited to:

- Reuse of existing features and materials on site, where present
- Design for material efficiency (reducing the amount of material needed) such as through structural design or use of space and layouts to avoid unnecessary material use
- Substitution of higher-carbon materials (such as steel, aluminium, and Portland cement) with low-embodied-carbon materials (such as timber)
- Material sourcing for reduced 'product miles' or from manufacturers with low-carbon manufacturing credentials

Construction processes that reduce the typical rates of material wastage.

Scope for future improvements

There is significant scope for future improvements for embodied carbon and waste policies. In particular, standards set for D2 should be lowered in future local plan reviews as embodied carbon policy becomes integrated into local and national policy, for example in line with the 2030 target set by LETI/RIBA (subject to evidence of feasibility and cost at the time of adopting such targets).

As policy is implemented on embodied carbon, industry will become better placed to deliver on ambitious policy requirements and move towards net zero embodied carbon emissions.

Alignment with national policy

Embodied carbon is not part of Building Regulations currently. Therefore on this topic, there is no particular national policy with which the local policy can be expected to align.

The industry proposal of Part Z, as an additional document to Building Regulations, has been going through the parliamentary process and could be integrated before the adoption of this local plan. This would require that whole-life carbon reporting is implemented in Building Regulations and that emissions limits are set from 2027. It is aligned with the RICS Whole Life Carbon method, the same as specified in the draft SBC policies above. More recently in early 2024, a further coalition of respected industry standard-setting bodies has released a policy paper pressuring the next Government to introduce Part Z.

The Environmental Audit Committee states that embodied carbon assessments must be undertaken for new development and that if embodied carbon emissions are not actively reduced, the UK will not remain within its carbon budgets nor achieve its 2050 net zero target. Therefore, there is a clear justification for local authorities to require embodied carbon assessments and limit emissions arising from the construction of new development.

Policy D in combination with policies A and B, seeks to ensure that carbon emissions are limited across the whole life cycle of a building. Without this combination of policies, large amounts of carbon emissions would be missed (as much as 50% of a building's lifetime carbon emissions result from upfront embodied carbon). The Committee on Climate Change has also identified that decarbonisation of the manufacturing & construction sector (including through resource efficiency and production fuel switching) is an essential component in the future scenarios for the UK's 6th carbon budget (part of the Climate Change Act).

Whilst there is no explicit reference to embodied carbon in the NPPF, the NPPF references to 'low carbon development' and 'low carbon economy' could readily include embodied carbon as an implicit part of the equation. Additionally, embodied carbon is a design issue and therefore should logically fall under the NPPF's instruction that "New development should be planned for in ways that … can help to reduce greenhouse gas emissions, such as through its … design". The case for addressing embodied carbon is justified by the increasing proportional importance of these emissions as a share of buildings' total carbon footprint as the power grid is decarbonised.

The previously referenced 2023 WMS is not relevant to policy D1 – D5, as the scope of that WMS only impacts energy efficiency standards.

Implementation considerations

Information and requirements on embodied carbon assessments will need to be set out in supplementary policy guidance to enable developers to sufficiently demonstrate policy compliance. Methodologies and the scope of embodied carbon assessment should be clarified, alongside other potential implications such as third-party verification.

Similarly, acceptable methodologies (i.e. RICS Whole-Life Carbon Assessments guidance) to comply with D1 and D2 should be set out in guidance. An example of an SPD which includes guidance on WLCA is: Warwick Net Zero Carbon Buildings SPD.

Industry capability

The required embodied carbon limit set within point D2 represents an ambitious but achievable target for developers, acting as a backstop to prevent large-scale developments from excessive embodied carbon emissions.

The expectation set by point D3 (demonstrating ease of future building disassembly for future reuse) and D4 (pre-demolition or pre-redevelopment audit) are both within the industry's current capability in that they are part of the most common environmental certification system used across the industry (BREEAM), with widespread take-up (especially within the non-domestic sector):

- Pre-demolition or pre-redevelopment audits are not uncommon in the development sector, as they are one of the actions that developers often choose to take in order to gain certain credits within the very widespread BREEAM certification (relevant credit: BREEEAM 'Wst 01'[xxx]). The industry in London is familiar with these as part of that region's requirement for circular economy statements; as a result many of the major nation-wide built environment consultancies have had exposure to these. Alternatively, these audits are offered as a service by the BRE itself, and by some demolition contractors. Guidance on best practice is available from the BRE[xxxi].
- BREEAM credit (Wst 06) requires the applicant to produce "a study to explore the ease of disassembly and the functional adaptation potential" of several different design options, and from that study to "develop recommendations or solutions … during or prior to concept design, that aim to enable and facilitate disassembly and functional adaptation". This would be relevant to the recommended policy point D4. Also, any industry body that is also active within London will also have gained exposure to this concept through the GLA's requirement for circular economy statements, whose guidance[xxxii] notes that three of the six 'circular economy principles' are 'building in layers', 'designing for adaptability or flexibility', and 'designing for disassembly'. While such analysis may not be commonplace outside London, it is not unheard of, and this policy is designed to boost the practice by increasing the demand and thus encouraging the local development industry to grow its capacity to produce this analysis that will be a vital part of the local and national transition to net zero. Other than the GLA, guidance is available from several sources online including ISO[xxxiii] and UKGBC[xxxiv,xxxv].

Development Management capability

The capability of Development Management officers to accurately assess these policies is reliant on the degree of training and guidance documents available. It is essential that officers have guidance on hand to assess policies against to ensure that compliance is achieved in accordance with methodologies set out in a subsequent guidance document. Specific upskilling of at least one officer on climate change policies to gain a technical understanding will greatly assist the overall ability of the team to assess policy compliance. Officers could familiarise themselves with the following to better understand and assess embodied carbon calculations:

- Different scopes of carbon (e.g. upfront embodied carbon vs. whole-life carbon)
- Knowledge of RICS whole-life carbon assessment guidance
- General understanding of low-carbon materials
- Good practice efficient structural design choices to reduce embodied carbon

Costs and feasibility

For Policy D1: No robust industry-wide evidence is available about the costs of the embodied carbon assessment, but anecdotal experience in recent years suggests this could be around £10,000-15,000 depending on the size and complexity of the project. If this figure is used in viability testing, it should only be applied where the policy applies.

Alongside testing the feasibility of operational energy policy requirements, the South Oxfordshire and Vale of White Horse evidence base also explored the feasibility and costs of embodied carbon emissions limits on the tested residential and non-residential archetypes. The limit set out under D2 has been shown to be feasible for all archetypes, as modelled under a Part L 2021 scenario.

Using typical materials required to comply with Part L 2021 (i.e. current industry standard), no archetype exceeded 559 $kgCO_2/m^2$ GIA. Therefore, this can be considered a cost neutral limit since the Part L 2021 scenario represents business-as-usual. The only costs therefore associated with D1 and D2 only arise from the cost of an embodied carbon assessment, which generally comes at a cost of no more than £15,000. Given that D1 only applies to large-scale development, the relative cost uplift of an embodied carbon assessment is negligible.

To achieve industry best practice targets aligning with LETI guidance[xxxvi], cost uplifts increase but also assume that the archetype has achieved net zero status accounting for both regulated and unregulated energy. These can be summarised from the results of the evidence base as follows:

- Residential (excluding flats) (from 2025): **300 $kgCO_2e/m^2$ GIA**
- Non-residential and flats (from 2030): **350 $kgCO_2e/m^2$ GIA**

If these more ambitious embodied carbon targets were therefore adopted alongside the A- and B-suite policies, the following cost uplift values would be expected to be lower. Please note the following cost uplifts do not apply to the draft SBC target of 600kg/m² but are provided here to give a general idea of the scale of the cost that could be incurred if the policy were amended to more ambitious targets.

- Semi-detached: 10%
- Terraced: 9%
- Detached: 6%
- Flats: 12%
- Retail: 12%
- School: 10%
- Office: 7%
- Warehouse: 9%

Another evidence study produced by WSP[xxxvii] for West of England authorities in 2021 found an embodied carbon limit is 900 $kgCO_2e/m^2$ GIA to be cost neutral, which was subsequently adopted by Bath & North East Somerset Council as a policy. The difference between cost neutral limits of 900 $kgCO_2e/m^2$ GIA, in the 2021 study by WSP, and 550 $kgCO_2e/m^2$ GIA, in the 2024 South Oxfordshire and Vale of White Horse study, suggests that industry and supply chains can now achieve embodied carbon limits more cost effectively. This pattern is expected to continue as embodied carbon is increasingly considered throughout industry and policy.

Co-benefits

Policy D establishes a framework to reduce the environmental impact of both residential and non-residential buildings by targeting **embodied carbon**—the emissions associated with materials and construction processes throughout a building's lifecycle. By addressing embodied carbon and promoting sustainable construction practices, this policy could deliver a range of **co-benefits** that extend beyond carbon reduction, supporting wider economic, environmental, and social goals.

The requirement for **whole-life carbon assessments** under **D1** ensures that all major developments assess and mitigate the full carbon impact of building materials and construction. By limiting embodied carbon in large-scale developments (e.g., to 600 kgCO2e/m2 GIA under **D2**), Policy D plays a pivotal role in reducing the carbon impact of construction, which can represent up to 50% of a building's total emissions.

By promoting **circular economy principles**, particularly in **D3** and **D4**, which focus on material reuse and the ease of disassembly at the end of a building's life, the policy encourages more resource-efficient construction. This not only reduces waste generation but also **lowers costs** associated with future demolition, material procurement, and disposal. Designing buildings for disassembly and **material reuse** helps reduce dependency on raw materials and limits costs related to sourcing and transporting new materials. It also promotes **long-term economic savings** for developers and property owners by maximising the value of materials throughout their lifecycle.

The embodied carbon limits and reporting requirements stimulate the adoption of **innovative construction methods** and **low-carbon materials**. Developers and builders will explore new technologies, such as **modular construction**, **prefabrication**, and the use of **low-carbon materials** like timber, reclaimed steel, or recycled aggregates. This shift drives demand for **green building products**, creating opportunities for local businesses and manufacturers, particularly within the **green economy**, while fostering **local supply chains** that specialise in sustainable materials and techniques.

The requirement for **demolition audits** under **D4** ensures that before any building is demolished, the potential for reusing or recycling materials is thoroughly assessed. This reduces the amount of waste sent to landfill and encourages the **repurposing of valuable materials** within the construction industry, supporting circular economy principles. By maximising material reuse, the policy mitigates the environmental impacts associated with resource extraction, waste disposal, and material production, aligning with **national waste reduction targets**.

By designing for **disassembly and material re-use (D3)**, new buildings will be more **adaptable** and **future-proofed**, capable of being modified, extended, or dismantled with lower environmental impact. This leads to greater **building longevity** and **flexibility**, enabling spaces to evolve without the need for significant new construction. This adaptability contributes to **reduced lifecycle costs** and makes buildings more resilient to changing demands, whether for residential or commercial purposes.

The policy's focus on **limiting embodied carbon** and promoting **sustainable construction** aligns with broader goals for **climate resilience**. Buildings that are designed to limit embodied carbon are often constructed with materials that perform well in diverse climate conditions (e.g. green roofs and walls to mitigate overheating risk), further supporting long-term sustainability. Additionally, the reduction of carbon emissions through material choices and construction processes ensures that new developments have a smaller climate impact, helping to mitigate global warming and the associated risks of **climate change**.

The requirement to provide a **narrative on embodied carbon** for smaller developments under **D5** encourages developers of all scales to consider sustainable construction methods and communicate their choices. This fosters greater **awareness** and **engagement** with sustainable practices, promoting social responsibility within the construction industry. It also encourages **community involvement** by ensuring that developers actively consider the long-term environmental impacts of their projects, which can contribute to **positive relationships** with local communities concerned about the **environmental footprint** of new developments.

E. Renewable energy development and infrastructure

E1. Smart site allocation	Proposals for large-scale renewable energy development (≤ 10MW) are encouraged to choose a site that is well supported by sufficient grid capacity. Support will be given to proposals for standalone electrical grid capacity upgrades, local smart grids, and development of grid-connected energy storage especially if co-located with large-scale renewable energy generation installations.
E2. Energy storage	Support will be given to proposals that form part of the transition to a net zero carbon district and county, which must involve a range of renewable energy storage technologies. This could include energy storage facilities (e.g. battery and thermal storage) and upgraded or new electricity facilities. Battery storage is essential to provide local grid resilience during periods of peak demand and helps to ensure that renewable energy is not wasted during periods of high generation. Battery storage facilities will be accompanied by health and safety assessments to ensure no fire risk is posed to nearby communities. Proposals for renewable energy generation are encouraged to provide at least an additional 10% of energy storage (e.g. battery storage) of the overall energy generation.
E3. Co-benefits	Proposals for renewable energy generation over 20MW are required to provide an option to offer 5% community ownership to the local community (e.g. Parish Council area). Positive weight will be given to schemes led by the community and community energy groups.
	All proposals are to undertake community engagement sessions with the local community and? to mitigate any potential impacts to the community as a result of the development.
	All proposals are to demonstrate how the renewable energy generation site can be restored to its original or an improved state following removal of technologies and mitigate any biodiversity loss. Proposals will be subject to a condition requiring the submission of an end-of-life removal scheme setting out how the impacts of decommissioning will be mitigated. The removal scheme should demonstrate how any biodiversity net gain that has arisen on the site will be protected or enhanced further, and how materials to be removed would, to a practical degree, be re-used or recycled.
E4. Grid reinforcement	All development for renewable energy generation, or development that includes renewable energy generation, is to demonstrate how options for energy storage, smart grids, and energy sharing networks have been explored to reduce the need for grid capacity upgrades.
E5. Refusal of fossil fuels	Any applications for exploration and extraction of fossil fuels will not be supported.
E6. Support for innovative energy generation	Support will be given to innovative renewable energy generation approaches, such as 'agrivoltaics' – the combined use of land for solar PV generation and agriculture. Although these sites may not specifically be identified as suitable in land sensitivity assessments, they should be not refused without an appropriate individual assessment of land suitability based upon the specific innovative use of land.
E7. Protecting infrastructure	Any development should not significantly harm: a. Technical performance of any existing or approved renewable energy facility. b. Potential for optimisation of strategic renewable energy installations. c. Availability of the resource, where the operation is dependent on uninterrupted flow of energy to the installation.
E8. Mitigation of negative impacts	Support will be given to proposals that demonstrate mitigation measures are implemented for: a. Scale, siting and design and impacts on landscape character, visual amenity, biodiversity, flood risk, townscape, heritage, historic landscape and highway/rail safety. b. Impacts on aviation and defence navigation systems/communications. c. Impacts on the amenity of sensitive neighbouring uses (local residents) included issues such as noise, dust, odour, shadow flicker, air quality and traffic.
E9. Heat networks and masterplans	Developments must demonstrate through that connection to, or development of heat networks has been considered according to the following hierarchy: 1. **Connection to heat networks**:

- Connect to an existing or new low- or -zero-carbon heat network[7] from the point of occupation, where it can be demonstrated that the heat network results in lower energy demand and carbon emissions than an individual heating system approach.
- Use communal or individual renewable heating systems that are fossil fuel-free where connection to a heat network is not feasible.

2. **Future-proofing**:
   - Major developments in areas where a low- or zero-carbon heat network is planned but cannot be connected from the point of occupation must, where feasible, include infrastructure for future connection to the district heat network.
3. **Creation of new heat networks**:
   - For large-scale development proposals involving more than 50 homes or 5,000m² of floorspace within or adjacent to growth and regeneration areas identified in the development strategy, a feasibility study should be conducted to determine the potential for establishing a new low- or zero-carbon heat network. If feasible, a heat network should be included in the development proposals.

Under each stage of the above hierarchy, it is essential that any connection or development of heat networks must demonstrate that they result in a lower on-site energy demand and carbon emissions than an individual renewable heating system approach.

The heat network feasibility study should assess the potential for implementing low-or-zero carbon heat networks, which should include assessment of 4th and 5th generation networks that can offer higher efficiency and flexibility (4th and 5th networks operate at lower temperatures than conventional systems, reduce heat losses and combine other energy sources , local energy storage and offer potential for energy exchanges amongst users). Feasibility studies should cover:

Technical assessment:

- Evaluation of heat sources (renewable and waste)
- Carbon reduction optioneering between alternative heating options
- Infrastructure requirements (piping, storage etc.)
- Capacity for future connection and expansion
- Alignment with local or national carbon targets

Economic viability and assessment

- Cost analysis – including CAPEX, OPEX and maintenance
- Projected savings in energy costs and emission reductions over time
- Comparison of cost alternatives heating options

[7] A low- or zero-carbon heat network can be considered to be a system run by large heat pumps that are either partially or entirely powered by renewable electricity.

Links to other policies

Due to the requirement for new residential and non-residential buildings to have an on-site net zero energy balance, for which renewable energy generation is crucial, policies E1, E4 and E9 are inherently linked to A1 – A4, A6, B1 – B4 and B6.

Net zero new buildings can reduce additional stresses of new development on grid capacity (E4), particularly if battery storage is integrated on-site. Grid infrastructure reinforcement is critical for net zero development, primarily because as the significant amount of on-site renewable energy generation will be connected to the electricity grid. Therefore, mitigating energy consumption through A1 and B1 reduces stress on the grid.

Offsetting policies A4 and B4 could be benefited by successful implementation of E1, since having sites identified for renewable energy generation reduces time lags for large-scale energy offsetting projects.

Scope for future improvements

No scope for specific improvement on policies as numerical requirements are primarily not set, but improvements are possible on the delivery and information to support policy development and implementation. For example, a more prescriptive approach on what technologies need to be brought forward could be set, alongside improving co-benefits such as the degree of community engagement and biodiversity net gain levels.

Alignment with national policy

Renewable energy is a key component towards the fulfilment of the Climate Change Act 2008 and associated 2050 net zero target. Therefore, if the UK it to successfully transition to net zero, renewable energy opportunities must be maximised.

National policy requires community engagement to be demonstrated, as per the NPPF, and supports growth of renewable energy generation and specifically requires that sites are allocated to identify suitable areas for installations.

Policy E9 is directly aligned to the national policy position on heat networks as the UK government has introduced a regulatory framework for heat networks through the Energy Security Bill. This includes the establishment of heat network zones and the regulation of prices to ensure fair costs for consumers. The UK aims to increase the share of heat provided by heat networks from the current 2%

to around 18% by 2050. This expansion is part of the broader Heat Network Transformation Programme, which includes significant investment to scale up low-carbon heat network deployment.

Feasibility and costs overview

No feasibility or cost implications.

Implementation considerations

Supplementary guidance is essential to the delivery of these policies to set expectations of what is required from developers to demonstrate policy compliance, particularly E2, E3, E4 and E9.

Requirements for developers on community benefit and engagement should involve Swale Borough Council planning officer participation and members from the local community. Similarly, ecology officers should be involved in assessments to demonstrate biodiversity net gain.

Industry capability

All the policy elements set out involve existing themes within the renewable energy development industry and should be deliverable. Biodiversity net gain has been introduced as a national standard and will therefore be a familiar concept to the industry by the time of policy adoption.

Development Management capability

Due to the wide-ranging potential impacts of renewable energy generation and storage development, technical expertise from various internal officers will be necessary to appropriately assess policy compliance. Input will be needed from officers who have expertise in:

a. Biodiversity/ecology
b. Highways
c. Landscape
d. Heritage/conservation

Policy compliance is likely to be determined on a process of liaison with the renewable energy developer and dependent on the degree of cooperation with council officers, particularly when addressing community-based implications.

Policy implementation and monitoring

Policy adoption is key, yet policy implementation is essential to ensure effective delivery of required standards. It is recommended that the Council put together a group that includes policy officers, development management officers (and conservation/heritage) and building control officers to design an effective monitoring system.

Policy compliance

Adoption of ambitious local plan policies is crucial to work towards a net zero future. However, without reliable implementation and monitoring mechanisms, intended benefits of these policies will not be experienced and their reputation hindered.

Implementation is key to the success of policy delivery in practice and should be treated equally as important to policy development. Therefore, Development Management officers will need to gain an understanding of how the policies are intended to operate in practice and initially be guided through how to assess policy compliance.

To ensure that policies on net zero operational carbon, embodied carbon and overheating are delivered as intended, two key stages of assessing compliance are necessary: planning application/design stage and post-completion stage. Submission of data throughout design stages is what will determine policy compliance for the full planning application, yet this must be verified with as-built data to confirm true policy compliance; this only applies for recommended policy components A1 – A4, B1 – B4, C3, and D1 – D2. Pre-commencement and pre-occupation conditions must therefore be set at the planning application stage, which could include:

- Photographic evidence of building fabric, heating systems and ventilation technologies
- Air tightness tests whilst the air barrier remains accessible (to allow improvements to be made if required standards are missed)
- As-built reports for building energy performance, embodied carbon assessments and overheating measures

In cases where standards fall below required levels at the post-completion stage, it is important to have enforcement mechanisms in place to regularise non-compliant applications. This is a difficult issue to deal with as buildings cannot be deconstructed but the council should explore options with the Enforcement team on how to mitigate as-built risks.

Monitoring standards

Understanding how policies work in operation can assist the future development of improved policies and informs other local authorities on what is deliverable. SBC should develop a reliable monitoring system that enables the collation of policy performance data both for compliance at application stages and once the building is in use. This should be made available in a standardised format for ease of data input for developers and subsequent sharing of data. SBC could look to distribute this standardised reporting form to neighbouring authorities to form a regional understanding of policy implementation. Examples of suggested monitoring indicators for new buildings and also renewable energy include:

Indicator	Source	Policy link
Average in-use Energy Use Intensity of new buildings	Development data	A1 and B1
Average on-site renewable energy generation per m^2 building footprint (kWh)	Development data	A3 and B3
MW capacity of solar PV installed on buildings (kWp)	Planning portal or MCS data	A3 and B3
MW capacity of solar PV installed as standalone scheme (above 1MW)	DESNZ Renewable Energy Planning Database (REPD) data	E-suite policies
MW capacity of wind turbine installed as standalone scheme (above 1MW)	DESNZ REPD data	E-suite policies
MW capacity of battery storage installed	DESNZ REPD data	E-suite policies
£ contribution to renewable energy offsetting fund, £spent, and kWh generation delivered via the fund	Local Authority's own S106 records	A4 and B4
Number of heat pumps installed	Planning portal or MCS data	A1 and B1
Average embodied carbon of new development	Development data	D1 and D2

As required by policies A7 and B7, Post-Occupancy Evaluation (POE) is key to understanding in practice success of net zero operational energy policy. The primary purpose of undertaking POE is not for policy compliance but to better understand the performance gap between design stage energy performance predictions and the as-built performance of the building. Once the building is in use by occupants, developers cannot be penalised if reported values on energy consumption exceed the policy requirements because operational energy consumption is largely dependent on occupant behaviour.

Due to the influence of occupant behaviour on values reported through POE, there are privacy concerns with residents associated with these exercises. Therefore, developers cannot force residents

to participate in POE but should show to the best of their ability that the building performs as intended with a minimal performance gap with the amount of data available. Implications of this potential risk are that data collection of energy performance may not be possible and future policy iterations are less informed.

Mitigating the performance gap

UK buildings are consistently victim to a performance gap between the energy performance of the building at the design stage and operational performance. The delivery of truly net zero buildings therefore requires rigorous systems to be in place to mitigate such a gap in energy performance, which are explored below.

Often the first point of failure of below-par operational energy performance is at the modelling stage, which in the UK is led by use of inaccurate compliance tools for Building Regulations, SAP and SBEM.

If local policy is to more effectively deliver net zero buildings, alternative methodologies, such as PHPP, should be used to gain an understanding of building energy performance at the design stage. Proven alternatives are available for both residential and non-residential buildings, which are required for A- and B-suite policies[8]:

- Residential: Passivhaus Planning Package
- Non-residential: CIBSE TM54 with Passivhaus Planning Package or IES-VE

It is also worth noting that the use of accurate energy modelling tools, like PHPP or TM54, is often a first step within process-based assured performance methods (see later subheading in this section).

A new residential energy modelling tool for building regulations Part L is current in development nationally: the Home Energy Model, HEM. Although efforts are being made to remedy the inaccuracies of SAP within HEM, the final form and in-practice effectiveness of HEM is not yet known. The Council is encouraged to return to this topic once HEM is well-established and its accuracy evidenced, to consider whether this would be a suitable step within efforts to reduce the performance gap and/or comply with the policies A1-A2 and B1-B2.

Accurate assessments are equally important for policies on overheating and embodied carbon. For overheating, the simplified method on offer for Part O of Building Regulations is an inaccurate tool, hence why CIBSE overheating assessments should be completed so that more specific and accurate overheating measures specific to the at-risk building can be implemented.

Embodied carbon assessments require reliable and up-to-date data on the carbon content of various materials and products. Accurate data is the key to robust embodied carbon assessments. Since embodied carbon is not a national policy requirement, there is no approved methodology, but the RICS Whole Life Carbon Assessment guidance is generally accepted as the industry standard.

Third party verification

The use of accurate assessment and modelling tools is essential to the eventual performance of buildings, but human inaccuracies and errors throughout stages remain a risk to exacerbating a performance gap. Therefore, requiring third-party verification mechanisms to assess the accuracy of the approach, inputs and assumptions to modelling and/or assessments can further mitigate performance gap risks. There is currently no recognised collection of third-party verification systems and should therefore be a council-led decision on what would constitute an acceptable third-party verification process demonstrated by a developer. An acceptable third-party verification approach would be the submission of an audit undertaken by a third-party consultancy who are able to undertake the calculations themselves but are independent to the development. Additionally, if the assured performance schemes (as below) are used, this would constitute an effective third-party verification process.

Assured performance

Once accurate modelling and assessments have been completed to the best of abilities, following the processes above, assured performance schemes should be employed as the final element of performance gap mitigation. These are procedural toolkits that are designed to deliver a reduction in the performance gap through following optimal steps during design and construction to make assumptions and modelling more accurate and then to deliver correctly on what was designed. Building Control at local authorities firstly do not have control over all development sites and even at those where the authority does, regular on-site checks are not always carried out. Management systems to ensure high levels of construction quality are necessary to deliver energy performance standards as predicted.

For example, air tightness and thermal bridging are key components of the net zero operational energy policies recommended in this document. These need to be checked throughout construction phases, meaning that a simple confirmation of insulation thickness is insufficient to assess construction quality.

Acceptable schemes to demonstrate compliance with policies A5 and B5 should be set out in supplementary policy guidance. Several schemes are available and proven to be reputable, as listed below:

- **Passivhaus Certification** (residential and non-residential)
- **AECB Building Standard** (residential and non-residential)
- **NABERS UK** (non-residential)
- **Assured Performance Process** (residential)
- **National Energy Foundation** (residential).

[8] In some cases, particularly for minor development, SAP may still be used in combination with tools such as the Energy Summary Tool (used by Cornwall and Bath & North East Somerset Councils), which aims to minimise inaccuracies that arise with the use of SAP for energy performance modelling.

Energy Statement guidance

The example Energy Statement structure below is based on a residential application and sets out the information that should be addressed to sufficiently assess policy compliance. Formats may consist of Excel spreadsheets or automated digital tools that summarise policy compliance efficiently for Development Management officers to utilise.

Existing examples of Energy Statements and supporting forms are listed below:

- Bath & North East Somerset Council Sustainable Construction Checklist SPD
- Cornwall Council Energy Summary Tool
- Central Lincolnshire Energy Efficient Design and Construction guidance and reporting tools

The examples above are linked to the three examples of adopted policies that align with the policy recommendations for operational carbon in this report. Swale BC may decide to take a similar route to the examples given above or explore their own options for assessing, reporting and monitoring policy compliance.

Example structure

1. **Cover page:**
   - Include the date of drafting, the scheme's location, and the details of the person completing the Energy Statement, including their qualifications or memberships.

2. **Executive summary:**
   - Key features of the site or design approach.
   - Built fabric specifications (U-values for walls, windows, doors, floor, and roof; materials; ventilation system; airtightness standard).
   - Proposed heating system and confirmation of no gas network or bottled oil/gas use.
   - Efficiency rating of appliances and expected unregulated energy use.
   - Overall space heating demand and energy use intensity.
   - Proposed renewable energy sources and their adequacy.
   - Post-construction testing and monitoring plans by a qualified person.
   - Justifications for any standards not met.

3. **Information checklist:**
   - Detailed PHPP or SAP (if correction tool is used e.g. Cornwall Energy Summary Tool) calculations, including:
     - Total energy use
     - Space heating demand
     - On-site renewable energy generation
   - Any energy offsetting contribution proposed
   - Details of glazing, insulation, ventilation, heat supply, and renewables.
   - Location of heat pump and renewables.
   - Orientation and solar gains plans.
   - Assessment of embodied carbon (for major developments).
   - Details of known appliances and lighting.
   - Commitment to as-built verification by a qualified individual.

4. **Introduction and context:**
   - Provide a brief introduction with policy context, location details, and a summary of the proposal.

5. **Site-wide considerations**
   - This section should discuss the approach taken, detailing choices and their impacts, and any site limitations like shadowing or wind direction.
   - Includes decisions on building form to optimise efficiency and energy generation, referencing relevant plans.
   - Detailed measures for heat resilience, such as shading, landscaping, green walls, or roofs. Use images and plan extracts to clarify decisions.
   - If demolition is proposed, provide detailed justification, including carbon assessments for both retaining and demolishing the building.
   - For outline applications, explain what details are provided and what will be established at reserved matters stage. Conditions may secure details at this stage, with considerations for layout, orientation, and built form.

6. **Building-level energy performance**
   - Proposed building fabric, including materials and performance specifications for walls, floors, roofs, windows, and doors, with U-values.
   - Airtightness level and approach to achieving it.
   - Ventilation strategy, specifying methods, locations, and operations.
   - For major applications, include decisions on embodied carbon, comparing materials to demonstrate benefits.
   - For multiple buildings, provide details for each house type.
   - For outline applications, commit to a fabric-first approach and specify deliverables where possible.

7. **Technology systems**
   - Proposed heating and hot water systems, typically heat pumps.
   - Details of other efficiency systems like smart meters, vehicle-to-grid charging provision and water-saving fixtures, highlighting their benefits.
   - Describe how smart grids and energy sharing networks have been considered and/or adopted.
   - Reference plans showing system locations.
   - For multiple buildings, detail any differences.
   - Provide instructions for future occupants on efficient system use.
   - For outline applications, commit to a general approach if specific details are not yet known.

8. **On-site renewable energy**

- Describe the type and expected output of renewable energy systems, such as PV panels, based on building orientation.
- For multiple buildings, summarise generation by house type and orientation.
- Reference plans showing system locations.
- If shared systems are proposed, explain how they will be managed and maintained.
- For outline applications, indicate the proposed generation type and likely locations, with specific details to be confirmed later.

9. **Assured performance and post-occupancy monitoring:**
   - Detail proposed post-occupancy monitoring strategy by a qualified individual.
   - Address any shortfalls in achieving standards and propose mitigation measures, such as additional renewables.
   - Ensure future occupants understand system operation and provide necessary information.
   - For outline applications, include testing and monitoring plans if possible, or condition them for later stages.

10. **Conclusion:**
    - Summarise key information and achievements, indicating clearly whether policy compliance has been achieved or not.

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Planning and Transportation Policy Working Group	
Meeting Date	4th November 2025
Report Title	Local Plan Review – Regulation 18 Consultation Launch
EMT Lead	Emma Wiggins, Director of Regeneration and Neighbourhoods
Head of Service	Joanne Johnson, Head of Place
Lead Officer	Natalie Earl, Planning Manager (Policy)
Classification	**Open**
Recommendations	1. To recommend the Local Plan Regulation 18 document in Appendix I and the draft Sustainability Appraisal Scoping Report Update in Appendix III to Policy and Resources Committee (P&R) for recommendation to Full Council (FC) for approval for consultation purposes. 2. To recommend that Policy and Resources Committee delegate to the Head of Planning, in consultation with the Planning and Transportation Policy Working Group (PTPWG) Chair, any minor amendments and corrections to the Local Plan Regulation 18 document prior to the start of the consultation period.

1 Purpose of Report and Executive Summary

1.1 The purpose of this report is to present the Regulation 18 Local Plan (Reg 18) that is set out in Appendix I and the refreshed Sustainability Appraisal Scoping Report in Appendix III. This is a formal Reg 18 consultation that seeks feedback from stakeholders and the public to a series of questions about the Local Plan's vision, objectives and Development Management (DM) policies.

1.2 Given the scale and complexity of the documents, it is inevitable that some minor clarifications/corrections may be required prior to the start of the formal Regulation 18 consultation and therefore recommendation 2 is deemed a reasonable and pragmatic suggestion. An example may be where additional words or terms could usefully be added to the glossary or formatting/grammatical errors need correcting.

1.3 The consultation period will run from Monday 12th January 2026 until Monday 23rd February at 5pm and officers are working with the Communications team on a range of engagement opportunities to enable wide ranging participation. Consultation arrangements are being finalised in line with the draft Statement of Community Involvement which has been considered by PTPWG (16th September) and will be considered at Policy and Resources Committee (P&R) on 5th November.

2 Background

2.1 This section sets out the recent history of the progress of the Local Plan and the relevant decisions that have been taken.

Why are Swale consulting on a Reg 18 Local Plan now?

- Since the last Local Plan Reg 19 consultation in Spring 2021 and Local Plan Reg 18 consultation in Autumn 2021 there have been a number of updates to both legislation and relevant documents that have led the Council to decide to undertake a new Reg 18 consultation:
    - The NPPF was updated in 2024 so a new Reg 18 allows Swale to reflect this, and updates to the associated Planning Practice Guidance (PPGs), within the Local Plan;
    - A number of new evidence base documents have been undertaken to update them so they can be reflected within the Local Plan;
    - The Climate and Ecological Emergency action plans have been updated, a new Affordable Housing Emergency was declared in April 2024 and The Town and Country Planning Association (TCPA) Healthy Homes Pledge was signed in May 2024; and
    - A new Corporate Plan 2023- 2027, setting out new objectives and priorities has been adopted.

- To allow Swale to set out a degree of vision (excluding strategic policies or allocations) for housing, the economy, the environment, infrastructure, at the earliest stage;
- To enable Swale to reflect local issues and priorities within the Development Management Policies;
- To provide an early opportunity for the public and stakeholders to engage with elements of the Local Plan; and
- To allow the Local Plan to be submitted under the transition window[1] and under the current planning system and therefore avoid potentially having to redo / disregard large sections of the evidence base and policy drafting that has already been undertaken.

2.2 As part of this process, Swale agreed a new Local Development Scheme (LDS) on 30th July 2025. This is the timetable of what documents the Council will produce and when. It was updated to reflect delays to the conclusion of the Highsted Inquiry.

[1] The 2024 National Planning Policy Framework (NPPF) put in place transitional arrangements to support progress of advanced plans in line with the Government's objective of adopting Local Plans as quickly as possible. Plans that are submitted by December 2026 can be prepared against the current plan making legislation/guidance (the 'transition window').

The Reg 18 Local Plan Structure and Policy Drafting

2.3 There is some flexibility as to what style a Local Plan Reg 18 takes, especially when it is a repeated stage. At Full Council on 24th July 2024 members chose to produce a more detailed Reg 18 Local Plan, to include issues and options and to reflect a number of draft evidence documents produced to demonstrate mitigation for the levels of development proposed.

2.4 At Planning and Transportation Policy Working Group on 15th July 2025 members agreed to reduce the scope of the Reg 18 consultation, to include matters which do not depend on the Highsted Planning Inquiry decision[2] – namely, the vision, objectives, the portrait of the borough and the Development Management (DM) policies.

2.5 The structure is similar to that of previous Local Plans, for continuity and to enable ease of use between this and the adopted Local Plan for both development management officers, stakeholders and the public.

2.6 In addition to an introductory section, the opening part of the document is made up of four main sections that each contain questions. The four sections are:

- Introduction:
  - which explains what a Local Plan is and what it can contain
  - what has happened so far with Swale's Local Plan
  - why Swale are consulting on a Reg 18
  - how to comment on this consultation
  - what happens next.

- What has influenced the development of the Local Plan:
  - National Planning Policy and Guidance
  - community and stakeholder engagement
  - other relevant plans and strategies and evidence base
  - environmental impacts.

- Characteristics of the borough and the key issues and challenges to be addressed.

- Vision and Objectives.

2.7 The Development Management (DM) policies have been grouped thematically into:

- Cross-cutting
- Good design
- Housing
- Economic Development
- Infrastructure

[2] Campaigns - Highsted Park planning inquiry

- Climate Change, Pollution & The Water Environment
- Bio-diversity and Landscape
- Historic Environment

2.8 Finally, there is a section on 'Implementation & Monitoring' which will be more detailed at Reg 19 stage, and the appendices which include a glossary and list of acronyms used throughout the document.

2.9 The Vision and Objectives are those which were recommended by PTPWG on 8th August 2024 and agreed at Policy and Resources Committee on 11th September 2024. There are questions in the consultation document about the vision and objectives, asking if the vision is positive, clear, realistic and ambitious and if the objectives align with the issues and challenges facing Swale.

2.10 There are no Strategic Policies sitting above the DM policies within this Reg 18. These would typically provide the high-level, long-term planning principles that guide development across a local area, setting out the key principles for growth, infrastructure, and the protection of areas. When looking at the DM policies, consultees will be reminded that this is a conscious omission at this stage. (As explained in paragraph 2.4 above.)

2.11 Strategic policies are, however, central to the planning system and will be included at the Reg 19 stage.

2.12 For the Development Management policy drafting, officers used the extensive informal engagement work that was undertaken with members during summer 2024. Policies have also been updated to reflect the revised National Planning Policy Framework (NPPF) that the Government published in December 2024 and other relevant guidance and evidence base documents that have been published.

2.13 Five new policies have been drafted for this Local Plan and these are all in the 'Climate Change, Pollution & The Water Environment' chapter. They have been added to reflect the ambitions and actions of the Council's Climate and Ecological Emergency and the associated Action Plan. The evidence base for these policies is the 'Net Zero Policy Development' work which consultants Bioregional and Edgars have carried out. UK Legislation, policy and guidance (including the NPPF) requires that Local Plans include policies to mitigate and adapt to climate change. In 2019 Swale Borough Council declared a climate emergency with a target for the borough to be net zero by 2045 (updated in 2025 from former target of 2030). In response to this, the Planning Policy team commissioned consultants to help prepare a Net Zero Policy evidence base. A separate report on this piece of evidence is earlier on the agenda at this meeting.

2.14 Table I in Appendix II lists all of the policies within the Reg 18 Local Plan with a commentary column explaining why it has been updated:

- To reflect to reflect the 2024 NPPF
- To reflect new relevant legislation

- To reflect an updated and/or new evidence base documents

2.15 The table briefly highlights the nature of any change made.

2.16 After the consultation period closes, responses will be summarised. The main issues will be reported to a future meeting of this working group with recommendations on how said issues could be addressed in the draft submission Local Plan (Regulation 19.)

Sustainability Appraisal Scoping Report

2.17 The Sustainability Appraisal (SA) process considers how the Local Plan might influence the environmental, social, and economic characteristics of an area. It plays an important role in demonstrating that the plan is positively prepared and contributes towards sustainable development.[3]

2.18 SAs must incorporate the requirements of the Environmental Assessment of Plans and Programmes Regulations 2004 (commonly referred to as the 'Strategic Environmental Assessment (SEA) Regulations').

2.19 The Scoping Report is the first stage in the sustainability appraisal process. It sets out the context and approach of the SA moving forward, and identifies relevant environmental, economic, and social issues and objectives for the plan area. The scoping process helps ensure the sustainability appraisal process is proportionate and relevant to the plan being assessed. A Scoping Report has already been undertaken for this Local Plan Review in 2018 but due to it now being 7 years old, it has been refreshed and is included in Appendix III.

2.20 The Scoping Report consultation process is a technical consultation and the process is set out in Planning Policy Guidance (Paragraph: 014 Strategic environmental assessment and sustainability appraisal - GOV.UK) It must be sent specifically to Historic England, Natural England and the Environment Agency. They have 5 weeks to respond.

Timeline and Consultation Process

2.21 The draft Local Plan timeline set out in Appendix IV, shows the challenging timeline between the Reg 18, Reg 19 and submission stages of the Local Plan which is required to meet the previously agreed ambition to submit before the wholesale changes to plan-making are introduced from January 2027.

2.22 It is for this reason that the Reg 18 consultation is proposed to last for six weeks, rather than the longer period recommended in the Council's recently adopted

[3] The purpose of the planning system is to contribute to the achievement of sustainable development, including the provision of homes, commercial development and supporting infrastructure in a sustainable manner. At a very high level, the objective of sustainable development can be summarised as meeting the needs of the present without compromising the ability of future generations to meet their own needs.

Consultation Policy. This reduced period is considered appropriate in this case due to:

- It is imperative to meet the submission date
- Consultation dates have been highlighted to consultees suitably ahead of time
- The reduced scope of this Reg 18 exercise compared with past consultations

2.22 The consultation questions within the document will be able to be responded to online via the consultation portal, Objective, and as always, general comments on the documents can also be made. The Council will notify all those on Swale's Objective consultation database prior to the consultation to provide them with the dates of the consultation and links to the documents. All libraries in the borough and council offices (Sittingbourne, Faversham and Sheerness) will have hard copies of the documents available for inspection as well as The Swallows leisure centre in Sittingbourne whilst Sittingbourne Library is undergoing refurbishment.

2.23 Parish and Town Councils were made aware of the consultation period at a Local Parish Councils' Liaison Forum on 24th September 2025. Late representations from those groups who have been unable to arrange to meet during the consultation period to agree their response will be accommodated as far as possible.

3 Proposals

3.1 To recommend the Local Plan Reg 18 document in Appendix I and the draft Sustainability Appraisal Scoping Report Update in Appendix III to Policy and Resources Committee (P&R) for recommendation to Full Council (FC) for approval for consultation purposes.

3.2 To recommend that Policy and Resources Committee delegate to the Head of Planning, in consultation with the Planning and Transportation Policy Working Group (PTPWG) Chair, any minor amendments and corrections to the Local Plan Reg 18 document prior to the start of the consultation period.

4 Alternative Options Considered and Rejected

4.1 The Council could choose not to progress with a Local Plan review and not to publish the Reg 18 Local Plan. This would be contrary to central government expectations, and to the Council's Corporate Plan objective to "progress a Local Plan with local needs and capacity at its heart."

4.2 In the Planning and Transportation Policy Working Group paper 'Local Plan Review - Timetabling and Way Forward' on 15th July 2025, 10 options were set out for progressing the Local Plan. Agenda for Planning and Transportation Policy Working Group on Tuesday, 15 July 2025, 7.00 pm

4.3 The Council could choose not to include some, or all, of the 5 new policies in the climate change chapter and to only update existing policies. However, they will assist the Council to meet the aims of its Climate and Ecological Emergency, so this option is not recommended.

4.4 The Council could choose to produce fewer development management policies and to rely more heavily on policies within the National Planning Policy Framework. However, this does not allow for locally distinct policies that reflect the challenges and unique character of Swale, and is therefore not recommended.

5 Consultation Undertaken or Proposed

5.1 All formal stages of a Local Plan go through statutory consultation with the public, Parish/Town Councils, Statutory and Non-Statutory Consultees and local interest groups. Details of this can be seen in the draft Statement of Community Involvement.

5.2 A consultation programme is being drafted and will include press releases, a presentation to the Local Parish Councils' Liaison Forum, articles in Inside Swale, Swale's business newsletter, the Swale Green Grid newsletter, social media videos and FAQs. It will be shared with PTPWG members via an email update prior to the launch of the consultation.

6 Implications

Issue	Implications
Corporate Plan	The Local Plan supports the delivery of all of the Corporate Plan priorities: • Community • Economy • Environment • Health and housing • Running the Council The Plan contains a specific objective to 'progress a Local Plan with local needs and capacity at its heart.'
Financial, Resource and Property	The Local Plan work programme is fully funded across a combination of base budget, committed reserves and a contribution from the government's Local Plans Delivery Fund.
Legal, Statutory and Procurement	Preparation of a Local Plan is carried out under a national legislative and regulatory framework. Due to Swale's unique circumstances with the Highsted Inquiry, officers obtained legal advice on the robustness of the proposed approach in terms of

	both the content of the proposed Reg 18 and the timings. No concerns were raised.
Crime and Disorder	There are no direct crime and disorder impacts arising from this report. There will be policies within the Local Plan that will positively affect crime and disorder within Swale.
Environment and Climate/Ecological Emergency	The Local Plan will be supported by its own Sustainability Appraisal and Habitats Regulation Assessment at each key stage in decision making and these assess the environmental impact of the Local Plan as a whole. Five new innovative climate change policies have been included on Sustainable design and adaptation principles, Net zero operational carbon in new build residential development, Net zero operational carbon in new build non-domestic development, Embodied carbon and waste and Renewable energy development and infrastructure.
Health and Wellbeing	There are no direct health and wellbeing impacts arising from this report. There will be policies within the Local Plan that will positively affect the health and wellbeing of local residents.
Safeguarding of Children, Young People and Vulnerable Adults	None identified at this stage.
Risk Management and Health and Safety	There is a risk to the Council of not having a Local Plan as set out in section 4 of the 'Local Plan Review - Timetabling and Way Forward' report to Planning and Transportation Policy Working Group on 15th July 2025.
Equality and Diversity	None identified at this stage, although the Local Plan Review itself will be subject to equality impact assessment at the next stage – Reg 19.
Privacy and Data Protection	Representations will be processed and published in line with the council's privacy and data protection policy.

7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- Appendix I: Draft Regulation 18 Local Plan
- Appendix II: Table I: List of all of the policies within the Reg 18 Local Plan
- Appendix III: Draft Sustainability Appraisal Scoping Report Update, October 2025
- Appendix IV: High Level Local Plan Timetable

8 Background Papers

8.1 Local Plan Review - Timetabling and Way Forward Agenda for Council on Wednesday, 30 July 2025, 7.00 pm

8.2 Draft Statement of Community Involvement. (Public Pack) Agenda Document for Planning and Transportation Policy Working Group, 16/09/2025 19:00

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Swale Borough Council

Local Plan Review (Regulation 18)








January 2026

Swale Borough Council, Local Plan Review (Regulation 18) January 2026

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1 Introduction

1.1 What is a Local Plan?

1.1.1 The Local Plan is a document that addresses the needs and opportunities of an area and guides decisions of future developments. The Local Plan includes policies on housing, employment, the natural and historic environment and infrastructure. It also identifies areas where development should take place and areas where development should be restricted. The Local Plan must be in accordance with the National Planning Policy Framework [1](NPPF). The NPPF is a land-use planning policy set by central government and are the overarching guidelines a Local Plan must adhere to.

1.1.2 Once a Local Plan is adopted, it will form part of the 'development plan' for the borough which means it will legally be the main consideration in deciding planning applications. The emerging Local Plan will replace the existing Local Plan, Bearing Fruits 2017. However, unimplemented development land allocations from Bearing Fruits will roll forward to meet the development needs of the borough for the plan period.

1.1.3 Kent County Council's Minerals and Waste Local Plan [2] will continue to provide the policy framework for waste and minerals and all Supplementary Planning Documents (SPD) will roll forward as they will relate to the parent policy in this plan once approved. The made Faversham Neighbourhood Plan [3]and Boughton and Dunkirk Neighbourhood Plan [4] and any further Neighbourhood Plans prepared by town and parish councils will also make up the 'statutory development plan' and will have an important status in determining future planning applications in the area.

How is a Local Plan prepared?

1.1.4 Local Plan preparation follows a process set out by central government. Local Plans must be informed by evidence and engagement with communities and stakeholders to identify issues and potential options for addressing them. The process on how to prepare a Local Plan can be found here[5]. The Council has undertaken previous stages of Local Plan consultation and the issues raised have informed this document and helped shape the priorities and vision.

1.2 What has happened so far?

Previous Local Plan Stages/Consultations

1.2.1 There have been several stages of consultation on the emerging Local Plan since Bearing Fruits was adopted.

1 The Swale New Garden Communities Prospectus April 2018

1.2.2 Similar to now, the Council understood that Swale was facing considerable challenges as to how it could plan for the significant levels of new homes that it was expected to provide and asked landowners and developers to submit proposals for new communities to see if this option showed potential for the next Local Plan. The Prospectus explained:

1 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
2 https://www.kent.gov.uk/about-the-council/strategies-and-policies/service-specific-policies/economic-regeneration-and-planning-policies/planning-policies/minerals-and-waste-planning-policy/kent-minerals-and-waste-local-plan-kmwlp
3 https://swale.gov.uk/planning-and-regeneration/local-plans/neighbourhood-planning/faversham#h2
4 https://swale.gov.uk/planning-and-regeneration/local-plans/neighbourhood-planning/boughton-under-blean-and-dunkirk#h2
5 https://www.townplanning.info/town-planning-in-england/development-plans/local-plan-preparation-and-process-guide/

- what a ‘garden’ community is; and
- what we expected to see included within any submission.

1.2.3 The Prospectus invited landowners to submit sites for consideration. Four submissions were received and assessed.

1.2.4 The technical assessments that were undertaken showed no absolute barriers to progression for three of the submissions (Land at Bobbing, SE Faversham and SE Sittingbourne) but identified issues of varying complexity and severity which required further work and consideration of potential mitigations which could be explored through the Issues and Options consultation and through further work with the potential developers. At that stage it was agreed to keep all of the growth options open.

1.2.5 The findings of these assessments were fed into the Issues and Options document ‘Looking Ahead’ and stakeholders views were asked on the concept of new settlements and if Swale should consider the opportunities offered by them.

1.2.6 For further information on the schemes submitted and the assessments of them please see the Strategic Development Options webpage [6].

2 Looking Ahead April 2018

1.2.7 The Council published a consultation and engagement document called ‘Looking Ahead’ to give stakeholders an early opportunity to shape the scope and content of the next Local Plan. Looking Ahead gave the Council a chance to gather opinions and gauge the wider appetite for certain approaches that could be further considered to provide for new development needs.

1.2.8 Respondents were asked for their views on a wide variety of topics including:

- the analysis of Swale's strengths, weaknesses, opportunities and threats;
- where should Swale be locating the next generation of employment sites;
- the future of Swale’s town centres;
- the approach to housing numbers;
- the required mix of new dwellings;
- what approach should Swale be considering to make further site provision for Gypsies and Travellers?
- what did stakeholders consider the broad social and physical infrastructure priorities should be for Swale in the coming years?
- mitigating impacts of climate change.

1.2.9 The responses were analysed and reported and helped to focus the Council on the community and stakeholder priorities with recommendations on how said issues could be addressed in the draft submission plan (Regulation 19) which would seek to include a longer term vision for any strategic sites (as required by the July 2021 version of the NPPF.) It also included a suite of policies and proposals that sought to address the impacts of Covid-19 and Brexit on the economy and our town centres.

1.2.10 Consultation on a draft Sustainability Appraisal Scoping Report was also carried out in 2018, to determine how the environmental, social and economic impacts of a future Local Plan would be assessed.

3 Swale Borough Local Plan Review (Regulation 19) Pre-submission Consultation February to April 2021

1.2.11 This was a statutory consultation [7] during which the Council specifically sought comments on the Plan’s soundness and whether we had complied with legal requirements.

1.2.12 The Local Plan Review contained policies to support other key Council objectives and previous consultation responses, including:

6 https://swale.gov.uk/planning-and-regeneration/local-plans/sd-options
7 https://swale.gov.uk/planning-and-regeneration/local-plans/local-plan-review/public-consultation

- addressing climate change;
- improving health and wellbeing;
- the provision of affordable housing in all parts of the borough;
- supporting the provision of homes for older people and those with mobility issues; and
- development on small and medium sites in recognition of the important role SME builders make to housing delivery in the borough.

1.2.13 The pre-ambles to the Development Management policies from this document have been refreshed and updated for this Regulation 18 document using new national guidance and comments received to the consultation from stakeholders and the public.

4 Issues and Preferred Options consultation (Regulation 18) Oct/Nov 2021

1.2.14 The reasons for carrying out this further consultation [7] were to seek additional views on the options for a development strategy in light of the recently revised NPPF, and to set out potential approaches to address the challenges that faced the borough following the covid pandemic and Brexit.

1.2.15 Through the Issues and Preferred Options consultation, Swale sought views on different options for distributing future development across the borough and on possible alternative or additional approaches in certain policy areas, such as town centres and economic development, climate change and providing new homes.

1.2.16 It was accompanied by an Interim Sustainability Appraisal (October 2021) which provided the evidence to inform, and the framework to test and develop, options ultimately helping to deliver a more sustainable strategy. The aim was to ensure that the Local Plan contributes to the achievement of sustainable development.

1.2.17 This document, and the consultation responses received at that stage, have fed into this Regulation 18 document. Responses to the key issues and challenges and the responses received to the questions asked about policy issues (Climate change, Place shaping/design, protecting and enhancing environment and heritage, New Homes, Economy and town centres) have helped to shape the DM policies.

1.2.18 The comments made on development options in the Issues and Preferred Options will be fed into the next stage of plan making (Regulation 19.)

1.2.19 It may appear unusual that the Council are repeating certain stages of plan making, however this is not uncommon. As circumstances and legislation changes, legally the Council need to allow stakeholders a renewed chance to comment on updated text and policies.

1.2.20 For why we are doing a new Regulation 18 now, please go to the section 1.4 below.

1.2.21 During this period the Boughton and Dunkirk Neighbourhood Plan [8] was 'made' in February 2023 and the Faversham Neighbourhood Plan [9] in December 2024. A large suite of evidence base documents have been undertaken, and some are still ongoing, and can be viewed at: Local Plan Review - Evidence [10].

1.2.22 Since the last stage of consultation, work has been undertaken on a wide range of evidence base documents which will be used to inform the Local Plan. They can be seen at Local Plan Evidence Base

1.3 Neighbourhood Plans

1.3.1 The Localism Act 2011 [11] introduced rights and powers that allow local communities to shape new developments within their area by coming together to prepare a neighbourhood plan. These Plans can be

8 https://swale.gov.uk/planning-and-regeneration/local-plans/neighbourhood-planning/boughton-under-blean-and-dunkirk#h2
9 https://swale.gov.uk/planning-and-regeneration/local-plans/neighbourhood-planning/faversham#h2
10 https://swale.gov.uk/planning-and-regeneration/local-plans/local-plan-review-evidence#h2
11 https://www.legislation.gov.uk/ukpga/2011/20

prepared by Town and Parish Councils or 'neighbourhood forums', which are community groups intended to undertake neighbourhood planning in areas without parishes. Such forums apply to the local planning authority for appropriate recognition to take the lead of a Neighbourhood Plan.

1.3.2 The criteria for establishing neighbourhood forums are intended to encourage new and existing residents' organisations, voluntary and community groups to put themselves forward. These groups can use neighbourhood planning powers to establish general planning policies for the development and use of land in a neighbourhood. These are described legally as 'neighbourhood development plans.'

1.3.3 Communities can also use neighbourhood planning to permit the development they want to see - in full or in outline – without the need for planning applications. These are called 'neighbourhood development orders.'

1.3.4 The Local Plan will continue to set the strategic context within which neighbourhood development plans sit.

1.3.5 A neighbourhood plan puts in place planning policy for a neighbourhood area to guide future development. A neighbourhood plan is about the use and development of land and may contain a vision, aims, planning policies, proposals for improving the area or providing new facilities, or allocation of key sites for specific kinds of development.

1.3.6 It can deal with a wide range of social, economic and environmental issues (such as housing, employment, design, heritage and transport) or it may focus on one or two issues only. It can specify policies and guidance on how new development should be designed, orientated and located. Neighbourhood plans can be a powerful tool in shaping the development of a neighbourhood.

1.3.7 Neighbourhood Plans also have to meet a number of 'basic conditions' before they can be put to a community referendum and legally come into force. These conditions are to ensure plans are legally compliant and take account of wider policy considerations (e.g. national policy). The conditions are that:

1. they must be in general conformity with local (Swale Local Plan and associated guidance) and national planning policies (NPPF);
2. they must be compatible with European obligations and human rights requirements; and
3. they must contribute to the achievement of sustainable development.

1.3.8 If the local planning authority says that an area needs to grow, then communities cannot use neighbourhood planning to block the building of new homes and businesses.

1.3.9 An independent qualified person will check that a neighbourhood development plan or order appropriately meets the conditions before it can be voted on in a local referendum. This is to make sure that referendums only take place when proposals are workable and of a decent quality. Neighbourhood development plans or orders do not take effect unless there is a majority of support - more than 50% - in a referendum of the neighbourhood. If proposals pass the referendum, the local planning authority is under a legal duty to bring them into force.

1.3.10 Currently, Swale has five designated neighbourhood plan areas, these are:

- Faversham;
- Boughton-Under-Blean and Dunkirk;
- Minster;
- Hernhill; and
- Borden.

1.3.11 Two Neighbourhood Plans are 'Made' (Adopted). The Localism Act 2011 considers Neighbourhood Development Plans as 'made' [12] when completed. Boughton and Dunkirk Neighbourhood Plan made in February 2023 and Faversham Neighbourhood Plan made in December 2024.

12 https://www.legislation.gov.uk/ukpga/2011/20

1.3.12 For further guidance on how to undertake a Neighbourhood Plan please visit Neighbourhood Planning Guide.[13]

1.4 Why we are consulting on a Regulation 18

Why the Local Plan is being reviewed

1.4.1 Swale's current Local Plan, Bearing Fruits was adopted in July 2017, adopted Local Plan, Bearing Fruits [14] and has a plan period of 2014 to 2031. It is a requirement for Local Plans to be reviewed every five years and for Local Plans to have a lifespan of 15 years from adoption. This review covers the period 2022 to 2042. This is because the Local Plan must cover 15 years post adoption, which will be in 2027.

1.4.2 Swale Borough Council began reviewing its adopted Local Plan soon after adoption in 2017 to:

- deliver the spatial priorities and objectives of the Swale Borough Corporate Plan, the current version (2023- 2027) of which reflects the council's declaration of a climate and ecological emergency in June 2019;
- address changes to national planning policy and guidance since the adoption of Bearing Fruits, including the requirement to review Local Plans at least once every 5 years (introduced in April 2018);
- extend the plan period to ensure that there will be an appropriate time horizon for strategic policies as recommended in the NPPF in order to anticipate and respond to long term requirements and opportunities;
- fulfil the council's commitment in Bearing Fruits to undertaking an early review of its Local Plan to address local transport issues; and
- provide for additional new housing, employment and other development that is required to meet future needs.
- Since the last Reg 19 consultation in Spring 2021 and the Reg 18 consultation in Autumn 2021, a number of pieces of relevant legislation and documents have been updated and this has led the Council to decide to undertake a new Reg 18 consultation:
  - The NPPF was updated in 2024 so a new Reg 18 allows Swale to reflect this, and any updates to the PPGs, within the Local Plan;
  - A number of new evidence base documents have been undertaken so their findings can be reflected within the Local Plan; and
  - The Swale Climate and Ecological Emergency action plans have been updated, a new Swale Affordable Housing Emergency was declared in April 2024 and the Council signed the Town and Country Planning Association's 'Healthy Homes' pledge in May 2024.

1.4.3 As part of that process four stages of consultation have been undertaken. They are set out in section 1.2 'What has happened so far?' above.

1.4.4 The Council has decided to undertake a Reg 18 consultation now for several reasons, in addition to those outlined above. To:

- Allow Swale to set out a vision (excluding strategic policies or allocations) for housing, the economy, the environment, infrastructure, at the earliest stage of plan making;
- Enable Swale to reflect local issues and priorities within the Development Management Policies;

13 https://neighbourhoodplanning.org/
14 services.swale.gov.uk/media/files/localplan/adoptedlocalplanfinalwebversion.pdf

- Provide an early opportunity for the public and stakeholders to engage with elements of the Local Plan; and
- Allow the Local Plan to be submitted under the transition window and under the current planning system. [15]This will allow the current evidence base to be used and will deliver a Local Plan as early as possible. This is important because there are risks in not having an up to date Local Plan.

1.4.5 As part of this process, Swale agreed a new Local Development Scheme (LDS) on 30th July 2025. This is the timetable of what documents the Council will produce and when.

Local Plan Stage	Date
Publication of Regulation 18	January to February 2026
Publication of submission draft (Reg 19)	July to September 2026
Submission of Plan for Examination (with results of the public consultation) Reg 22	October to December 2026
Examination hearing sessions (Reg 24) *	April to June 2027
Main modifications consultation *	July to September 2027
Adoption, Full Council (Regulation 26) *	October to December 2027

Table 1.4.1 Local Development Scheme

*Dates reliant on availability of the Planning Inspectorate

1.4.6 A key factor in amending the LDS was that at the Highsted Planning Inquiry Highsted Park Planning Inquiry [16] on 12th June 2025 the Inspector advised that the Inquiry would need to sit for a further 2 weeks. These weeks could not be accommodated before the very end of October 2025. This was a significant delay compared with the previous end date of 29th July and meant that previous member decisions related to the nature and timing of the Local Plan consultation were no longer all workable.

1.4.7 Waiting for the Highsted decision before any further public engagement on the Local Plan was not an option the Council wished to take.

1.4.8 **Important Caveat** - the Highsted Inquiry decision date is speculative and outside of Swale's control. The Inspector will prepare a report with findings and recommendations and then the Secretary of State for Housing, Communities and Local Government will make the final decision based on the Inspector's report.

1.5 How to comment

1.5.1 This consultation document and its supporting documents can be found on the council's website[17]. Copies of the Regulation 18 document only are also available to view in local libraries across Swale.

1.5.2 There are questions throughout the document for you to answer and we would like to hear your views. You are not required to comment on all the questions in the document and you can complete as many questions as you would like to.

1.5.3 You can respond to this consultation in the following ways:

15 The 2024 National Planning Policy Framework (NPPF) put in place transitional arrangements to support progress of advanced plans in line with the Government's objective of achieving ambitious Local Plans as quickly as possible. Plans that are submitted by December 2026 can be prepared against the current plan making legislation/guidance (the 'transition window'). This new approach allows Swale to ensure the next Local Plan is adopted within the transition window.

16 https://news.swale.gov.uk/campaigns/highsted-park-planning-inquiry

17 https://swale.gov.uk/planning-and-regeneration/local-plans/local-plan-review/local-plan-review#h2

- by submitting your comments online using the Planning Policy consultation portal: **https://swale-consult.objective.co.uk/kse/**
- by email to Lpcomments@swale.gov.uk or in writing to Planning Policy, Swale Borough Council, Swale House, East Street, Sittingbourne, Kent, ME10 3HT. If you prefer to make comments by email or letter, please reference specific questions in your response. Please submit your comments in advance of the closing date.

1.5.4 To submit your comments via the Planning Policy consultation portal you must first log into the system. If you have not used the consultation portal before you will need to register first. If you have made comments to any of our previous consultations via the consultation portal you do not need to register again, you can submit comments via the consultation portal using your username and password.

1.5.5 You only need to register as an 'Agent' if you are a planning agent i.e. a planning professional submitting comments on behalf of a landowner or stakeholder. Agents need to register for each client, adding the client details alongside your account details where prompted.

1.5.6 If you have any questions about using the consultation portal, please refer to our Frequently Asked Questions [INSERT LINK BEFORE PUBLICATION], where you will find answers to some of the most commonly asked questions.

1.5.7 If you need any assistance with the Regulation 18 consultation document or the Local Plan in general, you can:

- Call: 01795 417850
- Email: Lpcomments@swale.gov.uk

Consultation period

This consultation is open for six weeks from 12th January 2026 until Monday 23rd February at 5pm.

Please submit your comments in advance of the closing date to enable time for them to be carefully considered.

1.6 What happens next

1.6.1 All comments received to this consultation will be carefully considered and will inform the preparation of the next stage of the Local Plan: Pre-Submission Draft Local Plan (Reg 19.) It is anticipated that the Council will consult on this stage of the Local Plan in Summer 2026.

1.6.2 The Council has published an updated timetable, known as the Local Development Scheme (LDS), for reviewing the Local Plan which is outlined below:

Local Plan Timetable	
Vision, objectives and development management policies (Regulation 18 consultation)	January to February 2026
Pre-Submission Draft Local Plan (Regulation 19 consultation)	July to September 2026
Submission of Local Plan to Secretary of State (Regulation 22)	October to December 2026
Examination hearing sessions (Regulation 24) *	April to June 2027
Main modifications to the Local Plan consultation *	July to September 2027
Adoption of the Local Plan (Regulation 26) *	October to December 2027
* Indicative time frames as final dates will be dependent on the availability of the Planning Inspectorate.	

Table 1.6.1 Local Plan Timetable

1.6.3 Further details of the Local Plan timetable are set out in the Councils Local Development Scheme which can be viewed at: Local Development Scheme[18]

Question 1

Do you have any comments on section 1 of the draft Local Plan which will inform the Plan's progression?

18 https://swale.gov.uk/your-council/publications/planning-and-planning-policy/local-development-scheme

2 What has influenced the development of the Local Plan

2.1 National Planning Policy and Guidance

2.1.1 The National Planning Policy Framework (NPPF) [19] provides the Government's policies on planning and a framework for preparing Local Plans. The planning system is plan-led and there is a requirement for Planning Authorities to prepare Local Plans to address development priorities and use of land in their area.

2.1.2 Local Plans should make provision for housing and other development in a sustainable manner. One of the soundness tests of a plan is consistency with National Planning Policies in the delivery of sustainable development. Plans should be positively prepared, realistic but aspirational, with the impact on social, economic and environmental change duly considered. Local Plan policies should also be clear on what will or will not be permitted and where.

2.1.3 National Planning Policies provides guidance on key planning issues such as sustainable transport, competitive economy, vitality of town centre, healthy community as well as sufficient supply of homes, well designed places, climate change and conservation and enhancement of the natural, built and historic environment.

2.1.4 The Planning Practice Guidance (PPG) is published online and updated regularly to support the NPPF, expanding on it and providing further guidance on its application. It contains a dedicated section on Local Plans [20] including plan making and the role of plans.

2.1.5 There is a legal obligation for Local Planning Authorities to undertake a Local Plan Review and the NPPF provides guidelines for reviewing adopted plans with an expectation for the revised policies to be underpinned by proportional and relevant up-to-date evidence and the review carried out every five years.

2.1.6 Local Plan Review and Plan Period

2.1.7 Swale's existing Local Plan, Bearing Fruits was adopted in 2017. While it has been over five years since adoption, the NPPF is clear that policies should be prepared over a 15 year period and applications for planning permission should be determined in accordance with the adopted development plan unless material considerations indicate otherwise. The review of the Local Plan has been undertaken in line with National Planning Policy and Guidance and in adherence to existing relevant legislation. The new Local Plan will supersede the current adopted Plan - Bearing Fruits 2031: The Swale Borough Local Plan 2017 and will cover a Plan Period extending from 2027 - 2042.

2.2 Engagement

2.2.1 Paragraph 16(c) of the National Planning Policy Framework (NPPF) [21] states that plans should be shaped by early, proportionate and effective engagement between plan makers and communities, local organisations, businesses, infrastructure providers and operators and statutory consultees. There is also a 'duty to cooperate' legislative requirement built into the plan making process in line with the Localism Act 2011. This requires the Council to engage with neighbouring authorities, strategic partners and other prescribed bodies.

2.2.2 Since the commencement of the preparation of the Swale Local Plan Review, the Council has undertaken a series of consultation and engagement opportunities across all aspects of planning policy with a wide range of stakeholders. This is part of the Council's commitment to cooperating with neighbouring authorities, key organisations and infrastructure providers on cross boundary issues and with the wider public.

19 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
20 https://www.gov.uk/government/collections/planning-practice-guidance-a-local-plan
21 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

2.2.3 The Council's statement of community involvement [22] sets out the requirements and approach towards consultation on the Local Plan. It also contains a list of specific and general consultees to be consulted. This has been duly considered and adhered to by the Council throughout the process of engaging on the plan.

2.2.4 The Council has used different engagement methods including meetings (formal, informal, virtual, 1 to 1 and in-person), consultation, workshops and information sharing. The platforms used for engagement include the Council website, press releases, social media, newsletters and direct contacts with consultees. Necessary documents were also made available for inspection in the council offices and libraries.

2.2.5 The NPPF in Paragraph 36(c) requires authorities to produce and publish Statements of Common Ground which set out the cross-boundary issues that need to be addressed and detail the progress which has been made in dealing with them. This helps demonstrate that the plan is effective and sound. The council will continue to engage with neighbouring authorities as the plan making process progresses, statements of common ground will be prepared to document matters on which the council have engaged and this will be made available on the council's website.

2.2.6 The Swale Local Plan Review Statement of Consultation [23] reports on engagement since the commencement of the Local Plan Review, as this is an ongoing process, the document will continuously be updated as the review progresses.

2.2.7 So far, the outcome of engagement on the Local Plan Review has contributed to highlighting and addressing key issues with stakeholders, developing the evidence base documents supporting the plan and ultimately shaping the drafting of policies contained in the plan.

2.3 Other plans and strategies

2.3.1 The Local Plan sets out the vision of the borough over a plan period that extends from 2027 to 2042. It does not sit in isolation and there are a number of other plans and strategies that influence and inform the Local Plan, as well as contribute to shaping development in the borough.

2.3.2 Corporate Plan 2023 - 2027

The Corporate Plan 2023 - 2027[24] The council's Corporate Plan sets out the high level objectives and priorities for the Council and It acknowledges the Local Plan as a key tool in delivering those corporate priorities.

Kent Minerals and Waste Plan

The Kent Minerals and Waste Local Plan 2024-39[25] was adopted in March 2025 and is a statutory development plan setting out the vision and strategy for waste management and mineral provision across Kent including Swale. The Plan presents:

1. the overarching strategy and planning policies for mineral extraction, importation and recycling, and the waste management of all waste streams that are generated or managed in Kent; and
2. the spatial implications of economic, social and environmental change in relation to strategic minerals and waste planning.

2.3.3 The plan is accompanied by safeguarding maps identifying safeguarded wharves and rail transportation depots, as well as maps showing safeguarded economic mineral deposits within Kent. There

22 https://swale.gov.uk/planning-and-regeneration/local-plans/sci
23 https://services.swale.gov.uk/assets/Planning%20Policy%202019/Statement%20of%20Consultation.pdf
24 https://swale.gov.uk/__data/assets/pdf_file/0005/465341/Corporate-Plan-2023-2027-final-adopted-version.pdf
25 https://www.kent.gov.uk/about-the-council/strategies-and-policies/service-specific-policies/economic-regeneration-and-planning-policies/planning-policies/minerals-and-waste-planning-policy/kent-minerals-and-waste-local-plan-kmwlp

is also a Safeguarding Supplementary Planning Document (SPD) accompanying the plan to aid in understanding how the implementation of planning policies in relation to safeguarded land-won minerals as well as safeguarded mineral and waste management infrastructure.

2.3.4 The Kent Biodiversity Strategy 2020 to 2045

The Kent Nature Partnership Biodiversity Strategy 2020 to 2045 [26] is led by Kent Nature Partnership and is a 25 year plan to protect and recover threatened species and enhance the wildlife habitat in Kent setting an environmental net gain ambition in alignment with national planning policy. The strategy sets goals for ecosystems and species in terrestrial habitats, freshwater and intertidal marine habitats, as well as goals to connect people with the natural environment. The Nature Partnership includes the council, and the ambitions of the strategy are embedded and will be delivered by the Local Plan, as encouraged by National Planning Policy Framework [27]

Swale Borough Council Air Quality Action Plan (2023 - 2028)

2.3.5 The Air Quality Action Plan [28] sets out the Council's intention to improve Air Quality in the borough. It has been produced as part of the council's Statutory Duties required by the Local Air Quality Management Framework. It includes key priority themes with actionable measures leading to compliance with the Air Quality Objectives for the AQMA.

2.3.6 Other relevant Plans and Strategies that will help shape development in the borough are shown in Figure 2.3.1 Other Plans and Strategy below:

26 https://democracy.kent.gov.uk/documents/s96710/20-00025%20-%20Kent%20Biodiversity%20Strategy%20March%202020.pdf

27 (NPPF Par 25) https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

28 https://swale.gov.uk/bins-littering-and-the-environment/air-quality/monitoring



Figure 2.3.1 Other Plans and Strategy

2.4 Evidence base

2.4.1 An assessment for "soundness" of Local Plans as contained in Paragraph 36(b) of the National Planning Policy Framework[29] (NPPF) is whether the plan is based on proportionate evidence. This is a key test considered by Planning Inspectors to determine if a plan is justified.

2.4.2 Paragraph 32 of the NPPF elaborates on the need for evidence, stating that policies being prepared or reviewed should not only be underpinned by proportionate up-to-date evidence but the evidence should also be focused tightly on supporting policies taking into account relevant market signals.

2.4.3 The Local Plan Review has been informed and supported through the different stages of the plan making process by a number of evidence base documents which are constantly being reviewed as necessary based on changing circumstance and as the emerging plan evolves. An extensive range of information has been gathered and technical studies commissioned covering topics such as Housing, Climate Change,

29 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

Infrastructure, environment, employment and others. These can be found on the Council's website[30]. The work undertaken with regards to gathering and preparing evidence to support the plan are interlinked and it can be beneficial to considered it as a whole.

2.5 Environmental impacts

2.5.1 The importance of the environment and its integral role in achieving sustainable development is established and emphasised by National Planning Policy and enshrined in legislation.

2.5.2 Section 39 of the Planning and Compulsory Purchase Act 2004 [31] requires authorities preparing a plan to do so with the objective of contributing to achieving sustainable development. The National Planning Policy Framework (Para 8c) [32] lists an environmental objective as one of the three overarching objectives of the planning system important in achieving sustainable development.

2.5.3 The environmental objectives (alongside the other objectives) are expected to be delivered through the preparation and implementation of plans. It is expected that significant adverse impact is avoided, and where possible alternative options eliminating the impact are pursued. Where impact is unavoidable, mitigation measures should be proposed (Para 33 of the NPPF).

2.5.4 The Environmental Assessment of Plans and Programmes Regulations 2004 (SEA Regulations) [33] requires a comprehensive assessment of Environmental Impact to determine likely significant effect in the process of plan making. Section 19 of the Planning and Compulsory Purchase Act 2004 [34] also legally requires that a full sustainability appraisal is carried out on the proposed plan.

2.5.5 The Local Plan seeks to ensure that growth in the borough will be delivered while safeguarding and improving the environment. Since the commencement of the Local Plan review, the sustainability appraisal (SA) has been developing along with it, and evolving with the development of the plan. This is to ensure that environmental impact and the wider sustainability considerations of likely significant effect are integrated in the plan and by extension decision making.

2.5.6 An SA scoping report [35] was produced in Dec 2018 in line with the SEA regulations to take comments from statutory consultees. The outcome of this fed into the Sustainability Appraisal (SA) of the Swale Local Plan [36] report published in February 2021 to accompany the then Regulation 19 version of the emerging Local Plan. Born out of a desire to 'take a step back' and reconsider issues, opportunities and options for the Local Plan Review, the Swale Local Plan Interim SA Report [37] was published in October 2021.

2.5.7 Given that time has passed since the publication of the initial SA Scoping Report, a refresh of the document (link to be inserted prior to public consultation) has been prepared in approach to the Reg 18 Stage of Plan Making.

2.5.8 As well as the Sustainability Appraisal, there is also a requirement for the preparation of a Habitat Regulation Assessment (HRA) to assess the impacts of the Local Plan on European designated sites.

30 https://swale.gov.uk/planning-and-regeneration/local-plans/local-plan-review-evidence
31 https://www.legislation.gov.uk/ukpga/2004/5/contents
32 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
33 https://www.legislation.gov.uk/uksi/2004/1633/contents/made
34 https://www.legislation.gov.uk/ukpga/2004/5/section/19
35 https://services.swale.gov.uk/assets/Planning%20Policy%202019/FINAL%20Swale%20SA%20Scoping%20Report%20DECEMBER%202018.pdf
36 https://services.swale.gov.uk/assets/Planning%20Policy%202019/Swale%20Local%20Plan%20Review%20SA%20-%20SA%20Report%20210209.pdf
37 https://services.swale.gov.uk/assets/Planning%20Policy%202019/Reg%2018%20October%202021/Swale%20Local%20Plan%20SA%20-%20Interim%20SA%20Report%20211015.pdf

These sites include Special Areas of Conservation, Special Protection Areas and Ramsar sites and there are a number of such sites within or close to the borough. The requirement is set out in is set out in the Conservation of Habitats and Species Regulations 2017 (as amended)[38]

2.5.9 An HRA [39] was prepared at the previous stage of the Local Plan and will be undertaken again as the preparation of the plan progresses to Reg 19.

Question 2

Do you have any comments on section 2 of the draft Local Plan which will inform the Plan's progression?

38 https://www.legislation.gov.uk/uksi/2017/1012/contents

39 https://services.swale.gov.uk/assets/Planning%20Policy%202019/Swale%20LPR%20HRA%202021%20FINAL%20(V2)%20issue.pdf

3 Characteristics of the borough and the key challenges to be addressed

3.1 Key characteristics

Geography and Demographics

3.1.1 Swale lies on the North Kent coast, bordered by the authorities of Medway (to the west), Maidstone (to the south), Ashford (to the southeast) and Canterbury (to the east).

3.1.2 It has good road, rail and water transportation links, with the M2 / A2 traversing the borough east / west and with regular High Speed rail services between London and the coast. Sittingbourne is just under an hour from London, whilst journeys from Faversham to London St Pancras can be achieved in one hour and six minutes. There are also train stations at Newington, Kemsley, Teynham, Swale, Queenborough and Sheerness-on-Sea.

3.1.3 The Port of Sheerness is a major UK port, providing direct deep-water access to the Thames Estuary. It is strategically positioned for shipping to Northern Europe, making it a key logistics hub.

3.1.4 There are north / south links via the A249 and A251. Recent and ongoing highway upgrades have supported in particular junction 5 of the M2, and the A2 and A249.

3.1.5 The borough covers an area of 144.2 square miles. Much of the borough outside of the highest tier centre of Sittingbourne and the second-tier centres of Faversham and Sheerness is rural in character. The largest rural settlements are Boughton, Teynham, Newington, Iwade, Eastchurch and Leysdown.



Picture Adj. Stone Chapel/A2

3.1.6 At the time of the 2021 census, the population was 151,700. This is an increase of 11.7% since 2011 which made Swale the 138th most populous of 309 local authority areas. This increase was higher than the southeast (7.5%) and England (6.6%) averages. Swale remains within the lowest 40% for population density across English authorities.

3.1.7 The average age of a Swale resident, as recorded at the census, was 41. The age profile is as follows:

Age Bracket	Percentage	Change from 2021
0-15	19.6	-0.5%
16-64	61.3	-0.9%
65+	19.0	+2.3%

Table 3.1.1

Employment and Skills

3.1.8 There were 79,700 economically active residents in Swale in 2022, which is 84% of those aged 16-64. Job density is comparatively low at 0.65, with a Kent average of 0.81 and a national average of 0.86. Approximately 10,000 Swale residents commute out of the borough for work (Employment Land Review Update, 2024[40]).

40 https://swale.gov.uk/planning-and-regeneration/local-plans/local-plan-review-evidence/economy-and-employment#h2

3.1.9 There is a discrepancy between average resident wages and average workplace wages, with the average resident wage matching the county average, but the average workplace wage being 12% below this (and 20% below the England Average [40]).

3.1.10 The latest qualifications data (2021) [40] suggests that the skills gap which has been a typical feature of the Swale economy is reducing. 31.2% of Swale's population have qualifications at or above NVQ Level 4. Whilst this is a gap of 7.3% when compared with the County average, this has reduced from 10% in 2018. 9% of Swale residents have no qualifications, and this is higher than both Kent and England.

3.1.11 Swale's main town centres have fewer commercial unit vacancies on average than the national picture. Faversham has the lowest vacancy rate of 5.09% . The figure for Sheerness is 8.28%, whilst Sittingbourne has a vacancy rate of 13.25%. These compare with a national average of 13.9%.

Housing Stock

3.1.12 The makeup of the existing housing stock within Swale is as follows:

Total Dwelling Stock	64,250
Owner-Occupied	42,822
Private Rent	12,588
Shared Ownership	666
Social Rent / Affordable Rent	8,174

Table 3.1.2

3.1.13 As of October 2025, there were 2,021 households on the Housing Register.

Heritage and Ecological Assets

3.1.14 Swale is the proud home to a range of heritage and ecological designations, as follows:

Designation	Asset
Ramsar (wetlands)	Medway Estuary; Swale Estuary and Marshes
Site of Special Scientific Interest (SSSI)	The Swale; Medway Estuary and Marshes; Sheppey Cliffs and Foreshore; Church Woods; Ellenden Wood; Queendown Warren; Purple Hill.
Special Area of Conservation	Queendown Warren; The Blean complex
Special Protection Area	Swale SPA; Medway Estuary and Marshes SPA; Outer Thames Estuary SPA
Marine Conservation Zone	Swale Estuary; Medway Estuary
Rivers and waterways	The Medway Estuary; The Swale, Milton Creek, Conyer Creek, Oare Creek, Faversham Creek
Scheduled Monument	23
Listed Buildings	1,440 (37 Grade I; 93 Grade II*)
Conservation Areas	51
Historic Parks and Gardens	4

Table 3.1.3

3.1.15 Swale includes an extensive stretch of the Kent Downs National Landscape (formerly known as the Kent Downs Area of Outstanding Natural Beauty).



Picture Oare Gunpowder Works, Faversham

3.1.16 A Local Heritage List complements these formal national designations, recognising over 150 cherished local assets.

3.2 Key issues and challenges

3.2.1 Reviewing the Local Plan provides an opportunity to celebrate the richness of the borough but also to address key challenges. The challenges below have been identified by the evidence compiled and by consultation responses during previous stages of Local Plan development. They may be the subject of complementary documents, such as Swale Borough Council's Corporate Plan, the Climate and Ecological Emergency Declaration, and the Affordable Housing Emergency Declaration.

3.2.2 The key challenges being addressed by this Local Plan Review are:

- Delivering a net zero carbon borough by 2045;
- Embedding active travel within new and existing developments to improve air quality, reduce road traffic accidents, reduce congestion and improve overall health and wellbeing;
- The significant shortfall in the supply of affordable homes leading to a growing number of families facing homelessness and those reliant on holiday accommodation as their primary residence;
- Delivering the infrastructure required to support growth and the creation of quality places, without negatively impacting existing communities;
- Protecting and enhancing our historic and ecological assets;
- Supporting our town centres to remain vital, competitive and attractive places; and
- Supporting our economy to remain competitive and to sustain and create quality local jobs, accessible to local people.

Net Zero Carbon and Climate Change Emergency

3.2.3 The scale of the challenge that the climate and ecological emergency presents us with is unprecedented. The crisis is not something that any of us are immune from, and we will be seeing the impacts on every aspect of our lives. While of course it needs global entities to do much of the work, we can make a small difference across our borough.

3.2.4 The updated National Planning Policy Framework [41] (NPPF) contains significant amendments concerning climate change.

3.2.5 The NPPF (para 161) now explicitly refers to the transition to net zero by 2050. This enshrines in planning policy the net zero obligation that was set out in the Climate Change Act 2008 (amended 2019) [42]. Local Plans are required to take full account of all climate impacts including:

- overheating;
- water scarcity;
- storm and flood risks; and
- coastal change.

41 https://assets.publishing.service.gov.uk/media/67eafe8[illegible]1f783cca46251/NPPF_December_2024.pdf
42 https://www.legislation.gov.uk/ukpga/2008/27/contents

3.2.6 Local Plans are required to shape places in ways that:

- contribute to radical reductions in greenhouse gas emissions, minimise vulnerability and improve resilience;
- encourage the reuse of existing resources, including the conversion of existing buildings; and
- support renewable and low carbon energy and associated infrastructure.

3.2.7 The Council declared a Climate and Ecological Emergency in 2019, with a borough-wide net zero target subsequently set for 2045. A related Action Plan[43] remains a live document.

3.2.8 The typology of Swale's economy leads to the borough having higher energy consumption and carbon emissions from the commercial sector than other Kent districts.

3.2.9 The Local Plan Review supports the mitigation of and the adaptation to climate change. A suite of Development Management policies will underpin the Council's role in this. These are supported by five new policies for this Local Plan period which specifically respond to climate change:

- C1: Sustainable design and adaptation principles;
- C2: Net zero operational carbon in new build residential development;
- C3: Net zero operational carbon in new build non-domestic development;
- C4: Embodied carbon and waste; and
- C5: Renewable energy development and infrastructure.

3.2.10 Other policies have been updated for the emerging Local Plan including:

- C6: Coastal change management;
- C7: Implementing the Medway Estuary & Swale Coastal Risk Management Strategy;
- C8: Flood risk;
- C9: Sustainable drainage;
- C10: Water quality and water resources;
- C11: Air quality; and
- C12: Pollution & land instability.

Affordable Housing and Affordable Home Emergency

3.2.11 On 3rd April 2024 Swale's Full Council unanimously declared an Affordable Housing Emergency. This links to the Council's Corporate Plan priority for Swale "to aspire to be a borough where everyone has access to a decent home and improved health and wellbeing".

3.2.12 The driving forces behind this emergency declaration are referred to in the motion as systemic and structural. A significant link between the impact of quality affordable homes and the wider determinants of health is recognised. In turn, health is recognised as a widespread driver of economic inactivity [44].

3.2.13 The wording of the motion presented to Full Council explained this as follows:

3.2.14 *Despite the housing growth in the area, the delivery of affordable rented properties falls far short from demand, It has become increasingly challenging to secure Registered Providers (RPs) on schemes with low numbers of s106 affordable homes, however the introduction of First Homes as part of the s106 affordable housing contribution has been catastrophic and severely reduced the number of affordable/social rented and shared ownership homes available to RPs. There is an increasing number of affordable homes being left dormant on approved sites across the borough - currently in Swale there are just under 500 affordable homes secured on s106 sites but with no RP to contract and deliver these much-needed homes.*

43 https://news.swale.gov.uk/news/action-plan-against-climate-change

44 https://www.kent.gov.uk/about-the-council/strategies-and-policies/service-specific-policies/economic-regeneration-and-planning-policies/get-kent-and-medway-working-plan#:~:text=Our%20plan%20focuses%20on%20health%2C%20work%2C%20and%20skills,Kent%20and%20Medway%27s%20Working%20Plan%20%28PDF%2C%203.6%20MB%29

Despite working in effective partnership with RPs, including applying strategic partnership funding to provide additional affordable homes on land-led schemes, more innovation is required to enable smaller RPs to utilise available Homes England affordable housing grant to start to deliver homes in areas where viability is 'blocking' delivering but where homelessness and poverty are acute.

3.2.15 An Action Plan was agreed and remains a live document. The Local Plan's contribution is explained across a range of draft Local Plan policies, but most specifically:

- H1: Affordable Housing

Infrastructure Delivery

3.2.16 Infrastructure can be grouped into three main types:

- Physical infrastructure such as: transport infrastructure (roads, public transport, cycling and walking routes); gas and electricity infrastructure, water supply and wastewater treatment;
- Social infrastructure such as: primary and secondary schools, healthcare, emergency services, libraries, sports and recreational facilities, community facilities, cultural services; and
- Green infrastructure such as: open space, allotments, formal and informal green space, green and blue infrastructure corridors.

3.2.17 Different types of infrastructure are required to support different scales of development:

- On site infrastructure is necessary to enable the delivery of a specific development. This includes roads, walk/cycleways, gas pipes, electricity cabling, water supply and wastewater disposal;
- At a neighbourhood level, infrastructure is required to mitigate the impact of the development and support the day-to-day needs of the new population. This can include schools, community facilities and GP surgeries, sports facilities; and
- At a strategic level, larger pieces of infrastructure are required to support development growth across a wider or strategic site. This can include electricity sub-stations, strategic highway network improvements, hospitals, and sewerage treatment works.

3.2.18 Identifying infrastructure over a Local Plan period can be challenging as few infrastructure providers actively plan for that length of timeframe and, therefore, identification of infrastructure needs in the later years of the plan period may be subject to change. In addition, infrastructure needs may be influenced by changes in technology and changes to the arrangements for the planning and delivery of infrastructure.

3.2.19 Where growth is planned for through significant new developments there may not be the certainty and/or funding secured for any necessary strategic infrastructure at the time the Local Plan is produced. The Council will need to be particularly clear on the infrastructure needed to deliver growth in the early stages of the plan period and to be able to demonstrate that this is deliverable in a timely manner. In the later stages there is a degree of flexibility required. As such, planning for infrastructure is a continuous and iterative process.

3.2.20 The main ways in which the planning system has a direct influence on securing infrastructure are:

- Section 106 Agreements - used to secure site specific infrastructure through negotiation with the developer where it is necessary to make the development acceptable in planning terms, directly related to the development, fairly and reasonably related in scale, and kind to the development;
- Section 278 Agreements - completed between the developer and highway authority (Kent County Council) where development requires work to be carried out on the existing adopted highway; and
- Planning conditions.

3.2.21 Swale works continuously with infrastructure and service providers to assess the impact on infrastructure from delivering the homes and employment needed. This work is set out in the Swale Infrastructure Delivery Plan (IDP) which establishes what additional infrastructure and service needs are required to support the level of development proposed. The IDP establishes what additional infrastructure and service needs are required to support the level of development proposed.

3.2.22 The IDP was last updated in late 2020 and will next be published alongside the Regulation 19 Local Plan.

3.2.23 A bespoke transport model will test the traffic impacts of new and existing developments on transport infrastructure across Swale, and proposed mitigations.

3.2.24 The relevant draft policies are:

- INF1: Managing transport demand & impact;
- INF2: Vehicle parking;
- INF3: Open space, sport and recreation provision; and
- INF4: Local Green Spaces.



Picture Sheppey Bridge

Active Travel

3.2.25 Active travel is becoming increasingly important as challenges around climate change become more pressing and the demand for active travel solutions grows. Investment in cycling and walking can have wider positive impacts on people and places, making roads quieter and safer, improving air quality, improving physical and mental wellbeing and creating attractive places for people to travel within and between.

3.2.26 In 2017, the Department for Transport (DfT) published its first Cycling and Walking Investment Strategy (CWIS). The aim of this was to encourage cycling and walking to become a key mode of travel for shorter journeys or as a stage of a longer journey by delivering better safety, mobility and streets.

3.2.27 Alongside the CWIS, the DfT published guidance on developing Local Cycling and Walking Infrastructure Plans (LCWIPs). LCWIPs outline a "strategic approach to identifying cycling and walking improvements required at a local level". This is in order to both encourage and facilitate the modal shift away from motorised vehicles to more active modes of travel, transforming areas in ways which support active travel, reduce congestion, support local economies and improve physical and mental health.

3.2.28 A number of active travel schemes have been introduced since Bearing Fruits, such as the Faversham LCWIP (January 2022) and the Kent Cycling and Walking Infrastructure Plan (KCWIP, August 2024 [45]) .

3.2.29 Work on a Sheppey Towns LCWIP was started and has since been merged into a Swale-wide LCWIP to put forward a coherent network of active travel routes across the borough. The Swale LCWIP was launched for public consultation in September 2025. It has been designed to enable a long-term approach to developing local cycling, walking and wheeling networks over a 10-year period. It is envisaged that the LCWIP will be reviewed and updated to reflect progress made towards implementation or to reflect changes in local policies or strategies.

3.2.30 There are three KCWIP cycle routes which begin/ end in Swale and which are proposed for further public engagement and intervention planning:

- Sheerness and Leysdown;
- Sittingbourne and Faversham; and
- Maidstone to Sittingbourne.

3.2.31 The projects and proposals within the LCWIPs will be reflected in the IDP, the Transport Plan, site allocations and the Strategic Transport Policies at the next stage of plan making – the Reg 19. Reference has been made to them in the Development Management transport policies within this plan.

45 https://letstalk.kent.gov.uk/kent-cycling-and-walking-infrastructure-plan

Historic and Natural Environment

3.2.32 The borough's outstanding environment has been influenced by its geology, soils, topography, history and biodiversity.

3.2.33 Three broad landscape types dominate the borough:

- The chalk of the Kent Downs;
- The central agricultural plain; and
- The Thames Estuary marshes.

3.2.34 The chalk grasslands, fields, valleys and woodlands of the Kent Downs National Landscape are outstanding features of the southern reaches of the borough. Its slopes and valleys fall coastward, criss-crossed by narrow lanes. Beyond the chalk are the rich agricultural soils on the plains around the Roman road, now the A2 / Watling Street. These are some of the best graded soils in the country.

3.2.35 London clay underlies the northern and coastal boundaries of the borough. At 111km, the coast has a major influence on landscapes and wildlife. Around the Swale and river Medway and extending inland to the edges of the three main towns is a continuous belt of marsh, prone to tidal flooding. Its mudflats, grazing and salt marshes are interspersed with ditches, dykes, inlets and creeks. These watercourses and marshes provide hugely important ecological habitats, in particular for wintering and passage birds.

3.2.36 The following draft policies respond to the ecological challenge:

- B1: Biodiversity & geodiversity conservation & BNG;
- B2: Conserving & enhancing valued landscapes;
- B3: Kent Downs National Landscape Management Plan;
- B4: The separation of settlements – Important Local Countryside Gaps;
- B5: Woodland, orchards, trees and hedgerows;
- B6: Agricultural land;
- B7: The Coast;
- B8: Rural Lanes; and
- B9: The keeping and grazing of horses.

3.2.37 Historically, the borough's settlement pattern and growth has been heavily influenced and shaped by its environmental assets. This approach will continue to drive the emerging development strategy, which will seek to avoid development at these areas. It also seeks to effectively mitigate recreational disturbances on the internationally significant Medway and Swale Estuary marshes via the Strategic Access Management and Mitigation Strategy (SAMMS) that enables developer contributions to be levied to protect landscape and ecology.

3.2.38 The National Planning Policy Framework [46] (NPPF para 202) refers to heritage assets as an "irreplaceable resource" which should be conserved in a manner appropriate to their significance, so that they can be enjoyed for their contribution to the quality of life of existing and future generations. The vast array of Swale's heritage assets is set out in the Key Characteristics section of this plan, above.

3.2.39 The following draft policies seek to best protect Swale's cherished heritage environment:

- HE1: Development involving Listed Buildings;
- HE2: Development affecting a Conservation Area;
- HE3: Parks and Gardens;
- HE4: Non-designated Heritage Assets; and
- HE5: Archaeological.

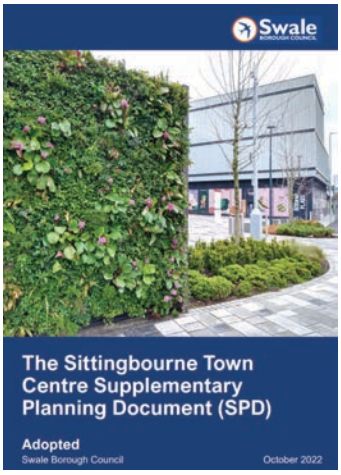
46 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

Town Centres

3.2.40 Town centres nationally are facing considerable challenges with the continued rise of on-line and out-of-town shopping. Whilst vacancy rates in all our town centres are above national averages (and are particularly buoyant in Faversham and Sheerness) declining rates impact on jobs, footfall, and town centre vibrancy and attractiveness and must be positively addressed.

3.2.41 A Retail and Leisure Needs Assessment was produced in 2018 and was updated in December 2023, focussing on both convenience goods and comparison retail.

3.2.42 A Supplementary Planning Document (SPD) was adopted for Sittingbourne Town Centre in 2022 [47] , aiming to guide regeneration over the plan period. It will continue to form part of the Development Plan for the borough, shaping how the Council considers new development proposals.



Picture 3.2.1

3.2.43 The Council focussed significant investment in Sittingbourne town centre over the years 2010 to the early 2020s via the Spirit of Sittingbourne scheme which improved the public realm and created significant new leisure and experience assets at the heart of the town centre within Bourne Place.

3.2.44 Draft policy E3: Proposals for Main Town Centre Uses responds to the identified challenges.

Competitive Economy

3.2.45 With economic development, as with all other land uses, the guiding principle of the NPPF is that Local Plans should create the conditions for economic growth and productivity improvements, taking account of local business needs and wider opportunities for development.

3.2.46 With its strategic location between London and the continent, and good road, port and rail links, Swale is well-positioned for a strong and diverse economy.

3.2.47 An Employment Land Review was undertaken in 2018 and updated in 2024. The update was commissioned to reflect changes in national policy, and the economic climate post-Brexit and Covid-19.

3.2.48 The study evidenced the scale and quality of new land needed to support the borough's economic growth over the plan period. It assessed the suitability of a range of sites which were presented to members throughout 2024, with a decision on employment land allocations reached by Full Council in December 2024. Further sites have been submitted and will be considered by the Council in early 2025.

3.2.49 Our strategy focusses on creating a strong supply of employment land to meet the identified need, and improving the quality of our economic offer to create a better business image and a more diverse economic base. It will enable the borough to branch out into under-represented sectors, increase the number of higher-growth / higher-value businesses and ensure that it retains and develops existing strengths and capitalises on indigenous growth opportunities.

3.2.50 The draft policies promoting a competitive economy are:

- E1: Loss of employment floorspace & land;
- E2: The Rural Economy; and
- E3: Proposals for Main Town Centre Uses.

Viability of Development

3.2.51 Whilst the overall development market for Swale is perceived to be active, with a strong market for the right scheme in the right place that includes an average of 720 completed homes per year over the

47 https://swale.gov.uk/your-council/publications/planning-and-planning-policy/adopted-sittingbourne-town-centre-supplementary-planning-document-spd

last 10 years [48], some areas of the borough are challenging with relatively low house prices making the delivery of new homes less easy. This is particularly the case with brownfield sites being challenging to deliver in the borough's town centres where some of the lowest house prices are located.

3.2.52 To ensure the deliverability of Local Plans the National Planning Policy Framework [49](NPPF para 35) sets out that policy requirements should be informed by evidence of infrastructure and Affordable Housing need, and a proportionate assessment of viability that takes into account all relevant policies, and local and national standards, including the cost implications of the Community Infrastructure Levy (CIL) and section 106. To ensure that the Local Plan policy objectives do not undermine the deliverability of the Plan a Whole Plan Viability Assessment (link to be added before public consultation) has been undertaken and has provided recommendations that have informed drafting of this Plan.

Question 3

Have all the key issues and challenges been taken into consideration?

48 https://swale.gov.uk/__data/assets/pdf_file/0004/485014/2024-2025-Housing_Land_Supply_Position_Statement_Nov2024_Final.pdf

49 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

4 Vision and Objectives

4.1 The Vision for Swale

4.1.1 The vision for the Local Plan Review sets out what the Council intends to achieve for the borough through new development. It has been shaped by Council priorities and previous consultation feedback.

Statement 1

The Vision for Swale

It is 2042. Development in Swale has come forward to meet imposed Government Targets. It has supported climate and ecological imperatives and has conserved and enhanced the natural environment through significant biodiversity gain. Renewable energy initiatives have been high on Swale's agenda. Quality design and place-making has capitalised on the borough's extensive ecological and heritage assets and has supported the health and wellbeing of our communities.

Sittingbourne has a refocused town centre with a vital and viable retail heart supported by leisure and recreation opportunities and enabled by new high density residential and community activity which has recognised and respected the area's outstanding heritage. Development has secured wider regeneration benefits, including improved public realm, and reconfigured and enhanced sustainable and active transport connections – both in and around the town.

Faversham is a thriving market town and nationally known heritage destination that has successfully balanced 21st century demands with respect for the past. This has been achieved by sympathetic and symbiotic growth.

At Sheerness, Minster and Queenborough, coastal and port rejuvenation has maximised the impact of our natural and built assets and supported the needs of the local communities.

Our rural and maritime communities have seen enabling development maintain and improve local services. The local needs of residents are well catered for, supporting vibrant communities whilst maintaining the quality and special qualities of the countryside setting.

Across the borough development has improved health and air quality, and increased opportunities for local employment, active travel and affordable housing. Development has supported a vibrant sense of community, within and across the borough. There are thriving built and outdoor sports and leisure facilities, and everyone has access to a decent home. Swale is a place residents, businesses and visitors recognise as sustainable and forward-looking – a place to live, work and enjoy.

Question 4

Is the vision positive, clear, realistic and ambitious and does it identify the right priorities for Swale?

Question 5

Do you agree with the proposed vision for Swale? If not, how should it be changed?

4.2 Objectives

4.2.1 Strategic objectives of the Local Plan Review seek to guide the location of development and shape it through strategic policies. Taking account of the influences on the Local Plan and the key challenges facing Swale and its communities, a set of objectives have been drafted to set the framework for the detailed policies that follow. The objectives are shaped by local evidence, government policy, Council priorities and previous consultation feedback.

Statement 2

The Objectives for Swale

1. To provide for homes and jobs that are best suited to meet the imposed Government Targets;
2. To support and sustain communities across the borough, big and small, by planning to meet identified needs, including needs for community facilities and infrastructure;
3. To protect and manage our resources to address climate change through delivering sustainable growth that supports urban and rural economies and makes the best use of infrastructure;
4. To locate development in the least constrained parts of the borough in reasonable proximity to transport hubs;
5. To provide a range of housing developments across the borough that deliver a range of housing sizes and types to meet the needs of young people, families and older people;
6. To deliver a level of investment and growth at key locations to facilitate significant improvements to support infrastructure e.g. schools, healthcare and highways and sustainable and active travel options for the benefit of local communities; and,
7. To focus development on the contribution that larger sites can deliver in a proportionate way to meet wider plan objectives and ensure delivery during the plan period and beyond.

4.2.2 The Council will seek to meet the borough's identified development needs on brownfield sites in sustainable locations, on land at low risk of flooding within existing settlements, and on land with the least environmental or amenity value. However, due to the quantum of development required for the Local Plan Review, it is unlikely all the requirements can be met on sites that meet this criteria. It will, therefore be necessary, as part of Plan drafting, to identify additional sites that can deliver sustainable development along with wider benefits that achieve the Local Plan Reviews objectives and guiding principles.

Question 6

Are the objectives broad enough to address the issues and challenges set out above? Would you remove, add or amend any?

5 Policy G1 General Development Criteria

5.0.1 As per paragraph 8 of the National Planning Policy Framework [50](NPPF) the overarching objectives of the planning system are to:

1. protect and enhance the natural, built and historic environments;
2. support strong, vibrant and healthy communities; and
3. help build a strong, responsive and competitive economy.

5.0.2 In seeking to achieve such sustainable development, the aim of this policy is to provide a useful starting point in the consideration of proposals which will help to ensure that important matters such as design, the environment and amenity are taken into account at the outset. Policy G1 is not comprehensive and should not be considered in isolation but read in conjunction with all other relevant policies in the Local Plan and Supplementary Planning Documents and Guidance.

5.0.3 All of the policies and proposals in the Development Plan must be read 'as a whole.'

5.0.4 The Town and Country Planning Association (TCPA) Healthy Homes campaign aims to transform the way that the built environment is regulated to ensure that all new homes promote the health and wellbeing of their residents. The Council signed the Healthy Homes pledge [51] in May 2024.



Picture Watling Gate, Sittingbourne

5.0.5 Not all of the principles fall within the remit of the Local Plan and are controlled by other legislation, for example fire safety, other than for tall buildings.

5.0.6 Decent homes are vital to give people a good foundation to thrive in their daily lives. There is a wealth of evidence that shows how the quality of our homes and neighbourhoods directly and indirectly impact both our mental and physical health. Poor quality homes increase the likelihood of respiratory, cardiovascular, and communicable diseases, along with a higher risk of mortality.

5.0.7 The principles are:

1. Fire safety;
2. Liveable space;
3. Inclusive, accessible and adaptable;
4. Access to natural light;
5. Reduction in carbon emissions;
6. Access to amenities, nature and transport;
7. Safety from crime;
8. Climate resilient;
9. Prevent air pollution;
10. Limit light and noise pollution;
11. Ensure thermal comfort; and
12. Genuinely affordable and secure homes.

5.0.8 For details on each principle please see Healthy Homes Principles [52].

50 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
51 https://www.tcpa.org.uk/healthy-homes-pledge/
52 https://www.tcpa.org.uk/resources/healthy-homes-principles/

Question 7

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy G1

General Development Criteria

All development proposals will, as appropriate:

1. Comply with the published Local List of requirements and include information sufficient to enable the council to determine the application;
2. Accord with the policies of the adopted Development Plan;
3. Accord with policies and guidance in the Supplementary Planning Documents and Guidance, unless material considerations indicate otherwise;
4. Be accompanied by a statement to demonstrate the degree to which it accords with the TCPA Healthy Homes Principles;
5. Conserve and enhance the natural, built and historic environments;
6. Respond to the constraints, opportunities and threats arising from climate change and natural processes;
7. Be well sited and of a scale, design and appearance that is sympathetic and appropriate to the location;
8. Reflect the positive characteristics and features of the site and location;
9. Cause no harm to amenity and other sensitive uses or areas;
10. Provide an integrated landscape strategy that will achieve a high standard landscaping scheme; and
11. Achieve:
    a. convenient, safe routes and facilities for pedestrians and cyclists;
    b. enhanced public transport services and facilities; and
    c. safe vehicle access, and appropriate parking and services facilities.

Question 8

Do you support or object to Policy G1? What would you add, remove or amend to support it further or to remove your objection?

6 Policy GD1 Local Design Principles

6.0.1 Good design facilitates and contributes to local distinctiveness, a sense of place, and civic pride. It improves and enhances the existing environment and helps to attract people, businesses and investment. It is key to delivering successful, people-focused places. Therefore, the quality of architecture and design in development proposals, as well as the relationship between buildings and spaces, should be of a high quality to protect and enhance the distinctive character of Swale.

6.0.2 In seeking to achieve high quality design or the conservation and enhancement of the natural and built environment, the Council requires good design principles to be incorporated into new development. The principles contained within the policy is a useful starting point for anyone considering new development and will help ensure that important matters, such as sustainable design, the safeguarding of environmental features and amenity, are considered at the outset.

6.0.3 The policy should not be considered in isolation but read in conjunction with all the other policies in the Plan and relevant and associated national, regional and local design guidance, relevant Design Codes, development briefs and Masterplans.

6.0.4 The Council will encourage the use of its pre-application advice service prior to any planning application being submitted so that issues relating to design and place making are addressed at an early stage in an integrated way.

6.0.5 Developments where the design implications are significant due to the location of the site and/or the size and scale of the proposal will be referred to Design Review Panel and applicants would be expected to pay for this. Design Review is a well-established way of improving the quality of design outcomes in the built environment and is recognised as an important tool in the National Planning Policy Framework[53] (NPPF).

Question 9

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy GD1

Local Design Principles

All new development proposals will respond to and enhance local character and distinctiveness and provide good quality design. Where relevant and appropriate, new development must demonstrate it incorporates good design principles by:

1. Responding to, reinforcing and enhancing positive aspects of local character. Opportunities to create distinctive high quality and beautiful places should be taken, integrating and enhancing prominent physical attributes which include the borough's distinctive coastal and creek environments, extensive open spaces, biodiversity assets, historic environment, high quality landscapes and tree coverage. Carefully considering opportunities to improve less successful forms, movement barriers and other local challenges;

2. Being of an appropriate density that combines the efficient use of land with high quality design and which respects character and context. Higher density development will be encouraged in sustainable and accessible locations, such as around transport hubs or town centres, where this is appropriate. Lower density development may be appropriate in smaller villages and rural areas;

53 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

3. Facilitating a sense of place with social interaction, a physical environment encouraging health and wellbeing, attractive active environments and travel options, and secure, inclusive and integrated neighbourhoods through an appropriate mix of uses which support the function and vitality of the area in which they are located, and careful design and layout that ensures that commercial and public facilities are well integrated within the site and the wider locality;

4. Integrating well with surrounding streets and open spaces, providing a clear and legible hierarchy of streets, routes and spaces that are permeable and prioritise safe, easy and direct pedestrian, cycle and public transport movement, while ensuring the safe, convenient movement of all users. Avoiding the creation of isolated and disconnected places that are not easy to move through and around;

5. Providing high quality open spaces and public realm that respects existing landscape settings and features topography. Include new green and blue infrastructure that incorporates and/or links to existing and new natural features and open spaces to create a multifunctional network, that supports quality of place, biodiversity net gain, water management, and provides climate change mitigation and resilience;

6. Designing public spaces in and outside buildings and all accommodation to be inclusive, safe and accessible for all Swale's communities, including young, elderly, disabled and less mobile people. The design of buildings, open space and the private and public realm must be in accordance with active design principles, and reduce the fear of, and opportunities for crime through, for instance, maximising natural surveillance and use of active ground floor frontages. Safety and security features of buildings should be well integrated into the overall design and complement and not impede delivery of quality public and communal spaces;

7. Providing a high standard of accommodation that does not differentiate between the design quality of market and affordable housing and is sustainable in design by minimising energy consumption by maximising opportunities for passive solar energy and integrating renewable and low carbon technologies;

8. Being of an appropriate use, layout, building type, scale, height, mass, form and appearance for the site, context and neighbourhood. Buildings and spaces should be welcoming, attractive and integrate socially, environmentally and physically into their areas. Materials should be robust, help create a sense of place and ownership, reflect the intended function of the development and complement and enhance local context and character. Outstanding or innovative design which helps raise design standards in the wider area will be supported on appropriate sites;

9. Demonstrating that there is no significant adverse impact on nearby properties by noise, dust, odour or light pollution or that new development does not prejudice or undermine existing surrounding uses; and

10. The NDSS (Nationally Described Space Standards) and addressing future occupiers are two separate but related responsibilities for a developer. Developers must ensure new housing meets the minimum internal floor area, storage, and bedroom size requirements set by the NDSS. Separately, they must formally address future occupiers by having their local council approve a new postal address, ensuring street and property names and numbers are clearly displayed, and then informing purchasers/tenants of their new address.

To support the delivery of high-quality buildings and places, and where significant design implications are identified in development proposals, these will be referred to a Design Review Panel. Development proposals must provide evidence, through their design and access statements, to demonstrate how they have responded positively to the design policies in the Local Plan and associated national, regional and local design guidance, relevant Design Codes, development briefs and Masterplans.

6 Policy GD1 Local Design Principles

Question 10

Do you support or object to Policy GD1? What would you add, remove or amend to support it further or to remove your objection?

7 Policy GD2 Alterations & Extensions

7.0.1 Development which results from the change, addition to or the conversion of existing buildings can prolong the useful life of a building and help to meet the changing needs of its occupiers. However, inappropriate alterations or a concentration of change can cause harm to the character of a place or to local residential amenity.

7.0.2 Proposals should therefore respond positively to the style and character of the building being altered and/or extended, reflecting its scale and massing, preserving features of interest, and reinforcing local distinctiveness whilst safeguarding the amenity of adjacent residents. The Designing an extension supplementary planning guidance [54] provides further guidance.

Question 11

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy GD2

Alterations and Extensions

Planning permission will be supported for alterations and/or extensions to existing buildings where they:

1. Are of a design and quality which responds positively to the context, style and character of the building being altered and/or extended;
2. Are appropriately scaled in relation to the building and its surroundings;
3. Maintain or enhance the character of the street scene;
4. Reinforce or enhance local distinctiveness;
5. Preserve architectural, historic, landscape or nature conservation features of interest; and,
6. Protect residential amenity.

Question 12

Do you support or object to Policy GD2? What would you add, remove or amend to support it further or to remove your objection?

54 https://services.swale.gov.uk/assets/Planning-Forms-and-Leaflets/Designing-an-Extension-feb-2011.pdf

8 Policy GD3 Shop fronts, signs & advertisements

8.0.1 Shopfronts, signs and advertisements have a major influence on the appearance of town centres and other commercial and residential areas, particularly those within sensitive locations such as conservation areas or on listed buildings, for example. The aim of this policy is to ensure that such proposals are of a high-quality design that responds positively to the context of an area.

8.0.2 Advertisements and signs are a means of providing information to the public and can play a complementary role in supporting the local economy. Poorly sited, designed and maintained installations, however, can have an adverse impact on public health and safety, amenity and local character. Indeed, poor quality advertisements can have a harmful impact on the visual amenity and character of sensitive locations such as conservation areas or on listed buildings. Therefore, the Council will seek to ensure that adverts and signs are designed to a high-quality standard that secures safe, accessible and attractive environments. In sensitive locations, such as conservation areas or on listed buildings, hand-painted signs and appropriately designed external illumination will be encouraged. The Design of Shopfronts, Signs & Advertisements supplementary planning guidance [55] provides further advice.

Question 13

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy GD3

Shop fronts, signs and advertisements

1. Development involving shopfronts will be supported where they are of a design which responds positively to the character and significance of the building and relates well to their context in terms of design, scale, material and colour. Proposals that remove, replace or substantially harm shop fronts of high-quality design or of historic interest will not be supported; and,

2. Development involving signs and/or advertisements will be supported where they are designed to a high-quality standard, appropriately sited, and adequately maintained throughout their operation to ensure:

a. there is no adverse impact on local character, amenity, appearance or visual amenity on the site or surrounding area;
b. heritage assets and their setting and amenity are preserved or enhanced;
c. there is no harm to public amenity, including by way of excessive illumination and visual intrusion of light pollution into adjoining or neighbouring properties, landscape and public spaces; and,
d. there is no adverse impact on public or highway safety.

Question 14

Do you support or object to Policy GD3? What would you add, remove or amend to support it further or to remove your objection?

55 https://services.swale.gov.uk/assets/Planning-Forms-and-Leaflets/The-Design-Of-Shopfronts-Signs-Advertisements-feb-2011.pdf

9 Policy H1 Affordable Housing

9.0.1 The National Planning Policy Framework [56](NPPF) sets out that local planning authorities should use their evidence base to ensure local plans provide for the assessed needs for affordable housing and to set policies to achieve this need. To fully understand this need, the NPPF requires local authorities to prepare a Strategic Housing Market Assessment (SHMA) to fully assess what the housing needs are for the local area. The NPPF defines 'affordable housing' as a range of products including social rent, affordable rent, discounted market sales housing and other routes to home ownerships for example shared ownership.

9.0.2 The Council's Housing, Homelessness and Rough Sleeping Strategy 2023 – 2027 sets out the aims, objectives and vision for housing in the borough. The objectives include:

- Developing a borough wide approach to invest in and deliver affordable homes;
- Promoting early intervention and a more customer focussed homeless prevention service;
- Developing and enhance the partnership approach to tackling homelessness and rough sleeping in the borough;
- Preventing the need for and length of time spent in temporary accommodation;
- Ensuring support is available for vulnerable households; and
- Improving private sector housing conditions and management practices including helping older, disabled and vulnerable people to live in safe adapted homes through a range of initiatives.

9.0.3 An Affordable Housing Emergency for the borough of Swale was declared at a meeting of the Council on the 3rd April 2024 website [57]. The motion to declare the emergency set out that despite housing growth in the area, the delivery of affordable rented properties was falling far short of demand, and that the introduction of First Homes as part of the S106 affordable housing contribution has been catastrophic, and severely reduced the number of affordable/social rented and shared ownership homes available to registered providers of social housing. Whilst the First Homes requirement has been removed by the Government from the NPPF, securing affordable homes as part of the planning process remains challenging on viability matters.

9.0.4 The Housing Market Assessment for Swale.pdf (HMA 2020) [58] recommends that the Council pursues an overall affordable housing target of 27.7% and recognises that when setting the target, the full range of evidence, including the latest Whole Plan Viability report (WPVA 2023) LINK TO BE ADDED BEFORE PUBLIC CONSULTATION, needs to be considered.

9.0.5 The WPVA 2023 concludes that affordable housing provision is viable at 30% on greenfield sites across the borough. However, the viability of brownfield sites is challenging, and to ensure deliverability of those types of site, a 10% level of affordable housing provision across the borough is more appropriate. Where the site is a mix of greenfield and brownfield the predominate land type should determine the affordable housing provision.

9.0.6 Policy H1 aims, as far as possible, to meet the recommendations of the HMA. The WPVA shows that the levels of affordable housing sought in this policy can realistically be achieved and development proposals at the appropriate threshold will be expected to deliver these levels.

9.0.7 Based on the affordable housing evidence, the Council will seek an indicative target of 60% affordable/social rent and 40% intermediate products. The Council does recognise that the evidence may change over the plan period and that the latest robust evidence need should be considered in any planning application.

9.0.8 The Council's preference is for affordable housing to be provided on site. In the very rare and exceptional circumstances where this is not possible, the Council may consider affordable housing provision

56 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
57 https://ws.swale.gov.uk/meetings/mgAi.aspx?ID=18125
58 https://services.swale.gov.uk/assets/Planning%20Policy%202019/Housing%20Market%20Assessment%20for%20Swale.pdf

to be provided off-site. In such cases, it may be possible to require a commuted sum (or payment in lieu). This option might be appropriate where provision on alternative sites could be of higher quantum in order to attract the interest of a registered housing provider, or where improvements to the quality of the existing housing stock are considered more appropriate.

9.0.9 The Council will be preparing a Housing Supplementary Planning Document (SPD) that will set out in more detail various approaches for undertaking commuted sums and the methodology for its calculation. The Housing SPD will also cover how the Council will cascade or commute any provision for use by a registered provider, or other provider in the event that a registered provider cannot undertake responsibility for delivering and managing the provision and diversions to another scheme or pool until a registered provider is able to come forward to support an appropriate project.

9.0.10 The evidence also identifies a need for older person housing and the Housing SPD will provide further amplification on how the Council will seek to support this. In the meantime, the Council would favourably consider accommodation for older people provided it was compliant with the development strategy in this plan. This might include the development of alternative housing products, such as Park Homes, and would be assessed against Policy H5 Park Homes.

9.0.11 There may be circumstances when a need arises for affordable pitches for Gypsies and Travellers. Affordable pitch provision could come forward via a rural exceptions site where there is an identified local need and would be assessed against Policy H3 Rural exception and community-led housing development and Policy H6 Gypsy, Traveller & Travelling Showpeople Accommodation. Where there is evidence to quantify a level of affordable pitch need for the borough, then the Council would seek to bring it forward through joint working with Kent County Council where a site could be identified.

9.0.12 The provision of affordable housing throughout the borough will also help the Council to contribute to its Healthy Homes Pledge[59].

Question 15

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy H1

Affordable Housing

1. Residential development proposals will be required to make affordable housing provision as follows:

i. on sites of 10 or more dwellings on previously developed land, 10% of the total dwellings will be in the form of affordable housing; and

ii. on sites of 10 or more on greenfield land, 30% of the total dwellings will be in the form of affordable housing.

2. For sites of 10 or more dwellings, provision should be made on site in the first instance with a financial contribution being negotiated to make up the full requirement as appropriate;

3. In exceptional circumstances, and in accordance with the Housing Supplementary Planning Document to be prepared by the Council, where proposals fall short of the policy target as a result of viability considerations, an open-book approach will be taken and the onus will be on the developer/landowner to clearly demonstrate the circumstances justifying a lower affordable housing contribution. If on-site affordable housing provision cannot be delivered, affordable housing provision may be commuted to a financial contribution to be used off-site, singly or in combination with other contributions;

59 https://www.tcpa.org.uk/healthy-homes-pledge/

4. Where no registered provider or appropriate alternative provider is available, the full affordable housing provision requirement will be cascaded to another provider and/or site or via a commuted sum, its calculation having regard to the full amount of market housing that has been achieved on the site; and

5. The Council will seek an appropriate tenure mix of affordable housing to include social rented, affordable rent, intermediate rent, shared ownership affordable units and affordable home ownership tenures in line with the identified needs of the area.

Question 16

Do you support or object to Policy H1? What would you add, remove or amend to support it further or to remove your objection?

10 Policy H2 Small and medium sites for housing development

10.0.1 The National Planning Policy Framework [60] (NPPF) sets out that small and medium sized sites can make an important contribution towards meeting the housing need for an area and are essential for maintaining Small and Medium Enterprise (SME) house builders. Swale has a strong record of delivering small sites with an active and successful SME community bringing forward a range of developments across the borough. These types of developer play a significant role in housing delivery and are of national importance to the government's commitment to delivering the homes needed across the country.

10.0.2 SMEs can make a significant contribution to housing supply and focus on their development on sites that can deliver around 10 to 60 dwellings. They are often locally based, offering more sustainable development through the sourcing of materials and labour within their areas. In general, national volume house builders favour sites of 60 dwellings or more, hold large land portfolios that they invest in over long periods of time and have regional and national labour and supply chains. Land opportunities for SMEs, due to their small scale and diverse land ownerships come forward on an ad hoc basis and, as a consequence are less likely to be promoted through the local plan process. SME sites often are located in rural fringe locations or on previously developed land, meaning sustainability and viability factors can vary, creating additional uncertainty and risk for these types of development.

10.0.3 The NPPF (para 68) requires the Council to ensure that a minimum of 10% of its housing requirement is met on sites no larger than one hectare. Whilst the Council will seek this through allocating sites of this size as part of the Regulation 19 consultation and through keeping an up-to-date Brownfield Land Register, there is also scope for further opportunities through support for windfall sites that can deliver sustainable development. Windfall sites are sites that come forward for development and are not identified for allocation in the development plan. The Council seeks to support SMEs and communities alike by providing parameters that would make small scale development acceptable on unallocated sites in sustainable locations.

10.0.4 To achieve this, the Council will:

1. Support local communities with the preparation of their Neighbourhood Plans to identify a range of sites that can accommodate between 1 and 60 dwellings;
2. Maintain and publish annually an up-to-date Brownfield Land Register;
3. Take a flexible approach to delivery of affordable housing on a site-by-site basis to negotiate the most appropriate delivery to support viability and timely delivery of sites. This could include payment in lieu of on-site provision where it can be justified by the specific circumstances;
4. Provide opportunities for custom build, self-build and community-led housing projects on suitable sites, including as part of strategic sites where measures are in place to secure that the design, construction and occupation accords with the relevant definitions;
5. Utilise Local Development Orders (LDOs) and Neighbourhood Development Orders (NDOs) to bring forward suitable sites; and
6. Prepare an SME Protocol process to allow for positive and productive discussions at the pre-application stage, with a clear expectation of material to be submitted, timescales, and ensuring sufficient resources are included.

Question 17

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

60 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

Policy H2

Small and medium sites for housing development

The NPPF highlights the important role that small and medium size sites can make in helping meet housing need. The Council will support this type of development where all of the following criteria can be met:

1. It can be demonstrated that the proposals will deliver sustainable development, following the Swale settlement hierarchy;

2. The site is being brought forward by an organisation or company that identifies itself as a SME developer or for self-build or for a community land trust initiative;

3. The site is not part of a larger site unless through specific proposals to sub-divide a larger site to speed up the delivery of homes and includes SME builders as part of that delivery mechanism;

4. The proposals are of an appropriate scale, layout and design to its location and is designed in a way that preserves residential amenity, designated heritage assets, is landscape-led where appropriate, and environmental assets;

5. Proposals include measures to achieve a biodiversity net gain of a minimum of 20%;

6. All dwellings meet National Design Standards and deliver a range of carbon reduction design and construction techniques as set out in Policy C1 Sustainable design and adaptation principles and Policy C2 Net zero operational carbon in new build residential development**;**

7. The proposed development delivers a bespoke, high quality design approach that is locally distinctive and sympathetic to the character of its location;

8. The provision of affordable housing will be provided on site in accordance with Policy H1 Affordable Housing unless there is clear evidence (supported by a viability report) that an alternative form of recognised affordable housing provision as defined by the NPPF would be more appropriate to secure the viability and delivery of the site; and,

9. Proposals include a scheme of hard and soft landscaping incorporating predominantly native species trees and shrubs and reflecting good practice as set out in adopted Supplementary Planning Document Swale Landscape Character and Biodiversity Appraisal (2011)[61].

Question 18

Do you support or object to Policy H2? What would you add, remove or amend to support it further or to remove your objection?

61 https://swale.gov.uk/your-council/publications/planning-and-planning-policy/swale-landscape-character-and-biodiversity-appraisal-supplementary-planning-document-spd-2011

11 Policy H3 Rural exception and community-led housing development

11.0.1 The National Planning Policy Framework [62](NPPF) encourages local planning authorities to be responsive to local circumstances and to plan housing development to reflect local needs, particularly for affordable housing, including through rural exception sites, where appropriate. The NPPF describes rural exception sites as being small sites used for affordable housing in perpetuity where sites would not normally be used for housing. It explains that local planning authorities should consider whether allowing some market housing in rural areas could facilitate the provision of significant additional affordable housing to meet local needs. It makes clear that in order to promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities.

11.0.2 There is a need to deliver a housing supply that is sufficient for, and matches the needs and aspirations of local communities, including those in rural areas. Together with rural housing partners, the Council recognises that in order to tackle these challenges, there is a need to increase affordable housing within rural areas and that a flexible approach to meeting local housing need is required. Despite grant funding being available to support such schemes, it has been challenging to deliver in any significant quantity within the borough even where the Council has potentially accepted some unrestricted market housing for sale, including local self-build. This approach combined with policies in this Plan that encourage small sites developed by Small and Medium Enterprise builders and low-cost Park Home operators within the right locations, should maintain and enhance sustainable rural communities and promote the opportunities for rural affordable housing.

11.0.3 There may be circumstances where a rural exception site could provide affordable accommodation to meet the needs of a local community or those with a connection to the community. The housing need would still have to be evidence based but a flexible approach to meeting that particular housing need would be required.

11.0.4 The evidence required to accompany a planning application for a rural exception scheme will include:

1. An assessment of the benefits of any proposals focusing on the opportunities to deliver for local village/parish housing need and evidence of the support of the local community or Parish Council towards such provision. 'Local person' for the purposes of this assessment and the implementation of Policy H3 means a person who meets any of the following criteria:
    a. currently resident in the Parish;
    b. was previously resident in the Parish;
    c. is permanently employed in the Parish; or
    d. is connected by close family still living in the Parish.
2. A thorough assessment of the potential suitable, available and achievable sites, having regard to potential future Strategic Policy on development strategy and settlement hierarchy and other relevant policies;
3. A robust and independently prepared and audited viability assessment, prepared on an 'open book' basis, to demonstrate why market housing is required to make the scheme viable; and
4. An assurance that those homes provided as affordable will remain available (in perpetuity) for local people and that this will be controlled via a legal agreement, a draft of which should accompany a planning application.

Question 19

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

62 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

Policy H3

Rural exception and community-led housing development

Planning permission for affordable housing to meet local needs in rural areas will be granted where:

1. The site accords with the potential future Strategic Policy on development strategy and settlement hierarchy and/or is in a location where access to day-to-day services can be conveniently and easily achieved;

2. The site and proposed development would not have any significant adverse impacts upon the character of the settlement, the surrounding countryside and the amenity of the existing community;

3. A need for the scheme is clearly justified and evidenced by the applicant, to the satisfaction of the Council, by providing the following:

a. an assessment of the benefits of any proposals focusing on the opportunities to deliver for local village/parish housing need and evidence of the support of the local community or Parish Council towards such provision. including
b. a thorough site options appraisal;
c. an assessment of the benefits of the proposals to meet local housing need; and
d. a prepared statement of community involvement that has sought to include the significant input of the parish council.

4. In addition, for schemes including unrestricted market housing/plots for sale, justification will be provided by the applications to the number and type of dwellings proposed, which will be supported by the housing needs assessment and through an appraisal of viability to show the minimum provision of unrestricted market homes necessary to deliver a significantly greater proportion of local affordable homes for that site; and

5. Proposals will be subject to a legal agreement that provides for the permanent control and management of any affordable housing to ensure its long-term retention for local need.

Question 20

Do you support or object to Policy H3? What would you add, remove or amend to support it further or to remove your objection?

12 Policy H4 Self-build and custom build

12.0.1 Self-build and custom housebuilding cover a wide spectrum, from projects where individuals are involved in building or managing the construction of their home from beginning to end, to projects where individuals commission their own home, making key design and layout decisions, but the home is built by others. Under the Self-Build and Custom Housebuilding Act 2015 (as amended by the Housing and Planning Act 2016)[63] both forms are recognised equally, provided the initial land owner has primary input into the final design and layout. Homes purchased off-plan without this input do not qualify as self-build and custom housebuilding.

12.0.2 The Act mandates that relevant local authorities must establish and maintain a register of individuals and associations seeking serviced plots for self-build and custom housebuilding. Therefore, the Council identifies and provides for those who wish to build their own homes by keeping a self-build and custom housebuilding register of interested individuals and associations and reports the headline data every year in late Autumn on the council's website[64]. Authorities must have regard to the register when fulfilling planning, housing, land disposal and regeneration functions present in their local planning processes

12.0.3 Each base period, typically running year-on-year from October to October, captures the demand via new entries on the register. Local Authorities then have three years following each base period to grant planning permission for a sufficient number of serviced plots to meet that demand. In addition to keeping a register of interested individuals and associations, the Council also tracks the preferred areas that individuals and associations desire, and land with planning permission for self-build and custom house builds.

12.0.4 Planning applications for Self-build and custom housebuilding are expected to include a proforma [65] setting out how the scheme meets the definition of Self build and custom housebuilding definition. The proforma sets out details required for the Councils monitoring and where exemption from Biodiversity Net Gain is being sought.

Question 21

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy H4

Self-build and custom build

The Council supports the delivery of self and custom build housing as part of maximising the choice and mix of housing for residents, in order to meet the local demand. Sites of 20 or more homes will provide at least 5% serviced plots for sale to self-builders. In rural areas and settlements as defined via a Proposals Map, which will be available in later stages of the Local Plan, the threshold for providing self- build will be 10 homes and the percentage of provision should be rounded up to the nearest unit. These rural scheme should be considered as part of a rural exception site applications, to encourage choice in rural areas. Specific provision for self and custom build will be made on larger strategic allocations.

63 https://www.legislation.gov.uk/ukpga/2015/17/contents/enacted/data.htm
64 https://swale.gov.uk/planning-and-regeneration/self-build/view-the-register-headline-data#h2
65 https://swale.gov.uk/__data/assets/pdf_file/0003/72377/241010-BNG-proforma-for-schemes-that-are-self-or-custome-build-FINAL-AA.pdf

Whilst it is required that plots be designed and laid out by the first occupier, where plots are part of a larger development including other types of uses and forms of residential, it will be necessary to demonstrate that the self and custom build housing dwellings can sit comfortably within the wider development.

Question 22

Do you support or object to Policy H4? What would you add, remove or amend to support it further or to remove your objection?

13 Policy H5 Park Homes

13.0.1 Park homes are usually set within purpose-built enclaves and are particularly attractive to older people who are retired or semi-retired and seek to be part of a close-knit community. These parks are often owned and managed by specific park home operators who take responsibility for the maintenance of communal landscaped areas and often provide additional support such as an on-site manager who arranges transport to local services and facilities. Park homes have the added advantage of being on one level, making them suitable for people with limited mobility and they can also be considerably quicker to build than traditional homes.

13.0.2 Age UK, a network made up of independent charities providing crucial support for older people, defines park homes as typically prefabricated single-storey homes that are manufactured off-site and installed on land owned privately or by a local authority and that to be classed as a park home, the home must be capable of being moved from one place to another, either on its own wheels or by being towed or transported by another vehicle[66] .

13.0.3 More generally, a park home can be said to be a prefabricated dwelling constructed under controlled workshop conditions before being transported to its final location. They are usually timber framed and mounted onto a steel frame, with tough, durable weatherproof exterior and textured finish and are assembled on site and connected to mains services (electricity, gas and drainage). They are typically single storey, pitched roof constructions, often provided fully furnished with integrated appliances, central heating, double glazing and carpeting throughout.

13.0.4 The Caravan Sites and Control of Development Act 1960 [67] sets out the provision for the licensing and control of caravan sites and to authorise local authorities to provide and operate caravan sites. The Act also sets out the requirements of manager of site to be fit and proper person. In the last decade, the industry has modernised and these types of homes are now required to be built to BS3632 standard that ensures properties have high specifications in terms of insulation, ventilation, sustainability, room sizes and design elements (e.g. larger kitchens). The relevant legal requirements, e.g. space standards, protections, etc are contained in the Mobile Homes Act (2013) [68]

13.0.5 The Council's Housing Market Assessment for Swale.pdf (SHMA 2020) [69] identifies the Councils need for older persons accommodation during the plan period and park homes can play an important role in delivering suitable accommodation to meet these needs. Park home sites are typically favoured by older persons looking to downsize from their family homes and as a result, these sites tend to have a lower impact on the highway network due to limited (or low) levels of commuting and a lower likelihood of school age children that need to access education facilities. However, their locations in more rural locations can make them car dependent developments.

13.0.6 Good bus services, broadband speed and local shops and services remain important considerations in terms of the sustainability credentials of a park home site. Any proposals for a site would also need to meet expected standards of BS3632 and Policy GD1 Local Design Principles of this Plan in terms of siting, standards of construction and safety, and protecting the amenity of those living on the sites.

13.0.7 For Park home proposals that are for accommodation for the over 55 year olds, the Council may take a more flexible approach to assessing the sustainability credentials of the location taking into consideration broadband speeds, supermarket delivery services and where the proposals have the potential to support existing shops and services that might otherwise be in decline.

66 https://www.ageuk.org.uk/siteassets/documents/factsheets/fs71_park_homes_fcs.pdf
67 https://www.legislation.gov.uk/ukpga/Eliz2/8-9/62
68 https://www.legislation.gov.uk/ukpga/2013/14/contents
69 https://services.swale.gov.uk/assets/Planning%20Policy%202019/Housing%20Market%20Assessment%20for%20Swale.pdf

Question 23

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy H5

Park Homes

Proposals for Park Homes will be granted planning permission where:

1. The site is in a sustainable location with access to services and facilities;

2. The development must not be in an area incompatible with the risk of flooding, as set out in Table 2: Flood risk vulnerability and flood zone 'incompatibility' [70] of the Planning Practice Guidance. Any residual risk must be mitigated through design solutions to the satisfaction of the Environment Agency and these solutions will not lead to other material planning harm, e.g. unacceptable impacts on the amenity of others on the site;

3. The proposals are in accordance with Policy C6 Coastal Change Management and Policy C7 Implementing the Medway Estuary & Swale Coastal Risk Management Strategy relating to the coast and the coastal change management area;

4. Development is to meet the needs of older people as set out in the Strategic Housing Market Assessment and that the park is to be owned and managed by operators who will ensure the park and its operations serve that community;

5. Conversion of existing caravans/holiday homes to park homes will be reviewed on a case-by-case basis, having regard to the sustainability of the location and existing uses and supporting facilities. It will also take account of the cumulative, or one-off effect of the loss of holiday homes, in the context of supporting the tourist economy; and

6. The accommodation that is the subject of the application complies or will comply within 12 months of the granting of planning permission with standards BS3632 and meets the requirements of the Caravan sites and Control of Development Act 1960 (as amended) Caravan Sites and Control of Development Act 1960 (as amended) [71] and the Mobile Homes Act 2013 [72] in terms of both standard and condition of the unit and external layout within the context of surrounding area.

Question 24

Do you support or object to Policy H5? What would you add, remove or amend to support it further or to remove your objection?

70 https://www.gov.uk/guidance/flood-risk-and-coastal-change#table2
71 https://www.legislation.gov.uk/ukpga/Eliz2/8-9/63
72 https://www.legislation.gov.uk/ukpga/2013/14/contents

14 Policy H6 Gypsy, Traveller & Travelling Showpeople Accommodation

14.0.1 Swale is home to one of the largest Gypsy, Traveller and Travelling Showpeople populations in Kent and the wider South East with over 80 sites, and the aim of this policy is to help ensure that there is sufficient provision of accommodation to meet the communities need.

14.0.2 The National Planning Policy Framework [73](NPPF para 61) requires that the housing needs for different groups in the community be assessed and reflected in planning policies. For the Gypsy and Travellers communities, the method for identifying need is set out within Planning Policy for Traveller Sites[74] (PPTS 2024) . The aim of the PPTS is to ensure fair and equal treatment for travellers, in a way that facilitates the traditional and nomadic way of life of travellers while respecting the interests of the settled community. The PPTS requires local planning authorities to identify their own local need for pitches (in the case of Gypsies and Travellers) and plots (in the case of Travelling Showpeople) and their provision of that need as part of their overall housing requirement.

14.0.3 In order to gain a greater understanding of the borough's need for pitch and plot provision, a Gypsy and Traveller Accommodation Assessment 2023[75] (GTAA 2023) was commissioned by the Council. The GTAA identified that there was an overall need for 114 additional Gypsy and Traveller pitches across the borough over the period 2022/23 to 2037/38. The evidence concludes that over the immediate five years after the study there is a potential for an additional 72 to 78 authorised pitches to become available through regularisation and expansion/intensification plus 4 more through turnover on existing sites and, that these supplies result in a potential 76 to 82 pitches that could meet the overall need in the short-term and would result in a longer-term need for 34 pitches.

14.0.4 The Council has a proven track record of granting suitable planning permissions for Gypsy and Traveller need. As identified in the GTAA a significant proportion of the immediate need could be met through existing sites however there is also a longer-term need that could be address through suitable windfall sites. Therefore, Policy H6 is intended to act as a criteria-based policy to guide planning applications for new sites that come forward, together with proposals for the extension and/or intensification of existing sites.

14.0.5 In seeking to achieve sustainable development in line with the NPPF and PPTS, proposals for new Gypsy and Traveller sites will need to demonstrate that they are sustainably located, economically viable and where appropriate, protect and enhance the natural and built environment.

Question 25

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy H6

Gypsy, Traveller & Travelling Showpeople Accommodation

Part A: Retention of existing sites

Existing permanent sites and those granted planning permission will be safeguarded for use by Gypsies,Travellers and Travelling Showpeople unless it can be demonstrated that the site is no longer suitable for such use.

Part B: New sites and expanding and/or intensifying existing sites

73 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
74 https://www.gov.uk/government/publications/planning-policy-for-traveller-sites
75 https://swale.gov.uk/__data/assets/pdf_file/0004/463027/Swale-GTAA-Final-Report-December-2023-AA.pdf

Planning permission will be granted for new sites for Gypsies, Travellers and Travelling Showpeople, or the expansion and/or intensification of existing sites provided that proposals:

1. Provide a settled base where the site is well related to and within a reasonable distance of local services and facilities such as shops, public transport, schools, medical and social services and does not place undue pressure on those services;

2. Can achieve an integrated co-existence between all communities;

3. Are of an appropriate size to meet the accommodation need identified, do not introduce a scale of development that singly or cumulatively dominates the nearest settlement, and do not cause significant harm to the character of an area, its landscape, or the capacity of local services;

4. Can, where appropriate, accommodate living and working in the same location, either through a mixed-use site or on land nearby, whilst having regard to the safety and amenity of occupants and neighbouring residents;

5. Cause no significant harm to the health and wellbeing of occupants or neighbouring residents by noise, disturbance, vibration, air quality problems or other circumstances;

6. Cause no significant harm to the North Kent Downs National Landscape, national/local landscape or biodiversity designations and other natural or built environments that cannot be adequately mitigated;

7. Provide landscaping to enhance the environment in a way that increases openness and avoids exclusion and isolation from the rest of the community;

8. Provide for healthy lifestyles through open space, amenity areas for each pitch or plot and play areas;

9. Would be safe from flooding by meeting both the sequential and exceptions tests in accordance with national policy and Policy C8;

10. Achieve convenient pedestrian and/or vehicular access (including parking) without unacceptable impacts on highway safety or the landscape;

11. Where appropriate, include visitor or transit pitches and/or sufficient areas for future expansion. Planning conditions may be used to limit the length of time that caravans can stop at transit sites and on visitor pitches; and

12. Are inclusive of the requirements of all Gypsy and Travellers including those who have ceased to travel and all other persons with a cultural tradition of nomadism or of living in a caravan.

Question 26

Do you support or object to Policy H6? What would you add, remove or amend to support it further or to remove your objection?

15 Policy H7 Dwellings for rural workers

15.0.1 The National Planning Policy Framework[76] (NPPF) makes it clear that isolated homes in the countryside should be avoided except in certain circumstances. One of these being the existence of an essential need for a rural worker to live at, or near, their place of work in the countryside (NPPF para 84a). The aim of Policy H7 is to expand on this and set out the parameters in which such a scenario may be acceptable. Whether a new dwelling is essential will depend on the needs of the enterprise concerned and not on the personal preferences or circumstances of any of the individuals involved.

15.0.2 It may be just as convenient, and more sustainable, for such workers to live in an existing dwelling near the site or in nearby towns and villages. The convenience and availability of such premises should be examined first. It will then be necessary to consider if the need could be met by improving or converting existing buildings on the site, providing such improvements are appropriate taking into account their scale, appearance and the local context.

15.0.3 Where existing accommodation cannot be used or upgraded, there will be a functional test in which proposals should provide evidence of the necessity for a rural worker to live at, or in close proximity to, their place of work to ensure the effective operation of a land-based enterprise. This could be, for example, where farm animals or agricultural processes or crops require on-site attention 24 hours a day or to deal with emergencies that could otherwise result in the serious loss of crops or produce.

15.0.4 There will also be a financial test in which proposals should provide evidence of the degree to which there is confidence that the enterprise will remain viable for the foreseeable future or that the provision of an additional dwelling on site is essential for the continued vitality of a farming business through the farm succession process. Any new dwelling permitted will need to be of an appropriate siting, scale, appearance and design taking into account amenity and its countryside location.

15.0.5 In the case of a new enterprise, it may be more appropriate to grant a temporary permission for accommodation, provided by a mobile home or other temporary structure, for a trial period, normally of 3 years. This enables the situation to be reviewed over time. Permission for a permanent dwelling should not subsequently be granted unless the criteria above are met. The occupancy of any dwelling permitted will be controlled by conditions to ensure that they are retained for use by persons solely, or last, employed in these activities or their immediate dependents. Removal of some permitted development rights will also normally be appropriate to prevent inappropriate extensions or uses.

15.0.6 In the absence of further national guidance on this issue, the Council will continue to have regard to Annex A to the former Planning Policy Statement 7 [77] in the determination of planning applications.

Question 27

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy H7

Dwellings for rural workers

Planning permission will be granted for new, permanent rural worker dwellings in the countryside where:

1. There is no suitable existing dwelling nearby or in a nearby settlement;

76 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

77 https://webarchive.nationalarchives.gov.uk/ukgwa/20120920042515/http://www.communities.gov.uk/documents/planningandbuilding/pdf/147402.pdf

2. It is not possible to convert or upgrade an existing building at the site;

3. There is confidence that the enterprise will remain viable for the foreseeable future and that the provision of an additional dwelling on site is essential for the continued vitality of a farming business through the farm succession process;

4. The business is able to demonstrate that it can support the cost of the workers dwelling; and

5. There is an evidenced, essential and functional need for a rural worker to be available on or near the enterprise at most times of the day.

Where criteria 1 to 4 are met, the new dwelling should be sited as close as possible to existing buildings on previously developed land, or if this is not possible, within the immediate locality on an acceptable site.

Where there is a new enterprise which is not yet able to fully meet all of the above criteria, temporary planning permission may be granted for a temporary structure for a trial period so that the situation can be reviewed over time. Where this is the case any application should be accompanied by a robust plan to setting out how compliance will be achieved. Appropriate planning conditions will address ongoing use to ensure the dwelling is occupied as intended.

Question 28

Do you support or object to Policy H7? What would you add, remove or amend to support it further or to remove your objection?

16 Policy H8 Extensions to, & the replacement of, dwellings in the countryside

16.0.1 It is reasonable for those living in the countryside, outside the defined built-up area boundaries (as illustrated on the Proposals Map, which will be available in later stages of the Local Plan), to be able to extend or replace their existing dwelling where more, or updated, living space is desired. Where planning permission is required, the aim of this policy, in recognition of the tranquillity and beauty offered by Swale's countryside, is to ensure that such extensions and/or replacements are of an appropriate scale, mass and appearance and do not harm the character of the countryside.

16.0.2 The Supplementary Planning Guidance entitled Designing an Extension: A Guide for Householders [78] remains a material consideration in the determination proposals. Planning permission will be granted for modest extensions (taking into account any previous additions) which are of an appropriate scale, mass and appearance in relation to the original dwelling, its rural location and any existing surrounding development.

16.0.3 For replacement dwellings, planning permission will be granted if the new dwelling is of an appropriate scale, mass and appearance in relation to its rural location and any existing surrounding development. The replacement dwelling should be located on the footprint of, or as close as practically possible, to the existing dwelling but in exceptional circumstances, an alternative location may be acceptable if it would result in clear landscape, access or amenity benefits. In the event that the dwelling is relocated, the removal of the existing dwelling upon completion of the new dwelling will be secured by way of planning condition or legal agreement.

Question 29

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy H8

Extensions to, & the replacement of, dwellings in the countryside

1. Extensions to dwellings in the countryside will be permitted, considering any previous additions, where they are of an appropriate scale, mass and appearance in relation to the original dwelling and location.

2. Replacement dwellings in the countryside will be permitted if the proposed new dwelling is of an appropriate scale, mass and appearance in the context of its location, neighbouring properties and the original building.

Question 30

Do you support or object to Policy H8? What would you add, remove or amend to support it further or to remove your objection?

78 https://services.swale.gov.uk/assets/Planning-Forms-and-Leaflets/Designing-an-Extension-feb-2011.pdf

17 Policy H9 Extending the garden of a dwelling in the countryside

17.0.1 Planning permission will be required to extend the garden of a dwelling onto land which is used for another purpose. In the countryside, outside the defined built-up area boundaries, as shown on the policies map (to be illustrated in later stages of the Local Plan) This typically involves the change of use of agricultural land or woodland.

17.0.2 By enlarging residential gardens, changing plot boundaries and introducing domestic uses to land, extending gardens can gradually lead to urbanising features such as sheds, garages and hardstanding being introduced into areas in which the open and attractive landscape qualities are highly valued. Furthermore, changes in land management can diminish biodiversity and a specific issue occurs where woodland may be singly or cumulatively taken into the curtilage of dwellings, preventing its proper and sustainable management.

17.0.3 In recognition of the wish of some rural householders to extend their gardens, the aim of this policy is to ensure that such proposals do not harm biodiversity or the character of the landscape. The consideration of proposals will be guided by amongst other matters Biodiversity and Landscape policies on:

- **Policy B1 Biodiversity and geodiversity conservation and biodiversity net gain;**
- **Policy B2 Conserving & enhancing valued landscapes;**
- **Policy B3 Kent Downs National Landscape Management Plan;**
- **Policy B4 The separation of settlements – Important Local Countryside Gaps;**
- **Policy B5 Woodland, orchards, trees and hedgerows** ; and,
- Swale Landscape Character and Biodiversity Appraisal Supplementary Planning Document (SPD) which can be accessed in two parts - Part 1 [79]and Part 2 [80].

17.0.4 Consideration will also be given to the likely cumulative impacts of a single proposal if repeated by others in the locality. A landscaping and/or land management scheme should be provided as appropriate to demonstrate how it will support the aims of the SPD. In cases where planning permission is granted, a planning condition will normally be imposed to remove permitted development rights for garden buildings and other domestic works to protect the landscape from further urbanising features.

Question 31

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy H9

Extending the garden of a dwelling in the countryside

Proposals to extend the garden of a dwelling in the countryside will be permitted where:

1. It can be demonstrated that the proposal will not result in significant harm to landscape character, the form of a settlement, biodiversity or inhibit the appropriate management of land; and

2. A scheme of landscaping and/or land management is provided and implemented that will, as required, conserve, enhance or restore the biodiversity and character of the land concerned.

79 https://services.swale.gov.uk/assets/Planning%20Policy%202019/swale_lca_reva_nov_2011_Web_Part_1.pdf
80 https://services.swale.gov.uk/assets/Planning%20Policy%202019/swale_lca_reva_nov_2011_Web_Part_2.pdf

17 Policy H9 Extending the garden of a dwelling in the countryside

Question 32

Do you support or object to Policy H9? What would you add, remove or amend to support it further or to remove your objection?

18 Policy E1 Loss of employment floorspace & land

18.0.1 The borough's stock of employment sites and premises are generally well occupied and in market demand and therefore to avoid the need for land to be identified for replacement elsewhere, should be protected from loss to other uses. Within existing employment areas there will be a strong presumption in favour of retaining premises suitable for employment uses.

18.0.2 The Council takes a positive approach to ensuring that a suitable range of floorspace is provided to meet the needs of businesses important to Swale's economy. This includes lower cost premises suitable for small and start-up businesses, together with premises for industrial and warehousing operations, along with office space.

18.0.3 This policy aims to manage the stock of Swale's employment property and provide development management guidance; including setting out what is expected of applications where they promote a loss of employment floor space or undeveloped land within both allocated and non-allocated sites. The Council will seek to retain undeveloped, allocated employment land, from the adopted Local Plan 2017 [81], for future employment use.

18.0.4 The National Planning Policy Framework [82] (NPPF) sets out that "significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development."

18.0.5 At the end of March 2021, the Housing Secretary announced changes to permitted development rules[83] in England. These changes, effective from 1st August 2021, allow the conversion of certain commercial properties to residential use without requiring full planning permission, subject to prior approval and specific conditions.

18.0.6 A new planning use class, designated as Class E, was introduced on 1st September 2020 and covers the former use classes of B1 (business, office and light industry), A1 (shops), A2 (financial and professional), A3 (restaurants and cafes) as well as parts of D1 (non-residential institutions) and D2 (assembly and leisure) and puts them all into one new use class - E.

18.0.7 Where a change of use is proposed, which involves the release of employment floorspace or allocated employment land, then the Council will expect supporting evidence to demonstrate that the site (or floorspace) has no reasonable prospect of being taken up and therefore no harm to the local economy. This includes demonstrating that there is no reasonable prospect that the floorspace can be re-occupied and, where appropriate, the land redeveloped for a new employment use.

18.0.8 Where the loss of employment floorspace and/or land is proposed the Council expects applicants to provide robust marketing information, indicating a proactive marketing campaign that demonstrates sites cannot remain in an employment generating use.

Marketing evidence should:

i. Demonstrate that both the land and the premises have been widely advertised and marketed for a wide range of economic uses for at least one continuous year immediately prior to submission of a relevant planning application;
ii. Include offering the site for both freehold and leasehold interest at values reflective of the current market. Information should be provided to demonstrate that the values sought are reflective of the market; including benchmarking with similar properties (or land) in the market area;
iii. Include information detailing any interest received from potential buyers or tenants since the marketing commenced. Where interest has been received, and that interest has not been pursued, this must be explained;

81 https://swale.gov.uk/planning-and-regeneration/local-plans/adopted-local-plan-for-swale
82 https://assets.publishing.service.gov.uk/media/67eafe83f2041f783cca46251/NPPF_December_2024.pdf
83 https://www.planningportal.co.uk/permission/common-projects/change-of-use/planning-permission

iv. Where sites are undeveloped, or property needs to be redeveloped, then viability testing of indicative schemes should be provided; and

v. Include relevant information on the quality and vacancy level of the premises, and why the location is considered inappropriateness for economic uses.

18.0.9 Sites allocated for employment use in this Plan that are not yet developed, should only be considered for release through a local plan review. This reflects the fact that our allocated sites may not come forward for development until later in the plan period. These development sites are our medium and long-term 'reservoir' of sites intended to allow the economy to respond flexibly across the economic cycle and are not just for current prevailing market conditions. The local plan review process is the best place to make these judgements and any application for a different use on an allocated employment site should require a clear demonstration that there is no realistic prospect of the site coming forward for employment in the medium to long-term.

18.0.10 In exceptional cases, a release may be considered 'mid plan', but in which case we would expect to see a much more prolonged period of marketing before concluding that the site has no reasonable prospect (at least three years or across an economic cycle - whichever is longer). Potential applicants are encouraged to seek the advice of the Council prior to seeking planning permission as regards their proposed marketing strategy.

18.0.11 There may be cases where, on balance, a new or replacement employment use would not be supported by nature of the site's location or characteristics. Where applicants can clearly demonstrate that the site is no longer appropriate for ongoing employment use, by nature of its access or other limiting features, then marketing evidence will not be necessary. In preference, this should be discussed before the application is made, using the Council's pre-application service.

Mixed-use redevelopment and renewal

Where an employment site cannot remain in employment use applicants should first consider whether a mixed-use approach could offset part of the loss of employment generating space. That is before considering a total loss.

18.0.12 In considering this approach applicants should aim to replace a quantum and quality of space which is in demand. In parts of the borough this may be to meet the demand for small unit industrial or workshop space regardless of the fact that other uses (for example offices) could deliver more jobs as part of any mixed-use redevelopment. In general, office-based employment should not be used to offset the loss of industrial land or floorspace. However, flexible space adaptable to provide office, workshop, light industrial uses or indeed a mix is in demand and would be supported.

18.0.13 Where proposals for economic development uses come forward on sites that are not currently allocated for, or in employment use, subject to other policy considerations the proposals will be supported in principle.

18.0.14 Our policy approach gives general support to proposed new economic development while ensuring that any loss of employment land is properly justified by evidence. This is because it is important for socio-economic reasons that existing and new businesses are supported by ensuring that a suitable supply of employment land and premises continues to be available. This policy therefore takes a cautious approach towards the loss of employment land and premises, to ensure that a sufficient supply of sites continues to exist to meet the needs of the local economy and local residents.

18.0.15 Current legislation on extensions to permitted development rights allows the conversion of offices and light industrial premises to residential uses. Changes arising from these rights will be monitored during the plan period and the supply of floorspace will be managed to ensure that an appropriate supply of premises and sites continue to be made available to support the needs of the local economy.

Question 33

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy E1

Loss of employment floorspace & land

1. Within existing employment areas there will be a strong presumption in favour of retaining premises suitable for industrial, warehousing, office and similar types of uses (including premises, suitable for medium, smaller and start-up businesses). Proposals for new premises suitable for these types of uses will be supported.
2. Other uses will only be permitted where they are ancillary to the employment use, do not result in the loss of existing employment premises and demonstrate an over-riding benefit for the economy of the borough.
3. Where a change is proposed from an economic land use to another use, outside of the Use Class and permitted development rights, development proposals must provide credible and robust evidence of an appropriate period of marketing for economic use to show that the proposals would not cause unacceptable harm to the local economy. (As set out in the preamble above.) A further consideration will be the significance to the local economy of the use proposed to be lost.
4. Marketing evidence should prove that both the land and the premises have been widely advertised and marketed for a wide range of appropriate economic uses for at least one continuous year (for loss of an existing employment site) and for 3 years (for a planning application for a different use on a site allocated for employment through the Local Plan) for a immediately prior to submission of a relevant planning application. This will vary depending on current use, location and neighbouring uses. The exercise should be formally agreed with the Local Planning Authority prior to the period's commencement and demonstrate that the price and terms on which the land or premises were marketed were reasonable by comparison with similar examples in the local area.
5. Information should be provided detailing any interest received from potential buyers or tenants since the marketing commenced. Where interest has been received and that interest has not been pursued, this must be explained. The requirement for marketing evidence applies when a proposal is made that would result in the loss of an economic use or a net reduction in the quantity of employment land or premises
6. Marketing evidence will be assessed within the context of:
    a. the overall quality of the site as an employment location;
    b. the level of occupation/vacancy of the site;
    c. consideration of the suitability of conversion for start-up and micro businesses;
    d. possible reasons why the site is considered inappropriate for employment use, and the possible benefits from using the site for alternative uses; and
    e. the achievement of other plan objectives.

Question 34

Do you support or object to Policy E1? What would you add, remove or amend to support it further or to remove your objection?

19 Policy E2 The Rural Economy

19.0.1 In Swale, the rural areas are considerable generators of wealth including from agriculture, land-based industries, tourism and the wide range of small to medium sized businesses that operate there. The Council wish to support and nurture these businesses and create a prosperous, sustainable rural economy that contributes to the overall prosperity of the borough.

19.0.2 The National Planning Policy Framework [84] (NPPF) supports economic growth in rural areas to create jobs and prosperity by taking a positive approach to sustainable new development. Local planning authorities should support the sustainable growth and expansion of all types of business and enterprise in rural areas, promote the development and diversification of agricultural and other land-based rural businesses, support sustainable rural tourism and leisure developments which respect the character of the countryside and promote the retention and development of accessible local services and community facilities. (NPPF, paragraph 88.)

19.0.3 The NPPF also states that when businesses are located adjacent or beyond existing settlements, it is important to ensure that development is sensitive to its surroundings, does not have an unacceptable impact on local roads and improves sustainable transport options. It also encourages businesses to locate on previously developed land or on sites that are physically well-related to existing settlements. (NPPF, paragraph 89.)

19.0.4 Due to the dynamic nature and generally smaller scale of rural businesses it is not always possible to identify the opportunities likely to arise in terms of the allocation of specific sites. This policy therefore highlights the needs of specific sectors and the protection and expansion of rural services and that this will be done in a responsive and flexible way. The support for the sustainable growth and expansion of businesses and enterprises needs to be balanced with limiting and managing adverse impacts upon the wider countryside. In the next stage of the Local Plan Review, Reg 19, this policy will be considered in the context of a strategic policy on the economy which, for larger scales of employment growth, will steer provision to the urban areas and village service centres.

19.0.5 It is not the purpose of this policy to define rural employment, as the variety of businesses that can be successfully accommodated within rural areas are wide and always evolving. They will range from home-based businesses, newly created businesses, land-based businesses and those for whom the attractive environment fits the ethos of the company concerned.

19.0.6 A factor affecting the development of the rural economy is the limited availability of land and buildings. Such locations are often an attractive and more lucrative prospect for residential use. To retain the availability of rural buildings for employment, the Council will only grant planning permission for their conversion to residential use where substantial evidence is provided that demonstrates that there is no demand for them to be used for employment, or that they are wholly unsuitable for any employment use. Evidence of demand should include the results of proactive marketing of the building, normally with a planning permission, as available for employment use, for at least 6 months. This is shorter than the 1 year required for urban areas as sites here are scattered and more numerous and it is in the urban area where we want to retain and make available jobs due to their more sustainable location.

19.0.7 The success of rural businesses relies increasingly heavily on the availability and reliability of superfast broadband provision. The Council expects new developments, especially in the rural area, to provide broadband infrastructure that meets the Broadband Regulations [85] in England, which became effective from December 26, 2022, which require developers to install gigabit-ready infrastructure and gigabit-capable broadband connections in new homes.

84 https://assets.publishing.service.gov.uk/media/67[illegible]3cca46251/NPPF_December_2024.pdf
85 https://www.gov.uk/guidance/new-build-connectivity-information-for-developers

Rural Tourism

19.0.8 For the rural tourism sector, given Swale's outstanding environment and its potential contribution to the economy, the Council wishes to see an expansion of sustainable rural tourism initiatives that can benefit local communities, economically and socially, as well as raising awareness and support for conservation and enhancement of the borough's natural assets.

19.0.9 Indicators of such business credentials are likely to be:

- how it will manage and market itself and how it will make its purchasing choices;
- whether it communicates ideas via an environmental policy;
- its choice and use of resources and how energy, water and waste is managed;
- its relationship with local communities and its support of and contribution to the local economy;
- the transport opportunities and choices available;
- a spread of knowledge, management and awareness of the local environment and wider area, access, landscape and wildlife;
- how it will identify, address, promote and support the local distinctiveness of the area; and
- will it be developed at a scale appropriate to the local community and environment.

19.0.10 For proposals involving existing tourism businesses, membership of the Green Tourism Business Scheme, the national sustainable tourism certification scheme for the UK, or similar national certification schemes, will be taken as a demonstration of their sustainability credentials when planning applications are being considered.

19.0.11 When considering proposals for tourism and visitor facilities, the Council will ensure that they complement the existing services present within the locality and where appropriate support their use by existing communities, as well as visitors. In the case of the many holiday parks located in the rural area, their needs are considered more specifically by Policy E4 New Holiday Parks or extensions to existing parks & the occupancy of holiday parks.

19.0.12 The Swale Visitor Economy Framework Action Plan was agreed in October 2020 and has six overarching destination challenges that were identified for Swale's visitor economy:

- To shift visitors' perceptions of the area and increase awareness of the product offering;
- To give visitors to stay longer and spend more;
- To respond to visitor engagement with online and social content;
- To give visitors a reason to visit outside of the summer season;
- To develop the visitor experience by creating packages and experiences; and
- To persuade visitors to travel beyond London.

Agricultural Sector

19.0.13 For the agriculture sector, the industry has highlighted the need for it to keep pace with the changing context brought about by climate change, food security, food miles, the decline in pollinators, global markets, major food retailers and changing legislation/guidance and Brexit. These may bring about demands for facilities such as large-scale crop storage facilities and new growing technologies. This Policy supports farmers to respond to these challenges. The Kent Downs AONB Unit Farm Diversification Toolkit Kent Downs Farm Diversification Toolkit [86] can help farmers take a balanced and integrated approach to making changes on their farm. The borough also has a significant woodland resource which brings with it opportunities in terms of development and diversification in respect of woodland products and renewable energy, sustainable woodland management and/or as a resource for sustainable leisure and green tourism activities.

19.0.14 Key parts of rural economies, the vitality and viability of rural communities are their local services and community facilities, including local shops, meeting places, sports venues, cultural buildings, schools,

86 https://kentdowns.org.uk/wp-content/uploads/2018/04/Farm-Diversification-Toolkit.pdf

public houses and places of worship. This Policy promotes and supports proposals for new services or the innovative diversification or expansion of existing provision. The Council will look to the retention and development of such services and facilities where they are, or can be made viable. Where development proposals threaten the continued future of such uses, the Council will look to applicants to submit substantial technical evidence to demonstrate the options that they have considered to retain the use, such as through sharing of services or diversification, which will also include details of its viability.

19.0.15 Even if the site or building is currently vacant, evidence will need to show that it is neither viable nor likely to become viable and that alternative employment uses have been robustly tested. This will also include the applicant having marketed the enterprise or the property for its commercial/community use for a reasonable period (at least one year) in a manner and at a price that reflects that use.

19.0.16 Agricultural practices are changing and evolving but to achieve support from this Policy, this change must be sustainable, with proper regard to environmental considerations which will depend on the type of development proposed. A specific aim to limit the impact of changes is a preference for new development proposals to use existing buildings, or where a new building is justified, on previously developed land as a first consideration.

19.0.17 The Council will have to be satisfied that such options have been fully explored before well designed new buildings, appropriate to their context can be approved. For proposals to convert existing buildings, the Council's Supplementary Planning Guidance entitled The Conversion of Traditional Farm Buildings [87](or its successor) will remain a material consideration to the determination of some proposals.

19.0.18 Development proposals for larger scale (500sqm or above) rural based employment are preferred to be located at the village service centres and urban areas and with the sustainable re-use of existing units preferable.

Question 35

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy E2

The Rural Economy

Planning permission will be granted for the sustainable growth and expansion of businesses and enterprise in the rural area.

Planning permission for residential development will not be permitted where this would reduce the potential for rural employment and/or community facilities unless the site/building(s) is adequately demonstrated as having no demand for such purposes through an extensive, proactive marketing process, for at least 6 months, or its use would be undesirable or unsuitable.

Development proposals for rural based employment will:

1. For all proposals:

a. firstly consider the appropriate re-use of existing buildings or the development of other previously developed land, unless such sites are not available or it is demonstrated that a particular location is necessary to support the needs of rural communities or the active and sustainable management of the countryside;

87 https://swale.gov.uk/your-council/publications/planning-and-planning-policy/the-conservation-of-traditional-farm-buildings

b. retain or enhance the rural services available to local communities and visitors without undermining or resulting in the loss of existing services, unless demonstrated to be unviable for the existing use or other employment/community use;
c. for new buildings and ancillary facilities, the design and layout will need to be sympathetic to the rural location and appropriate to their context;
d. result in no significant harm to the historical, architectural, biodiversity, landscape or rural character of the area;
e. avoid scales of traffic generation incompatible with the rural character of the area, having regard to 22 Policy INF1 Managing transport demand & impact and 45 Policy B8 Rural Lanes; and
f. provide capable broadband to the premises including gigabit-ready infrastructure and gigabit-capable broadband connections in new homes and to new businesses premises.

2. For tourism and leisure:

a. in the case of green/sustainable tourism proposals, be demonstrated by reference to their principles;
b. provide for an expansion of tourist and visitor facilities in appropriate locations where identified needs are not being met by existing facilities in the locality or where able to increase facilities available to local communities as well as visitors; and
c. where relating to holiday parks, proposals are also in accordance with 21 Policy E4 New Holiday Parks or extensions to existing parks & the occupancy of holiday parks.

3. For the agricultural/forestry sectors:

a. enable the diversification of a farm; or
b. extend the growing season or improve the reliability and availability of local crops; or
c. provide for the storage, distribution or added value activities in central hubs located close to crop sources and the primary and secondary road networks; or
d. increase the availability of locally grown food sold direct to the consumer; or
e. increase the sustainable management of woodlands; or
f. increase the use of renewable energy sources in accordance with 30 Policy C5 Renewable energy development and infrastructure.

Question 36

Do you support or object to Policy E2? What would you add, remove or amend to support it further or to remove your objection?

20 Policy E3 Proposals for Main Town Centre Uses

20.0.1 The National Planning Policy Framework [88](NPPF) requires planning policies to define a network and hierarchy of town centres and to take a positive approach to their growth, management and adaptation allowing for flexible, mixed use, characterful places and to recognise the important role that they play at the heart of the local communities they serve. Swale is fortunate to have three vibrant town centres that provide a range of services and facilities and other urban local centres and rural local service centres to meet the day-to-day needs of local communities.

20.0.2 Sittingbourne is the principal town centre for the borough and is with Faversham and Sheerness the focus for retail development. Sitting below the town centres in the Swale retail hierarchy are the Urban Local Centres of Minster and Halfway and Queenborough and Rushenden, and the Rural Local Service Centres of Boughton, Eastchurch, Iwade, Leysdown, Newington and Teynham. The extent of the town centres of Sittingbourne, Faversham and Sheerness will be illustrated on the Proposals Map, which will be available in later stages of the Local Plan.

20.0.3 The focus for retail development is at the town centres. The Swale Retail & Leisure Needs Assessment (update) 2023[89] sets out that in particular Sittingbourne and Sheerness, that have identified additional capacity for convenience goods floorspace. Sittingbourne has seen significant investment in recent years as part of the delivery of regeneration activities including a new multi-storey car park and cinema complex with restaurants and public realm improvements. The Council seeks to support further regeneration within Sittingbourne through the Sittingbourne Town Centre Supplementary Planning Document 2022 [90] that forms part of the Councils development and will shape and guide regeneration and heritage in the town centre over the next 10 to 15 years. In terms of comparison goods capacity, the updated needs assessment identifies reduced capacity in all three of the borough's centres. This is primarily due to changing consumer behaviour coupled with the impact of the Covid-19 pandemic and rising inflation.

20.0.4 There is significant uncertainty in the retail and leisure sector at this time and the Council is not looking to allocate sites for retail through this local plan review, preferring instead to take a more flexible approach. This will be kept under review through monitoring and review of town centre vitality and viability indicators.

20.0.5 Proposals for retail use that cannot be accommodated within the town centre will require the submission of an impact assessment that will set out the impacts the proposals are likely to have on the vitality and viability of the town centre in the catchment area of the proposal. The impact assessment is required to demonstrate how negative impacts on a town centre can be mitigated for. A local threshold of 500 sq.m for assessing retail proposals on the edge of town centres or out of centre has been set as recommended by the Retail and Leisure Needs Assessment 2018 [91]

Primary Shopping Areas and active shop frontages

20.0.6 The NPPF sets out that planning policies are required to identify the 'Primary Shopping Areas' for town centres where retail development is concentrated and make clear the range of uses that are permitted. Primary and supporting secondary shopping frontage areas where ground floor uses are predominantly retail with complementary uses can also be identified to support the vitality and viability of centres. The Primary Shopping Area and primary and secondary shopping frontages will be illustrated on the Proposals Map, which will be available in later stages of the Local Plan.

20.0.7 The borough's town centres are facing considerable challenges at present, and it is the Council's approach to be flexible and adaptable in the range of uses that are provided in these shopping areas

88 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
89 https://swale.gov.uk/planning-and-regeneration/local-plans/local-plan-review-evidence/economy-and-employment#h2
90 https://swale.gov.uk/your-council/publications/planning-and-planning-policy/adopted-sittingbourne-town-centre-supplementary-planning-document-spd
91 https://services.swale.gov.uk/assets/Planning%20Policy%20Documents/Retail%20Leisure%20Needs%20Assessment%20Report.pdf

and where it supports local economies. Particularly encouraging the unexpected opportunities that may occur on the fringes of the primary shopping areas. Allowing for a wide range of uses can potentially have a key role in maintaining a diverse and commercially prosperous centre without undermining their primary retail function. This flexible approach will help enhance the vitality and viability of the borough's town centres and maximise their contribution to the local economy.

20.0.8 Retail will remain the predominant use at ground floor level in the Primary Shopping Areas. However, the new use class order that came into force in 2021 allows for a wider range of uses, including non-retail, to be permitted without requiring permission from the Council. Whilst the Council recognises the need for flexibility, adaptability at this time, it is imperative that ground floor frontages in the primary shopping area continue to contribute to the vitality and viability of the town centre by being well designed and in keeping with the character of the immediate area. Active frontages contribute to maintaining and enhancing a sense of place and natural surveillance, and proposals for development involving alterations or new shop fronts must accord with 8 Policy GD3 Shop fronts, signs & advertisements.

Question 37

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy E3

Proposals for Main Town Centre Uses

Planning permission will be granted for main town centre uses subject to:

1. Taking into account the scale and type of development proposed in relation to the size, role and function of the centre, as follows:

Principal Town Centre	Sittingbourne
Secondary Town Centres	Faversham and Sheerness
Urban Local Service Centres	Minster and Halfway; Queenborough and Rushenden
Rural Local Service Centres	Boughton, Eastchurch, Iwade, Leysdown, Newington and Teynham

Table 20.0.1

2. Being located within the town centres as defined on the Proposals Map (to be illustrated in the later stages of the Local Plan); or

3. Where demonstrated that a town centre site is not available, being located on a site on the edge of a town centre, subject to criteria 4a to 4c; or

4. Where demonstrated that there are no suitable sites available at locations within criteria 2. and 3. above, proposals elsewhere within the built-up areas of Faversham, Sheerness and Sittingbourne, as shown on the Proposals Map (to be illustrated in the later stages of the Local Plan) will only be permitted if:

a. it is demonstrated by an impact assessment (when the proposal is for retail and leisure above 500 sq. m) that it would not individually, or cumulatively with those trading or proposed, undermine the vitality and viability of existing town centres, or of other local centres and the facilities and services of other locations;

20 Policy E3 Proposals for Main Town Centre Uses

b. it does not materially prejudice the provision of other land uses, particularly the supply of land for economic land uses, housing, community use and open space; and

c. it is well located in relation to the main road network and easily accessible by public.

5. Elsewhere, proposals will be permitted where they address the tests set out in national policy and accord with criteria 4a to 4c.

Primary Shopping Areas, secondary frontage and active frontages

6. The Council will support the concentration of retail uses in the Primary Shopping Area as identified on the Proposals Map (to be illustrated in later stages of the Local Plan). Shop frontages within the Primary Shopping Area and secondary shopping frontages as identified on the Proposals Map (to be illustrated in later stages of the Local Plan) must be well designed in line with Policy GD3 on shop fronts, signs & advertisements. They will be active frontages in that they will be outward looking onto their street and enhance the vitality and natural surveillance of the street.

7. Proposals for development within the Primary Shopping Areas and secondary frontage areas will be permitted where they can demonstrate that the proposed use and design will enhance the vitality and viability of the town centre.

8. Given the likelihood of more residential development in our town centres, developers should be mindful of the 'Agent of change principle' set out in the NPPF, and be prepared to undertake any necessary mitigation in order to attain a suitable living environment.

Question 38

Do you support or object to Policy E3? What would you add, remove or amend to support it further or to remove your objection?

21 Policy E4 New Holiday Parks or extensions to existing parks & the occupancy of holiday parks

21.0.1 In Swale, holiday parks are a significant part of the tourism offer and make a valuable contribution to the local economy. Visitors have the potential to boost local communities, particularly in the summer months, by creating seasonal employment opportunity and by supporting local shops, restaurants and other businesses. The changing nature and flexibility of the leisure market and the higher aspirations of holiday makers are leading to leisure providers continually developing new concepts to respond to consumer needs and aspirations.

21.0.2 Holiday parks are for short term tourism occupation for up to 10 months of the year. Whilst some parks in Swale have been modernised to meet changing needs, others are of poor quality and are in need of improvement. Many of the holiday parks are located within open and/or coastal sensitive landscapes where they have had negative visual impacts. With the space available for the parks being squeezed by coastal cliff erosion and increasing flood risk.

21.0.3 Given the scale of existing holiday park provision on the Isle of Sheppey and its contribution to the current poor condition and appearance of local landscapes, the Local Plan Review does not seek to allocate any new sites. The expansion of existing sites outside defined holiday areas will also not be permitted due to the landscape and visual impacts likely to arise. Exceptionally, extensions to existing sites will be permitted in specific local circumstances, such as where land on a site is being physically lost due to coastal processes and where its replacement can be assimilated successfully into the landscape.

The occupancy of holiday parks

21.0.4 Most holiday parks in Swale have been restricted to an eight month period of occupation, with an additional 11 day period allowed over Christmas and the New Year period for sites not at risk of flooding. The limited occupancy period was imposed to ensure that these holiday parks were not used as permanent (and sometimes sub-standard) housing, many of which were in poorly accessible parts of the borough, to also protect the character of rural areas, and to afford the opportunity to retain a period of tranquillity in rural and other areas. In areas at risk of flooding, permanent occupation over the winter period could also result in risk to life.

21.0.5 Whilst these considerations remain relevant, to give more scope and incentive to enable modernisation and upgrading to take place, the Council considers that there will be occasions when a 10 month occupancy period will be acceptable, which will, in turn deliver tourism benefits and support for the local economy.

21.0.6 Policy E4 below sets out the parameters within which applications to extend the occupancy of holiday parks to a 10 month period will be permitted. Permanent occupation will continue to be resisted.

21.0.7 Where land is liable to flooding, occupation will continue to be restricted in accordance with national planning policy and guidance. Applications to extend occupancy on these sites will need to be supported by an up-to-date Flood Risk Assessment (FRA) with mitigation measures where appropriate. Applications will be resisted where it has not been possible to provide mitigation that adequately safeguards from the risk of flooding over the winter months.

21.0.8 In cases where sites are either adjacent, or in close proximity to, the Swale or Medway Special Protection Area, an application to extend the holiday season will need to be accompanied by an assessment made under the Habitat Regulations in order to consider potential disturbance to over-wintering birds.

Question 39

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy E4

New Holiday Parks or extensions to existing parks & the occupancy of holiday parks

1. Planning permission will be granted for the upgrading and improvement of existing static holiday caravan and chalet sites (including the conversion from chalet to caravan) within the existing boundaries of the Holiday Park areas as shown on the Proposals Map (to be illustrated in later stages of the Local Plan).

Conversions from caravan to chalet will be reviewed on a case-by-case basis, due to some chalet sites having 12 month occupancy rights and where criteria 4.d of this policy applies.

Planning permission will not be granted for any new static holiday caravans and chalets, or extensions, outside of the Holiday Park areas on the Isle of Sheppey as shown on the Proposals Map (to be illustrated in later stages of the Local Plan).

2. In circumstances where land is lost to coastal erosion, minor extensions to existing static holiday caravan sites will be permitted where:

a. the proposal is in accordance with 31 Policy C6 Coastal Change Management and 32 Policy C7 Implementing the Medway Estuary & Swale Coastal Risk Management Strategy where it applies relating to the coast and the coastal change management area;
b. it is demonstrated that on-site upgrading and improvement is not practical or viable;
c. there is no overall increase in the existing number of accommodation units;
d. it is part of a scheme to upgrade and improve the quality of tourist accommodation and other amenities on the site;
e. it results in a significant and comprehensive improvement to the layout, design and appearance of the site, together with an integrated landscape strategy that creates a landscape framework for both the existing and proposed sites that will reduce their overall impact within the landscape in accordance with 39 Policy B2 Conserving & enhancing valued landscapes;
f. in accordance with policy criteria set out below on the occupancy of holiday parks; and
g. there is no unacceptable impact on the local environment.

3. Where new or improved facilities are proposed within the existing boundaries of the Holiday Park areas, as shown on the Proposals Map (to be illustrated in later stages of the Local Plan), planning permission will be granted provided they are:

a. of a type and scale appropriate to the site or park they are intended to serve;
b. where feasible, made available for use by the local resident population; and
c. in accordance with policy set out below on occupancy of holiday parks.

4. Applications to extend occupancy of caravans and chalets in holiday parks to 10 months will be assessed against the following criteria, all of which must be met:

a. the site is not at risk of flooding, unless, exceptionally, applications accompanied by a Flood Risk Assessment (FRA) can satisfactorily demonstrate that the proposals would not result in a greater risk to life or property and where an appropriate flood evacuation plan would be put in place;
b. the amenity and tranquillity of the countryside and residential areas are safeguarded;
c. the proposals are in accordance with 31 Policy C6 Coastal Change Management and 32 Policy C7 Implementing the Medway Estuary & Swale Coastal Risk Management Strategy where it applies relating to the coast and the coastal change management area;

d. where located adjacent to or in close proximity of the Special Protection Areas (SPAs), an assessment has been undertaken to determine the level of disturbance to over-wintering birds and identified mitigation measures, where appropriate; and

e. the extension of a 10 month occupancy is subject to planning conditions safeguarding the holiday accommodation from being used as a sole or main residences.

Question 40

Do you support or object to Policy E4? What would you add, remove or amend to support it further or to remove your objection?

22 Policy INF1 Managing transport demand & impact

Managing Transport Demand and Impacts

22.0.1 The need to prioritise sustainable transport and active travel above private use is becoming increasingly urgent. On 26th June 2019, the Council declared a Swale Climate and Ecological Emergency [92]. Some of the intentions set out by the council in the document include an approach to spatial and transport planning that makes fewer journeys necessary, as well as improving public transport and encouraging active travel. The Council's Climate and Ecological Emergency Action Plan 2025 [93] includes Air Quality and Sustainable Transport as one of the seven focus areas. Development in the borough now needs to contribute towards providing an efficient and sustainable transport system and promote modal shifts toward public transport and active travel.

22.0.2 We are in a period of significant technological advancement and travel pattern uncertainty resulting from new ways of working and new technology. This policy is intended to be sufficiently flexible to react appropriately to those evolving changes.

22.0.3 New development and redevelopment can impact the transport network through both physical changes and changes to the number, type and mode of trips linking the site. This has an effect on the safe and efficient operation of the highway and public transport network.

22.0.4 This policy aims to ensure that development proposals maximise opportunities for access and sustainable transport, responds to the emerging technological advances and is designed to support transport modes in line with the hierarchy below:

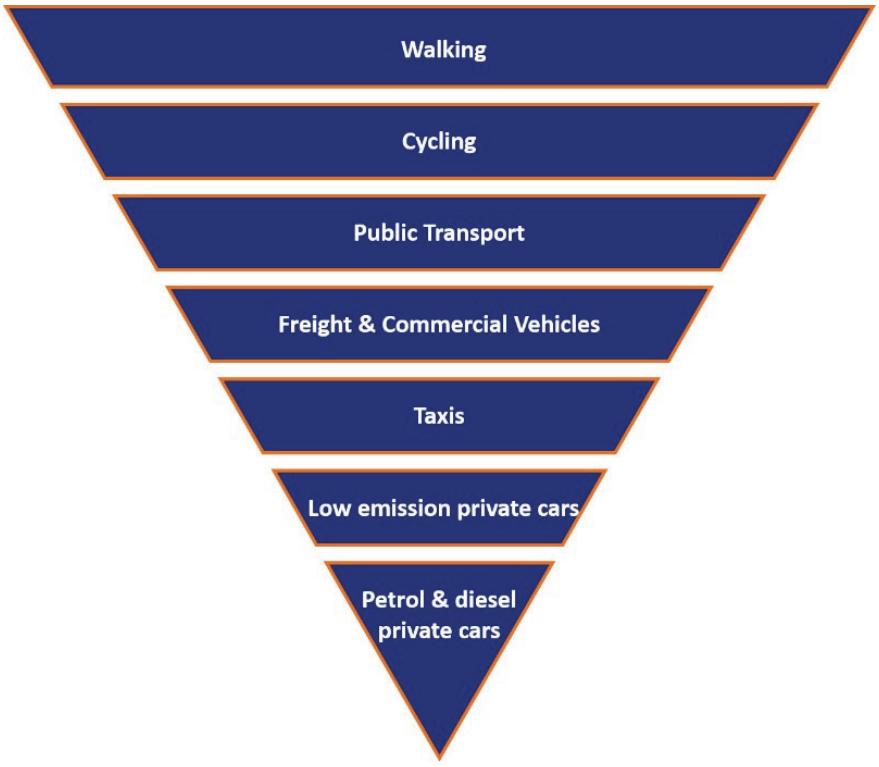


Figure 22.0.1 Transport Hiearachy.jpg

22.0.5 This policy also aims to ensure that developers submit an appropriate level of assessment to enable the Council to assess the transport conditions before and after a development. Development

92 Swale Borough Council -Declaration of Emergency https://services.swale.gov.uk/assets/Climate-Change-and-Ecological-Emergency/Climate-Change-and-Ecological-Emergency-Motion.pdf

93 Climate and Ecological Emergency Action Plan 2025 - https://swale.gov.uk/__data/assets/pdf_file/0011/494219/2025-Climate-and-Ecological-Emergency-Action-Plan.pdf

proposals should take all the appropriate steps to safely and efficiently integrate a development to the transport network within its capacity, and/or to secure measures to enable access and capacity before a development comes into use.

22.0.6 This policy supports the core objectives of the National Planning Policy Framework (NPPF) [94] for promoting sustainable transport by managing patterns of development at a site-specific level. The NPPF states that transport issues should be considered from the earliest stages of plan-making and development proposals, and significant development should be focused in areas that are, or can be made to be, sustainable through limiting the need to travel and offering a genuine choice of transport modes.

22.0.7 This policy forms a framework for considering development proposals in line with NPPF to ensure that:

a. appropriate opportunities to promote sustainable transport modes can be – or have been – taken up, given the type of development and its location;
b. safe and suitable access to the site can be achieved for all users; and
c. any significant impacts from the development on the transport network (in terms of capacity and congestion), or on highway safety, can be cost effectively mitigated to an acceptable degree.

22.0.8 Development proposals should therefore be located and designed to minimise the need to travel and maximise the choice and convenience of sustainable modes in line with potential future strategic policy on Promoting Sustainable Transport and Active Travel.

22.0.9 All developments that have the potential to generate significant amounts of movement should be supported by a Transport Statement or Transport Assessment. These should be prepared in line with Planning Practice Guidance for Travel Plans and Transport Assessments and Statements.

22.0.10 Thresholds for development requiring assessment are defined by the Council's Planning Validation Checklist:

22.0.11 Transport Assessment:

a. Residential developments of 40 dwellings or more, or
b. Developments (including non-residential) proposals of 2,500 square meters with a gross floor space of 2,500m² or more
c. Where recommended as mitigation, a draft travel plan should also be submitted

22.0.12 Transport Statements:

d. Residential developments of 10 dwellings or more, or
e. Development (including non-residential) with a gross floor space of 1,000 m2 or more
f. Site has an area of 0.25 hectare or more and the development proposed will have limited transport issues arising
g. Where recommended as mitigation, a draft travel plan should also be submitted.

22.0.13 The above thresholds are not exhaustive and the requirements for assessment should be determined based on the unique nature of each site. The coverage and detail of assessment should reflect the scale of the development and the extent of the transport implications of the proposal. This can be agreed with the council following discussions with the Highway Authority at the Pre-Application stage.

22.0.14 Developers should demonstrate that a proposal will meet the needs of users in accordance with the transport hierarchy in Figure 22.0.1 Transport Hiearachy.jpg, and that the transport network (both highway and public transport) has sufficient capacity to accommodate additional movements from the development.

94 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

22 Policy INF1 Managing transport demand & impact

22.0.15 Where a development is likely to result in capacity constraints, developers are required to detail the specific amendments and mechanisms to mitigate the proposals. These should be agreed and implemented prior to development, and the Council will seek to secure these through Planning Conditions, Section 106 legal agreements as appropriate.

22.0.16 Following application of the above processes, NPPF (paragraph 116) states that development should only be prevented or refused on highways grounds if the residual cumulative impacts of development are 'severe'. Whilst 'severe' is not defined by the NPPF, DfT Circular 2/2013 [95] states that continued safe operation of the network is the prime consideration in terms of the operation of the strategic road network.

22.0.17 New development should be located to minimise the need to travel for employment and services, and to facilitate sustainable transport in accordance with potential future strategic policy on Promoting Sustainable Transport and Active Travel.

22.0.18 Development proposals will be expected to assist with the delivery of the Faversham LCWIP[96]January 2022(update [97]drafted, becomes definitive version once approved), the Kent Cycling and Walking Infrastructure Plan (KCWIP, August 2024 [98]) and the emerging Swale LCWIP which underwent for public consultation in Autumn 2025. They plans have been designed to enable a long-term approach to developing local cycling, walking and wheeling networks over a 10-year period.

22.0.19 Development should be designed with active travel, especially walking and cycling at the forefront and should be located within walkable distances to services and amenities. Development sites that lack existing local services and amenities should incorporate proposals for such where the scale of development warrants it. Mixed-use development or sites that have access to employment or community facilities without the need for vehicular trips will be favoured to support this policy and future strategic policy on Promoting Sustainable Transport and Active Travel as well as principles of minimising the need to travel.

22.0.20 Integration of walking and cycling not only requires consideration within the site layout, but also requires comprehensive and cohesive links to the surrounding network, services and facilities. Development layouts should be designed to be fully permeable to pedestrians and cyclists, and measures to reduce traffic speed in residential areas should be integral to the design and layout. Existing public rights of way through a development site should in the first instance be enhanced to improve connectivity to the wider network and recreational value, or be retained on their established routes within green, overlooked corridors. Local Transport Note 1/20[99] must be used as the standard for new cycle route design. Any proposed changes to routes must be demonstrated to the satisfaction of the Council and Kent County Council Public Rights of Way Access that change to the network would enhance its recreational value.

22.0.21 Developments should take full advantage of public transport services in their vicinity. Sites that have high public transport accessibility, or the ability to provide it, will be strongly favoured. Site layouts should be designed to promote access to public transport, increase the attractiveness of these modes, and capitalise on opportunities to strengthen transport interchanges. In line with a strategic policy on Promoting Sustainable Transport and Active Travel in the future, developers will be required to integrate improved public transport facilities where appropriate, such as access to bus stops, shelters, passenger seating, waiting areas, signage and timetable information.

22.0.22 Developers should demonstrate through appropriate assessment that scheme proposals can be accommodated within the existing or committed public transport capacity. Where capacity constraints are predicted, developers should mitigate this through appropriate means, such as contributions towards new or improved services in accordance with a future strategic policy on Promoting Sustainable Transport and Active Travel.

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95 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1093964/circular-02-2013-update.pdf

96 https://favershamtowncouncil.gov.uk/active-travel/

97 https://favershamtowncouncil.gov.uk/wp-content/uploads/2025/09/Faversham-LCWIP-Aug-25.pdf

98 https://letstalk.kent.gov.uk/kent-cycling-and-walking-infrastructure-plan

99 https://www.gov.uk/government/publications/cycle-infrastructure-design-ltn-120

22.0.23 The Council recognises the important role of rail and water transport in the movement of freight and commercial use. Indeed, the Kent Minerals and Waste Local Plan 2024-39 (Adopted 2025) (Policy CSM 12) [100] supports in principle development proposals for new wharf and rail depots for importation operations, and this policy requires that emissions associated with minerals and waste road transport movements are minimised as far as practicable and by preference being given to non-road modes of transport. The Council is keen to encourage greater use of rail and water transport and will usually support development which proposes this.

22.0.24 We are in a period of significant transport innovation and technological advancement, whether this be conversion of vehicular fleets to electric or hydrogen power, autonomous vehicles or on demand transport provided directly to our homes via mobile phone apps. Accompanied with this there may also be longer term travel demand changes that may occur as a legacy from the Covid-19 pandemic. These could involve greater peak spreading of travel demand and a need for flexible working spaces within new homes or communities. The council will ensure that this local plan's policies can accommodate the adaptations to the way we travel, work and shop with the objective of reducing the need for private car dependency.

22.0.25 Direct access to the strategic road network and primary road network shown on Picture 7.0.6 will not be supported in most cases. New direct access to the strategic road network will only be considered in cases of strategic development, proposed through a local plan review, and only where appropriate access arrangements can be achieved without detriment to network capacity or safety.

22.0.26 The Insets (Figure 22.0.2 Swale Urban Hierarchy - Figure 22.0.5 Sittingbourne Urban Hierarchy) show the Urban Road Hierarchy for Faversham, the Sheerness area and Sittingbourne respectively.

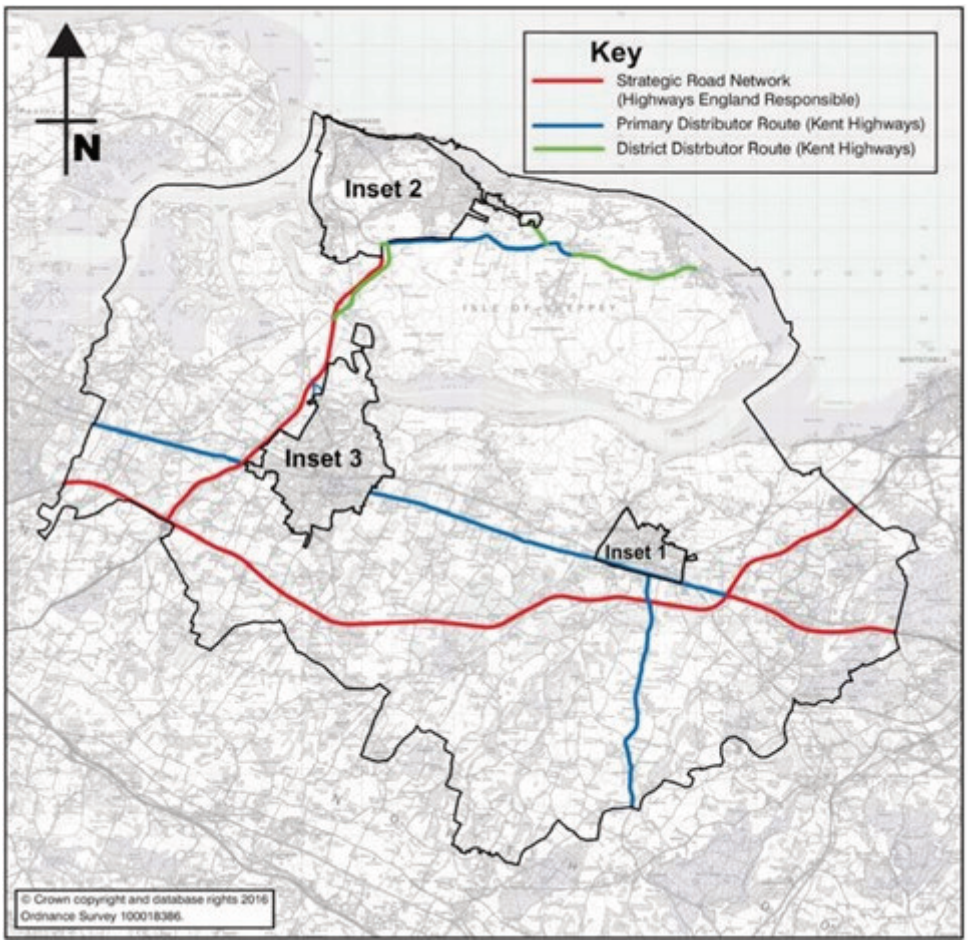


Figure 22.0.2 Swale Urban Hierarchy

100 https://www.kent.gov.uk/__data/assets/pdf_file/0019/203707/Kent-minerals-and-waste-local-plan-2024-to-2039.pdf

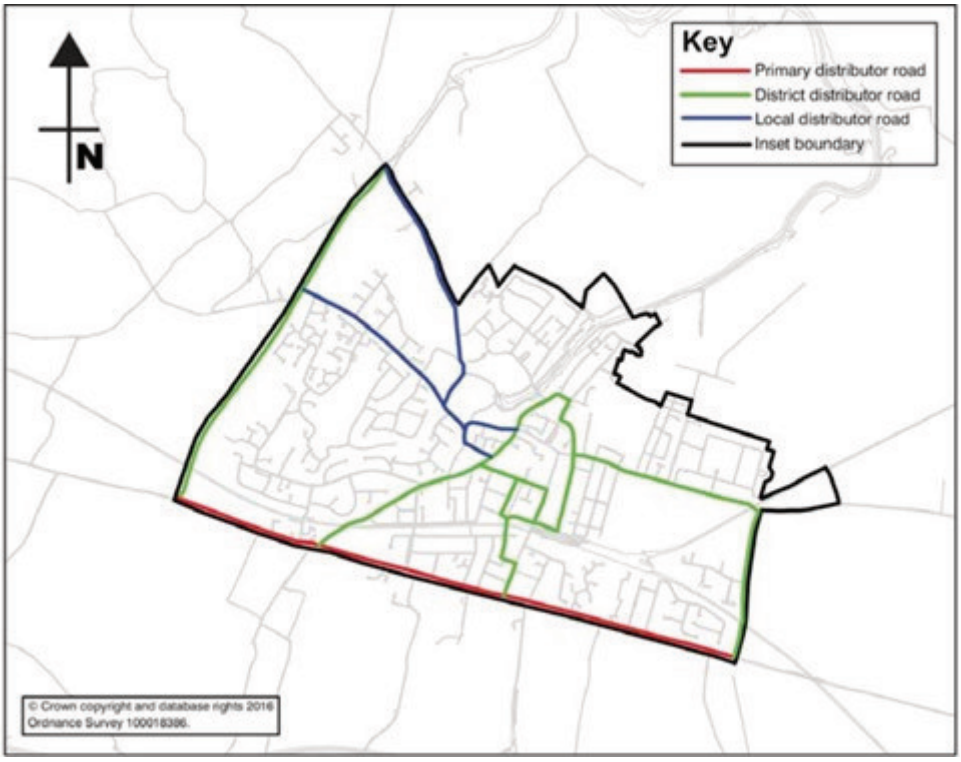


Figure 22.0.3 Fav Urban Hierarchy

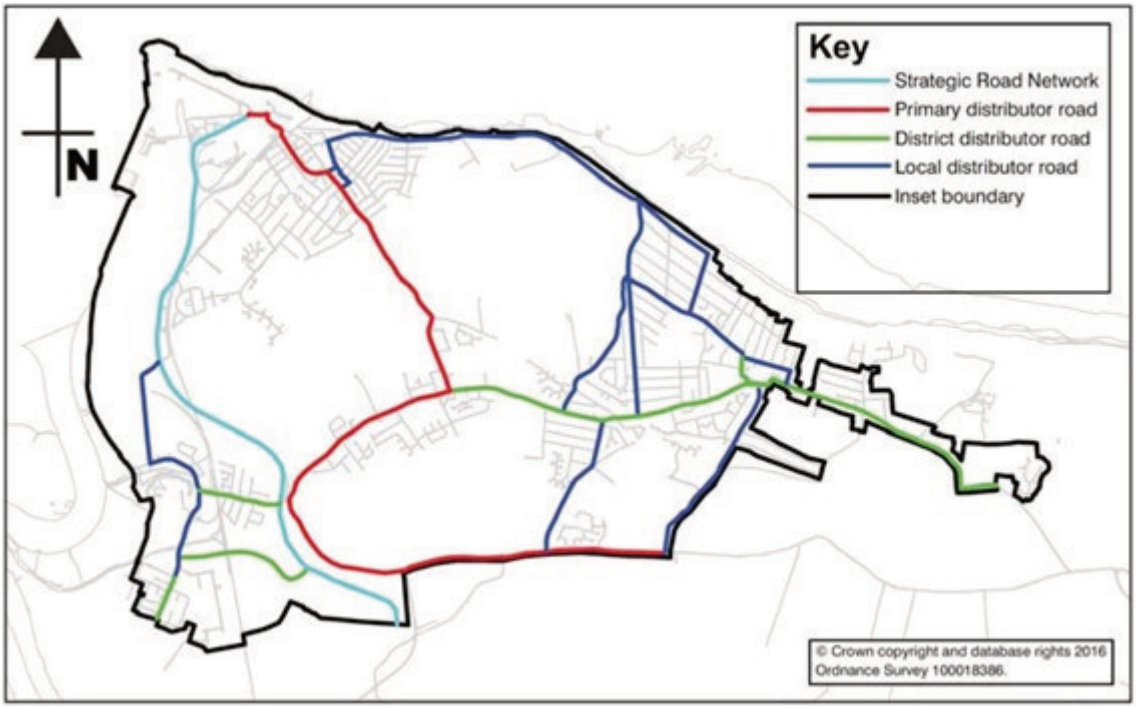


Figure 22.0.4 Sheerness Urban Hierarchy

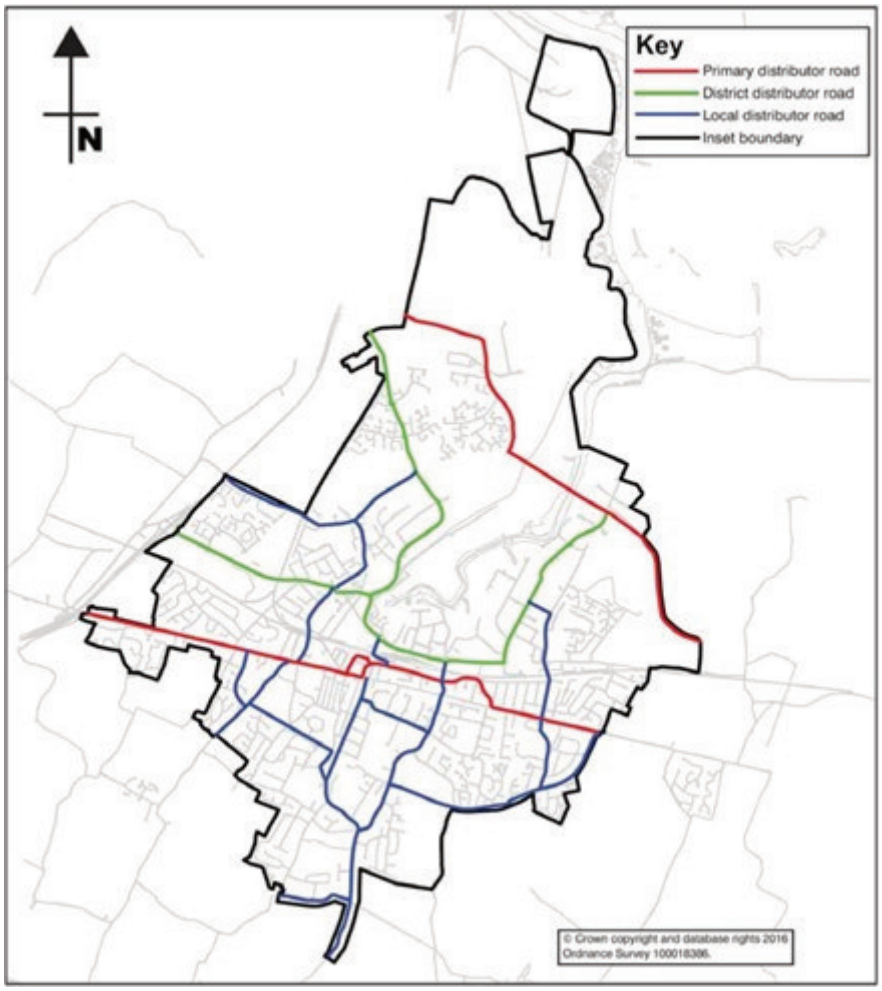


Figure 22.0.5 Sittingbourne Urban Hierarchy

Question 41

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy INF1

Managing transport demand & impact

1. All developments that have the potential to generate significant amounts of movement by any mode should be supported by a Transport Statement or Transport Assessment. Where recommended as mitigation, a draft Travel Plan should be submitted, and a Full Travel Plan secured by planning condition;
2. Development that has the potential to impact the strategic road network will require a Transport Assessment regardless of level of trip generation;
3. All trip generating development proposals must prioritise sustainable transport and 'active travel' by:
   a. Minimising demand for private car journeys;
   b. Demonstrating that sustainable transport modes have been prioritised in the design in accordance with the Development Transport Hierarchy (Figure 22.0.1 Transport Hiearachy.jpg);

c. Providing a fully permeable and connected development for walking, cycling and public transport;
d. Creating an accessible development accommodating the needs of all users, including those who are disabled or are mobility impaired;
e. Ensuring existing public rights of way are enhanced, or where diverted that new routes are created in appropriate locations;
f. Realising all opportunities to enhance access by sustainable modes, appropriate to the scale of development; for example, on strategic sites, look for opportunities to provide car clubs or cycle hire schemes, where possible, integrated into 'mobility hubs' which may also include a new bus stop or other element of sustainable transport. Car club cars should be provided on developments of 100 cars or above. Mobility hubs (with more than one type of active/sustainable travel element in one place) should be provided in developments larger than 250 dwellings;
g. Having due regards to relevant adopted Local Cycling and Walking Infrastructure Plans; and
h. Demonstrating that the public transport network has sufficient capacity to accommodate the development, taking into account the cumulative impact of local committed development.

4. All trip generating development proposals must consider highway impacts by:
   a. Demonstrating that the road network has sufficient capacity to support the development, considering the cumulative impact of local committed development;
   b. Ensuring that, where mitigation is required, environmentally acceptable improvements to the network are agreed by the Council and the Highway Authority and provided in advance of severe safety or capacity highway issues being identified;
   c. Demonstrating access arrangements can be achieved, accommodating the predicted level of use and vehicle types, and without severe residual cumulative impacts to network capacity or impacting upon highway safety; and
   d. Avoid the formation of a new direct access onto the strategic or primary distributor route network where possible, or unless identified by the Local Plan. Other proposals for new access onto the networks will need to demonstrate that they can be created in a location acceptable to the Council and appropriate Highway Authority.
5. Development proposals must support safe and sustainable freight and commercial operations by:
   a. Not resulting in the loss of usable wharfage or rail facilities;
   b. Ensuring safe and efficient delivery and servicing that minimises the number of motor vehicle journeys;
   c. Providing supporting evidence that demonstrates the promotion or use of wharfs or rail facilities when requested by the Planning Authority; and
   d. Providing layouts that accommodate emergency and utility vehicles.
6. Where the residual cumulative impacts of development are severe following mitigation works, or where a development will impact the continued safe and efficient operation of the local transport network, the development will be refused;
7. All proposals for strategic development or where otherwise advised must demonstrate that they are able to respond to emerging technologies by:
   a. Including facilities for charging plug-in and other ultra-low emission vehicles in line with Policy C1 and Policy INF 2;
   b. Supporting intelligent priority for sustainable modes of travel;
   c. Facilitating "on demand" public transport or car club facilities and/or alternative measures that reduce the need for private car ownership;

d. Providing Broadband/connected communities infrastructure and house design that supports Working from Home; and
e. Providing flexible parking arrangements that can be easily adapted into community open space should demand for parking fall.

Question 42

Do you support or object to Policy INF1? What would you add, remove or amend to support it further or to remove your objection?

23 Policy INF2 Vehicle parking

23.0.1 The Council is aiming for walkable neighbourhoods within sustainable communities by ensuring that there is integrated employment, residential and community uses and by providing access to sustainable modes of transport into and around the towns and neighbourhoods. Research has shown there are fewer young people owning a driving licence [101]and that older people are driving less [102]. In addition, home working had been steadily increasing and saw a substantial increase during and after the COVID19 pandemic and is a trend that is likely to remain. However, car ownership, although variable across different parts of the borough, is still a reality. Therefore there is a need to park, not only cars but, all types of vehicles, so the provision of well-designed parking set in the context of attractive public realm is an important requirement.

23.0.2 Ensuring the appropriate level of car parking in new development involves striking a careful balance. On the one hand, it is important that sufficient parking is provided so that there are no significant knock-on effects on the safety and function of the public highway and public transport through on street parking. On the other, the over provision of car parking, particularly within the vicinity of places of work, can lead to less sustainable travel choices and in residential areas can lead to car dominated neighbourhoods.

23.0.3 The National Planning Policy Framework (NPPF para 109) [103] requires that transport issues, including parking, are considered from the earliest stages in the planning process as a means to create well-designed, sustainable and popular places. In addition, the NPPF (para 112 and 113) sets out that residential and non-residential parking standards can be determined locally where there is a clear and compelling justification. This could include local transport conditions, type and mix of land uses, electric vehicle needs and vehicle ownership. Whilst there is also the requirement for prioritising pedestrians, people with disabilities and cyclists/wheelers with the provision of safe, secure and attractive environments (para 117). The Council has published a Supplementary Planning Document setting out the local context on transport issues and providing guidance on car and cycle parking standards and design, including the requirements for electric vehicle charging Swale Parking SPD[104].



101 Chatterjee, K., Goodwin, P., Schwanen, T., Clark, B., Jain, J., Melia, S., Middleton, J., Plyushteva, A., Ricci, M., Santos, G. and Stokes, G. (2018). Young People's Travel – What's Changed and Why? Review and Analysis. Report to Department for Transport. UWE Bristol, UK. https://www.gov.uk/government/publications/young-peoples-travel-whats-changed-and-why

102 Marsden, G. et al. (2018) All Change? The future of travel demand and the implications for policy and planning, First Report of the Commission on Travel Demand, ISBN: 978-1-899650-83-5

103 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

104 https://services.swale.gov.uk/assets/Planning-Forms-and-Leaflets/Supplementary-Planning-Documents/SBC-Parking-Standards-May-2020.pdf

23.0.4 Design of parking provision in residential areas will be steered by the Swale Parking SPD, research into residential car parking in Kent made available by "Space to Park' [105], and design criteria relevant to parking within both the National Design Guide [106] and the Building for a healthy life tool[107].

Question 43

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy INF2

Vehicle parking

Development proposals will, as appropriate:

1. Accord with the adopted Swale Parking SPD, Building Regulations 2021 Parts S, the National Design Guide, Building for a Healthy Life and Space to Park. Updated Part S covers electric vehicle parking and where there are repeated requirements with the Swale Parking SPD, developers should comply with whichever requirement delivers more electric vehicle charging provision;

2. For residential development proposals will:

a. take into account the type, size and mix of dwellings and the need for visitor parking;
b. provide efficient and attractive layout of development whilst ensuring that appropriate provision for vehicle parking is integrated within an attractive, tree shaded public realm; and
c. be aware of the caveat in the Swale Parking SPD that allows for a reduction in vehicle parking where appropriate.

3. For non-residential uses, development proposals will take into account:

a. the accessibility of the development and availability of public transport;
b. the type, mix and use of the development proposed;
c. the need to maintain an adequate level of car parking within town centres to ensure that viability of the centres is not compromised; and
d. to ensure appropriate provision for vehicle parking is integrated within an attractive, tree shaded public realm.

4. Cycle parking facilities on new developments will be of an appropriate design and in a convenient/easily accessible, safe, secure and sheltered location;

5. Development should make the following provision for electric vehicle charging points:

a. all new houses with dedicated off-street parking should provide charging points; and
b. within communal car parks for residential or non-residential developments of at least 10 spaces, a minimum of 10% of spaces should provide an active charging point.

Question 44

Do you support or object to Policy INF2? What would you add, remove or amend to support it further or to remove your objection?

105 http://www.spacetopark.org/
106 https://www.gov.uk/government/publications/national-design-guide
107 https://www.udg.org.uk/publications/othermanuals/building-healthy-life

24 Policy INF3 Open space, sport and recreation provision

24.0.1 This policy aims to protect, enhance & provide strategic recommendations and objectives for open space, sport and recreation in the borough. The National Planning Policy Framework[108](NPPF para 103) recognises that having access to a network of high-quality open spaces and opportunities for sport and physical activity is important for the health and well-being of our communities. The aim of this policy is to safeguard Swale's existing facilities and make for the provision and enhancement of open space, sport and recreation facilities as a result of new development.

24.0.2 The NPPF advises that robust and up-to-date assessments of the need for these facilities, including quantitative or qualitative deficits or surpluses, should be used in the preparation of planning policies. The Council's adopted Open Spaces and Play Area Strategy (2018-2022) [109]and are [110]both up-to-date and thorough assessments that have been carried out since the adoption of the last Local Plan. These strategies will continue to be supported by an Open Spaces Technical Assessment, a Playing Pitch Assessment and the Swale Built Facility Assessment and Strategy 2024-2038.

24.0.3 Both strategies seek to identify key opportunities and strategic imperatives, plan for the delivery of new facilities triggered by development, make improvements to existing facilities and provide working documents that set standards for provision in terms of quantity, quality and accessibility. The Swale Built Facility Assessment and Strategy (2024-2038) [111]



24.0.4 Other linked strategies include the Swale Active Lives Framework (2017-2022)[112] and the Swale Green and Blue Infrastructure Strategy (2020) [113] and Swale Green Grid Strategy [114](2016), which aims to create a network of multi-functional green and blue spaces across the borough.

24.0.5 Initially, Policy INF3 protects existing open space, sport and recreation facilities, and these should not be built on other than in exceptional circumstances. Furthermore, it seeks additional provision and enhancement, where required as part of new development. Policy INF3 also highlights the requirement to address deficiencies, with reference to the strategies outlined above.

24.0.6 The actual type and amount of provision required will be determined at planning application stage, in the context of the specific details of the proposed development, and in consideration of the council's wider strategic aims. However, Policy INF3 seeks to ensure that amounts do not fall below current standards. Finally, in order to integrate such provision into the green and blue infrastructure network, Policy INF3 advocates for the multi-use and functioning of spaces to achieve benefits to communities and to biodiversity (through the creation of natural habitats) in accordance with future strategic policy in the next stage of the Local Plan Review, Reg 19.

108 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
109 https://services.swale.gov.uk/assets/Planning%20Policy%202019/Open%20Spaces%20and%20Play%20Area%20Strategy%202018-2022.pdf
110 (Public Pack)Agenda Document for Housing, Health and Communities Committee, 28/10/2025 19:00
111 Swale Built Facility Assessment and Strategy 2024 - 2038
112 https://swale.gov.uk/your-council/publications/sports-and-physical-activity/active-lives-framework which seeks to increase physical activity in the community
113 https://services.swale.gov.uk/assets/Planning%20Policy%202019/7659.012%20Swale%20GBI%20Strategy%20MERGED%20LR.pdf
114 https://ws.swale.gov.uk/meetings/documents/s6079/Green%20Grid%20Strategy%202016%20proof%20Aug%202016.pdf

Question 45

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy INF3

Open space, sport and recreation provision

Proposals for residential and other development will, as appropriate:

1. Safeguard existing open space, sport and recreation provision;
2. Make provision for open space and recreation facilities in accordance with Table 7.0.2 to ensure that amounts do not fall below current standards whilst ensuring that the location of new provision does not result in increased levels of recreational pressure on internationally designated sites;
3. Make provision for sports facilities in accordance with the needs identified by the Council's Open Spaces and Play Area Strategy (2018-2022) , Playing Pitch Strategy (2015-2025)and Swale Built Facilities Study, whilst ensuring that the location of new provision does not result in increased levels of recreational pressure on internationally designated sites;
4. Where it is not appropriate to make new provision on-site, make contributions to the off-site funding of facilities to meet local deficiencies or to the qualitative or quantitative improvement of existing provision; and
5. Provide for the multi-use of open space, sports and recreation facilities as appropriate, with particular emphasis on contributing towards the Green and Blue Infrastructure Strategy (2020), set out in a strategic policy in the next stage of the Local Plan Review, Regulation 19, so as to achieve benefits for both communities and biodiversity.

Type of space	Quantity to maintain existing levels of provision (ha per 1000 population)	Proposed need (ha)	Distance from new development
Parks and gardens	1.36	22.79	2km of a destination site. 800m of a local site. 400m of a neighbourhood site.
Natural and semi-natural greenspace	4.20	70.39	2km of a destination site. 800m of a local site. 400m of a neighbourhood site.
Amenity greenspace	0.49	8.21	400m
Provision for children and young people	0.06	1.01	400m
Allotments	0.18	3.02	800m

Table 24.0.1 Open space and recreation standards, subject to change pending new evidence at a later stage.

Destination sites – large parks providing a range of facilities and features offering recreational, ecological, landscape, cultural or green and blue infrastructure value which (in the case of parks and gardens) are accessible by public transport. Includes areas recognised for a significant importance and biodiversity such as local nature reserves, woodlands and country parks.

24 Policy INF3 Open space, sport and recreation provision

Local sites – large areas, including a landscape setting, outdoor sports, children's play, informal recreation and areas of varied biodiversity such as coastal parks, country parks and community woodland.

Neighbourhood sites – pocket parks of less than 0.5ha which provide a landscape setting, informal space of children's play as well as space which provides varied biodiversity such as linear paths and small areas of space.

Question 46

Do you support or object to Policy INF3? What would you add, remove or amend to support it further or to remove your objection?

25 Policy INF4 Local Green Spaces

25.0.1 The National Planning Policy Framework[115](NPPF para 106) states that Local (and Neighbourhood) Plans should allow communities to identify and protect green areas of particular importance to them. The aim of this policy is to ensure that Local Green Space (LGS) designations are protected from inappropriate development and retained for enjoyment by local communities.

25.0.2 LGS designations can be considered, during the plan-making process, where the green space is:

- In reasonably close proximity to the community it serves;
- 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 wildlife; and
- local in character and not an extensive tract of land.

25.0.3 An assessment of potential LGS's has been carried out against the defined criteria and can be found published within the Local Plan's evidence base. The sites in question have, for the most part, been forward by local communities and represent diverse types and uses of land ranging from coastal cliff tops to allotments and recreation grounds.

25.0.4 The sites designated as LGS's are shown on the Proposals Map (to be illustrated in later stages of the Local Plan). The Council can have no direct influence on the management of these sites, although clearly the borough, parish and town council's wish to see their current use continue. However, Policy INF4 will be used to preserve these LGS's and prevent development which would conflict with their character and use.

25.0.5 LGS designations differ from village green registrations which are handled by Kent County Council under separate legislation and outside the remit of national planning policy and the Local Plan.

Question 47

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy INF4

Local Green Spaces

Within designated Local Green Spaces, planning permission will not be granted other than for:

1. The construction of a new building providing essential facilities for outdoor sport or recreation, cemeteries, allotments, the reasonable requirements of agriculture or forestry, or other community uses related to the Local Green Space, where the character and use of the Local Green Space is preserved;
2. The replacement, extension or alteration of an existing building where this does not result in a disproportionate addition over and above the original building and maintains the character and use of the Local Green Space;
3. The re-use of an existing building where this does not conflict with the character and use of the Local Green Space; or
4. The carrying out of engineering or other operations required for public safety or to provide essential infrastructure.

115 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

25 Policy INF4 Local Green Spaces

Question 48

Do you support or object to Policy INF4? What would you add, remove or amend to support it further or to remove your objection?

26 Policy C1 Sustainable design and adaptation principles

26.0.1 As a coastal borough in the south of England, Swale's population and environment is particularly vulnerable to the impacts of climate change including flooding and erosion, increased storms, overheating and drought. Impacts are already being felt, particularly by communities and businesses currently suffering from flooding, erosion and water shortages and by local ecosystems suffering the impacts of changing weather, including drought.

26.0.2 In response to the threats of climate change, in June 2019 the Council declared a Climate and Ecological Emergency. This included a commitment to facilitate the action required to make Swale carbon neutral, with an agreed target of 2045 (updated in 2025 from a former target of 2030). Following on from this the Council has developed, and updated, an Action Plan with actions for departments across the Council.

26.0.3 The Council's approach to addressing climate change must be seen within the international context. The UK is a signatory to the international Paris Agreement 2015, brokered via the United Nations. This commits signatories to ensure global average temperatures rise is limited to 2˚Celsius above pre-industrial levels, and to pursue a limit of 1.5˚C. This commitment requires fast and drastic cuts to global carbon emissions.

26.0.4 In 2019 the UK Government also declared a climate emergency and updated the legally binding carbon reduction goal for 2050 enshrined in the Climate Change Act 2008[116]. The Act comes with 5-yearly carbon budgets that are devised by the independent Committee on Climate Change (CCC) and passed into law by Parliament.

26.0.5 The CCC's, Seventh Carbon Budget (2025), explains:

- in nearly all scenarios considered by the Intergovernmental Panel on Climate Change (IPCC), long-term warming exceeds 1.5ºC;
- under current policies, the global carbon budget for 1.5ºC would be exhausted by 2030;
- it is still possible to limit long-term warming with deep and immediate emissions cuts;
- long-term warming above 1.5ºC, even temporarily, will bring impacts that need to be adapted to. The greater the overshoot, the larger the climate risks;
- a greater overshoot implies a larger need for CO_2 removal measures many of which are not yet proven.

26.0.6 The urgency of the situation is clear and local plans (and thereby planning applications) have a duty and a mandate to respond, as follows:

- The Planning & Compulsory Purchase Act 2004 [117]establishes that local plans are obliged to include policies designed to secure that the development and use of land in the local planning authority's area contribute to the mitigation of, and adaptation to, climate change;
- The Climate Change Act 2008 sets the UK's 2050 net zero carbon goal, and also interim 'carbon budgets', that reduce every 5 years;
- The Planning & Energy Act 2008 [118] grants local planning authorities the power to set reasonable requirements for:
  - Energy efficiency standards higher than those set by Building Regulations; and
  - Renewable or low carbon sources 'in the locality of the development' to supply a proportion of energy used at the development.
- National Planning Policy Framework [119](NPPF) states that:
  - The planning system should support the transition to net zero by 2050 and take full account of all climate impacts including overheating, water scarcity, storm and flood risks and coastal change. It

116 https://www.legislation.gov.uk/ukpga/2008/27/contents
117 https://www.legislation.gov.uk/ukpga/2004/5
118 https://www.legislation.gov.uk/ukpga/2008/21/contents
119 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

should help to: shape places in ways that contribute to radical reductions in greenhouse gas emissions, minimise vulnerability and improve resilience; encourage the reuse of existing resources, including the conversion of existing buildings; and support renewable and low carbon energy and associated infrastructure (para 161);
  - Plans should take a proactive approach to mitigating and adapting to climate change, taking into account the long-term implications for flood risk, coastal change, water supply, biodiversity and landscapes, and the risk of overheating and drought from rising temperatures, in line with the objectives and provisions of the Climate Change Act 2008 (para 162);
  - The need to mitigate and adapt to climate change should also be considered in preparing and assessing planning applications, taking into account the full range of potential climate change impacts (para 163);
  - New development should be planned for in ways that help to reduce greenhouse gas emissions, such as through its location, orientation and design (para 164);
  - To help increase the use and supply of renewable and low carbon energy and heat, plans should provide a positive strategy for energy from these sources (para 165).
- The Planning Practice Guidance [120] chapter on Climate Change explains why it is important for planning to consider climate change and the legal mandate for such. It highlights opportunities to mitigate and adapt to climate change including:
  - Reducing the need for travel and providing sustainable transport;
  - Providing opportunities for renewable and low carbon energy and decentralised energy; and
  - Promoting low-carbon design approaches to reduce energy consumption in new buildings.

26.0.7 However, the Committee on Climate Change's analysis and High Court Rulings from 2022 and 2024 [121]show that national government's current policies & plans will not deliver the Climate Change Act goals.

26.0.8 In response to these issues, the Council commissioned an evidence base for ambitious climate change policies. The evidence comprises three elements:

i. Literature Review (assessment of powers and duties);
ii. Policy options & risk matrix; and
iii. Evidence base and policy recommendations.

26.0.9 and can be found at: Local Plans - Local Plan Review Evidence [122].

26.0.10 Some of the challenges set out in the evidence base include:

- Building Regulations:
  - won't deliver net zero carbon buildings (including the Future Homes Standard);
  - don't count unregulated energy (eg appliances) so don't count all energy; and
  - are inaccurate and underestimate actual energy use.
- Lack of clarity from successive governments
  - despite having the legislative framework, national policy is not explicit on what is required for the UK to reach net zero by 2050.
  - a number of Written Ministerial Statements have further clouded the water, resulting in confusion for local authorities and subsequent legal challenges. The evidence base documents set out detail related to the legal challenges.

120 https://www.gov.uk/guidance/climate-change
121 https://www.judiciary.uk/wp-content/uploads/2022/07/FoE-5-BDS-judgment-180722.pdf
122 https://swale.gov.uk/planning-and-regeneration/local-plans/local-plan-review-evidence

26.0.11 Despite these challenges many local authorities are adopting policies that will ensure new development is zero carbon and truly mitigates and adapt to climate change. The Council is seeking to follow this lead and adopt policy that enables the fulfilment of their legal and moral duties.

Key Principals for net zero development

i. New development's energy demand must be minimised;
ii. New development should not use fossil fuel;
iii. New development should come with enough new renewable energy generation to 'meet the energy used on site';
iv. New development should use energy based metrics which measure true net zero operational carbon and adopt absolute targets for space heat demand, total energy use intensity per square metre; and
v. Climate mitigation should include mandatory reporting and targets for embodied carbon.

26.0.12 These principles have fed into policies C1-C5 in this chapter, the benefits of which include:

- Ensuring new buildings in Swale are net zero and support the local and national net zero targets of 2045 and 2050 respectively;
- Buildings that are fit for the long term and avoid future costly retrofits;
- Ensuring new buildings have reduced energy costs and carbon taxes;
- Creating buildings and communities that contribute to healthier and more comfortable environments;
- Improving air quality associated with fossil fuel combustion;
- Minimising the need for new energy generation and grid reinforcement whilst contributing to enhanced energy resilience and security;
- Closing the performance gap between the design and operation of new buildings;
- Creating demand for high value jobs and skills;
- Supporting innovative supply chains and the transition to a green economy; and
- Demonstrating to the next generation that we have played our part in addressing the urgency of climate change.

Costs and feasibility

26.0.13 Policies need to be deliverable if they are to be found sound. Assessing the costs and feasibility of ambitious climate change policies has been an important element in both the climate change evidence base and the Whole Plan Viability Assessment. Details of costs and feasibility are provided in the evidence base documents [122].

C1 Sustainable design and adaptation principles

26.0.14 The **Sustainable design, construction and adaptation principles** policy is part of a suite of policies in this Local Plan Review which seek to mitigate and adapt to climate change and enable the Local Plan Review to play its part in enabling the Council and the UK to mitigate and adapt to climate change. It sets out the Council's aspiration for sustainable design, construction and adaptation principles for development in the borough. It should be read against the other policies in this chapter.

Policy application

26.0.15 Before adoption of this policy, the Council aims to produce Planning Guidance to assist in its interpretation and application. Until that time, the climate change evidence base, [122] which informed this policy, should be consulted.

26 Policy C1 Sustainable design and adaptation principles

26.0.16 The Building Research Establishment (BRE) runs the Building Research Establishment Environmental Assessment Method (BREEAM)[123]. It is a globally recognised, third-party, sustainability certification and assessment process, well established in Swale and included in policies in the adopted Local Plan, Bearing Fruits 2031. It examines a wide range of categories including health and wellbeing, energy, water, materials, waste and pollution. A range of BREEAM ratings continue to be relevant for Swale and are included in Policy C1.

26.0.17 Applicants for planning permission are expected to demonstrate the elements set out in policy C1 have been considered and evidenced where appropriate by the corresponding assessment methodology, in a **Climate**, **Energy and Waste Statement,** to accompany planning applications.

26.0.18 Definitions of uncommon phrases used in this policy can be found in the Glossary

Question 49

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy C1

Sustainable design and adaptation principles

Principles of sustainable design and construction, and climate adaptation, should be considered from the very earliest stages of design development.

All residential and non-residential buildings should mitigate against, and adapt to, climate change by employing sustainable design and construction principles, in line with the criteria below, and any future Planning Guidance or Planning Documents.

1. Applicants are expected to demonstrate how these elements have been incorporated via a Climate, Energy and Waste Statement. The following measures should be set out:

   a. Sustainable design and construction - all new developments must minimise their carbon footprint and energy impact through sustainable design and construction practices. Proposals should demonstrate efforts to reduce greenhouse gas emissions by factors such as site selection and location, linkages to other sites and infrastructure, land use/mix, site layout, building orientation, design, landscaping and tree planting strategies, while prioritising a “fabric-first” approach and nature-based solutions. Where development of existing sites takes place, it should be recognised that retaining and upgrading existing structures may be more sustainable than building new;

   b. Sustainable choices – all new development should demonstrate that it makes sustainable living the easiest choice, for instance by providing: mixed uses/communities so people can live close to where they work, learn, socialise and relax; homes that are comfortable to work from, with space for flexible uses, including play and hobbies; have easy access, safe and dry bicycle parking; have space for storage, including for waste and recycling; have internal space to dry laundry; have easy access to public transport and good quality active travel infrastructure; and have safe and easy access to green and blue infrastructure and outdoor recreation - as well as supporting the TCPA's Healthy Homes Principles as set out in Policy G1 General Development Criteria;

   c. Cooling hierarchy - all development proposals should show how designs have optimised the internal and solar heat gains, to balance the need to minimise space heating demand with the

123 https://breeam.com/about

need to passively maintain comfortable temperatures during hot summers. The Climate, Energy and Waste Statement should set out how overheating risk measures have been incorporated in accordance with the following cooling hierarchy:

i. Minimise internal heat generation through energy-efficient design and equipment selection;

ii. Reduce and manage the amount of heat entering the building in summer using:

- Building orientation;
- Shading;
- Albedo/Reflectivity;
- Fenestration; and
- Insulation.

ii. Manage heat within the building through exposed internal thermal mass and high ceilings;

iii. Passive ventilation, including cross ventilation through a building wherever possible. Passive stack and wind-driven ventilation, night purging and designing windows to allow effective and secure ventilation. Single aspect developments are discouraged;

iv. Natural cooling measures including green and blue infrastructure;

v. Use of mixed-mode cooling such as low-energy mechanical cooling (fan-powered ventilation); and

vi. Mechanical ventilation (which, if it has a heat recovery function, should also have a summer bypass mode).

d. Overheating assessment:

i. all major residential developments should complete CIBSE TM59 overheating assessment as their route to compliance with Building Regulations Part O (or future equivalent assessment methodology). The simplified Part O route will not be considered acceptable; or

ii. all major non-residential developments should complete CIBSE TM52 overheating assessment (or future equivalent assessment methodology).

(Certain aspects of building design intended to increase energy efficiency and reduce heat demand, such as increased glazing and airtightness, can also exacerbate heat risk and cause uncomfortable living conditions. The inclusion of CIBSE TM52/59 overheating assessments provides the flexibility needed to manage this balance, as these assessments allow for more detailed design solutions compared to the simplified approach in Part O of Building Regulations.)

e. Resilience and adaptation to climate change - all development should incorporate measures that increase resilience to extreme weather events and demonstrate adaptation to a changing climate, including increasing temperatures and frequency and intensity of rainfall. All developments should demonstrate, where relevant, how they will:

i. Reduce the risk of flooding and conserve water and accord with policies 33 Policy C8 Flood risk and 35 Policy C10 Water quality and Water Resources;

ii. Employ sustainable drainage and accord with 34 Policy C9 Sustainable Drainage;

iii. Ensure cool streets and paths, through tree planting and nature-based solutions, including the enhancement of existing water features;

iv. Reduce the ‘heat island’ effect through the use of cool materials and green and blue infrastructure within the development;

v. Be designed to enhance resilience to the anticipated effects of climate change. Proposals must incorporate measures to adapt to changing climate conditions, including resilience to extreme weather events, rising temperatures, stronger winds, droughts, heavy rainfall, and snow.

Water conservation and storage measures should also be integrated into designs, taking into account best practices and future climate projections and accord with 35 Policy C10 Water quality and Water Resources; and

f. BREEAM – all new non-residential developments (including C1, C2, C2a and C5) are required to achieve BREEAM 'Very Good' standard as a minimum. New major non-residential developments (including C1, C2, C2a and C5) of 1,000sqm or more are required to achieve BREEAM 'Excellent' standard as a minimum.

Question 50

Do you support or object to Policy C1? What would you add, remove or amend to support it further or to remove your objection?

27 Policy C2 Net zero operational carbon in new build residential development

27.0.1 The case for the suite of policies that address the urgency of the climate emergency is set out in the preamble to Policy C1 Sustainable design, construction and adaptation principles.

27.0.2 Policy C2 is aligned with:

- national policy goals which aim to achieve the legally-binding UK target of net zero by 2050, as set out in the Climate Change Act 2008 [124];
- carbon budgets legislated under the aegis of that Act and linked to the **Climate Change Committee's** (CCC) Balanced Pathway to Net Zero in the Sixth Carbon Budget report, which sets out that all new buildings should be zero carbon from 2025, with high levels of energy efficiency and low-carbon heat over gas boilers/fossil fuels. The CCC also recommends a heat demand between 15-20 kWh/m2/year;
- the Planning and Energy Act 2008 [125] which sets out that local standards for energy efficiency in new homes are able to exceed those set in Building Regulations
- the approach to fossil fuels as set out in the **Future Homes Standard** (which seeks to end fossil fuel boilers); and
- the **borough wide net-zero target of 2045**.

27.0.3 For more detail on the justification for the suite of climate change policies, the benefits and co-benefits, costs and feasibility please see the preamble to 26 Policy C1 Sustainable design and adaptation principles.

Policy application

27.0.4 Before adoption of this policy, the Council aims to produce Planning Guidance to assist in its interpretation and application and set out details of a future potential carbon offsetting scheme. Until that time, the Climate change evidence base [126] which informed this policy, should be consulted.

27.0.5 Compliance with this policy should be demonstrated at the planning application stage through submission of a **Climate**, **Energy and Waste Statement**, which should include associated output reports from energy modelling software (e.g. PHPP, or HEM when available for general use).

27.0.6 Policy C2 sets a requirement for total energy use (or Energy Use Intensity) per m2 per year, and such covers both regulated and unregulated energy use within a dwelling. The policy acts as a limit on the energy consumed within a building on an annual basis. It also sets a requirement for space heating demand using the same metric. Space heating demand is the number of units of heat required to sufficiently heat spaces within the building. Aside from stipulating no use of fossil fuels, the policy is agnostic to any technology in the building for heating and is determined by the level of insulation and air tightness specified for the building, it is therefore driving fabric efficiency to ensure that demand for heat is minimised in the first place.

27.0.7 The policy aims to deliver an on-site energy balance on an annual basis, by providing enough renewable energy generation to equal the total energy use value. The secondary requirement (point 3a), using the kWh/m2projected building footprint/year, acts as a mechanism to ensure that on-site renewable energy generation is maximised where an on-site net zero energy balance is not feasible (eg taller flatted buildings or where overshadowing significantly impacts solar PV output). The value set is aligned to roughly 70% of roof space being covered by high efficiency solar PV panels.

124 https://www.legislation.gov.uk/ukpga/2008/27/contents
125 https://www.legislation.gov.uk/ukpga/2008/27/section/1
126 https://swale.gov.uk/planning-and-regeneration/local-plans/local-plan-review-evidence#h2

27 Policy C2 Net zero operational carbon in new build residential development

27.0.8 Points 1., 2. and 3. of the policy are to be addressed at the design and post-completion stages, to ensure that the development has been built to intended standards. Post-completion resubmission of the original energy statement including energy performance calculations, informed by the relevant tests to systems and fabric, will be required as a condition as part of the planning application process.

27.0.9 Points 5. and 7. on compliance will also need to be demonstrated post-completion through the satisfaction of planning conditions.

27.0.10 Please see the evidence base documentation (Output iii, under A. Net zero operational carbon in new build residential development) for detail on:

- Renewable energy provision;
- Offsetting (including circumstances when it may be applied flexibly);
- Assured performance methods; and
- Applicability to outline applications.

27.0.11 This policy applies to use classes C3 and C4. Please see policy C3 for requirements for use classes C1, C2, C2a and C5.

Question 51

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy C2

Net zero operational carbon in new build residential development

All new build dwellings are required to submit a Climate, Energy and Waste Statement demonstrating that the development meets the following requirements:

1. Total energy use of ≤ 35 kWh/m2/year GIA;

2. Space heating demand of ≤ 15 kWh/m2/year GIA (or <20kWh/m2/year in bungalows only);

    a. The use of fossil fuels and connection to the gas grid will not be considered acceptable.

3. On-site annual renewable energy generation capacity to at least equal the predicted annual total energy use;

    a. Where an on-site net zero energy balance is not possible, it must be demonstrated that the amount of on-site renewable energy generation equates to ≥120 kWh/m2projected building footprint/year.

    b. Where a building in a multi-building development cannot individually achieve the requirements of point 3., this shortfall is to be made up across other units on-site before energy offsetting (point 4) is considered.

    c. Large-scale development (50 residential units or more) should demonstrate that opportunities for on-site renewable energy infrastructure (on-site but not on or attached to individual dwellings), such as solar PV canopies on car parks, have been explored.

    d. Renewable energy output should be calculated in line with Microgeneration Certification Scheme guidance for the relevant technology (expected to be Photovoltaics in most cases).

4. Energy offsetting will only be acceptable in exceptional circumstances, and as a last resort, where it is demonstrably unfeasible to achieve an on-site net zero regulated and unregulated energy balance. Any shortfall in on-site renewable energy generation that does not match energy use is to be offset via a S106 financial contribution, reflecting the cost of the solar PV that will need to be delivered off-site;

a. The energy offset price is set as £2.31/kWh. (This price is based on cost of solar PV data from the Department for Energy Security and Net Zero, and includes inflation and a 10% margin to enable administration of the offset fund to deliver off-site solar PV by the Council or its appointed partners. The price quoted here is from September 2024 and this figure will need to be revised annually. This is set as a one-off payment, where the shortfall in annual on-site renewable energy generation is multiplied by the energy offset price.)

5. Reduced performance gap - to ensure operational energy in practice performs to predicted levels from the design stage, an assured performance method must be implemented throughout all phases of construction;

6. Smart energy systems - all new build proposals should demonstrate how they have considered the difference (in scale and time) of renewable energy generation and the on-site energy demand, with a view to maximising on-site consumption of energy generated on site and minimising the need for wider grid infrastructure reinforcement. This may include smart local grids, energy sharing, energy and thermal storage, demand-side response, vehicle-to-grid charging provision, and/or solutions that combine elements of the above; and

7. Post-occupancy evaluation - large-scale development (50 units or more) is to monitor and report total energy use and renewable energy generation values to the Council on an annual basis and for 5 years upon occupation. An outline plan for the implementation of this should be submitted with the planning application.

Question 52

Do you support or object to Policy C2? What would you add, remove or amend to support it further or to remove your objection?

28 Policy C3 Net zero operational carbon in new build non-domestic development

28.0.1 The case for the suite of policies that address the urgency of the climate emergency is set out in the preamble to 26 Policy C1 Sustainable design and adaptation principles.

28.0.2 Policy C3 is aligned with:

- national policy goals which aim to achieve the legally-binding UK target of net zero by 2050, as set out in the Climate Change Act 2008 [127];
- carbon budgets legislated under the aegis of that Act and linked to the **Climate Change Committee's** Balanced Pathway to Net Zero in the Sixth Carbon Budget report, which sets out that all new buildings should be zero carbon from 2025, with high levels of energy efficiency and low-carbon heat over gas boilers/fossil fuels;
- the **borough wide net-zero target of 2045**.

28.0.3 For more detail on the justification for the suite of climate change policies, the benefits and co-benefits, costs and feasibility please see the preamble to Policy C1 Sustainable design and adaptation principles.

Policy application

28.0.4 Before adoption of this policy, the Council aims to produce Planning Guidance to assist in its interpretation and application and set out details of a future potential carbon offsetting schemes. Until that time, the Climate change evidence base [128] which informed this policy, should be consulted.

28.0.5 Compliance with this policy should be demonstrated at the planning application stage through submission of a **Climate**, **Energy and Waste Statement**, which should include associated output reports from energy modelling software (e.g. PHPP, or HEM when available for general use).

28.0.6 Policy C3 sets a requirement for total energy use (or Energy Use Intensity) per m2 per year, and such covers both regulated and unregulated energy use within buildings. The policy acts as a limit on the energy consumed within a building on an annual basis. It also sets a requirement for space heating demand using the same metric. Space heating demand is the number of units of heat required to sufficiently heat spaces within the building. Aside from stipulating no use of fossil fuels, the policy is agnostic to any technology in the building for heating and is determined by the level of insulation and air tightness specified for the building, it is therefore driving fabric efficiency to ensure that demand for heat is minimised in the first place.

28.0.7 Due to high variability of potential unregulated energy loads in non-residential buildings, the policy includes a regulated-only energy use limit to ensure that this scope of energy is limited to best practice levels, whilst high unregulated loads can be justified according to the specific use. This ensures that the core energy use of a building (from heating, cooling and lighting) is limited whilst not prohibiting non-residential applications that naturally have high unregulated energy loads, such as a hotel with a significant amount of estimated electrical plug-in equipment.

28.0.8 The purpose of point 3. is to deliver an on-site energy balance on an annual basis, by providing enough renewable energy generation to equal the total energy use value in point 1. The secondary requirement, using the kWh/m2projected building footprint/year, acts as a mechanism to ensure that on-site renewable energy generation is maximised where an on-site net zero energy balance is not feasible. The value set is aligned to roughly 70% of roof space being covered by high efficiency solar PV panels.

127 https://www.legislation.gov.uk/ukpga/2008/27/contents
128 https://swale.gov.uk/planning-and-regeneration/local-plans/local-plan-review-evidence#h2

28.0.9 Points 1., 2. and 3. of the policy are to be addressed at the design and post-completion stages, to ensure that the development has been built to intended standards. Post-completion resubmission of the original energy statement including energy performance calculations, informed by the relevant tests to systems and fabric, should be required as a condition as part of the planning application process.

28.0.10 Points 5. and 7. on compliance should also be demonstrated post-completion through planning conditions.

28.0.11 Please see the evidence base documentation (Output iii under B. Net zero operational carbon in new build non-domestic development) for detail on:

- Renewable energy provision;
- Offsetting (including circumstances when it may be applied flexibly);
- Assured performance methods; and
- Applicability to outline applications.

Question 53

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy C3

Net zero operational carbon in new build non-domestic development

All new build non-domestic development (including C1, C2, C2a and C5) are required to submit a Climate, Energy and Waste Statement demonstrating that the development meets the requirements set out below.

1. Total energy use:

    a) The total energy use for the following building uses should be as follows:

        i. Warehouses and light industrial: ≤ 35 kWh/m2/year GIA;

        ii. Offices: ≤ 55 kWh/m2/year GIA;

        iii. Schools: ≤ 55 kWh/m2/year GIA;

        iv. Retail: ≤ 35 kWh/m2/year GIA.

    b) It is accepted that in some circumstances, unregulated energy loads for the specific use of a non-residential building may result in a total energy use that exceeds the limits set out above. In these cases, applicants are required to demonstrate that regulated energy is limited to 30 kWh/m2/year. Unregulated loads must be justified in the Climate, Energy and Waste Statement;

    c) Other building types (e.g. heavy industry, data centres etc.) or uses not listed are required to demonstrate that regulated energy is limited to 40 kWh/m2/year. Unregulated loads must be justified in the Climate, Energy and Waste Statement.

2. Space heating demand for all building types and uses of ≤ 15 kWh/m2/year GIA:

    a) The use of fossil fuels and connection to the gas grid will not be considered acceptable.

3. On-site annual renewable energy generation capacity to at least equal the annual total energy use:

    a) Where an on-site net zero energy balance is not possible, it must be demonstrated that the amount of on-site renewable energy generation equates to ≥120 kWh/m2projected building footprint/year. Where this is not achieved, it must be demonstrated to the satisfaction of the Council that this is due to unavoidable design issues such as natural lighting and utility space;

28 Policy C3 Net zero operational carbon in new build non-domestic development

b) Where a building in a multi-building development cannot individually achieve the requirements of point 3., this shortfall is to be made up across other units on-site before energy offsetting (point 4) is considered; and

c) Large-scale development (5000m2 non-residential floorspace or more) should demonstrate that opportunities for on-site renewable energy infrastructure (on-site but not on or attached to individual buildings), such as solar PV canopies on car parks, have been explored.

4. Energy offsetting:

a) Only in exceptional circumstances, and as a last resort, where it is demonstrably unfeasible to achieve an on-site net zero energy balance, any shortfall in on-site renewable energy generation that does not match regulated and unregulated energy use is to be offset via S106 financial contribution, reflecting the cost of the solar PV delivered off-site; and

b) The energy offset price is set as £2.31/kWh. (This price is based on cost of solar PV data from the Department for Energy Security and Net Zero, and includes inflation and a 10% margin to enable administration of the offset fund to deliver off-site solar PV by the Council or its appointed partners. The price quoted here is from September 2024 and this figure will need to be revised annually. This is set as a one-off payment, where the shortfall in annual on-site renewable energy generation is multiplied by the energy offset price.)

5. Reduced performance gap:

a) An assured performance method must be implemented throughout all phases of construction to ensure operational energy in practice performs to predicted levels from the design stage.

6. Smart energy systems:

a) All new build development should demonstrate how they have considered the difference (in scale and time) of renewable energy generation and the on-site energy demand, with a view to maximising on-site consumption of energy generated on site and minimising the need for wider grid infrastructure reinforcement. This may include smart local grids, energy sharing, energy and thermal storage, demand-side response, vehicle-to-grid charging provision, and/or solutions that combine elements of the above.

7. Post-occupancy evaluation:

a) Large-scale development (over 5000 m2 floorspace) is to monitor and report total energy use and renewable energy generation values on an annual basis. An outline plan for the implementation of this should be submitted with the planning application. The monitored in-use data must be reported to the local planning authority for 5 years upon occupation.

Question 54

Do you support or object to Policy C3? What would you add, remove or amend to support it further or to remove your objection?

29 Policy C4 Embodied carbon and waste

29.0.1 The case for the suite of policies that address the urgency of the climate emergency is set out in the preamble to 26 Policy C1 Sustainable design and adaptation principles.

29.0.2 Embodied carbon is carbon that is emitted during the production, transport and assembly of a building, infrastructure or product, before the product is in use. This is opposed to 'operational carbon' that is emitted when buildings, infrastructure and products are in use, or 'operating'. Together, embodied carbon and operational carbon form part of the building's whole of life carbon emissions. As such, in conjunction with27 Policy C2 Net zero operational carbon in new build residential development and 28 Policy C3 Net zero operational carbon in new build non-domestic development, Policy C4 seeks to ensure that carbon emissions are limited across the whole life cycle of new development.

29.0.3 As set out in the Government's 2022 response [129] to the Environment Audit Committee 'Building to net zero: costing carbon in construction', *there is no Government policy requiring the assessment or control of embodied carbon emissions from buildings. As a result, no progress has been made in reducing these emissions within the built environment. This inaction remains despite the built environment making up 25 per cent of the UK's total greenhouse gas emissions and the UK's Nationally Determined Contribution, made at COP26, committing the UK to achieve a 68% reduction in the UK's carbon emissions by 2030... This is an extremely short time frame within which to start assessing and substantially reducing embodied carbon emissions. The first step must be a requirement to undertake whole-life carbon assessments for buildings so the industry can start measuring and then controlling for this carbon'.*

29.0.4 Following this, in 2025, MHCLG, set out [130] that: '*the construction and use of buildings creates both embodied and operational carbon emissions. Historically, government policies and voluntary efforts from the industry have primarily focused on the reduction of operational carbon emissions of buildings. However, for the UK to reach its 2050 net zero target, focusing efforts on reducing the embodied carbon of buildings is also critical*'.

29.0.5 As progress is made in reducing operational carbon and decarbonising the grid, the relative significance of embodied carbon [131] is increasing. In some cases, embodied carbon can account for more than 50% of a new project's whole life carbon footprint

29.0.6 The Committee on Climate Change, in its Seventh Carbon Budget has set out [132] that amongst the key actions to deliver the balanced pathway to net zero by 2050 is the 'set minimum standards for the whole-life carbon impact of products, which could include rules to measure and limit the embodied carbon of buildings.

29.0.7 Whilst there is no explicit reference to embodied carbon in the NPPF, the NPPF's references to 'low carbon economy' could implicitly include embodied carbon as part of the equation. Additionally, embodied carbon is a design issue and therefore should logically fall under the NPPF's instruction that "New development should be planned for in ways that … can help to reduce greenhouse gas emissions, such as through its … design".

29.0.8 As such there is now widespread agreement across government and industry that embodied carbon needs to be effectively measured and assessed if the built environment is to play its part in meeting the UK's net zero by 2050 target.

129 https://committees.parliament.uk/publications/30124/documents/174271/default/

130 https://www.gov.uk/government/publications/consideration-of-embodied-carbon-in-new-buildings/the-practical-technical-and-economic-impacts-of-measuring-and-reducing-embodied-carbon-in-new-buildings-executive-summary#fn:1

131 https://www.arup.com/globalassets/downloads/insights/net-zero-buildings-halving-construction-missions-today.pdf

132 https://www.arup.com/globalassets/downloads/insights/net-zero-buildings-halving-construction-missions-today.pdf

29 Policy C4 Embodied carbon and waste

29.0.9 Waste, in this policy, refers to the avoidance and reduction of construction waste associated with the building of new development through material reuse and recycling, resource-efficient construction, building adaptability/flexibility and end of life disassembly all of which can reduce waste and cut costs.

29.0.10 The National Planning Policy Framework [133] (NPPF) includes minimising waste as part of the environmental objective of sustainable development (para 8c). Furthermore (para 4), it explains that it should be read in conjunction with the Government's planning policy for waste [134] . This in turn sets out the government's ambition to work towards a more sustainable and efficient approach to resource use and management, including through: driving waste management up the waste hierarchy (prevention – reuse – recycling – recovery – disposal); helping secure the re-use, recovery or disposal of waste without endangering human health or the environment; and ensuring the design and layout of new development and infrastructure complements sustainable waste management (including the provision of appropriate storage and segregation facilities to enable high quality collections of waste).

29.0.11 Planning Practice Guidance [135] (PPG) on Waste explains that 'non-waste' planning authorities must have regard to National Planning Policy for Waste [136] and are expected to deliver the waste hierarchy (para 10). This involves:

- working with waste planning authorities to identify and protect sites;
- integrating waste management opportunities in proposed new development;
- considering the impact of development on existing and future waste management sites;
- promoting sound management of waste from proposed development;
- including planning conditions promoting sustainable design of development through recycled products, recovery of on-site material and the provision of facilities for the storage and regular collection of waste; and
- ensuring waste collections help towards achieving the higher levels of the waste hierarchy.

Conclusion

29.0.12 As such there is clear justification for local authorities to require embodied carbon assessments and limit emissions arising from the construction of new development.

29.0.13 The evidence base for this policy, including industry capability, costs and feasibility, is set out in in the references in this chapter as well as in our Climate change evidence base on our website[137].

Policy application

29.0.14 Details of how applications will comply with the requirements of this policy should be included in a **Climate**, **Energy and Waste Statement**.

29.0.15 Before adoption of this policy, the Council aims to produce Planning Guidance to assist in its interpretation and application and set out details of what will be required of embodied carbon/waste assessments.

29.0.16 For point 3. of policy C4 it is accepted that the level of detail will be lower the smaller the development proposal. The aim is to ensure applicants explore the topic of embodied carbon, but without setting requirements that are impractical or excessively costly for small sites. Narrative could include, but is not limited to:

- Reuse of existing features and materials on site, where present;

133 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
134 https://www.gov.uk/government/publications/national-planning-policy-for-waste/national-planning-policy-for-waste#introduction
135 https://www.gov.uk/guidance/waste
136 https://assets.publishing.service.gov.uk/media/5a7ef594e5274a2e8ab4946c/141015_National_Planning_Policy_for_Waste.pdf
137 https://swale.gov.uk/planning-and-regeneration/local-plans/local-plan-review-evidence#h2

- Design for material efficiency (reducing the amount of material needed) such as through structural design or use of space and layouts to avoid unnecessary material use;
- Substitution of higher-carbon materials (such as steel, aluminium, and Portland cement) with low-embodied-carbon materials (such as timber);
- Material sourcing for reduced 'product miles' or from manufacturers with low-carbon manufacturing credentials; and
- Construction processes that reduce the typical rates of material wastage.

Question 55

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy C4

Embodied carbon and waste

Proposed residential and non-residential developments (thresholds given below) must meet the following requirements, which should be set out in a Climate, Energy and Waste Statement:

1. All new development should demonstrate that adequate space (both internal and external) has been set aside for the segregation and storage of waste, including recyclable materials;

2. Building end-of-life - all new buildings are to be designed to enable adaptation, disassembly and material re-use, subsequently reducing the need for end-of-life demolition and making material re-use easier when it is absolutely necessary;

3. Embodied carbon in minor development - proposals for new development of 1 or more homes or ≥100m2 non-domestic floor space, but below the size thresholds for embodied carbon reporting and targets (below), should demonstrate how the embodied carbon of the proposed development has been minimised (including narrative on options considered and decisions made);

4. Embodied carbon reporting - all major new residential (10 dwellings or more) and non-residential (1000m2 floorspace or more) developments are required to complete a whole-life carbon assessment in accordance with RICS Whole Life Carbon Assessment guidance and the BS EN 15978 standard;

5. Limiting embodied carbon - all large-scale major development (50 dwellings or more; 5000m2 non-residential floor space or more) is required to limit embodied carbon (RICS/BS 15978 modules A1 – A5) to 600 kgCO2e/m2 GIA; and, or

6. Demolition audits:

   a. all major development sites that contain existing buildings or structures of 1000m2 or more, must carry out a pre-redevelopment and/or pre-demolition audit, following an established industry best practice method (e.g. BRE), for larger structures or significant demolitions;

   b. for smaller-scale demolitions, such as individual walls or small outbuildings, developers are required to consider material re-use where feasible, without the need for a full audit. A simplified, proportionate approach should be taken to assess potential material recovery and reuse.

Question 56

Do you support or object to Policy C4? What would you add, remove or amend to support it further or to remove your objection?

30 Policy C5 Renewable energy development and infrastructure

30.0.1 The case for the suite of policies that address the urgency of the climate emergency is set out in the preamble to 26 Policy C1 Sustainable design and adaptation principles.

30.0.2 The UK grid is becoming increasingly powered by renewable energy, primarily through solar and wind technologies. Renewable energy is a key component of the fulfilment of the Climate Change Act 2008 [138] and associated 2050 net zero target. If the UK it to successfully transition to net zero, renewable energy opportunities must be maximised.

30.0.3 Enabling renewable energy development and infrastructure is a vital part of the UK's carbon reduction trajectory, which, according to the Committee on Climate Change [139] will need near-total grid decarbonisation by 2035 and a mix that includes 80% renewables by 2050 while catering for a doubling of electricity demand between 2020 and 2050.

30.0.4 It is important to ensure that the future energy network is resilient to increasingly variable weather patterns, which will require a balanced mix of generation and storage technologies. Without resilient energy networks at local and national levels, a reliance on fossil fuels will remain when solar and wind power generation is low due to weather constraints.

30.0.5 Partly due to the current rise in large-scale renewable energy installations, some local grid substations are at risk of reaching full capacity in coming years without infrastructure reinforcement investments. As the industrial, commercial, domestic and transport sectors continue to electrify (switching from gas, coal and oil) at increasing rates, local policy must support as best it can the development of smart grids and energy sharing networks to relieve pressure on local areas at risk of reaching full grid electricity capacity. On-site energy management systems will play an important role in achieving this, through the provision of battery storage alongside solar PV generation and enabling peak-demand response management systems throughout new buildings. A permissive policy approach towards applications for standalone grid-connected battery storage can also play a role in readying the energy system for the UK's renewable-heavy, electricity-led future.

30.0.6 As local renewable energy generation schemes become more prominent and take up a larger proportion of land, it is also important to ensure that adverse impacts are not unaddressed for local communities. Therefore, whilst local policy should support renewable energy generation schemes as much as possible, it should also set criteria that mitigates potential negative impacts, such as addressing community co-benefits and improving biodiversity on-site.

30.0.7 The National Planning Policy Framework [140](NPPF) paragraph 161 states that the planning system should support the transition to net zero by 2050 and take full account of all climate impacts.

30.0.8 Paragraph 165 sets out that to help increase the use and supply of renewable and low carbon energy and heat, plans should:

- Provide a positive strategy for energy from these sources that maximises the potential for suitable development, future re-powering and life extension, whilst ensuring impacts are adequately addressed;
- Consider identifying suitable areas for renewable and low carbon energy sources and supporting infrastructure; and
- Identify opportunities for development to draw its energy from decentralised, renewable or low carbon energy systems and for co-locating potential heat customers and supplies.

30.0.9 Paragraphs 167 and 168 set out that when determining planning applications, local planning authorities should:

138 https://www.legislation.gov.uk/ukpga/2008/27/contents
139 https://www.theccc.org.uk/wp-content/uploads/2020/12/The-Sixth-Carbon-Budget-The-UKs-path-to-Net-Zero.pdf#page=134
140 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

- Expect new development to comply with any development plan policies on local requirements for decentralised energy supply, unless it can be demonstrated by the applicant, that this is not feasible or viable;
- Not require applicants to demonstrate the overall need for renewable or low carbon energy;
- Give significant weight to the benefits associated with these forms of energy and their contribution towards a net zero future;
- Recognise that small-scale and community-led projects provide a valuable contribution to cutting greenhouse gas emissions; and
- In the case of applications for the repowering and life-extension of existing renewable sites, give significant weight to the benefits of utilising an established site.

30.0.10 Planning Practice Guidance [141] (PPG) supplements the NPPF in explaining how strategies for renewable and low carbon energy can be developed, the particular planning considerations for different types of renewable energy infrastructure, including solar and wind turbines, and guidance on battery energy storage systems. It also sets out details of compulsory pre-application consultation with the local community.

30.0.11 In 2019 the Council declared a Climate and Ecological Emergency. It recently established targets for the Council's own operations to be carbon neutral by 2035 and to facilitate the action required to make the borough of Swale carbon neutral by 2045. Point 6 of the declaration includes the commitment to deploy 'renewable energy at every opportunity'. The subsequent Climate and Ecological Emergency Action Plan 2025 [142] includes actions to 'support sustainable building practices and development', with homes and businesses being run from renewable technologies. As well as responding to the climate challenge, the Action Plan recognises that supporting renewable technologies has co-benefits in terms of expanding local markets, supporting job opportunities and improving energy security.

30.0.12 This policy works alongside the other policies in this chapter, in particular, 27 Policy C2 Net zero operational carbon in new build residential development and 28 Policy C3 Net zero operational carbon in new build non-domestic development. Whilst those two policies seek to ensure that new build development is net zero carbon, including through the use of on-site renewable energy, this policy seeks to support the use of wider renewable energy development and infrastructure to support grid decarbonisation and existing development that is not net zero carbon. This wider use of renewable energy infrastructure is essential in order to meet the national 2050 net zero target and the Council's 2045 carbon neutral target.

Policy application

30.0.13 1. It should be noted that the heat network feasibility study referenced in 30 Policy C5 Renewable energy development and infrastructure below, should assess the potential for implementing low or zero carbon heat networks, which should include assessment of 4th and 5th generation networks that can offer higher efficiency and flexibility (4th and 5th networks operate at lower temperatures than conventional systems, reduce heat losses and combine other energy sources , local energy storage and offer potential for energy exchanges amongst users). Feasibility studies should cover:

30.0.14 Technical assessment:

- Evaluation of heat sources (renewable and waste);
- Carbon reduction optioneering between alternative heating options;
- Infrastructure requirements (piping, storage etc.);
- Capacity for future connection and expansion;
- Alignment with local or national carbon targets.

30.0.15 Economic viability and assessment:

- Cost analysis – including capital expenditure, operational expenses, and maintenance;

141 https://www.gov.uk/guidance/renewable-and-low-carbon-energy
142 https://swale.gov.uk/__data/assets/pdf_file/0011/404218/2025-Climate-and-Ecological-Emergency-Action-Plan.pdf

- Projected savings in energy costs and emission reductions over time;
- Comparison of the cost of alternative heating options.

30.0.16 2. 30 Policy C5 Renewable energy development and infrastructure is directly aligned to the national policy position on heat networks as the UK government has introduced a regulatory framework for heat networks through the Energy Security Bill. This includes the establishment of heat network zones and the regulation of prices to ensure fair costs for consumers. The UK aims to increase the share of heat provided by heat networks from the current 2% to around 18% by 2050. This expansion is part of the broader Heat Network Transformation Programme, which includes significant investment to scale up low-carbon heat network deployment.

30.0.17 3. For further details on the evidence which supports this policy, please see the evidence base pages of the Council website. Local Plans - Local Plan Review Evidence [143]

Question 57

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy C5

Renewable energy development and infrastructure

1. The justification for renewable energy development and infrastructure should be set out in a Climate, Energy and Waste Statement. Development proposals for the generation of renewable energy development and infrastructure will be supported where:

a. The scale, siting, design and nature of any proposal is demonstrated to be appropriate for its location.

b. Analysis of impacts, including cumulative impacts, and methods to avoid, mitigate and compensate harm from these impacts is fully addressed in any proposal. This should include impacts on:

i. the built environment;
ii. biodiversity;
iii. heritage assets, historic landscapes and townscape;
iv. valued landscapes, landscape character and visual amenity;
v. agricultural land;
vi. residential amenity and communities;
vii. geology, soils and flood risk;
viii. noise, dust, odour, air quality, tranquillity, shadow flicker;
ix. traffic and transport, including highways and rail safety; and
x. aviation and defence navigation systems/communications.

2. Smart site allocation:

a. Proposals for large-scale renewable energy development (≤ 10MW) are encouraged to choose a site that is well supported by sufficient grid capacity; and

b. Support will be given to proposals for standalone electrical grid capacity upgrades, local smart grids, and development of grid-connected energy storage especially if co-located with large-scale renewable energy generation installations.

143 https://swale.gov.uk/planning-and-regeneration/local-plans/local-plan-review-evidence#h2

3. Energy storage:

a. Support will be given to proposals that form part of the transition to a net zero carbon district/county, which must/need to involve a range of renewable energy storage technologies. This could include energy storage facilities (e.g. battery and thermal storage) and upgraded or new electricity facilities;

b. Battery storage is essential to provide local grid resilience during periods of peak demand and helps to ensure that renewable energy is not wasted during periods of high generation. Battery storage facilities will be accompanied by health and safety assessments to the satisfaction of the Council and the Emergency Services to ensure no unacceptable fire risk is posed to nearby communities. The details of any health and safety assessment must be agreed by the Council in the earliest stages of any planning application;

c. Proposals for renewable energy generation are encouraged to provide at least an additional 10% of energy storage (e.g. battery storage) of the overall energy generation;

4. Co-benefits:

a. Proposals for renewable energy generation over 20MW are required to provide an option to offer 5% community ownership to the local community (e.g. Parish Council area);

b. Positive weight will be given to schemes led by the community and community energy groups;

c. All proposals are to:

i. undertake community engagement sessions with the local community, at an early stage of site assessment;
ii. work with and update the community throughout the project; and
iii. mitigate any potential impacts to the community as a result of the development;

d. All proposals for temporary permissions are to demonstrate how the renewable energy generation site can be restored to its original, or an improved state, following end-of-life removal of technologies and mitigate any biodiversity loss, as follows:

i. Proposals will be subject to a condition requiring the submission of an end-of-life removal scheme setting out how the impacts of decommissioning will be mitigated; and

ii. The removal scheme should demonstrate how any biodiversity net gain that has arisen on the site will be protected or enhanced further, and how materials to be removed would be re-used, recycled, recovered or at last resort, disposed of.

5. Grid reinforcement:

a. All development for renewable energy generation, or development that includes renewable energy generation, is to demonstrate how options for energy storage, smart grids, and energy sharing networks have been explored to reduce the need for grid capacity upgrades.

6. Refusal of fossil fuels:

a. Applications for exploration and extraction of fossil fuels will not be supported.

7. Support for innovative energy generation:

a. Where appropriate and justified, support will be given to innovative renewable energy generation approaches, such as ‘agrivoltaics’ – the inherently combined use of land for solar PV generation and agriculture.

8. Protecting infrastructure - development should not significantly harm:

a. Technical performance of any existing or approved renewable energy facility;

b. Potential for optimisation of strategic renewable energy installations; and

c. Availability of the resource, where the operation is dependent on uninterrupted flow of energy to the installation.

9. Heat networks and masterplans - developments must demonstrate that connection to, or development of, heat networks has been considered according to the following hierarchy:

a. Connection to heat networks:

i. Connect to an existing or new low or zero-carbon heat network from the point of occupation, where it can be demonstrated that the heat network results in lower energy demand and carbon emissions than an individual heating system approach.

ii. Use communal or individual renewable heating systems that are fossil fuel-free where connection to a heat network is not feasible.

b. Future-proofing:

i. Major developments in areas where a low or zero-carbon heat network is planned but cannot be connected from the point of occupation must, where feasible, include infrastructure for future connection to the district heat network.

c. Creation of new heat networks:

i. For large-scale development proposals involving more than 50 homes or 5,000m² of floorspace within or adjacent to growth and regeneration areas identified in the development strategy, a feasibility study should be conducted to determine the potential for establishing a new low- or zero-carbon heat network. If feasible, a heat network should be included in the development proposals.

Under each stage of the above hierarchy, it is essential that any connection or development of heat networks must demonstrate that they result in a lower on-site energy demand and carbon emissions than an individual renewable heating system approach.

Question 58

Do you support or object to Policy C5? What would you add, remove or amend to support it further or to remove your objection?

31 Policy C6 Coastal Change Management

31.0.1 As a coastal borough, Swale is at the forefront of coastal change from erosion, coastal landslip and permanent inundation. The aim of this policy is to reduce risk from coastal change by avoiding inappropriate development in vulnerable areas or adding to the impacts of physical changes to the coast.

31.0.2 The National Planning Policy Framework [144] (NPPF) specifies that the planning system should take full account of coastal change (NPPF para 161). The NPPF requires local plans to identify as Coastal Change Management Areas (CCMAs) any area likely to be affected by physical changes to the coast as well as be clear as to what development will be appropriate in such areas, and in what circumstances, and make provision for development and infrastructure that needs to be relocated away from Coastal Change Management Areas. The NPPF also sets out when development may be appropriate in CCMAs (ie it needs to be safe for its lifetime, not impact on coastal change, not compromise the character of the coast, provides wider sustainability benefits and does not hinder the development of the England coastal path) and explains when the lifetime of the planned development should be limited (NPPF paras 184-186).

31.0.3 Planning Practice Guidance [145] (PPG) also gives advice on what a CCMA is, including the considerations for defining CCMAs, what development would be appropriate within a CCMA as well as guidance on when vulnerability assessments are required and what they should include, limiting the planned lifetime of development, the relocating of development away from CCMAs and permitted development rights in a CCMA.

How has the CCMA been defined in Swale and what do the different erosion zones mean?

31.0.4 The CCMA has been described as the areas of coastline likely to be affected by physical changes to the coast, such as erosion, coastal landslip, permanent inundation (i.e. land likely to be lost permanently to the sea) and accretion (land increasing due to addition of sediment). The methodology for setting out the CCMA will be explained in the forthcoming Swale Strategic Flood Risk Assessment (SFRA), which is due to be published before the Regulation 19 consultation in Spring/Summer 2026. The CCMA has been defined using evidence gathered through the Swale SFRA, the Environment Agency's (EA) North Kent Coast Model, the EA's Medway Estuary and Swale flood and coastal risk management strategy (MEAS), the Department of Environment, Food & Rural Affairs (DEFRA)/EA Shoreline Management Plans/Explore Coastal Erosion Risk website [146], the Adopted Local Plan Built Up Area Boundaries and through discussions with the Council's engineering team and the EA. The boundary will be included in the SFRA's mapping and included in the Proposals Map once that is published.

31.0.5 The boundary of the Coastal Change Management Area will be reviewed periodically and updated when evidence suggests this is necessary. Developers should always make sure they are using the most up to date data on flood risk and coastal change when preparing their applications.

31.0.6 Areas within the CCMA that are subject to erosion are divided into two separate zones:

- Erosion Zone 1 (defined as the Environment Agency's Coastal Erosion Climate Change (Upper End) to 2055 zone; and
- Erosion Zone 2 (defined as the Environment Agency's Coastal Erosion Climate Change (Upper End) to 2105 zone).

31.0.7 *As mentioned, the CCMA extents have been informed by the DEFRA/EA Shoreline Management Plan/Coastal Erosion Risk data and the latest flood risk modelling (the North Kent Coast Model and SFRA) and the policies in the MEAS. It should be noted that the erosion and inundation extents have increased substantially since the CCMA was published in the 2017 Adopted Swale Local Plan. At the time of writing the mapping is not complete, however early indications suggest that new CCMA extents could be particularly relevant to Warden and Conyer, significant parts of which may now be included within the CCMA boundary.*

144 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
145 https://www.gov.uk/guidance/flood-risk-and-coastal-change#Integrated-Coastal-Zone-Management
146 https://environment.data.gov.uk/shoreline-planning/coastal-erosion

31 Policy C6 Coastal Change Management

31.0.8 *The definition of the erosion boundaries of the CCMA have been relatively high level in nature. In cases where more detailed technical evidence is provided, for example, as part of a planning application, the Council will consider new evidence in consultation with the Environment Agency.*

31.0.9 For applications within the CCMA Erosion Zones 1 and 2, a Coastal Change Vulnerability Assessment (CCVA) will need to accompany planning applications. For areas at risk of inundation this will largely be satisfied by the submission of a Flood Risk Assessment. In areas at risk of erosion, the CCVA should include the requirements set out in Planning Practice Guidance for vulnerability assessments (PPG, 2022, Paragraph: 074) as well as:

- the level of vulnerability to coastal erosion (as assessed through site history, site inspection and site investigation) and how this will be mitigated;
- the predicted lifetime of the development and the impact of coastal change on the development and the service it provides;
- plans for managing the cessation or relocation of the development, including clearing the site;
- details of responsible parties and what role they will play; and
- costs for managing the impact of coastal change on the site and who will be responsible for these.

31.0.10 Some essential infrastructure and water-compatible development may be permitted within the CCMA, along with some Ministry of Defence installations. For the purposes of this policy essential infrastructure and water-compatible development are defined as set out in NPPF Annex 3: Flood risk vulnerability classification [147].

31.0.11 This policy sets out criteria for when provision needs to be made for development and infrastructure to be relocated away from Coastal Change Management Area. It also ensures that development in a CCMA is not impacted by coastal change by limiting the planned lifetime of the proposed development through temporary permission and restoration conditions where necessary to reduce the risk to people and the development.

Question 59

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy C6

Coastal Change Management

Within the Coastal Change Management Area (CCMA), as defined to the Proposals Map (to be illustrated in later stages of the Local Plan), planning permission will not be granted for permanent new residential development (including through change of use). Planning permission will only be granted for other development proposals subject to the following clearly defined criteria:

1. It being demonstrated that the proposal will:

   a) be safe over its planned lifetime and not have an unacceptable impact on costal change;

   b) not compromise the character of the coast, including its designations;

   c) provide wider sustainability benefits and not result in a significant risk to property;

   d) not hinder the creation of the England Coast Path;

   e) provide clear plans as to how the proposal will manage the impacts of coastal change on it, and ensure the proposal will not have any adverse impacts on rates of coastal change elsewhere;

147 https://www.gov.uk/guidance/national-planning-policy-framework/annex-3-flood-risk-vulnerability-classification

f) seek, where necessary, a temporary planning permission, together with, as appropriate, a legal agreement to secure the long-term management, or restoration, of the site.

2. The proposal comprising:

a) essential infrastructure;

b) Ministry of Defence installations (in line with the requirements set out in the PPG)

c) water-compatible development; or

d) (within Erosion Zones 1 and 2) a use as defined by criterion 3 or 4, below, as appropriate.

3. Proposals within Erosion Zone 1 being directly related to the coast and temporary in nature, construction and value (such as beach huts, cafes/tea rooms, car parks and sites used for holiday or short-let caravans and camping); or

4. Proposals within Erosion Zone 2 may additionally be permitted when comprising commercial or leisure activities requiring a coastal location and providing substantial economic, social and environmental benefits to the community, and providing it is time limited:

a. Other significant development, such as key community infrastructure, is unlikely to be appropriate unless it has been demonstrated as needing to be sited within the CCMA to provide the intended benefit to the wider community and there are clear, costed, plans to manage the impact of coastal change on it and the service it provides.

b. Domestic extensions to residential properties will only be permitted where the lifetime of the proposed development (taking account of erosion risk) can be demonstrated to be longer than 50 years from the date of the planning application.

5. Proposals within the CCMA, submitting a Coastal Change Vulnerability Assessment demonstrating that the development will be safe throughout its planned lifetime and will not increase risk to life or property on site or elsewhere without the need for new or improved coastal defences;

6. Proposals seeking to relocate development away from the CCMA will:

a. be forecast to be affected by erosion, landslip or permanent inundation within 20 years from the date of the planning application, as determined by a Coastal Erosion Vulnerability Assessment or Flood Risk Assessment;

b. be of a similar scale, nature and character as the development it is replacing and be of a scale and design appropriate to its new context;

c. be located at an appropriate location inland from the CCMA and, where possible, remaining close to the coastal community from which it was displaced;

d. demonstrate that no suitable site is available within a built-up area boundary or on previously developed land; and

e. at its current site, ensure that it is cleared to an agreed standard, made safe, or put to a temporary use beneficial to the local community who will take long term responsibility for it.

Question 60

Do you support or object to Policy C6? What would you add, remove or amend to support it further or to remove your objection?

32 Policy C7 Implementing the Medway Estuary & Swale Coastal Risk Management Strategy

32.0.1 Many areas around the Medway estuary and Swale are low-lying and at significant risk of flooding. Over the next 100 years this risk will increase due to ageing flood defences (much of the existing flood defence network was built between the 1950s and 1970s), rising sea levels and climate change (the area has already experienced over 18cm of sea level rise since 1990). As a result, there will be a greater risk of tidal flooding to properties, agricultural land and infrastructure and the local community.

32.0.2 Furthermore, much of the Medway Estuary and Swale is covered by national and international designations that protect important species and habitats. As sea levels rise, some of this important habitat will be lost as it is 'squeezed' against the existing flood defences ('coastal squeeze').

32.0.3 The Medway Estuary and Swale (MEAS) Flood and Coastal Erosion Risk Management (FCERM) strategy (2019) [148] is an evidence-based strategy that looked at future flooding over the short, medium and long-term which builds on the policies established in the Shoreline Management Plans (SMPs) (see 44 Policy B7 The Coast and 31 Policy C6 Coastal Change Management). It has measured the technical, economic, environmental and social value of areas at flood risk against the costs of protecting them into the future. In this way, and through consultation with partners and the community, it has determined the most sustainable policy for each section of the coastline, though implementation of the following policies, either:

- hold the line (HTL) - build or maintain artificial defences so that the position of the shoreline remains;
- managed realignment (MR) - allowing the shoreline to move naturally, but managing the process;
- no active intervention (NAI) or sustainable asset management - no planned investment to defend against flooding or erosion.

32.0.4 As well as reducing flood risk to over 14,000 properties, commercial and industrial sites, critical infrastructure, agricultural land and conservation sites in the implementation plan, the MEAS strategy also includes actions to create new intertidal and freshwater habitat. These will replace lost habitats and make sure the area's nature can continue to thrive.

32.0.5 The MEAS policies can only be implemented if sufficient funding can be found. Using the current funding process, schemes are given a portion of their funding from government. However, further funding is often required from third parties, including from local authorities, developers, infrastructure providers and flood levies. This is called Partnership Funding (PF).

32.0.6 If funding cannot be found, projects identified in the strategy may not be fully taken forward. This could lead to increased flooding and erosion.

32.0.7 The National Planning Policy Framework [149] (NPPF) (para 35), sets out that plans should set out the contributions expected from development, including setting out the level of contribution for infrastructure, including flood and water management.

32.0.8 The MEAS study area has been broken down into a series of Benefit Areas and sub-areas based on individual flood areas and land use as well as the Shoreline Management Plan policy units. Whilst there are common risks and vulnerabilities that apply throughout the MEAS area, each Benefit Area has its own specific requirements, and the assessment has taken these into account.

32.0.9 For each Benefit Area, the strategy sets out the agreed preferred option (for the short, medium and longer term) along with a justification, as well as the preferred option costs (which is broken down into costs, benefits, benefit cost ratio (BCR) and PF score). Where the PF percentage is high, a larger proportion of funding for the agreed schemes is likely available from government funding through Flood Defence Grant

148 https://www.gov.uk/government/publications/medway-estuary-and-swale-flood-and-coastal-risk-management-strategy/medway-estuary-and-swale-flood-and-coastal-risk-management-strategy

149 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

in Aid (FDGiA). A PF score of over 100% means that the project would be fully funded by FDGiA. Where it is low, a higher percentage of funding will need to be found from other sources, such as Local Authorities, local businesses and local developers.

Contributions to MEAS

32.0.10 As set out above, the MEAS aims to reduce flood risk to over 14,000 properties, commercial and industrial sites, infrastructure (including the A249, the road connecting the Isle of Sheppey to the mainland), regeneration areas, agricultural land and conservation sites. It will also provide habitat compensation.

32.0.11 Development that benefits from these works is therefore being asked to contribute to their funding. This is to ensure funds are adequate and to ensure the works meet funding tests. Contributions will be sought through planning obligations and potentially also through a future Infrastructure Levy.

32.0.12 As the Planning Practice Guidance [150](PPG) sets out 'planning obligations assist in mitigating the impact of unacceptable development to make it acceptable in planning terms'. The NPPF and PPG explain that they need to meet three tests:

a. necessary to make the development acceptable in planning terms;
b. directly related to the development; and
c. fairly and reasonably related in scale and kind to the development.

32.0.13 The use of planning obligations to collect contributions to the MEAS is justified for the following reasons, which relate to the three tests for planning obligations set out in paragraph 58 of the NPPF:

i. The MEAS is a strategy designed to protect the Medway Estuary and Swale from future flood risk. It supports and implements the Shoreline Management Plans. Both the SMPs and the MEAS have been subject to widespread and ongoing consultation. It is reasonable to argue that development that will benefit from flood defence infrastructure should make a contribution towards that infrastructure. In this way it will help make development acceptable in planning terms (test one) as it can be 'made safe for its lifetime without increasing flood risk elsewhere' (NPPF para 170).
ii. The MEAS has been designed as a series of interdependent benefit areas. As such it can be seen as one overarching flood protection entity for the Medway and Swale, where policy implementation in one area, could be interdependent on policy implementation in another area, some distance away. Furthermore, due to the inherent uncertainties around where flooding will occur it is reasonable for contributions from one area within the MEAS to be seen as benefitting the whole strategy. In this way, contributions to the MEAS, from across the strategy area, can be seen to be directly related to the development of specific sites (test two).
iii. The third planning obligations test relates to contributions being fair and reasonable in terms of scale and kind. An approach to the scale and kind of contributions will be developed in the coming months, in consultation with the Environment Agency and the Council's viability consultants, and consulted on through the Regulation 19 consultation, expected in the spring/summer of 2026.

32.0.14 Contributions towards the MEAS strategy will be sought from:

- Higher rate - all schemes in Flood Zone 2 and 3 with climate change which benefit from the MEAS's proposed flood defence infrastructure Map – Flood map for planning – GOV.UK[151]; and/or:
- Lower rate - all schemes on the Isle of Sheppey. This is due to the importance to the Isle of Sheppey's security of the A249, which is due to be protected through the MEAS.

32.0.15 These areas, and the rates within them, will be set out in a *MEAS Contributions Zone Advice Note* in 2026.

150 https://www.gov.uk/guidance/use-of-planning-conditions
151 https://flood-map-for-planning.service.gov.uk/map?seq=fz,fzcl&cz=592462.7,167541.7,12.842593

32 Policy C7 Implementing the Medway Estuary & Swale Coastal Risk Management Strategy

Question 61

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy C7

Implementing the Medway Estuary & Swale Coastal Risk Management Strategy

Within the Contributions Zone for the Medway Estuary and Swale Flood and Coastal Risk Management Strategy, applicants should:

1. Liaise with the Environment Agency and the Council to identify and deliver flood risk management schemes to manage flood risk and coastal erosion to existing communities and future development sites, in line with the Medway Estuary and Swale Flood and Coastal Risk Management Strategy;
2. Identify how this infrastructure will be funded, operated and maintained for the lifetime of the development;
3. Identify, and satisfy, the legal requirement under the Habitats Regulations to provide compensatory habitat associated with sea level rise and coastal squeeze; and
4. Through planning obligations, and in line with the approach set out in a *MEAS Contributions Advice Note 2026* and updates, contribute towards the Environment Agency's flood and coastal risk management program through the delivery of, or financial contribution to, flood risk management schemes which support the Medway Estuary and Swale Flood and Coastal Risk Management Strategy.

Question 62

Do you support or object to Policy C7? What would you add, remove or amend to support it further or to remove your objection?

33 Policy C8 Flood risk

33.0.1 As a coastal borough, Swale has the potential to flood from all sources of flooding, in particular from rivers and the sea, surface water and sewers. This policy seeks to ensure that inappropriate development in areas of flood risk is avoided and that where risks do exist, that development should be made safe for its lifetime, without increasing flood risk elsewhere, taking into account the impacts of climate change. It should be read alongside 44 Policy B7 The Coast, 31 Policy C6 Coastal Change Management, 32 Policy C7 Implementing the Medway Estuary & Swale Coastal Risk Management Strategy, 35 Policy C10 Water quality and Water Resources and in particular, 34 Policy C9 Sustainable Drainage.

33.0.2 New development offers the opportunity to offer multifunctional benefits – linking flood risk management with biodiversity, amenity and recreational improvements, climate change mitigation and adaptation as well as improved water quality and water resources. This policy advocates this multifunctional approach.

The legal, policy and local context

33.0.3 The National Planning Policy Framework [152] (NPPF, para 162) explains that plans should take a proactive approach to mitigating and adapting to climate change, taking into account the long-term implications for flood risk, coastal change, water supply, biodiversity and landscapes, and the risk of overheating and drought in line with the objectives of the Climate Change Act 2008[153].

33.0.4 The NPPF's 'Planning and flood risk' section (paras 170-171) explains that inappropriate development in areas at risk of flooding should be avoided by directing development away from areas at highest risk (whether existing or future), but where development is necessary in such areas it should be made safe for its lifetime without increasing flood risk elsewhere. Strategic policies should be supported by strategic flood risk assessments and manage flood risk from all sources, considering cumulative impacts and taking the advice of the other relevant bodies including the Environment Agency (EA), the lead local flood authorities and internal drainage boards.

33.0.5 The NPPF paragraph 172 explains how all plans should apply a sequential, risk-based approach to the location of development – taking into account all sources of flood risk and the current and future impacts of climate change - so as to avoid, if possible, flood risk to people and property. It sets out how to do this, and manage residual risk through; the application of the sequential and exception tests; the need to safeguard land for flood management; when to use opportunities from new development and infrastructure to reduce the causes and impacts of flooding; and where necessary seek opportunities to relocate development in unsustainable locations (due to flood risk caused by climate change) to more sustainable locations.

33.0.6 The NPPF (paras 173-180) also sets out the role local planning authorities should play when determining planning applications. It explains:

- The approach to the sequential test for planning applications – with the express aim of steering new development to areas with the lowest risk of flooding from any source. It clearly explains that development should not be permitted if there are reasonably available sites appropriate for the proposed development in areas with a lower risk of flooding, and that the strategic flood risk assessment will be the basis for performing this test;
- When the sequential test should be used, and when it is not required;
- When the exception test may have to be applied and the criteria that need to be demonstrated;
- The importance of new development ensuring that flood risk is not increased elsewhere;
- The role of site specific flood-risk assessments (FRA), and sets out when they are required;
- The importance of the sequential approach at site level;
- That development is appropriately flood resistant and resilient;

152 https://assets.publishing.service.gov.uk/media/67eafe83f3441f783cca46251/NPPF_December_2024.pdf
153 https://www.legislation.gov.uk/ukpga/2008/27/contents

33 Policy C8 Flood risk

- That sustainable drainage is incorporated wherever appropriate;
- That residual risk can be safely managed; and
- Safe access and escape routes are included where appropriate, as part of an agreed emergency plan.

33.0.7 Annex 3 of the NPPF sets out the Flood risk vulnerability classification (essential infrastructure/ highly vulnerable/ more vulnerable/ less vulnerable and water-compatible) for a range of land uses.

33.0.8 Alongside the NPPF sits the Planning Practice Guidance [154]. This sets out in greater detail than the NPPF how planning can take account of the risks associated with flooding and coastal change in plan-making and the application process. It explains in more detail what is expected of site-specific flood risk assessments, the sequential approach and the Sequential and Exceptions tests that applicants and local authorities should follow, including information on search areas, reasonably available alternative sites, 5-year housing land supply and the role of the Sequential Test in the planning balance. It also explains the role of the relevant bodies (including the EA and the LLFAs) in assessing planning applications and the processes involved, as well as approaches to addressing residual flood risk (including emergency planning), addressing cumulative impacts, floodplain storage, where it's appropriate to limit the planned lifetime of development, the issues associated with minor development and changes of use, permitted development rights, proximity to watercourses and flood risk activity permits, sustainable drainage systems and seeking opportunities to reduce the cause and impact of flooding, including through natural flood management. The PPG also contains information on flood resistance and resilience, and coastal change (see Policy C6) as well as important information on flood zones, links to Annex 3 of the NPPF (above), a table on flood risk vulnerability and flood zone compatibility and a checklist for site-specific flood risk assessments.

33.0.9 The Environment Agency has also produced Guidance - Flood risk assessment: Flood Zones 1, 2, 3 and 3b [155] on:

- how to carry out flood risk assessments for planning applications;
- details on the Sequential and Exceptions tests ; and
- other consents/permissions which may be needed alongside planning permission (see also, Consents and Permissions, below).

33.0.10 The government has recently published updated evidence on flood risk and erosion in the form of National Flood Risk Assessment [156] (NaFRA) and National Coastal Erosion Risk Map [157] (NCERM). NaFRA provides a picture of current and future flood risk from rivers, the sea and surface water for England and NCERM provides the most up to date national picture of current and future coastal erosion risk for England, accounting for Shoreline Management Plans (SMPs) (see below).

33.0.11 NaFRA and NCERM data, and information including mapping of flood zones 2 and 3, with climate change, and mapping for surface water, is available as open access data at GOV.UK and through the following websites:

- Check your long-term flood risk[158]
- Flood map for planning [159]
- Find a Shoreline Management Plan [160]
- Explore Coastal Erosion Risk [161]

154 https://www.gov.uk/guidance/flood-risk-and-coastal-change
155 https://www.gov.uk/guidance/flood-risk-assessment-flood-zones-1-2-3-and-3b
156 https://www.gov.uk/government/publications/national-assessment-of-flood-and-coastal-erosion-risk-in-england-2024/national-assessment-of-flood-and-coastal-erosion-risk-in-england-2024
157 https://environment.data.gov.uk/dataset/9fede91f-5acd-4fd2-9bd8-98153fa3c2ff
158 https://www.gov.uk/check-long-term-flood-risk
159 https://flood-map-for-planning.service.gov.uk/
160 https://environment.data.gov.uk/shoreline-planning
161 https://environment.data.gov.uk/shoreline-planning/coastal-erosion

Locally relevant bodies, policies, guidance and studies

33.0.12 The South East Coastal Group is a grouping of local authorities, the EA and other maritime operating organisations who work together to achieve co-ordinated strategic management of the shoreline between the Thames Barrier and Selsey Bill. They have prepared the Shoreline Management Plans (SMPs) for Swale, which identify long-term management policies for the coast. For Swale the SMPS are the River Medway Swale Estuary (SMP9) [162] and the Isle of Grain to South Foreland (SMP10) [163].

33.0.13 Further to the Shoreline Management Plans, and as explained further in 32 Policy C7 Implementing the Medway Estuary & Swale Coastal Risk Management Strategy, the EA's Medway Estuary and Swale flood and coastal risk management strategy (MEAS) [164] looks at future flooding and across the estuaries and has determined the most sustainable policy for each section of the coastline.

33.0.14 For Swale, Kent County Council (KCC) is the Lead Local Flood Authority (LLFA) and has an overview role for local flooding (surface runoff, ordinary watercourses and groundwater). KCC have prepared:

- The Swale Surface Water Management Plan (SWMP), 2012, [165] identifies what the local flood risk issues are, what options there may be to alleviate the risks and who should take these options forward. Plans are produced in partnership with internal drainage boards, sewerage companies and the EA.
- Kent local flood risk management strategy, 2024-2034, [166] also a partnership document, it sets out the flood risk in the county, the roles and responsibilities of risk management authorities, the aims of the strategy, progress, challenges, delivery and monitoring.
- Drainage and Planning Policy: Local flood risk management strategy guidance, 2019, sets out KCC's policy requirements for sustainable drainage [167].

33.0.15 Internal Drainage Boards [168] manage water levels in low-lying areas, supervise land drainage and flood defence works to ordinary watercourses in their district. The Lower Medway Internal Drainage Board is the relevant internal drainage board for Swale.

33.0.16 The Swale Strategic Flood Risk Assessment 2020[169] (SFRA) was prepared to inform the preparation of the Local Plan. This assessed flood risk from all sources, now and in the future and from cumulative change. It gives guidance on the sequential and exception tests and sets out requirements for site-specific flood risk assessments, as well as assisting emergency planning for Swale, helping to prioritise and targets improvements to flood defences and consider opportunities to reduce flood risk to existing communities. Comprehensive mapping has been prepared (including mapping for a Surface Water Functional Flood Zone) and along with the reports itself, is available on the Council's website.

33.0.17 The SFRA identifies that whilst tidal flooding across Swale has the most severe consequences, surface water is the most frequent cause of flooding and a smaller number of recorded flooding incidents have involved fluvial, groundwater and sewer flooding, which are sometimes concurrent. There are currently

162 https://environment.data.gov.uk/shoreline-planning/shoreline-management-plan/SMP9
163 https://environment.data.gov.uk/shoreline-planning/shoreline-management-plan/SMP10
164 https://www.gov.uk/government/publications/medway-estuary-and-swale-flood-and-coastal-risk-management-strategy/medway-estuary-and-swale-flood-and-coastal-risk-management-strategy
165 https://www.kent.gov.uk/about-the-council/strategies-and-policies/service-specific-policies/economic-regeneration-and-planning-policies/planning-policies/flooding-drainage-and-water-management-policies-and-guidance/surface-water-management-plans/swale-surface-water-management-plan#:~:text=The%20study%20identified%20a%20number%20of%20generic%20and,Stage%201%20SWMP%20-%20Report%20%28PDF%2C%201.1%20MB%29
166 https://www.kent.gov.uk/about-the-council/strategies-and-policies/service-specific-policies/economic-regeneration-and-planning-policies/planning-policies/flooding-drainage-and-water-management-policies-and-guidance/local-flood-risk-management-strategy
167 https://democracy.kent.gov.uk/documents/s95051/1900088%20-%20Drainage%20and%20Planning%20Policy%20Statement.pdf#:~:text=This%20policy%20sets%20out%20how%20Kent%20County%20Council,management%20provisions%20associated%20with%20applications%20for%20major%20development
168 https://lowermedwayidb.co.uk
169 https://swale.gov.uk/planning-and-regeneration/strategic-flood-risk-assessment-completed

four Flood Alert Areas and five Flood Warning Areas in the borough. There are tidal, coastal and fluvial flood defences along the coastline and tidal watercourse of the borough. The SFRA gives detail of the variable standard of protection and the condition of these assets.

33.0.18 The SFRA recognises that climate change will increase the chance of occurrence and severity of extreme events and that development needs to be planned with this awareness, in particular the significant consequences of storm surge events in the sea leading to high tide levels and potentially severe flooding.

33.0.19 The SFRA advocates the developments should demonstrate opportunities to create, enhance and link green assets, and in doing so provide multiple benefits across several disciplines including flood risk, biodiversity, amenity and recreation.

33.0.20 The SFRA highlights the importance of considering risks from groundwater early in the planning process. Groundwater Flood Maps have been produced as part of the SFRA and the SFRA offers particular guidance on risks from groundwater flooding. It outlines that for all development sites where there is a risk of groundwater flooding (ie not in an area with no risk), a site-specific risk assessment for groundwater flooding should be undertaken to fully inform the likelihood of groundwater flooding and so that the proposed development can be implemented safely. Groundwater levels should be surveyed during winter or early spring, and the amount of rainfall in the months prior to the testing should be assessed. Monitoring should be undertaken, and a geotechnical engineer should then asses the results in an interpretative report and give an assessment of the risk of shallow groundwater.

33.0.21 At the time of writing (2025), the SFRA is being updated to reflect recent government policy and guidance, climate change projections, as well as up to date modelling. As a result of this update this preamble and policy C8 Flood Risk and flood mapping will be updated for the Regulation 19 consultation in 2026.

33.0.22 The latest published SFRA should be referred to by applicants in the preparation of site-specific flood risk assessments.

33.0.23 In parallel to the SFRA, and to supplement the NPPF, PPG and EA policy and guidance, the Council has prepared local guidance on the **Application of the Sequential & Exception Tests for Planning Applications in Swale**. This should be read alongside national guidance and can be found on the SFRA pages of our website.

Flood designations in Faversham Creek

33.0.24 In consultation with the Environment Agency, and as part of the preparation of the Faversham Creek Neighbourhood Plan, in 2010 The Council made provision for consideration of Flood Zone 3a(i). Within this area (previously developed land located at Faversham Creek having a 1 in 20 or greater annual probability of sea flooding in a defended scenario) it was agreed that, whilst there was an acknowledgement of the high flood risk in this area, the strict national policy restrictions associated with functional floodplain (Flood Zone 3b) did not automatically apply.

33.0.25 Flood Zone 3a(i) has been reviewed as part of the 2025 SFRA update. The Environment Agency have advised that, due to changes to national guidance, the latest modelling approaches and outputs, updated surveys and evidence of increasing impacts and frequency of flooding events over the last 15 years, they can no longer support the designation of Faversham Flood Zone 3a(i). As such, and unless evidence is presented to counter this view, Flood Zone 3a(i) will no longer apply in Faversham Creek.

33.0.26 Details of this change of designation will be set out in the forthcoming SFRA.

33.0.27 This change in designation will impact planning applications along the creek, including allocations made in the Faversham Neighbourhood Plan. Developers of sites in this area should consult the Council and the Environment Agency before progressing any applications in this area.

Question 63

Do you have any comments on the change in designation of Flood Zone 3a(i) in Faversham Creek? Please supply evidence as appropriate.

Consents and Permits

33.0.28 To ensure that development does not increase the risk of flooding or cause harm to the water environment, Land Drainage Consent or Flood Risk Activity Environmental Permits and other consents may be required for works, for example, within 16 metres of watercourses. The relevant authorities are:

- Environment Agency - main rivers;
- Lower Medway Internal Drainage Board - ordinary watercourses within their boundaries;
- Kent County Council - ordinary watercourses that are outside the boundary of the internal drainage board; and
- Marine Management Organisation - for works including construction and dredging in English inshore and offshore areas.

Policy application

33.0.29 This policy should be read alongside the policy and guidance in the NPPF and the PPG as well as 44 Policy B7 The Coast, 31 Policy C6 Coastal Change Management, 32 Policy C7 Implementing the Medway Estuary & Swale Coastal Risk Management Strategy, 35 Policy C10 Water quality and Water Resources, and most importantly, 34 Policy C9 Sustainable Drainage.

33.0.30 As set out above, for Swale the Lead Local Flood Authority/Highway Authority is Kent County Council and the Internal Drainage Board is the Lower Medway Internal Drainage Board. Other relevant bodies/teams include: Southern Water and South East Water as the water and sewerage companies (see 35 Policy C10 Water quality and Water Resources); the Council's emergency planning function and The Kent and Medway Resilience Forum (a partnership across Kent Police, Kent Fire and Rescue and Kent County Council, which includes emergency planning). Along with the Environment Agency, and as appropriate, any or all of these bodies may be consulted on planning applications with regard to flood risk and the determination of planning applications.

33.0.31 Applications for development must consider and respond to the policies and guidance set out in the documents these organisations have produced, alongside national policy and guidance, the guidance in the SFRA and guidance produced by the Council.

33.0.32 The Council advises that applicants consider flood risk in the early stages of development, in liaison with the relevant bodies, who provide pre-application advice as required.

33.0.33 Site Specific Flood Risk Assessments should be prepared in line with requirements set out in the NPPF, PPG, EA guidance and the SFRA and where relevant, should include Flood Risk Emergency Plans. These should set out:

- An analysis of flood risk;
- Flood warning procedures and hazard prevention;
- An analysis of safe access and egress;
- A proposed evacuation route (mapped);
- Evacuation procedures;
- Details of safe evacuation on site and safe refuge procedures;
- Details of flood resilient and resistant building techniques/materials and details and calculations relating to the structural stability of buildings during a flood;

33 Policy C8 Flood risk

- How to prepare prior to a flood event Personal flood plan - GOV.UK [170] Business flood plan checklists - GOV.UK [171]; and
- Advice and information for the site owner/residents, including whether insurance can be gained or not.

33.0.34 Furthermore, Flood Risk Emergency Plans should reflect the guidance set out in ADEPT & EA Flood risk emergency plans for new development [172]

33.0.35 In accordance with the PPG, the lifetime of residential development is considered to be a minimum of 100 years, and the lifetime of non-residential development, whilst depending on the characteristics of that development, is considered to be a minimum of 75 years.

Question 64

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy C8

Flood risk

Development proposals must:

1. Prioritise and seek opportunities to provide natural flood management and multifunctional benefits, linking flood risk management with strategies for green and blue infrastructure, biodiversity net gain, improved health and wellbeing and mitigation and adaptation to climate change;
2. Avoid inappropriate development in areas at risk of flooding. Where development is necessary in areas of flood risk, the development must be made safe for its lifetime, not increase flood risk elsewhere and seek opportunities to reduce the causes and impacts of flooding;
3. Apply the Sequential Test to the location of development and the Exception Test where required, as well as a sequential approach at site level, in accordance with the NPPF, PPG, EA guidance, as well as guidance in the Council's Strategic Flood Risk Assessment and the latest version of the Council's document *The Application of the Sequential & Exception Tests for Planning Applications in Swale*, taking account of all forms of flooding, now and in the future;
4. Provide site specific flood risk assessments (FRAs), where required. These should be prepared in line with the NPPF, the PPG, Environment Agency guidance, KCC policy and guidance and guidance set out in the Council's Strategic Flood Risk Assessment, and should address risks from all forms of flooding, cumulative and long-term impacts for the lifetime of the development. FRAs must include:
    a. details of how development will be made safe from flooding for the lifetime of the development and not increase flood risk elsewhere;
    b. details of what flood mitigation, flood defences, resilience and resistance measures are to be installed and details of how these will be maintained and managed for the lifetime of the development, taking account of climate change;
    c. details of how residual risk will be safely managed and mitigated; and
    d. consideration of all forms of flood risk, including groundwater and the potential for diverting existing groundwater flows.

170 https://www.gov.uk/government/publications/personal-flood-plan/personal-flood-plan
171 https://www.gov.uk/government/publications/preparing-your-business-for-flooding/business-flood-plan-checklists
172 https://www.adeptnet.org.uk/system/files/documents/ADEPT%20%26%20EA%20Flood%20risk%20emergency%20plans%20for%20new%20development%20September%202019....pdf

5. Provide Flood Risk Emergency Plans, where required. These should be prepared in line with the NPPF and PPG, Environment Agency advice and guidance set out in the Council's Strategic Flood Risk Assessment and the ADEPT & Environment Agency guidance on Flood risk emergency plans for new development, and updates;
6. Accord, in particular, with 32 Policy C7 Implementing the Medway Estuary & Swale Coastal Risk Management Strategy and 34 Policy C9 Sustainable Drainage and generally, provide details of any necessary contributions to new flood defence or mitigation measures off site, following liaison with the relevant authorities;
7. Take account of the policies and proposals of the relevant Shoreline Management Plans, the Medway Estuary & Swale Flood and Coastal Erosion Risk Management Strategy and the South East Inshore Marine Plan;
8. Ensure there is appropriate space and safeguard land from development that is required, or likely to be required, for future maintenance and new flood risk management infrastructure; and
9. Provide, as necessary, details of the adoption arrangements secured with the relevant public authority or statutory undertaker.

Question 65

Do you support or object to Policy C8? What would you add, remove or amend to support it further or to remove your objection?

34 Policy C9 Sustainable Drainage

34.0.1 Sustainable drainage systems (SuDS) mimic natural drainage processes to reduce the effect of surface water runoff from developments. They can provide multiple benefits including reducing flood risk, improved water quality, groundwater recharge, opportunities for biodiversity, climate change adaptation, urban cooling, carbon sequestration, contribution to a green and blue infrastructure network, enhanced landscaping, health and wellbeing, recreational and educational benefits. This policy seeks to maximise the opportunities for sustainable drainage within the borough with the aim reducing flood risk whilst achieving multifunctional benefits. It should be read in conjunction with C8, Flood Risk and C10, Water quality and Water Resources, as well as a potential future strategic policy on Conserving and enhancing the natural environment.

34.0.2 The National Planning Policy Framework [173](NPPF) highlights the priority that should be given to sustainable drainage systems. It explains how developments are required to incorporate sustainable drainage systems, unless there is clear evidence that this would be inappropriate and it sets out the requirements for these systems. Paragraph 182 of the NPPF states that sustainable drainage systems should be incorporated within applications that could affect drainage, to control flow rates and reduce runoff volumes proportionate to the nature and scale of the proposal. Specifically paragraph 182 (c) states that SuDS provided as part of proposals for major development sites should "have maintenance arrangements in place to ensure an acceptable standard of operation for the lifetime of the development". Whenever possible, multifunctional benefits should be provided through facilitating improvements in water quality, biodiversity and amenity benefits.

34.0.3 Planning Practice Guidance [174] (PPG) makes clear that for new developments the layout and function of drainage systems needs to be considered at the start of the design process to ensure better integration with road networks and other infrastructure and reduce land-take. The appropriateness of the type of sustainable drainage system considered will depend upon a number of factors including the proposed development and its location, however, preference should be given to multi-functional sustainable drainage systems and solutions that allow surface water discharge, accordingly to the hierarchy of drainage options – water re-use, into the ground, to a surface water body, to a surface water sewer and lastly to a combined sewer.

34.0.4 When considering major development, with surface water drainage, the local authority must consult the Lead Local Flood Authority (LLFA) on proposed drainage arrangements. In addition, and as appropriate, the local authority is also advised to consult the relevant sewerage undertaker, The Environment Agency, the relevant highway authority and the Internal Drainage Board.

34.0.5 The guidance explains that local planning authorities will need to be satisfied that sustainable drainage systems are appropriate and there are clear arrangements for ongoing maintenance.

34.0.6 National Standards for sustainable drainage systems [175] are available to provide guidance relating to design, maintenance and operation of sustainable drainage systems. Reference can also be made to the Environment Agency's approach to groundwater protection [176]

Requirements within Swale

34.0.7 Drainage must be considered at the earliest stages of the development process to ensure that the most sustainable option can be delivered in all cases.

34.0.8 The Strategic Flood Risk Assessment for Swale includes detail on surface water management and sustainable drainage systems. It outlines the role of the LLFA and the requirements for sustainable drainage. The SFRA outlines the consideration of groundwater vulnerability zones, groundwater source protection zones and nitrate vulnerable zones in the preparation of sustainable drainage schemes and

173 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
174 https://www.gov.uk/guidance/flood-risk-and-coastal-change
175 https://www.gov.uk/government/publications/national-standards-for-sustainable-drainage-systems
176 https://www.gov.uk/government/publications/groundwater-protection-position-statements

advocates early dialogue with LLFA. The SFRA also highlights the multifunctional benefits of sustainable drainage as well as the specific consideration that should be given to opportunities for sustainable drainage in development around Iwade and Minster. The Council's SFRA is currently under review and, once published, this version should be referred to with regards to the approach to sustainable drainage.

34.0.9 The LLFA for Swale is Kent County Council (KCC) and as such are responsible for managing local flood risk, including from surface water, ground water and ordinary watercourses, and for preparing local flood risk management strategies. The document Drainage and Planning Policy – a Local Flood Risk Management Strategy Document [177]sets out the policy requirements KCC has for sustainable drainage and should be referred to by all applicants where drainage is an issue.

34.0.10 Development has the potential to change surface water and groundwater flows, depending upon how the surface water is managed within the development proposed. Applications for major development must be accompanied by specific drainage strategies that should demonstrate the drainage scheme is in compliance with KCC's drainage policies, as outlined in their strategy document. The drainage strategy must also demonstrate that the proposed surface water management proposal is consistent and integrated with any other appropriate planning policy and flood risk management measures that are required. Incorporating sustainable drainage is easier if planned at an early stage and as such KCC welcomes pre-application consultation.

34.0.11 Consultation with KCC may also occur for planning applications that are not for major development if they are in areas that may have a higher level of local flood risk or within areas that are within 5 metres of an ordinary watercourse. Consultation on flood risk could also occur with other risk management authorities including the Environment Agency (tidal and fluvial flood risk). If a drainage scheme requires connection to a public sewer, additional approval will be required from the appropriate sewerage undertaker.

34.0.12 Whilst consultation is not undertaken with KCC for minor development, applicants should be aware that the NPPF priorities for sustainable drainage do apply to all development, irrespective of scale. Developers of sites for minor development are encouraged to consider the policies outlined in KCC's Drainage and Planning Policy [178]– a Local Flood Risk Management Strategy Document. Applicants for these smaller developments are directed to guidance and standing advice, set out in the SFRA and best practice to help minimise flood risk.

34.0.13 Sustainable drainage schemes are generally appropriate for all sites, including contaminated sites, sites at risk of coastal or fluvial flooding or with high groundwater, if considered early enough in scheme design. Natural solutions are sought, where water is returned to where it would naturally go if the development did not exist. Source control techniques are welcomed including the use of rainwater harvesting and green roofs which can help manage small rainfall events, help conserve water as a resource and bring opportunities for biodiversity net gain.

34.0.14 It should also be noted that SuDS schemes can impact on heritage such as archaeology, building foundations and historic drainage ditches. Therefore, when SuDS are planned it is important that any potential impact on the historic environment is fully considered and any unavoidable damage mitigated. Kent County Council's Heritage Conservation group can offer further guidance.

34.0.15 The Environment Agency support the use of sustainable drainage systems and have issued the following advice, to be taken into account in planning applications:

- The collection and dispersal of clean surface water to ground to recharge aquifer units and prevent localised drainage or surface systems flooding in heavy rainfall is encouraged. However, dispersal into the ground through soakaways will always require a site-specific investigation and risk assessment;
- There are areas where, due to shallow groundwater depths, infiltration to the ground might not be possible. This is connected to the need of avoiding any direct discharge to groundwater, which must not

177 https://democracy.kent.gov.uk/documents/s107027/Item%20F1%20-%20Appendix%202%20Drainage-and-Planning-policy-statement%202019.pdf

178 https://www.kent.gov.uk/about-the-council/strategies-and-policies/service-specific-policies/economic-regeneration-and-planning-policies/planning-policies/flooding-drainage-and-water-management-policies-and-guidance

be done. If direct discharge is unavoidable, an alternative method of surface water drainage should be sought; and

- In addition, there should be no discharge into land impacted by contamination or land previously identified as being contaminated. There should be no discharge to made ground. Sites impacted, or potentially impacted, by contamination should be suitably assessed prior to any infiltration to the ground being approved.

Policy application

34.0.16 When planning, or specifying SuDS, early consideration of the potential multiple benefits and opportunities will help deliver cost effective SuDS scheme with the best results. KCC, the Environment Agency, the Internal Drainage Board and Southern Water, where relevant, should be contacted at pre-application stage to inform the design process.

34.0.17 Definitions of technical terms referenced in the policy can be found in the KCC Drainage and Planning Policy document, referenced above. The Council also aims to produce Planning Guidance to assist in the interpretation and application of climate and water related policies and this should be referred to by applicants.

Question 66

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy C9

Sustainable Drainage

1. Development proposals should, as relevant:

a. Demonstrate that sustainable drainage has been considered from the earliest stages of scheme development and that schemes seek to provide multiple benefits to the environment and communities in terms of reducing the causes and impacts of flooding, improving water quality (removing pollutants from run-off) and water resources (water reuse, recharge to groundwater), adapting to climate change and enhancing biodiversity and amenity, as appropriate;

b. Use a sustainable drainage management treatment train – that is, use drainage components in series to achieve a robust surface water management system that does not pose an unacceptable risk of pollution to surface water bodies and/or groundwater;

c. Demonstrate how they link to the objective to provide 20% biodiversity net gain and enhance the green & blue infrastructure network, in line with the objectives of future strategic policies and Policy B1 Biodiversity and geodiversity conservation and biodiversity net gain;

d. Demonstrate that post development run-off rates account for the latest climate change allowances as set by the EA, for the lifetime of development, unless it can be demonstrated to the satisfaction of the Lead Local Flood Authority that site specific run off rates are more appropriate. Run-off rates will require a betterment value as agreed by the Lead Local Flood Authority;

e. Demonstrate, including to the satisfaction of the Lead Local Flood Authority where relevant, how ongoing management and maintenance will be ensured, taking account of climate change;

f. Provide, as relevant, details of the adoption arrangements secured with the relevant public authority or statutory undertaker; and

g. Comply with the requirements of any relevant Planning Guidance produced by the Council.

2. Planning applications for major development must be accompanied by site-specific drainage strategies to be approved by Kent County Council as the Lead Local Flood Authority. Drainage

strategies should demonstrate that drainage scheme proposed are in compliance with KCC's sustainable drainage policies, as set out in their Drainage and Planning Policy: A Local Flood Risk Management Strategy document, as follows:

a. Follow the drainage hierarchy;
b. Deliver effective drainage design;
c. Maintain existing drainage flow paths and watercourses;
d. Seek to reduce and avoid existing flood risk;
e. Provide drainage sustainability and resilience;
f. Enable sustainable maintenance;
g. Safeguard water quality;
h. Design for amenity and multi-functionality; and
i. Enhance biodiversity

3. Planning applications for proposed development sites that meet with any of the following conditions:

a. are situated in a high cumulative impact catchment area as defined within the Cumulative Impact Assessment of the Swale Strategic Flood Risk Assessment;
b. where the surface water currently discharges to a sewer (either surface water, combined, highway or foul); or
c. where the surface water currently discharges to a watercourse that is culverted either at the point of discharge or downstream of the discharge point,

shall only discharge at a rate equivalent to or below Qbar for all designed rainfall events. A staged discharge will not be acceptable. Compliance with this requirement will need to be demonstrated to the satisfaction of the Lead Local Flood Authority.

Question 67

Do you support or object to Policy C9? What would you add, remove or amend to support it further or to remove your objection?

35 Policy C10 Water quality and Water Resources

35.0.1 Clean and plentiful water is essential to our health, the economy and the wider environment and is a fundamental element of our natural capital. Water quality and water resources are intertwined issues and are under increased pressure as a result of population growth and development's increased demand for water, unsustainable levels of abstraction, urban and rural pollution, poor land management and the impacts of climate change. The aim of this policy is to ensure that new development does not negatively impact the water environment and takes opportunities to improve the water resource and water quality of Swale to benefit its economy, society and environment. It should be read in conjunction with 32 Policy C7 Implementing the Medway Estuary & Swale Coastal Risk Management Strategy, 33 Policy C8 Flood risk and 37 Policy C12 Pollution & Land Instability.

35.0.2 The National Planning Policy Framework(NPPF) [179] explains that 'planning policies and decisions should contribute and enhance the natural and local environment', including by 'recognising…the wider benefits from natural capital and ecosystem services' and by 'preventing new and existing development from contributing to, being put at unacceptable risk from, or being adversely affected by, unacceptable levels of …water…pollution…Development should, wherever possible help to improve local environmental conditions such as ..water quality, taking into account relevant information such as river basin management plans' (para 187).

35.0.3 It also states that planning policies and decisions should ensure that new development is appropriate for its location taking into account the likely affects (including cumulative effects) of pollution on health, living conditions and the natural environment, as well as the potential sensitivity of the site or the wider area to impacts that could arise from the development' (para 196).

35.0.4 The Planning Practice Guidance [180] water supply, wastewater and water quality chapter sets out the legal and policy framework for the water environment and explains how the planning system can plan positively for water supply, wastewater and water quality. It explains the considerations that may need to be made as part of plan making and planning applications and how impacts should be assessed. It includes details of where to find information on the water environment

35.0.5 The Government's 25 Year Environment Plan [181] sets out what the government intends to do to improve the environment and includes a goal to see 'clean and plentiful water', to 'improve water quality', 'reverse the deterioration of groundwater', see water use fall and achieve best practice improvement in leakage reduction.

35.0.6 The Independent Water Commission Review [182] (the Cunliffe Review) was published in July 2025. It includes 88 recommendations aimed at reshaping regulation of water in England and Wales. The government initially accepted 4 recommendations (abolish Ofwat; integrate functions of the Environment Agency and Natural England; creation of water ombudsman; stricter oversight) and are due to publish a White Paper with their full response.

35.0.7 The National Framework for Water Resources 2025: water for growth [183], nature and a resilient future sets out the increasing pressures on water resources from population growth and climate change and identifies actions needed to meet the challenge.

179 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
180 https://www.gov.uk/guidance/water-supply-wastewater-and-water-quality
181 https://www.gov.uk/government/publications/25-year-environment-plan
182 https://assets.publishing.service.gov.uk/media/687dfcc4312ee8a5f0806be6/Independent_Water_Commission_-_Final_Report_-_21_July.pdf
183 https://www.gov.uk/government/publications/national-framework-for-water-resources-2025-water-for-growth-nature-and-a-resilient-future/forewords-executive-summary-and-structure-national-framework-for-water-resources-2025

The local context

35.0.8 Water is a defining feature of the environment and landscape of Swale. The principal water feature in the borough is The Swale, a strip of sea that separates the mainland from the Isle of Sheppey. There are tidal creeks at Queenborough, Halstow, Funton, Milton, Conyer, Oare and Faversham and across the local marshes. As well as The Swale there are a series of spring-fed and surface water streams that flow from the North Downs into the low-lying land of the Swale and Medway marshes, into the Swale. These streams are groundwater dependent, so changes in water abstraction from the North Downs Chalk aquifer can affect stream flow, water and habitat quality. A number of these streams [184] , including the Bapchild Stream, the Downswell Stream and the Westbrook are chalk streams [185], a globally rare habitat.

35.0.9 Reduced flow (due to high levels of abstraction), pollution from agricultural sources and surface water runoff, physical modifications, sewage pollution and invasive species are negatively affecting the environmental quality of these precious chalk stream habitats. A World Wildlife Fund report [186] into chalk streams reports that more than three-quarters are failing to meet the required Water Framework Directive 'Good status'.

35.0.10 Much of the land adjacent to The Swale is comprised of low-lying land drained for agriculture (grazing marshes) or kept as wetlands (inter-tidal mud flats), designated internationally for their biodiversity value. The habitat value of these designations depends on adequate water resource and quality aligned with careful surface water management.

35.0.11 This environment is currently also threatened [187] by:

- Pollution, including agricultural, urban and industrial run-off, sewage and microplastics, which leads to poor water quality and eutrophication;
- Fragmentation (and subsequent) degradation of natural habitats;
- Climate change, where impacts include rising sea levels, flooding and inundation and coastal erosion; and
- Invasive species.

35.0.12 River basin management plans [188](RBMPs) set the foundation for delivering the government's 25 Year Environment Plan 'clean and plentiful water' goal. The Environment Agency (EA) prepares RBMPs for each river basin district (RBD). The river basin districts relevant to Swale are the Thames Basin RBD and (for a very small area of the borough) the South East RBD. Data for each river basin district, and the management and operational catchments and waterbodies within them, can be best be accessed through the Catchment Data Explorer, or through GOV.UK website on River Basin Management Plans [189].

35.0.13 The government encourages a Catchment Based Approach [190](CaBA) to improving the quality of the water environment in the UK. This encourages a wider adoption of an integrated approach to river basin management, focusing on collaborative working at a catchment scale. In north Kent this work is coordinated by the North Kent Catchment Improvement Group[191] , hosted by the Medway Swale Estuary Partnership and the South East Rivers Trust.

35.0.14 The partnership has an action plan that covers:

- Transitional and Coastal Waters;

184 https://friendsofthewestbrook.wordpress.com/wp-content/uploads/2023/11/final-no-mark-ups-reduced-size-sert-north-kent-chalk-streams-survey-october-2023.pdf
185 https://engageenvironmentagency.uk.engagementhq.com/chalk-streams
186 https://www.wwf.org.uk/our-reports/state-englands-chalk-streams-report
187 https://www.endangeredlandscapes.org/news/restored-reconnected-and-resilient-the-future-of-the-thames-estuary/
188 https://www.gov.uk/guidance/river-basin-management-plans-updated-2022
189 https://www.gov.uk/government/publications/river-basin-management-plans-updated-2022-introduction/river-basin-management-plans-updated-2022-introduction
190 https://catchmentbasedapproach.org/
191 https://msep.org.uk/our-work/north-kent-catchment-improvement-group/

- The White Drain;
- The Westbrook and Stonebridge Pond (part of the dry valley south of Faversham);
- The Iwade Stream; and
- The Swale Tributary at Lower Halstow/the Libbet.

35.0.15 Groundwater provides the overwhelming majority of Swale's drinking water and is needed to keep springs, streams and ditches across the borough healthy and flowing. The Environment Agency (EA) recognises that over-abstraction is a critical pressure on chalk streams and that the sustainability of abstraction from chalk aquifers needs to be assessed and managed to ensure water supply resilience is balanced against the needs of a healthy environment. (5.4 Abstraction from Chalk) [192] .

35.0.16 The EA protects groundwater sources (eg wells, boreholes and springs) used to supply drinking water from pollution. The EA have defined Groundwater source protection zones [193] (SPZs) which show the level of risk to the source from contamination, following the principle that the closer the activity to the water source, the greater the risk of pollution: inner zones (SPZ1) have a 50 day travel time of pollutant to source, outer zones (SPZ2) have 400 day travel times and SPZ3 shows the total catchment - the area around a supply source within which all groundwater ends at the abstraction point.

35.0.17 The Environment Agency has also produced maps of drinking water safeguard zones.

35.0.18 Nitrate Vulnerable Zones [194] (NVZs) are areas designated as being at risk from agricultural nitrate pollution. Certain rules must be followed in relation in these areas.

35.0.19 Nutrient neutrality is a concept that aims to ensure that any land use or development in proximity to a vulnerable water body does not cause an increase in harmful nutrient levels (nutrient pollution). When phosphates and nitrates enter the water and reach a certain level it can cause eutrophication which will lead to algae growth. Dense algae can have effects on the balance of plants and invertebrates as it can deplete oxygen levels, harm water and air quality, food resources and habitats.

35.0.20 The Stodmarsh Nature Reserve is in the Stour valley near Canterbury. It is protected as a National Nature Reserve, a Site of Special Scientific Interest and a Ramsar site as well as a Special Protection Area and Special Area of Conservation under the Habitats Directive. It is managed by Natural England. A review during 2017/18 identified that some of the lakes there had raised nitrogen and phosphorus levels. As a consequence, in July 2020, Natural England issued nutrient neutrality advice for the catchment that feeds the Stodmarsh Nature Reserve. This means that Local Planning Authorities can only approve development if they are certain it will not have an adverse effect on the Stodmarsh Nature Reserve habitat site.

35.0.21 The catchment area of Stodmarsh Nature Reserve impacts a small part of Swale east and south of Dunkirk and east of Oversland.

35.0.22 Natural England has advised competent authorities that mitigation measures forming part of a Habitats Regulations Assessment [195] must demonstrate no adverse effect 'beyond reasonable scientific doubt' and that the benefits of the mitigation measures must be 'certain at the time of the Assessment' before planning permission can be given. Any development that will have an adverse effect will need to provide suitable mitigation.

35.0.23 Natural England, Kent County Council and the local authorities in the Stodmarsh/River Stour catchment are currently investigating possible mitigation measures with the support of the Ministry of

192 https://www.gov.uk/government/publications/national-framework-for-water-resources-2025-water-for-growth-nature-and-a-resilient-future/5-taking-action-water-for-the-environment-national-framework-for-water-resources-2025
193 https://www.gov.uk/guidance/groundwater-source-protection-zones-spzs
194 https://www.gov.uk/government/collections/nitrate-vulnerable-zones
195 https://www.gov.uk/guidance/habitats-regulations-assessments-protecting-a-european-site

Housing, Communities and Local Government (MHCLG). This work is ongoing and is not yet published. In the meantime, the Council is taking a precautionary approach and will require Appropriate Assessments (AA) [196] for all relevant development.

35.0.24 Mapping showing areas impacted by nutrient neutrality, source protection zones, nitrate vulnerable zones and drinking water safeguard zones can be found at Defra's Magic Interactive mapping website[197].

35.0.25 Private Water Supplies - the Council is responsible for the registration, risk assessment, sampling and enforcement of private water supplies and private distribution systems to ensure they are suitable for use and meet the standards set by current legislation, The Water Industry Act 1991 [198], Private Water Supplies (England) Regulations 2016 [199] and Private Water Supplies (England) (Amendment) Regulations 2018 [200]. These regulations safeguard public health by ensuring that private water supplies are 'wholesome' and 'safe' to drink, setting quality standards similar to those for mains water supplies. The regulations cover all private supplies, although those serving a single dwelling will only be risk assessed and sampled upon request of the owner or occupier.

35.0.26 A private water supply is a supply that is not provided by a water company, like South East Water or Southern Water. It can serve more than one property and can include features such as wells, springs, boreholes, streams, surface water features and ponds. A private distribution system is a system that occurs when mains water is supplied to a site or property which is then distributed to other buildings not owned by that organisation or person. Users of private distribution systems, pay a landlord directly for the water instead of the water company, for example South East Water.

35.0.27 Southern Water provide wastewater treatment across Swale. New development sites have a legal right to connect to the surface and foul water sewers, but if there is a risk of flooding this is material consideration in planning decisions. The closest point of contact from development sites to the sewage system may not always have adequate capacity. If new development connects where capacity is insufficient, both new and existing customers may experience problems such as poor drainage and/or foul water flooding.

35.0.28 Drainage and Wastewater Management Plans (DWMPs) are used by water companies to plan for future climates and population, who also have duties to reduce storm overflows, flooding and pollution and protect and improve the water environment. Southern Water have prepared the DWMPs [201]relevant to Swale, the majority of which is within the North Kent River Basin Catchment. There are five wastewater treatment plants within the North Kent Catchment (and Swale Borough), at Sittingbourne; Faversham; Queenborough; Teynham and Eastchurch. Other wastewater treatments plants relevant to Swale, but outside the district, include Motney Hill wastewater treatment works in the Medway River Basin Catchment.

35.0.29 Southern Water's analysis has identified challenges for the North Kent Catchment, highlights of which include:

- additional homes and businesses increase the risks of non-compliance in three wastewater systems: Sittingbourne, Queenborough and Faversham. This means further investment will be needed;
- new development in the North Kent Catchment might put additional pressure on internationally designated habitat sites at the Medway and Swale Estuaries. Solutions will need to be found to ensure that development is nutrient neutral;
- climate change will bring greater variability of our weather with warmer wetter winters and hotter drier summers as well as intense summer storms that could exceed the capacity of the drainage and wastewater networks and cause localised flooding;
- wastewater systems need to adapt to future climates. There will be an increasing need to 'slow the flow' entering our sewer networks so the systems can carry the water without flooding homes and businesses

196 https://www.gov.uk/guidance/appropriate-assessment
197 https://magic.defra.gov.uk/
198 https://www.legislation.gov.uk/ukpga/1991/56/contents
199 https://www.legislation.gov.uk/uksi/2016/618/contents
200 https://www.legislation.gov.uk/uksi/2018/707/contents/made
201 https://www.southernwater.co.uk/about-us/our-plans/drainage-and-wastewater-management-plans/

and/or without causing discharges from storm overflows. Preventing additional rainfall entering foul sewer networks, including combined sewer networks, could delay the need to upgrade and enlarge the underground network of sewers; and

- climate change is expected to have an impact on the risk of flooding in several wastewater systems, especially Queenborough. Risk will increase by 2050 across all wastewater systems unless measures are taken. The risk of storm overflow discharges for four systems, Sittingbourne, Queenborough, Faversham and Eastchurch already have a very significant risk in 2020 and will increase without further actions.

35.0.30 The PPG (para 16) sets out that where water quality has the potential to be a significant planning concern, an applicant should be able to explain how the proposed development would affect a relevant water body in a river basin management plan or designated sites of importance for biodiversity, and how they propose to mitigate the impacts.

35.0.31 Where it is likely that a proposal would have a significant adverse impact on water quality then a more detailed Water Quality Assessment will be required, which should form part of the environmental statement. It should include:

- likely impacts of the proposed development (including physical modifications) on water quantity and flow, river continuity and groundwater connectivity, and biological elements (flora and fauna);
- how the proposed development will affect measures in the river basin management plan to achieve good status in water bodies (to ensure local authorities discharge their duty to have regard to river basin management plans when exercising their duties, including making planning decisions); and
- how it is intended the development will comply with other relevant regulatory requirements relating to the water environment (such as those relating to bathing waters, shellfish waters, freshwater fish, drinking water, internationally and nationally designated sites of importance for biodiversity) bearing in mind compliance will be secured through the Environment Agency's permitting responsibilities.

35.0.32 Swale lies within an area of serious water stress as classified by the Environment Agency [202]. Without adequate planning, water resources and consequent pressures on the environment are likely to become more stretched within Swale as the population continues to grow.

35.0.33 The companies relevant to water supply in Swale are South East Water and Southern Water. Southern Water supplies water to the Isle of Sheppey and the west of the borough. South East Water provides water to Faversham and the more easterly parts of the borough. Water companies prepare Water Resources Management Plans and are required to put in place the necessary mechanisms to support the development proposed by the Local Plan. The water companies in the South East of England work collaboratively as Water Resources South East (WRSE) to take a regional approach to planning water resources and have produced a regional plan.

35.0.34 The Water Resources Management Plans for South East Water [203] and Southern Water [204] , along with the Water Resource South East's Regional Plan, identify challenges to water resources from population growth, the need to protect the environment, dry weather/drought resilience and climate change. These factors are leading to needing an extra 188 and 587 million litres of water a day in South East Water and Southern Water's supply areas respectively, by 2075. The water companies intend to address this deficit through a combination of demand management (reducing leakage, improving efficiency) and new water supply options (transferring and storing water (e.g. the Broad Oak Reservoir near Canterbury, proposed for the early 2030s) and finding new sources, for example through water recycling and possibly desalination).

35.0.35 All new development has a responsibility to seek to manage demand for water and make efficient use of this resource. New development also offers the ideal opportunity to include water saving and water

202 https://www.gov.uk/government/publications/water-stressed-areas-2021-classification
203 https://www.southeastwater.co.uk/about/resources/publications/water-resources-management-plan-2024/
204 https://www.southernwater.co.uk/about-us/our-plans/water-resources-management-plan/

efficiency measures - such as installing water efficient fittings and white goods, smart metering, rainwater harvesting and greywater recycling – and thereby contribute to the challenge of water efficiency across the region.

35.0.36 The Good Homes Alliance [205](GHA), in partnership with industry leaders and supported by the Enabling Water Smart Communities project and the UK Water Efficiency Collaborative Fund, has launched a publication – 'Water Efficiency and Reuse in Housing: Design Guide for a Changing Climate'[206] . The guide sets out a fittings-based approach to water, and related energy, efficiency and provides design guidance, case studies and stakeholder accounts.

35.0.37 Policy DM 21 of Bearing Fruits, the Swale Borough Local Plan 2017, promoted water efficiency in new development, requiring new homes to be designed to achieve a minimum water efficiency of 110 litres per person per day (l/p/d), the most efficient level of the government's Housing: Optional Technical Standards and a standard endorsed at the time by the two water companies within Swale, the Environment Agency and the Catchment Partnership (the North Kent Catchment Improvement Group).

35.0.38 Due to the government's commitment to creating environmental headroom for growth, it is currently consulting (autumn 2025) [207] on increasing water efficiency targets. In areas where the optional technical standard applies (including Swale) this could mean that this optional national standard is tightened from 110 l/p/d to 100 l/p/d.

35.0.39 As mentioned above, Swale is within an area of serious water stress. The reality of this designation is borne out in Temporary Use Bans and in the visible drying out of wetlands and chalk streams across the borough. Through previous local plan consultations, both Natural England and Southern Water have advocated a stricter water efficiency standard for new dwellings in Swale of 100l/p/d. Ambitious water efficiency standards have been factored into the Whole Plan Viability Assessment (linked to be inserted before public consultation). Furthermore, according to the above referenced DEFRA consultation evidence, while new water efficiency fittings 'could result in increased new development costs …. this cost would be minor in comparison to overall building costs' (para 34 Reviewing the Water Efficiency Standard in the Building Regulations 2010 [208]). Furthermore, integrating water efficiency into new build saves the costs and difficulties of needing to retrofit schemes in the future, as water efficiency becomes an even more pressing concern.

35.0.40 Water efficiency in non-residential developments should be dealt with via the BREEAM water efficiency standards, also referenced in 26 Policy C1 Sustainable design and adaptation principles.

Policy Application

35.0.41 Whilst water companies have general duties to enable new development to connect to the water supply and treatment network, it is very important that early engagement with the appropriate water company takes place to ascertain any water supply, drainage and treatment issues which may affect a site, including ensuring that development proposals allow future access to drainage, sewerage and water supply infrastructure for maintenance and up-sizing purposes, and any phasing that may be required.

35.0.42 Equally early engagement with the local planning authority, the Council's Environmental Health team, the Environment Agency and the Lead Local Flood Authority is recommended to ensure that water quality and water resource issues are considered early in the planning process.

205 https://goodhomes.org.uk/
206 https://kb.goodhomes.org.uk/wp-content/uploads/2025/07/Water-Guide-GHA-July-2025_FINAL.pdf
207 https://consult.defra.gov.uk/water-efficiency-demand/review-of-water-efficiency-standards/
208 https://consult.defra.gov.uk/water-efficiency-demand/review-of-water-efficiency-standards/supporting_documents/consultation-call-for-evidence-review-of-building-regulations-part-g2pdf

Question 68

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy C10

Water Quality and Water Resources

1. All development shall:

a. take a catchment-based approach to protecting water quality and water resources, prioritising nature-based solutions;
b. make efficient use of water resources and protect the yield of public water supplies;
c. protect the management and operational catchments, waterbodies and watercourses across the borough, as well as groundwater and surface water; and
d. ensure long-term benefits to the water environment and habitats it supports.

2. Where it is likely that a proposal is deemed to have a significant impact on water resources or water quality a detailed Water Quality Assessment will be required, as explained above and set out in Planning Practice Guidance, to the satisfaction of the borough's Environmental Protection Team, the Environment Agency and the Lead Local Flood Authority, as appropriate;

3. Groundwater source protection zones should be safeguarded from pollution, to the satisfaction of the Environment Agency:

a. Proposals for development within Groundwater Source Protection Zones will only be permitted if there is no risk of contamination to groundwater sources. If a risk is identified, development will only be permitted if adequate mitigation measures can be implemented;
b. Proposals for piled foundations must take account of disturbance to ground and threats to water supply and prevent the creation of pathways from contaminated material to groundwater.

4. Connection points and access – all development connecting to mains drainage and wastewater system must ensure connection at the nearest point of capacity, following advice from the service provider. Proposals must demonstrate that future unconstrained access to existing and future drainage, sewerage and water supply infrastructure for maintenance and up-sizing purposes has been allowed for;

5. Major development intending to connect to mains drainage and wastewater systems must demonstrate that, drainage and wastewater connection and treatment infrastructure, to serve the whole development over its lifetime, is in place before construction commences and that these details have been approved by the appropriate water company and funded by the development where relevant. Details should include how works will be phased and ensure no occupation until all necessary works relating to water and wastewater have been carried out;

6. All development that cannot connect to surface water drainage and/or the sewerage system (such as in some rural and isolated locations) should provide details of how it will effectively treat and dispose of its water prior to commencement of development, to the satisfaction of the Council;

7. Where onsite package treatment works are proposed to deal with foul sewage, it should be noted that any discharge from them to a surrounding waterbody will have to consider this discharge rate alongside the discharge rate proposed for the surface water drainage design – the combined rate should then be considered against the required greenfield run off rate and it demonstrated this is not exceeded for the cumulative discharge rate;

8. In areas within the catchment of Stodmarsh Nature Reserve, development will only be permitted where it can be demonstrated that it will achieve nutrient neutrality through appropriate mitigation measures;

9. Water efficiency standards:

a. all residential development will achieve a minimum water efficiency of 100 litres per person per day; and

b. as set out in 26 Policy C1 Sustainable design and adaptation principles, all new non-residential developments (including C1, C2, C2a and C5 uses) are required to achieve water efficiency credits for BREEAM 'Very Good' standard as a minimum. New major non-residential developments (including C1, C2, C2a and C5 uses) of 1,000sqm or more are required to achieve water efficiency credits for BREEAM 'Excellent' standard as a minimum.

10. Private Water Supplies for new developments:

a. Developers shall ensure any new private water supplies they install are safe and wholesome;

b. Proposals must not cause an inadequate supply or poor water quality for existing users of shared sources; and

c. Any proposed developments with private water supplies should inform the Council's Environmental Health team and include a description within their application.

Question 69

Do you support or object to Policy C10? What would you add, remove or amend to support it further or to remove your objection?

36 Policy C11 Air Quality

36.0.1 Air pollution poses significant risk to human health and the environment and is an issue of concern globally, as well as to residents, businesses and the Council within Swale. The Council is committed to improving air quality and protecting the health and amenity of the borough's current and future generations.

36.0.2 Land-use planning plays an important role in improving local air quality, strategically by setting out the broad location for development and locally through individual planning applications. Air quality is a material planning consideration in relevant planning decisions to ensure future problems are prevented. There is also a synergy between efforts to address air quality and those to address climate change.

36.0.3 This policy, a sister policy to 37 Policy C12 Pollution & Land Instability and 35 Policy C10 Water quality and Water Resources, aims to ensure that development within Swale does not lead to a detrimental impact on air quality and that where air quality is affected, that development is not permitted unless appropriate mitigation is provided and opportunities for improvements are sought. All applications and decisions on air quality in the borough should take account of national guidance and best practice, the presence of any Air Quality Management Areas, Clean Air Zones (if declared), the borough's Air Quality Action Plan, 2023 [209] and the Swale Air Quality and Planning - Technical Guidance 2024 [210] and updates to these documents.

The legal, policy and local context

36.0.4 Air quality in the UK is co-ordinated by the Department for Environment, Food and Rural Affairs (Defra). The Air Quality Strategy, 2023 [211] for England, Scotland, Wales and Northern Ireland, 2023, provides an over-arching strategic framework for air quality management. The strategy includes national Air Quality Objectives (AQOs) and limit values for nitrogen dioxide (NO2) and particulates (PM10 and PM2.5), along with several other pollutants prescribed in the [212] Regulations 2010.

36.0.5 The Clean Air Strategy 2019 [213] sets out the actions required across government and society to improve air quality to protect health, the environment, secure clean growth, reduce emissions and monitor progress. It complements other UK government strategies including the Clean Growth Strategy and the 25 Year Environment Plan.

36.0.6 UK Air [214] is Defra's Air Information Resource and is a free to use database of air quality information for the country which contains information on national air quality objectives, monitoring data and networks. It also holds a comprehensive library of air quality information. Kent Air [215] website is a useful resource for air quality in Kent.

36.0.7 The Institute of Air Quality Management's document Land-Use Planning & Development Control: Planning For Air Quality, 2017 [216] has been prepared to ensure that air quality is adequately considered in the land-use planning and development control process and provides guidance as to how to reach sound decisions on air quality and planning matters.

36.0.8 The National Planning Policy Framework [217] (NPPF) sets the scene for planning for air quality in England. Paragraph 110 states that 'Significant development should be focused on locations that are or can be made sustainable, through limiting the need to travel and offering a genuine choice of transport modes. This can help to reduce congestion and emissions, and improve air quality and public health'.

209 https://swale.gov.uk/__data/assets/pdf_file/0019/451432/AQAP-2023-to-2028_-updated-2025-AAA.pdf
210 https://swale.gov.uk/__data/assets/pdf_file/0008/474182/AQPT-Guidance_-2024-update_PDF_2-002-AA.pdf
211 https://www.gov.uk/government/publications/the-air-quality-strategy-for-england/air-quality-strategy-framework-for-local-authority-delivery
212 Air Quality Standards https://www.legislation.gov.uk/uksi/2010
213 https://www.gov.uk/government/publications/clean-air-strategy-2019
214 https://uk-air.defra.gov.uk/
215 https://www.kentair.org.uk/
216 https://iaqm.co.uk/text/guidance/air-quality-planning-guidance.pdf
217 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

36.0.9 Paragraph 187 of the NPPF goes on to say: 'Planning policies and decisions should contribute to and enhance the natural and local environment by:...e) preventing new and existing development from contributing to, being put at unacceptable risk from, or being adversely affected by, unacceptable levels of soil, air, water or noise pollution or land instability. Development should, wherever possible, help to improve local environmental conditions such as air and water quality..'.

36.0.10 Paragraph 198 states 'Planning policies and decisions should also ensure that new development is appropriate for its location taking into account the likely effects (including cumulative effects) of pollution on health, living conditions and the natural environment, as well as the potential sensitivity of the site or the wider area to impacts that could arise from the development'. Importantly, paragraph 199 goes on to say that 'Planning policies and decisions should sustain and contribute towards compliance with relevant limit values or national objectives for pollutants, taking into account the presence of Air Quality Management Areas and Clean Air Zones, and the cumulative impacts from individual sites in local areas. Opportunities to improve air quality or mitigate impacts should be identified, such as through traffic and travel management, and green infrastructure provision and enhancement. So far as possible these opportunities should be considered at the plan-making stage, to ensure a strategic approach and limit the need for issues to be reconsidered when determining individual applications. Planning decisions should ensure that any new development in Air Quality Management Areas and Clean Air Zones is consistent with the local air quality action plan'.

36.0.11 Planning Practice Guidance [218] (PPG) sets out the air quality considerations that planning needs to address, with regard to public health, habitats and biodiversity and the formation of ozone. The guidance sets out Defra's national assessment of air quality and the local air quality management (LAQM) regime which requires each local authority to review and assess local air quality and explains when it is necessary to declare Air Quality Management Areas (AQMAs). The guidance also explains that air quality considerations may also be relevant to habitats and species.

36.0.12 The PPG also sets out the role of plan-making with regard to air quality recognising that all development plans can influence air quality, for example through what development is proposed and where, and the provision for sustainable transport. Consideration of air quality issues at the plan-making stage can ensure a strategic approach to air quality and help secure net improvements in overall air quality. The guidance makes it clear that it is important to take into account AQMAs, Clean Air Zones and areas such as sensitive habitats or designated sites of importance for biodiversity. Air quality is also an important consideration in habitats assessment, strategic environmental assessment and sustainability appraisal and can help shape an appropriate strategy for a local plan.

36.0.13 The PPG also contains information on:

- where information on air quality can be found;
- when air quality considerations could be relevant to the development management process and how to assess impacts;
- the importance of engaging at an early stage with the planning and environmental health departments;
- when the Environment Agency might need to be involved;
- the specific issues that may need to be considered;
- information on the detail required in an air quality assessment; and
- detail on how air quality can be mitigated.

Air Quality in Swale

36.0.14 The Council has a statutory obligation to ensure air quality is reviewed and assessed. If levels of air pollution exceed, or are likely to exceed, national Air Quality Objectives (AQOs), the Local Authority (Environmental Protection Team) is required to declare an Air Quality Management Area (AQMA) and

218 https://www.gov.uk/guidance/air-quality--3

prepare an Air Quality Action Plan (AQAP) [219], which sets out the intended measures in pursuit of the AQOs. The emissions of particular concern in Swale are nitrogen dioxide (NO2) and particulate matter (PM10), associated with traffic and congestion.

36.0.15 The Council has a comprehensive monitoring network. Monitoring has identified locations within the borough that exceed the annual Air Quality Objective (AQO) levels for NO2 and PM10 and subsequently declared AQMAs at these locations. Details on AQMAs can be found on the air quality pages of the Council's website [220]

36.0.16 The Council is required to revoke an AQMA if it demonstrated that air quality objectives are being met and will continue to do so. Revoked AQMAs are still considered Air Quality Sensitive Areas (AQSA), and the Council will continue to monitor these locations. As referenced in the AQAP and relevant guidance [221] where there are no longer any AQMAs, an Air Quality Strategy (AQS) will be created to ensure air quality remains a high-profile issue and to ensure the Council is able to respond quickly should there be any deterioration in condition of the revoked AQMAs.

36.0.17 The declaration of an AQMA does not mean that there will be no new development within that area. Rather, it means that greater weight must be given to air quality impacts and their mitigation.

36.0.18 Swale's AQAP sets both strategic and local measures targeted at improving air quality in the designated AQMAs and across the borough as a whole. The AQAP may evolve in response to funding, adaptation of measures and policy changes. Applicants should refer to the latest, relevant AQAPs in their applications.

District wide Air Quality Modelling

36.0.19 Air Quality Modelling [222] for the emerging local plan was prepared to inform the Swale Local Plan Review in 2020 and will be undertaken again at the Regulation 19 Stage, in 2026.

Local guidance

36.0.20 The Council's Air Quality and Planning - Technical Guidance (July, 2024) [223] and updates has been adapted from the Kent and Medway Air Quality Partnership's Air Quality Planning Guidance (December 2015) in response to changes in national planning policy and guidance and the increased number of planning applications in Swale in which air quality has been a specific issue. The document:

- Explains how air quality is dealt with in planning applications in Swale, providing clarity and consistency for officers within the local authority, and developers and consultants involved in the preparation of development proposals and planning applications, as well as local communities;
- Recommends a range of mitigation measures and explains that standard mitigation is expected for all development;
- Sets out when an Air Quality Assessment (AQA) is required, how this should be undertaken and how it will be used to determine the air quality impacts of planning applications;
- Explains the emissions mitigation assessment (including damage cost calculations) expected for development with potential air quality impacts; and
- Emphasises the importance of applying good design and 'best-practice' measures to all developments, to reduce both pollutant emissions and human exposure.

36.0.21 The guidance primarily focuses on air quality impacts from traffic emissions; however, dust also contributes airborne particulate matter. It should be noted that the Institute of Air Quality Management (IAQM) document Guidance on the assessment of dust from demolition and construction (January 2024,

219 https://swale.gov.uk/__data/assets/pdf_file/0019/451432/AQAP-2023-to-2028_-updated-2025-AAA.pdf
220 https://swale.gov.uk/bins-littering-and-the-environment/air-quality/monitoring.
221 https://laqm.defra.gov.uk/air-quality/featured/england-exc-london-policy-guidance/
222 https://swale.gov.uk/planning-and-regeneration/local-plans/local-plan-review-evidence#h2
223 https://swale.gov.uk/__data/assets/pdf_file/0008/474182/AQPT-Guidance_-2024-update_PDF_2-002-AA.pdf

Version 2.2) [224] and updates is the recommended text to refer to ensure dust generation is minimised where possible. The Environmental Protection team will recommend conditions to an application on a case-by-case basis to ensure dust from all potential sources is addressed (eg a Dust Management Plan).

36.0.22 The Council's Parking Standards SPD, 2020, [225] and updates, sets out local standards and design aspirations for vehicle and cycle parking for new development in Swale. This document includes requirements for parking for ultra-low emission vehicles with the objective of improving air quality. It should be used alongside current Building Regulations on Infrastructure for charging electric vehicles: Approved Document S[226]

36.0.23 Good site choice and quality design can beneficially influence air quality. Applicants for proposed development in Swale should demonstrate how their proposals have considered air quality in terms of site location, linkages to other sites and infrastructure, layout, land-use, landscaping and building design.

Pre-application advice and guidance

36.0.24 Early engagement with Swale's Development Management and Environmental Protection teams as part of the pre-application process is recommended for all schemes that may have air quality impacts. [220] should be an integral part of the overall design process.

36.0.25 Applicants should review the Air Quality and Planning - Technical Guidance to determine the significance of their development and whether an Air Quality Assessment (AQA) is required.

36.0.26 Where required, AQAs should be carried out in line with guidance in the Air Quality and Planning - Technical Guidance [210] and the most up to date industry-prepared best guidance documents including IAQM's [216]and Defra's Local Air Quality Management (LAQM) guidance[227].

36.0.27 AQAs may be incorporated into the full Environmental Statement if required for an Environmental Impact Assessment.

Air Quality Mitigation

36.0.28 The Air Quality and Planning - Technical Guidance, sets out the mitigation measures that are likely to be required. Mitigation may need to include measures that support and encourage sustainable travel such as car clubs and investment in sustainable transport. Mitigation measures should be site specific, where possible, discussed with the borough's Environmental Protection Team and reference local air quality concerns, policies and Action Plans. Mitigation may need to include measures that support and encourage sustainable travel such as car clubs and investment in sustainable transport. Mitigation measures should be site specific, where possible, discussed with the borough's Environmental Protection Team and reference local air quality concerns, policies and Action Plans.

36.0.29 Where mitigation is not integrated into a scheme, the Council will generally require mitigation through a planning condition(s). If on-site mitigation/the use of planning conditions is not possible then the Council may seek contribution to wider air quality mitigation measures through the damage cost value and/or section 106 agreement. If the development is within or close to an AQMA and is considered a non-major development, then it will be at the discretion of Swale's Environmental Protection Team to suggest reasonable mitigation options.

36.0.30 An emissions mitigation assessment (also known as a Damage Cost Calculation) is required for all major developments. The purpose of an emissions mitigation assessment is to assess the local emissions from a development and to determine the appropriate level of mitigation (a damage cost value) required

224 https://iaqm.co.uk/wp-content/uploads/2013/02/Construction-Dust-Guidance-Jan-2024.pdf
225 https://services.swale.gov.uk/assets/Planning-Forms-and-Leaflets/Supplementary-Planning-Documents/SBC-Parking-Standards-May-2020.pdf
226 https://www.gov.uk/government/publications/infrastructure-for-charging-electric-vehicles-approved-document-s
227 https://laqm.defra.gov.uk/guidance/

to help reduce the potential effect on health and/or the local environment. As well as guidance within Swale's Air Quality and Planning – Technical Guidance, Defra's Air quality appraisal: damage cost guidance also provides guidance on how to carry out an emission mitigation assessment.

General advice

36.0.31 It should be noted that guidance may be updated to reflect changes in Government policy, good practice and advances in air quality mitigation; the latest version of the relevant guidance should be consulted.

36.0.32 For the purposes of this policy sensitive uses or receptors includes nurseries, schools, hospitals, care facilities, residential uses and other similar uses and their users.

36.0.33 All major development, or any development where air quality is likely to be a significant issue, is also required to undertake a Transport Assessment and prepare a Travel Plan as set out in **Policy INF1 Managing transport demand & impact**.

36.0.34 The policy references Supplementary Planning Documents and guidance, which, if prepared, should inform the approach to air quality in the borough.

Question 70

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy C11

Air Quality

1. Air quality should be considered in the early stages of a development in consultation with the borough's Environmental Protection Team and with reference to Swale's Air Quality and Planning - Technical Guidance 2024 [223], and updates, the latest best practice guidance and any relevant Supplementary Planning Documents;
2. Proposed development should:

   a. demonstrate they include measures to improve air quality through the location of the site, linkages to other sites, site layout, land-use, landscaping and building design;

   b. provide standard mitigation for air quality impacts in line with Swale's Air Quality and Planning Technical Guidance; and

   c. Carry out an Air Quality Assessment in line with the requirements set out in the Council's Air Quality and Planning - Technical Guidance**.**
3. All major development must carry out an Emissions Mitigation Assessment (also known as a Damage Cost Calculation) and demonstrate that the appropriate level of mitigation has been incorporated into the proposed development;
4. Proposals which would introduce or intensify sensitive receptors' exposure to poor air quality should demonstrate measures that mitigate air quality impacts.

Question 71

Do you support or object to Policy C11? What would you add, remove or amend to support it further or to remove your objection?

37 Policy C12 Pollution & Land Instability

37.0.1 This is a sister policy of 35 Policy C10 Water quality and Water Resources and 36 Policy C11 Air Quality and seeks to ensure that new development is appropriate for its location, doesn't contribute to pollution and land instability and seeks to improve environmental conditions and, where appropriate, bring land back to productive use.

37.0.2 Minimising pollution is one of the National Planning Policy Framework [228] environmental objectives, a key aspect of sustainable development. The NPPF (para 187) sets out that planning policies and decisions should contribute to and enhance the natural and local environment by 'preventing new and existing development from contributing to, being put at unacceptable risk from, or being adversely affected by, unacceptable levels of soil, air, water or noise pollution or land instability.' as well as 'remediating and mitigating despoiled, degraded, derelict, contaminated and unstable land, where appropriate'. The NPPF goes on to explain how planning policies and decisions should ensure that sites are suitable for proposed uses, taking account of ground conditions, land instability and contamination, are remediated to standard and that adequate site investigation information is available to inform these assessments. It makes clear that responsibility for securing safe development rests with the developer/landowner.

37.0.3 The NPPF states that planning should ensure that new development is appropriate for its location, taking into account likely, including cumulative, effects of pollution on health, living conditions and the natural environment as well as the potential sensitivity of the site or wider area to development impacts. It sets out that planning policies and decisions should address noise, tranquillity and light pollution and ensure that new development can be appropriately integrated into existing businesses and community facilities, highlighting that planning is about the acceptable use of land and should not duplicate other permitting regimes.

37.0.4 Pollution, land contamination and unstable land issues are relevant within Swale, particularly due to the legacy of past industrial uses and its economic strengths in manufacturing and distribution. Pollution can be site specific, but is impacts can also be widespread, for instance downstream of sources, effecting sites designated for their environmental quality. Pollution is also an important concern of residents.

Hazardous substances

37.0.5 Planning Practice Guidance (PPG)[229] explains planning controls relating to the storage of hazardous substances and how to handle development proposals around hazardous establishments and the hazardous substances consent process and regulatory framework. The Council holds a register of relevant sites.

Land contamination

37.0.6 Contamination can harm human health, property, water resources and the wider environment. Planning Practice Guidance sets out where planning can deal with contamination where not dealt with by other regimes. The guidance explains the role of site-specific investigations and explains where sources of information as to whether a site might be contaminated can be found. Applications should check whether an environmental permit is required.

37.0.7 PPG also explains the role to which local plans will need to consider contamination including through sustainability appraisal and the choice of land allocations. The PPG sets out what contamination risk assessments should include. PPG also sets out the level of detail required for applications for outline planning permission and when planning permission should be refused on grounds of land contamination. It also includes detail on planning conditions and planning obligations and detail on unacceptable risk. PPG makes clear that as a minimum and after remediation, land should not be capable of being determined as contaminated land under Part 2A of the Environmental Protection Act 1990.

228 https://assets.publishing.service.gov.uk/media/67eafe3f0041f783cca46251/NPPF_December_2024.pdf
229 https://www.gov.uk/guidance/hazardous-substances

37.0.8 All aspects of investigation into possible land contamination should follow the Environment Agency guidelines within Land contamination risk management [230] (LCRM) . The government's LCRM also gives guidance on the assessment of unacceptable risk, decisions on options to manage risk and implement remediation where needed. It should be remembered that some site investigations themselves may require planning permission. The Council's Contaminated Land Strategy (2021-2026) [231]should also be referred to by developers.

37.0.9 Where development is approved on previously developed land and made subject to a land contamination condition, the risk assessment undertaken should follow guidance contained in Land Contamination: Risk Management Guidance on the government website.

Light pollution

37.0.10 The NPPF (para 198)and the PPG[232] advises how to consider light within the planning system. It explains what light pollution considerations planning needs to address and when artificial lighting can become light pollution which can harm people, wildlife and the night sky. Light pollution is particularly harmful in intrinsically dark landscapes including nature reserves which support native nocturnal animals and can impact on tranquillity. It is important to consider design of lighting schemes early in scheme development as it can be expensive to rectify later on.

37.0.11 The PPG also gives advice on what factors can be considered when assessing whether a proposal might have implications for light pollution. These include the impact of existing development on proposed development, the impact of new development on existing sites and impacts on specialist facilities/intrinsically dark landscapes, safety concerns, impacts on species and habitats and use of smooth, reflective buildings (which can affect wildlife). If these impacts are likely the PPG advises that the local planning authority and applicant should consider:

- where the light shines;
- when the light shines;
- how much light shines; and
- possible ecological impacts.

37.0.12 and it gives details of how to do this and links to best practice, including advice from the Bat Conservation Trust and the Chartered Institution of Building Services Engineers.

37.0.13 The impact of lighting from development can have a significant effect on tranquillity. The Institute of Lighting Professionals has produced free resources to enable lighting to be sympathetically integrated into development, such as Guidance Notes for the reduction of obtrusive light[233]which should be referenced in relevant applications. The Department for Environment, Food and Rural Affairs, the Campaign to Protect Rural England, the Campaign for Dark Skies and the Institute of Lighting Professionals has collaborated to produce an information leaflet, Getting Light Right[234], designed to demonstrate how to install their security lights effectively to reduce light pollution.

Noise and vibration

37.0.14 New development may create additional noise or could be sensitive to existing noise and as such needs to be considered early on in the planning process. The NPPF (para 198) and PPG[235]advises how planning can determine and manage potential noise impacts in new development, seeking specialist assistance where necessary. It explains what 'observed effect levels' are and how it can be established if noise is a concern (citing the noise exposure hierarchy table), the factors involved (including cumulative

230 https://www.gov.uk/government/publications/land-contamination-risk-management-lcrm
231 https://swale.gov.uk/__data/assets/pdf_file/0003/455376/Swale-Contaminated-Land-Strategy-2021-2026-AA.pdf
232 https://www.gov.uk/guidance/light-pollution
233 https://theilp.org.uk/resource/gn01-ilp-guidance-note-1-the-reduction-of-obtrusive-light-2021.html
234 https://theilp.org.uk/publication/getting-light-right-defra/
235 https://www.gov.uk/guidance/noise--2

impacts, timing and effect on wildlife). It sets out how the risk of conflict between new and existing development can be addressed, how to address effects (engineering, layout, conditions, mitigation) and where other information can be found.

37.0.15 Assessing developments for noise and vibration - both from noise generated from new developments affecting existing development and new development close to existing noise sources - can be complex. The relevant British Standards and guidance, including BS8233 need to be considered. The Council's Environmental Protection Team has published a guidance document, Noise and Vibration: Planning Technical Guidance Document (2020)[236]. Developers should refer to this guidance, as well as the latest revised British Standards, in their planning applications.

Land instability

37.0.16 Land instability can result in landslides, subsidence or ground heave and failure to deal with this issue could cause harm to health, property, infrastructure and the environment. PPG[237] sets out advice on how to ensure that development is suitable to its ground condition and how to avoid risks caused by unstable land or subsidence, explaining why planning authorities should be concerned about land stability (minimising risk, ensuring development does not occur in unstable locations, and bringing unstable land back to productive use) and the other regimes involved (eg Building Regulations). PPG explains the role of plans in planning for land instability, where information on land instability can be found, the planning mechanism that can be used to mitigate and minimise risks and the steps applicants should take if they suspect land instability (including a flow chart), what a slope stability report and land stability risk assessment report should contain and who should prepare them and the role of the Coal Authority.

Policy Application

37.0.17 Planning matters related to pollution prevention and land instability in Swale will be dealt with via reference to the NPPF, PPG, all of the guidance listed above and other relevant policies within this Plan, informed by the technical advice of the Council's Environmental Protection Team and the Environment Agency. Applicants should refer to the advice in PPG, as outlined above, and seek the advice of the Council's Environmental Protection Team at the pre-application stage.

Question 72

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy C12

Pollution & Land Instability

1. The responsibility for securing development which is safe from the risks of all forms of pollution (including land contamination) and land instability, rests with the developer and or landowner;
2. Development will only be permitted where:
   a. appropriate assessment of all risks has been carried out by competent persons and to the satisfaction of the Council's Environmental Health Team or the Environment Agency whether the risk is to human health or groundwater resources respectively;

236 https://swale.gov.uk/your-council/publications/planning-and-planning-policy/noise-and-vibration-planning-technical-guidance

237 https://www.gov.uk/guidance/land-stability

b. it can be demonstrated that development is appropriate for its location and its layout, design, and construction (including demolition) would not be damaging to the environment, wildlife, property and sensitive receptors as a result of hazardous substances, land contamination, groundwater resources;
c. on land affected by contamination, it can be demonstrated that the contamination and land gas can be satisfactorily managed or remediated so that it is suitable for the proposed end use and will not impact on the groundwater environment, human health, buildings and the wider environment, during demolition and construction phases as well as during the future use of the site;
d. on unstable land, it can be demonstrated that it will be safe for its lifetime, will not lead to risk to property, infrastructure, the public or wider environment and will seek to bring land back into productive use.

Question 73

Do you support or object to Policy C12? What would you add, remove or amend to support it further or to remove your objection?

38 Policy B1 Biodiversity & geodiversity conservation & BNG

Biodiversity and geodiversity conservation and biodiversity net gain

38.0.1 Swale has an extremely diverse natural environment, but nationally, the Council are faced with its unprecedented decline. The conservation and enhancement of the natural environment is therefore at the core of the Local Plan strategy with further guidance to be set out in a strategic policy on Conserving and Enhancing the Natural Environment at the Reg 19 stage of the plan making process. The aim of this policy is to focus on the conservation and enhancement of biodiversity and geodiversity elements of the strategy.

38.0.2 In seeking to achieve this, the National Planning Policy Framework [238] (NPPF) states that plans should consider the hierarchy of international, national and locally designated sites of importance for biodiversity, wildlife corridors and the connections between them, and areas identified for habitat management, enhancement, restoration or creation. Plans should also promote the conservation, restoration and enhancement of priority habitats, ecological networks and the protection and recovery of priority species (NPPF 192).

38.0.3 Furthermore, along with the NPPF which promotes seeking net gains for biodiversity, the Environment Act strengthens this and introduces a mandatory approach to biodiversity net gain. A measurable increase in habitat value will be required, at an absolute minimum of 10%, compared with a pre-development baseline. The Environment Act also requires the production of a Local Nature Recovery Strategy(LNRS) [239] which should identify opportunities for promoting nature recovery and enhancement and should be integrated within a National Nature Recovery Network.

Biodiversity and geodiversity within designated sites

38.0.4 Large areas of Swale are designated because they contain special habitats or support species which are rare and/or threatened. Designation provides long term protection as well as opportunities to introduce management measures to conserve features of particular importance. The hierarchy of designations within Swale is set out below. Further detail on the range of sites, their statutory obligations, and their impact on the planning system can be found in Circular 06/2005: Biodiversity and Geological Conservation [240]

38.0.5 The most important sites for biodiversity have statutory protection under international legislation and comprise Ramsar sites, Special Protection Areas (SPAs) and Special Areas of Conservation (SACs). The NPPF also states that potential SPAs and SACs, listed or proposed Ramsar sites and sites identified, or required, as compensatory measures for adverse effects on habitats sites, potential SPAs and SACs and listed or proposed Ramsar sites should be given the same protection (NPPF para 194).

38.0.6 Ramsar sites are wetlands of international importance designated under the Ramsar Convention. The designation provides for the conservation and good use of wetlands and for Swale, comprise the Swale and the Medway Estuary and Marshes. They are designated for their high plant and invertebrate species diversity and internationally important bird species.

38.0.7 Special Areas of Conservation are areas which have been given special protection under the European Union's Habitats Directive. They provide increased protection to a variety of wild animals, plants and habitats. SACs are designated at Queendown Warren and the Blean complex. Queendown Warren is designated for its chalk grassland and due to it supporting a number of orchid species. The Blean is designated due to its ancient oak and hornbeam woodland and because it supports a good population of the rare heath fritillary butterfly.

38.0.8 Special Protection Areas are areas classified under Directive 79/409 on the Conservation of Wild Birds, also in accordance with Birds Directive of 1979. They are identified as being of international importance

238 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
239 https://www.legislation.gov.uk/ukpga/2021/30/part/6/crossheading/local-nature-recovery-strategies
240 https://www.gov.uk/government/publications/biodiversity-and-geological-conservation-circular-06-2005

for the breeding, wintering or migration of rare and vulnerable species of birds. For Swale, they comprise the Swale SPA and the Medway Estuary and Marshes SPA (both designated for overwintering, on-passage and breeding birds) as well as the Outer Thames Estuary SPA (designated for the red-throat diver).

38.0.9 In 2011, Local Authorities and conservation organisations across north Kent joined together within the North Kent Environment Planning Group to identify the impacts of recreational disturbance on wintering birds within the SPAs. Following a Visitor and Bird Disturbance Survey, a Strategic Access Management and Monitoring Strategy (SAMMS) [241] is now in place, which sets out a range of measures to mitigate any disturbance to birds caused by increasing numbers of recreational visitors.

38.0.10 These strategic measures are funded by developer contributions, applied to all residential development within 6km of the SPAs (the area mostly likely to result in increased recreational pressure on them). These contributions are collected via Section 106 agreements, or, if implemented in the future, a Community Infrastructure Levy. Some larger developments beyond the 6km radius, or those particularly close to the SPA, may require additional mitigation.

38.0.11 Alternatively, developers can gather their own evidence and complete a Habitats Regulations Assessment and implement bespoke mitigation measures. Such an assessment would have to consider the impact of the proposal in combination with other proposed developments, the cost of which is likely to be higher than making a contribution to the implementation of the SAMMS. In most cases, it will not be viable for a development to provide its own bespoke mitigation package. For further information, see Bird Wise[242].

38.0.12 If a development proposal is considered likely to have a significant effect on a protected habitats site (either individually or cumulatively) then an Appropriate Assessment of the implications for the site will be required under the Conservation of Habitats and Species Regulations 2017[243]. If the Council, in consultation with other bodies, is unable to conclude that the proposal will not adversely affect the integrity of the site, then it will have to be refused. Applicants will therefore need to provide sufficient information as may be required to undertake the assessment, including implementation of the mitigation hierarchy.

38.0.13 More generally, the Council will take a precautionary approach in requiring Habitats Regulations Assessments to be prepared for individual development proposals until a strategic solution has been prepared or where effects of a proposal are deemed to be uncertain. The Council will consider the need for Habitats Regulations Assessments to be undertaken at the reserved matters stage for sites where outline planning permission has already been granted.

Nationally designated sites

38.0.14 For Swale, nationally designated sites include Sites of Special Scientific Interest (SSSIs), National Nature Reserves (NNRs) and Marine Conservation Zones (MCZs).

38.0.15 Sites of Special Scientific Interest are the country's best wildlife and geological sites and are legally protected under the Wildlife and Countryside Act 1981 (as amended). For Swale, they comprise the Swale and the Medway Estuary and Marshes, the Sheppey Cliffs and Foreshore (for geological as well as nature conservation), Church Woods (Blean), Ellenden Wood, Queendown Warren (Hartlip) and a small section of nearby Purple Hill.

38.0.16 National Nature Reserves represent many of the finest wildlife and geological sites in the country. They are used to manage some of the most pristine habitats, rarest species and most significant geology as well as promote public access to natural heritage. For Swale, they comprise the Swale, Elmley and Blean Woods.

241 https://northkent.birdwise.org.uk/wp-content/uploads/2018/02/Mitigation-Strategy.pdf
242 https://northkent.birdwise.org.uk/
243 https://www.legislation.gov.uk/uksi/2017/1012/contents/made

38.0.17 Marine Conservation Zones are a type of marine protected area, which exist alongside other international and national designations to form an ecologically coherent network of marine protected areas. The Medway Estuary was designated as an MCZ in 2013 and the Swale Estuary was designated as an MCZ in 2016.

38.0.18 Development proposals within these nationally designated sites will only be permitted where they are not likely to have an adverse effect on the site or its interests, either individually or in combination with other developments, unless the benefits of the development clearly outweigh both the impacts it is likely to have on the features of the designated site and its wider environmental network of sites.

Locally designated sites

38.0.19 Local Nature Reserves (LNRs) are for both people and wildlife. They are places with wildlife or geological features that are of special interest locally. They offer people opportunities to study or learn about nature or simply to enjoy it. For Swale, these include Oare Marshes, the South Bank of the Swale, Seasalter Levels and Queendown Warren.

38.0.20 Local Wildlife Sites (LWSs) are identified by the Kent Nature Partnership and are administered and monitored by Kent Wildlife Trust on behalf of the partnership. Site selection takes into account the most important, distinctive and threatened species and habitats within a national, regional and local context, making LWSs some of Kent's most valuable urban and rural wildlife areas. There are 32 LWSs within Swale, the majority of which contain habitats and species that are priorities under the county or UK Biodiversity Action Plans (BAPs) and/or Biodiversity Strategies.

38.0.21 Roadside Nature Reserves (RNRs) are roadside verges that have been specially designated because they contain a scarce or declining Kent habitat or the presence of a rare or notable species. Roadside nature reserves can link existing wildlife areas, helping to reconnect and restore landscape so that wildlife is no longer struggling to survive in isolation. There are currently 13 in Swale, managed by Kent County Council Highways and monitored by Kent Wildlife Trust.

Biodiversity and geodiversity outside of designated sites

38.0.22 Although the hierarchy of formally designated sites is of critical importance to the conservation and enhancement of biodiversity and geodiversity, it must be recognised that important habitats and protected species are not confined to them, and can be found on almost any site. The Council will therefore seek their conservation and enhancement across the whole borough.

Protected species

38.0.23 A series of international conventions, European directives and national laws protect species of animals and plants in the UK, notably the Wildlife and Countryside Act 1981, the Countryside and Rights of Way Act 2000 and the Conservation of Habitats and Species Regulations 2017. The status of species on development sites must be assessed through appropriate surveys undertaken to clarify the constraints and requirements that could apply to development on these sites.



Picture 38.0.1

38.0.24 The decline of pollinators is a global issue, but of particular importance to Swale given the reliance placed upon them by its fruit industry. The Council will support the National Pollinator Strategy [244] and look for opportunities through development proposals to enhance foraging habitat.

244 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/794706/national-pollinator-strategy.pdf

Landscape scale biodiversity networks

38.0.25 The NPPF in Paragraph 187 encourages local plans to plan for the enhancement of natural capital at a landscape scale. This is important as it enables wildlife to move through the landscape and species to colonise new areas, increase their genetic diversity and adapt better to climate change. Designated sites contain the most valuable habitats and species but links between these sites and the wider countryside are also imperative as they enable larger areas of habitat to be restored and enhanced as well as allowing fragmented habitats to be connected. Landscape scale biodiversity networks also secure natural habitat which can be accessed by the local community. Research has shown that that access to the natural environment increases mental and physical wellbeing.

38.0.26 The Supplementary Planning Document (SPD) entitled Swale Landscape Character and Biodiversity Appraisal, which can be accessed in two parts - Part 1 and Part 2[245] includes an assessment of the current distribution of priority habitats and identifies opportunities for linking these areas to form a more coherent, extended and enhanced biodiversity network to better cope with future environmental change.

Biodiversity Action Plans, Biodiversity Opportunity Areas, and the Kent Biodiversity Strategy

38.0.27 Biodiversity Action Plans (BAPs), for key habitats and species within Swale, were prepared at the national, county and local levels (see Statement 6). They covered both designated and non-designated sites and habitats and species populations outside these areas. Of these BAP habitats, Swale is particularly important for its mudflats, sandflats, wetlands and grazing marsh. The Swale Biodiversity Action Plan provides a basis for local action to conserve, protect and enhance the biodiversity of the borough and focuses on a number of BAP habitats of importance to the borough.

Statement 3

Biodiversity Action Plan habitats in Swale

UK Biodiversity Action Plan Habitats: chalk grassland, acid grassland, neutral grassland, wood-pasture and parkland, vegetated shingle, maritime cliffs, reedbeds, arable field margins, coastal and floodplain grazing marsh, intertidal mudflats (littoral sediment), saltmarsh, ponds, traditional orchards and hedgerows.

Kent Biodiversity Action Plan Habitats: ancient and/or species rich hedgerows, built-up areas and gardens, cereal field margins, coastal and floodplain grazing marsh, coastal saltmarsh, coastal vegetated shingle, standing open water, wet woodland, lowland calcareous grassland, maritime cliff and slope, mixed broadleaved woodland and plantations, lowland wood-pasture and parkland, mudflats, old orchards, reedbeds, and lowland meadow.

Swale Biodiversity Action Plan Habitats: orchards, estuary habitats, woodlands, wildflower grassland, farmland, built-up areas and gardens.

38.0.28 The Kent Nature Partnership is now working towards the Kent Biodiversity Strategy (2020-2045) [246] targets which supersede the BAPs, however the BAP habitats remain relevant. The targets of the previous Kent Biodiversity Strategy (2015) were expressed spatially through Biodiversity Opportunity Areas (BOAs). Although now superseded by the latest strategy, BOAs remain a useful indicator of where the greatest gains can be made from habitat enhancement, restoration and recreation as these areas still offer the best opportunities for establishing large habitat areas and/or networks of wildlife habitats. As such, they are useful for the development and delivery of green and blue infrastructure and resilient ecological

245 https://swale.gov.uk/your-council/publications/planning-and-planning-policy/swale-landscape-character-and-biodiversity-appraisal-supplementary-planning-document-spd-2011

246 https://kentnature.org.uk/wp-content/uploads/2022/01/Kent-Biodiversity-Strategy-2020.pdf

networks. The BOAs are likely to be updated or superseded once the Kent Nature Partnership has adopted a new countywide Nature Recovery Network which is currently in development. Four BOAs are identified for Swale:

- Medway Gap and North Kent Downs;
- North Kent Marshes;
- Mid Kent Downs Wood and Scarp; and
- The Blean.

Biodiversity net gain

38.0.29 Biodiversity net gain is an approach to development that leaves biodiversity in a better state than before. If a development has an impact on biodiversity, it encourages developers to provide an increase in appropriate natural habitat and ecological features over and above that being affected in such a way that the current loss of biodiversity through development will be halted and ecological networks can be restored.

38.0.30 The Government's 25 Year Environment Plan [247] made a commitment to embed a 'net environmental gain' principle for development to deliver environmental improvements locally and nationally. In 2019, following consultation, the Government announced it would mandate net gains for biodiversity in the then Environment Bill. The now Environment Act 2021 [248] mandates that all development, with limited exceptions for small applications and brownfield sites, will be required to provide a measurable minimum of 10% biodiversity net gain (BNG). This will be measured against a baseline value of biodiversity and will be calculated using the DEFRA Biodiversity Metric. Developers will be required to provide a BNG plan with supporting calculations from the Metric, which should be accommodated within the rules of the existing mitigation hierarchy, and offsite compensation should be considered as a last resort.

38.0.31 It should be noted that in May 2025, the government consulted on 'Improving the implementation of biodiversity net gain for minor, medium and brownfield development' and the Council awaits the feedback resulting from this consultation.

38.0.32 The Kent Nature Partnership are proposing adopting a 20% target across Kent. This is because Kent has a wonderfully rich and varied biodiversity resource, the pressures on which are specific to Kent's location, such as its proximity to London, being a gateway to Europe, and the resulting significant and unprecedented levels of growth it faces. The Council wholeheartedly supports this approach and will be seeking a 20% BNG through this policy. The Council will continue to work with the Kent Nature Partnership on the evidence base to support the 20% requirement. Viability evidence thus far indicates that a target of 20% rather than 10% has a minimal additional impact upon viability. A Biodiversity Baseline Study (2020) [249] has also been prepared which will help guide developers in their approach.

Local Nature Recovery Strategy

38.0.33 Local authorities are required by the Environment act to produce a Local Nature Recovery Strategy (LNRS), which should be integrated within a National Nature Recovery Network. It requires a biodiversity statement and map to be included, which should;

- Describe, identify and map biodiversity features within the Local Authority Boundary, including nationally designated sites, other nature reserves and wider areas of importance for biodiversity; and
- Describe, identify and map priorities and opportunities for promoting nature recovery and enhancement.

247 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/693158/25-year-environment-plan.pdf
248 https://www.legislation.gov.uk/ukpga/2021/30/contents
249 https://services.swale.gov.uk/assets/Planning%20Policy%202019/Biodiversity%20Baseline%20Study.pdf

38.0.34 The Environment Act does not explicitly link Local Nature Recovery Strategies and biodiversity net gain, however it is implied in the 25 Year Environment [250] biodiversity net gain should be used to contribute to meeting the objectives of the National Nature Recovery network and therefore also local ones.

38.0.35 The Council has worked as a Supporting Authority, in partnership with Kent County Council, the Responsible Authority, to input into the Kent and Medway LNRS, which was published in November 2025.

Local supplementary planning documents

38.0.36 The following adopted supplementary planning documents should be taken into account when formulating development proposals:

- The Swale Landscape Character and Biodiversity Appraisal (2011), which can be accessed in two parts - Part 1 and Part 2 [251]presents guidelines on a character area basis for improvements to biodiversity; and
- The Kent Design Guide, specifically the appendix 'Making it happen – landscaping', demonstrates how developments can create features such as bird roosting/nesting places, aids to hibernation, green and brown roofs, habitats on railways, road and cycle path verges, connected hedgerows, wildlife underpasses and green bridges.

38.0.37 When submitting planning applications, the Council will, as appropriate, require the submission of ecological assessments to determine the extent and importance of habitats and species present and to make recommendations for their avoidance, mitigation and, as a last resort, compensation.

Other initiatives and resources

38.0.38 The Medway Swale Estuary Partnership [252] is a not-for-profit organisation whose work is centred around the understanding, conservation and promotion of the estuary's natural and historic environments. It hosts the North Kent Catchment Improvement Group which is developing catchment improvement plans for North Kent (estuarine and freshwater).

38.0.39 Local Nature Partnerships [253] (LNPs) were set up through the Environment White Paper (2011). Their purpose is to drive strategic and positive change to the local natural environment to benefit nature, people and the economy. LNPs play a specific role in achieving the Government's environmental objectives locally, including identifying local ecological networks and in being local champions influencing local decision-making. There are two LNP's relevant to Swale, the Thames Gateway Local Nature Partnership and the Kent Nature Partnership[254].

38.0.40 The Kent Biodiversity Net Gain Site Register [255] provides evidence of potential supply of 'off-site' biodiversity units. It is a register of prospective (yet to be surveyed) and surveyed sites for 'off-site' BNG delivery and facilitates contacts between land owners and developers.

38.0.41 There are a number of resources available which applicants should use in developing their planning applications. These include:

- The ARCH Kent Habitat Survey 2012 [256] presents data on the extent of natural habitats in Kent, identifies areas of importance for wildlife and measures habitat changes since the Kent Habitat Survey of 2003. Other out puts of the ARCH project were a Planning Screening tool to establish whether planning applications require further ecological investigation, and a software tool which identifies where work

250 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/693158/25-year-environment-plan.pdf
251 https://swale.gov.uk/your-council/publications/planning-and-planning-policy/swale-landscape-character-and-biodiversity-appraisal-supplementary-planning-document-spd-2011
252 https://msep.org.uk/
253 https://www.gov.uk/government/publications/map-of-local-nature-partnerships
254 https://kentnature.org.uk/
255 https://www.makingspacefornaturekent.org.uk/biodiversity-net-gain-site-register/
256 https://kentnature.org.uk/publications/kent-habitat-survey-2012/

should take place to re-connect fragmented habitats. An online data portal on the ARCH website gives access to the habitat data and enables queries by location or by habitat.

- The Kent Landscape Information System (K-LIS)[257] is a web-based map system that sits alongside ARCH's data portal and aims to enable better informed decision-making by providing detailed information on Kent's landscape and biodiversity. It contains details on countryside access, landscape character and opportunities for habitat creation and landscape restoration and the 2012 Kent habitat survey as well as areas designated for their conservation value.
- The MAGIC website[258] ,managed by Natural England, provides authoritative geographic information about the natural environment from across government. Using an interactive, it presents information on rural, urban, coastal and marine environments.

Question 74

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy B1

Biodiversity and geodiversity conservation and biodiversity net gain

Part A – For designated sites

Development proposals that have a direct or indirect effect on designated sites, which will be shown on the Proposals Map, which will be available in later stages of the Local Plan, will conserve and enhance them in a manner equal to the significance of their biodiversity and geodiversity status as follows:

1. Within internationally designated sites (including candidate sites), the highest level of protection will apply. The Council will ensure that development proposals only proceed when in accordance with relevant Directives, Conventions and Regulations. Where the proposed development will have an adverse effect on the integrity of a European site, planning permission will only be granted in exceptional circumstances, where there are no less ecologically damaging alternatives, there are imperative reasons of overriding public interest and where the damage can be fully compensated;
2. Within nationally designated sites (including candidate sites) development will only be permitted where it is not likely to have adverse effect on the site or its interests unless the benefits clearly outweigh both the impacts it is likely to have on the features of the site and the wider environmental network of sites and where compensation can be sought for any loss or damage;
3. Within locally designated sites (including candidate sites) development likely to have an adverse effect will only be permitted where the damage can be avoided or adequately mitigated or when its need outweighs the ecological interest of the site. Compensation will be sought for loss or damage to locally designated sites.

Part B – For all sites

Development proposals will:

1. Apply national planning policy in respect of the conservation and enhancement of:

    a. the habitats, species and targets in UK and local Biodiversity Action Plans and Biodiversity Strategies;

257 https://webapps.kent.gov.uk/KCC.KLIS.WebSites.Public/Default.aspx
258 https://magic.defra.gov.uk/home.htm

b. linear and continuous landscape features or those acting as stepping-stones for biodiversity; and

c. ancient or veteran trees and irreplaceable habitat, including ancient woodland and traditional orchards.

2. Be informed by, and further the guidelines and biodiversity network potential of the The Swale Landscape Character and Biodiversity Appraisal (2011), which can be accessed in two parts - Part 1 and Part 2[259];
3. Support, where appropriate, the vision and objectives of the relevant environmental and biodiversity management and action plans;
4. Be accompanied by appropriate surveys undertaken to clarify constraints or requirements that may apply to development, especially where it is known or likely that the development sites are used by species and/or contain habitats that are subject to UK or European law;
5. When significant harm cannot be avoided through consideration of alternative sites or adequate mitigated provided on-site or within the immediate locality, compensatory measures will be achieved within the relevant Biodiversity Opportunity Area, or other location as agreed by the Council;
6. Actively promote the expansion of biodiversity within the design of new development and with reference to the Green and Blue Infrastructure Strategy to be set in strategic policy on Conserving and enhancing the natural environment.

BNG

The local authority will ensure the following steps are taken to secure BNG:

1. Unless exempt, provide a minimum 20% net gain in biodiversity against a pre-development baseline;
2. Enable the optimal outcome to be achieved in accordance with the following hierarchy:
   a. Within the site; or adjacent to, or in close proximity to the development site;
   b. Next to, or in close proximity to the settlement or locality accommodating the development; or
   c. In an area identified for environmental improvement by the council or other statutory body
3. Consult the BNG Site Register for Kent where 20% BNG cannot be provided on site; and
4. Impose conditions or secure planning obligations to ensure that appropriate management regimes remain in place for at least 30 years after the completion of works.

Question 75

Do you support or object to Policy B1? What would you add, remove or amend to support it further or to remove your objection?

259 https://swale.gov.uk/your-council/publications/planning-and-planning-policy/swale-landscape-character-and-biodiversity-appraisal-supplementary-planning-document-spd-2011

39 Policy B2 Conserving & enhancing valued landscapes

39.0.1 The National Planning Policy Framework [260](NPPF) states that the planning system should contribute to enhancing the natural and local environment by protecting and enhancing valued landscapes and recognise the intrinsic character and beauty of the countryside, and the wider benefits from natural capital and ecosystem services. It requires plans to distinguish between the hierarchy of international, national and locally designated sites and allocate land with the least environmental or amenity value, take a strategic approach to maintaining and enhancing networks of habitats and green infrastructure and plan for the enhancement of natural capital at a catchment or landscape scale across local authority boundaries[261].

39.0.2 The NPPF stresses the great weight that should be given to conserving and enhancing landscape and scenic beauty in National Parks and National Landscapes which have the highest level of protection and where the scale and extent of development should be limited[262].

39.0.3 Planning Practice Guidance [263](PPG) explains how planning policies can conserve and enhance landscapes, including nationally and locally designated landscapes and the wider countryside. It explains that where landscapes have a particular local value policies should identify their special characteristics and be supported by evidence. PPG provides guidance on criteria, avoidance, mitigation and cumulative impacts. It explains the role of Management Plans in designated landscapes, landscape character assessments, Natural England's National Character Area profiles, landscape sensitivity assessments and landscape and visual impact assessments.

39.0.4 The PPG also sets out the statutory duties of local planning authorities in relation to nationally designated landscapes and how planning policies and decisions need to take account of their management plans. It explains how development within these areas should be limited and located and designed in a way that reflects their status as landscapes of the highest quality.

39.0.5 Government guidance on National Landscapes [264] explains that local authorities must make sure that all decisions have regard for the purpose of conserving and enhancing the natural beauty of the National Landscapes, the potential effect within the National Landscapes and the land outside its boundary. It explains where Natural England should be consulted and the role of the National Landscapes Management Plan and gives links to other government guidance on how to review planning applications in protected sites and areas.

39.0.6 Natural England's National Character Areas (NCAs) [265] divide England into 159 distinct natural areas each defined by their unique combination of:

- Landscape;
- Biodiversity;
- Geodiversity;
- History; and
- Cultural and economic activity.

39.0.7 Their boundaries follow natural lines in the landscape rather than administrative boundaries, making them a good decision-making framework for the natural environment. Within these NCAs, the borough's varied landscape is reflected in three distinct broad character types - the flat, open marshland

260 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
261 NPPF MHCLG. Paragraph 187-188 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
262 National Planning Policy Framework. MHCLG. Paragraph 189 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
263 https://www.gov.uk/guidance/natural-environment
264 https://www.gov.uk/guidance/areas-of-outstanding-natural-beauty-aonbs-designation-and-management#local-authority-responsibilities
265 https://www.gov.uk/guidance/national-character-area-profiles-information-for-local-decision-making#ncas-in-south-east-england-and-london

of the Greater Thames Estuary [266] , the orchards, arable land, woodland and dry valleys of the North Kent Plain [267] and the dipping slope, valleys and woodland of the North Downs [268]. Each National Character Area profile contains Statements of Environmental Opportunity which should be reflected in the aspirations of planning applications.

39.0.8 The modern landscape of Swale is also a product of man-made influences over a long period of time. The Kent Historic Landscape Characterisation Survey (2001) [269] has identified a number of key character areas in Swale:

- Central North Downs: a zone at the highest point of the borough with a mixed character of fields and other types and a general north-east to south-west alignment;
- Northern Horticultural Belt: a large wide area crossing the north Kent plain primarily defined by horticultural activity with a predominance of orchards;
- The Forest of Blean and areas that were formerly part of the Forest, and remains mostly woodland today but where fields encroach into woodland;
- The Northern Coast and Marshland: a visually distinctive area consisting of a relatively balanced mix of reclaimed marsh and coastal landscape; and
- The Isle of Sheppey: itself broken into three sub-areas consisting of reclaimed marsh, post-medieval field systems and urban and industrial development.

39.0.9 The 2004 Landscape Character Assessment of Kent[270] mapped the County's landscape according to its surviving historic character, looking at aspect of the landscape such as patterns of roads, paths and trackways, hedges and field boundaries and changing vegetation and land-use.

The appraisal of landscape character and biodiversity

39.0.10 The NPPF outlines the importance of protecting and enhancing valued landscapes and recognising the intrinsic character and beauty of the countryside. Natural England's approach to landscape is that all landscapes matter and that many are highly valued by local people, both those that have historical significance to the community and those that are newly created or recognised. Natural England advocate the use of a landscape character approach, which not only helps us to understand our landscapes, but also assists in informing judgements and decisions concerning the management of change [271]. Natural England also publish guidance on how to carry out and use landscape and seascape character assessments .

39.0.11 The Council has an adopted Swale Landscape Character and Biodiversity Appraisal (2011) [272] Supplementary Planning Document to ensure the protection and enhancement of the whole of the borough's landscapes and habitats. It has identified and assessed the condition and sensitivity of 42 landscape character areas and sets out guidelines for action for all countryside across the borough. It will be used to determine whether development is appropriate and, if so, how it might be accommodated within the landscape and mitigated sensitively. The Swale Landscape Character and Biodiversity Appraisal values all landscapes in the borough and gives guidance for improvement and enhancement, including habitat enhancements – providing a positive approach to the restoration and enhancement of landscapes. Planning applications should take this document into account when preparing development proposals, in particular emphasising the link between landscapes and biodiversity. The use of this document is a key element in determining planning applications, in accordance with Policy B2.

266 https://publications.naturalengland.org.uk/publication/4531632073605120?category=587130
267 https://publications.naturalengland.org.uk/publication/2900242?category=587130
268 https://publications.naturalengland.org.uk/publication/7036466?category=587130
269 https://www.kent.gov.uk/__data/assets/pdf_file/0017/56312/Kent-Historic-Landscape-Character-volume-3.1.pdf
270 https://www.kent.gov.uk/__data/assets/pdf_file/0010/182368/Landscape-Assessment-of-Kent.pdf
271 Natural England. An Approach to Landscape Character Assessment. October 2014 https://www.gov.uk/guidance/landscape-and-seascape-character-assessments
272 https://swale.gov.uk/your-council/publications/planning-and-planning-policy/swale-landscape-character-and-biodiversity-appraisal-supplementary-planning-document-spd-2011

39.0.12 The Swale Landscape Sensitivity Assessment (2019) [273] examined 46 landscape sensitivity assessment areas around the built up areas of Sittingbourne, Faversham, Sheerness/Queenborough, Minster, Iwade, Teynham, Leysdown and Warden, Upchurch, Lower Halstow, Eastchurch, Bredgar, Newington and Boughton and Dunkirk. Through an analysis of factors (topography and scale, natural character, sense of time depth/historic landscape character, visual character, perceptual and experiential qualities and character and setting of existing settlement) overall assessments of landscape sensitivity to residential and employment development were made, ranging from low, through low-moderate, moderate, moderate-high to high sensitivity. Alongside the overall assessment commentary was given and spatial variations identified. The study also included general guidance for development within each area. The findings and guidelines of this study should be referenced and taken into account for any development within the assessment areas.

Landscape Designations

39.0.13 The NPPF expects to Local Plan to distinguish between the hierarchy of national and locally designated sites. In Swale, there are both national and local landscape designations.

39.0.14 These areas have been formally designated because they are landscapes of great value and/or scenic beauty and because they have a particular value for the conservation of selected species, habitats, historic and cultural assets. Within these designations priority will be given to the long term conservation and enhancement of these landscapes relative to their status, whilst having regard to the economic and social wellbeing of their communities.

National landscapes - the Kent Downs National Landscape

39.0.15 In 1968 a large part of the North Downs within the borough was designated as part of the Kent Downs National Landscape. The aim of this national designation was to conserve and enhance the natural beauty of the landscape. The aim of the Kent Downs National Landscape Management Plan [274] adopted in November 2021is to secure conservation and enhancement within the National Landscape while supporting local communities. The plan is adopted by the relevant Kent Districts and London boroughs as a material consideration in planning applications with similar weight to a Supplementary Planning Document.

39.0.16 Accompanying the National Landscape management plan are a number of supporting guidance documents [275] which should be taken into account in relevant cases. These include the National Landscape's: Guidance on the selection of and use of colour in development; Farm Diversification Toolkit; Kent Downs Farmsteads Guidance; Managing Land for Horses; Rural Streets and Lanes - A Design Handbook; Position Statement on Renewable Energy and its Companion Report as well as the Landscape Design Handbook. The National Landscape Unit also publish guidance on specific aspects of land management, for example, chalk grassland, orchard, woodland and hedgerow management.

39.0.17 The landscape of the Kent Downs is made up of 13 character areas. The character area of most relevance to Swale is the Mid Kent Downs. Key characteristics and objectives for the Mid Kent Downs have been defined by the AONB Unit and should be reflected in relevant planning applications.

39.0.18 In accordance with the NPPF [276] the Council will refuse proposals for major development within the National Landscape unless in exceptional circumstances, and where it can be demonstrated that they are in the public interest and based on an assessment of:

a. the need for the development, including national considerations, and the impact of permitting it, or refusing it, on the local economy;

273 https://services.swale.gov.uk/mwg-internal/de5fs23hu73ds/progress?id=o_A1vK8BvRknOl7mLETCR7_kbNhlIgE2FHcPuQvDPlo,
274 https://kentdowns.org.uk/landscape-management/management-plan/
275 https://kentdowns.org.uk/planning/planning-publications/
276 Par 190 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

b. the cost of, and scope for, developing outside the designated area, or meeting the need for it in some other way; and

c. any detrimental effect on the environment, the landscape and recreational opportunities, and the extent to which that could be moderated.

39.0.19 In terms of what may constitute 'major development', for the purposes of this Local Plan, it will be a matter of judgement based on relevant circumstances, it will not be made by reference to the definition of major development in the Development Management Procedure Order 2015 or for purposes of determining whether an Environmental Impact Assessment is required.

39.0.20 The importance of the setting of the Kent Downs has been emphasised by the National Landscape management plan and in development management decisions taken in Kent. Where there is a reference to National Landscape in this document, this includes its setting. The setting is broadly speaking the land outside the designated area that is visible from the National Landscape, and from which the National Landscape can be seen, but may be wider when affected by intrusive features including noise and light. Proposals that would affect the setting of the National Landscape are not subject to the same level of constraint as those that would affect the National Landscape itself. The weight to be afforded to setting issues will depend on the significance of the impact. Matters such as the size of proposals, their distance from the National Landscape, incompatibility with their surroundings, movement, reflectivity and colour are likely to affect impact. Where the qualities of the National Landscape, which were instrumental in reasons for its designation are affected, then the impacts should be given considerable weight in decisions[277].

39.0.21 Planning Practice Guidance explains how land within the setting of the National Landscape often makes an important contribution to the maintenance of the designation's natural beauty and that poorly located or designed development can do significant harm, especially where there are long views or where the landscape character within and adjoining the designated area is complementary. It stresses the need for sensitive handling that takes potential impacts into account.

39.0.22 The Kent Downs National Landscape Joint Advisory Committee have produced a Setting Position Statement [278]. An advisory document that provides guidance on issues of setting, focusing on ensuring avoidance of harm and the conservation and enhancement of the setting of the National Landscape through good design and mitigation measures. It looks at:

- the legislative and policy background (NPPF, PPG and Natural England guidance), and High Court and appeal decisions;
- defining the setting (which may vary with different type of development, topography and height);
- development likely to affect the setting (including impact on views, loss of tranquillity, increased traffic flows and recreational pressure);
- cumulative impacts; and
- conserving and enhancing the setting of the National Landscape.

39.0.23 Within Swale, the dry valleys of the North Downs which share many of the special qualities of the National Landscape, along with land adjacent to the National Landscape, are likely to be included within the setting of the North Downs National Landscape.

39.0.24 To ensure impacts of development within the National Landscape and its setting are considered and addressed from the earliest stages the National Landscape Unit welcome pre-application discussions.

Local Landscape Designations

39.0.25 Local Landscape designations in Swale were first designated around 40 years ago (as a Kent-wide Strategic Landscape Areas) and their boundaries defined by successive Local Plans. In Swale, the Local Plan of 2000 also identified Local Landscape Areas. These were reviewed by a 2003 landscape assessment

277 Kent Downs National Landscape. Management Plan 2021-2026. Page 29 https://kentdowns.org.uk/wp-content/uploads/2021/11/The-Kent-Downs-AONB-Management-Plan-2021-2026-Adopted.pdf

278 https://kentdowns.org.uk/wp-content/uploads/2022/02/Setting-Position-Statement-FINAL-Updated-2022.pdf

and were carried forward into the 2008 Swale Local Plan. Bearing Fruits, the 2017 adopted Local Plan for Swale named these two levels of designation, Areas of High Landscape Value – Kent Level and Areas of High Landscape Value – Swale Level respectively. In 2018 Swale commissioned the **Swale Local Landscape Designation**: Review and Recommendations [279] to review the two tiers of local landscape designation, to develop criteria and examine all locally designated landscapes across the borough, to assess a Valued Landscape consultation, to consider the designation of new areas, to recommend boundary changes to local landscape designations and describe and evaluate their special qualities and significance in a set of Statements of Significance.

39.0.26 The Swale Local Landscape Designation review recommended that one level of local designation is retained for the borough covering the former Kent Level and Swale Level areas. This gives an equal level of protection through planning policy and development management.

39.0.27 The Local Landscape Designations (each with their own Statement of Significance) in Swale are:

- North Kent Marshes: Medway Marshes [280];
- North Kent Marshes: North Swale (Sheppey) Marshes [281];
- North Kent Marshes: South Swale Marshes [282];
- Kent Downs: Rodmersham, Milstead and Highsted Dry Valley [283];
- Kent Downs: Syndale Valley [284];
- Kent Downs: North Street Dip Slope [285];
- The Blean [286];
- Lower Halstow Iwade Ridge [287];
- Blean Edge Fruit Belt [288]; and
- Sheppey Court, Diggs Marshes and Barton's Point [289].

39.0.28 These local landscape designations will be shown on when the Proposals Maps is prepared later on in the plan making process and identified as Areas of High Landscape Value.

39.0.29 Within these Local Landscape Areas, Policy B2 requires development proposals to be considered in relation to the extent to which they would protect the local landscape and enhance the future appearance of the designated landscape and, where relevant, its nature conservation interest. The qualities and

279 https://services.swale.gov.uk/assets/Planning-General/Planning-Policy/Local%20Landscape%20Review/Swale%20Local%20Landscape%20Designations%20Final%20May20%20LRV3_REDUCED.pdf
280 https://archive.swale.gov.uk/assets/Planning-General/Planning-Policy/Local-Landscape-Review-2017/Medway-Marshes-Statement-of-significance-FinalV3.pdf
281 https://archive.swale.gov.uk/assets/Planning-General/Planning-Policy/Local-Landscape-Review-2017/North-Swale-Sheppey-Marshes-Statement-of-significance-FinalV3.pdf
282 https://archive.swale.gov.uk/assets/Planning-General/Planning-Policy/Local-Landscape-Review-2017/South-Swale-Marshes-Statement-of-significance-FinalV3.pdf
283 https://archive.swale.gov.uk/assets/Planning-General/Planning-Policy/Local-Landscape-Review-2017/Rodmersham-Milstead-and-Highsted-dry-valley-Statement-of-significance-FinalV3.pdf
284 https://archive.swale.gov.uk/assets/Planning-General/Planning-Policy/Local-Landscape-Review-2017/Syndale-valley-Statement-of-significance-FinalV3.pdf
285 https://services.swale.gov.uk/assets/Planning-General/Planning-Policy/Local-Landscape-Review-2017/North-Street-dip-slope-Statement-of-significance-FinalV3.pdf
286 https://archive.swale.gov.uk/assets/Planning-General/Planning-Policy/Local-Landscape-Review-2017/The-Blean-Statement-of-significance-FinalV3.pdf
287 https://archive.swale.gov.uk/assets/Planning-General/Planning-Policy/Local-Landscape-Review-2017/Lower-Halstow-Iwade-Ridge-Statement-of-significance-FinalV3.pdf
288 https://archive.swale.gov.uk/assets/Planning-General/Planning-Policy/Local-Landscape-Review-2017/Blean-Edge-Statement-of-significance-FinalV3.pdf
289 https://archive.swale.gov.uk/assets/Planning-General/Planning-Policy/Local-Landscape-Review-2017/Sheppey-Court-Diggs-Marshes-and-Barton-Point-Statement-of-significance-FinalV3.pdf

recommendations in the Statement of Significance should be referenced and incorporated into any development proposals. If, after adverse landscape impacts have been minimised/mitigated and compensated for, further adverse impacts still remain, the Policy requires the social and/or economic benefits of a proposal to significantly and demonstrably outweigh the local status of the designation for planning permission to be granted.

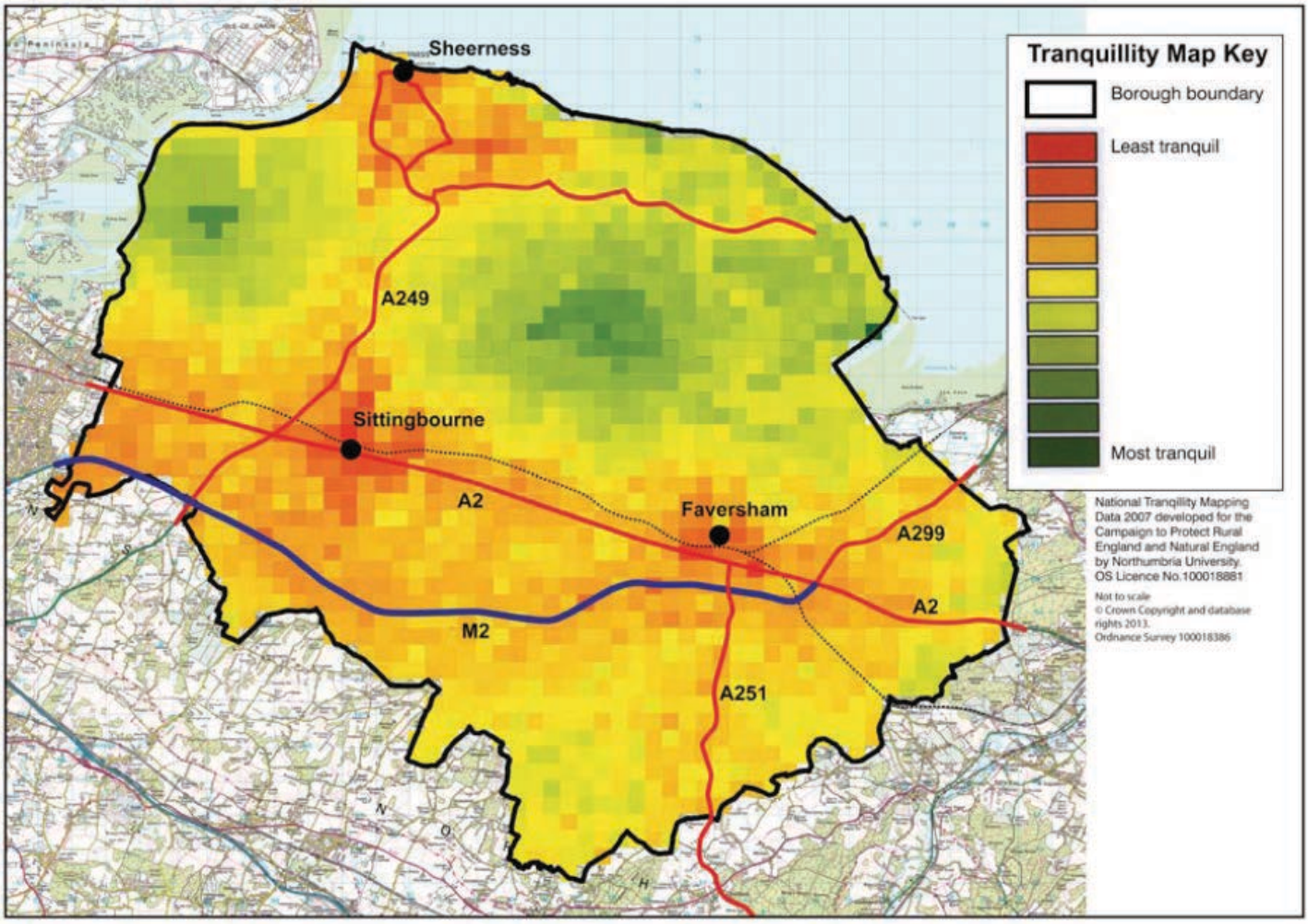
Tranquillity

39.0.30 The NPPF explains that planning policies and decisions should identify and protect tranquil areas which have remained relatively undisturbed by noise and are prized for their recreational and amenity value for this reason as well as limit the impact of light pollution from artificial light on local amenity, intrinsically dark landscapes and nature conservation[290].

39.0.31 Tranquillity is a valuable resource that once lost is difficult to regain it, having benefits to health and well-being as well as to green infrastructure and biodiversity. It is associated with quiet places, surrounded by elements of nature and is most commonly found in an uncluttered and peaceful countryside, but also within urban areas – for instance in a leafy urban square or park where birdsong is audible. Tranquillity is also often associated with dark skies and the absence of light pollution from roads and built up areas.

39.0.32 The Swale Landscape Character and Biodiversity Appraisal 2011 highlighted tranquillity as a feature of several areas of the borough. The Local Landscape Designation's Statements of Significance also highlight tranquillity as a quality within local landscape designations. The Campaign to Protect Rural England has drawn up a Tranquillity Map for Kent and using this data a Swale section of this map has been developed as a pictorial guide to areas of relative tranquillity in Swale (see below - CPRE Map localised by the Council. Although tranquillity exists in a broad brush fashion within the greener areas on the map, it will not be locally uniform; likewise it may also be present locally beyond the identified more tranquil areas. Applicants should demonstrate how development will affect tranquillity and aim to improve it when seeking to comply both with national planning policy and Policy B2.

290 National Planning Policy Framework. MHCLG. Paragraph 198 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf



Picture 39.0.1

Question 76

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy B2

Conserving & enhancing valued landscapes

The value, character, amenity and tranquillity of the borough's landscapes will be protected, enhanced and managed.

Part A. For all landscapes:

1. The scale, layout, build and landscape design of development that will have significantly impact, will be informed by landscape and visual impact assessment having regard to the Council's Landscape Sensitivity Assessment and the Landscape Character and Biodiversity Appraisal SPD, including, as appropriate, their guidelines, and the key characteristics, sensitivity, condition and capacity of character area(s)/landscapes, taking opportunities to enhance the landscape where possible, including the removal of visually intrusive features;

39 Policy B2 Conserving & enhancing valued landscapes

2. Development proposals will demonstrate the link between landscape protection and enhancement and biodiversity protection and enhancement in all schemes;
3. Landscape and visual impact assessments will consider the cumulative impacts of both built and permitted development, including impact from noise, lighting and traffic on tranquillity.

Part B. For Areas of High Landscape Value:

Within the boundaries of designated landscape areas to be shown on the Proposals Map (to be illustrated in later stages of the Local Plan), the status given to their protection, enhancement and management in development decisions will be equal with the significance of their landscape value as follows:

1. The Areas of High Landscape Value are designated as being of significance to Swale, where planning permission will only be granted subject to:
    a. conservation and enhancement of the qualities of the landscape, as outlined in their Statements of Significance, being demonstrated;
    b. demonstration of how proposals will meet the requirements for these designations, as out in their Statements of Significance;
    c. avoidance, minimisation, mitigating and compensating adverse landscape impacts as appropriate; and
    d. when significant adverse impacts remain, that the social and or economic benefits of the proposal significantly and demonstrably outweigh harm to the landscape value of the designation.

Part C. For the settings of designated landscapes:

The impact on the setting of Areas of High Landscape Value will be fully assessed, where relevant, and protected and enhanced commensurate with the status of the designation.

Question 77

Do you support or object to Policy B2? What would you add, remove or amend to support it further or to remove your objection?

40 Policy B3 Kent Downs National Landscape Management Plan

40.0.1 Paragraph 189 of the National Planning Policy Framework https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf (NPPF) states that great weight should be given to conserving and enhancing the landscape and scenic beauty within the National Landscape. In addition, the Countryside and Rights of Way (CROW) Act 2000, seeks to further the purpose of conserving and enhancing the natural beauty of the National Landscape. The borough of Swale contains part of the Kent Downs National Landscape - an area designated for its national landscape importance. For the Kent Downs, the management plan has been adopted by the Council as a material consideration for decision-taking on planning applications and therefore development proposals will be required to have regard to the policies in the Kent Downs Management Plan 2021 - 2026. [291]The existing management plan is currently in the very early stages of review, by the Kent Downs Joint Advisory Committee.

40.0.2 National Landscapes are nationally designated and as such have the highest status of landscape protection. The extent of the National Landscape will be illustrated on the Proposals Map, which will be available in later stages of the local plan.

Question 78

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy B3

Kent Downs National Landscape Management Plan

Within the National Landscape area, the goal of the plan is to ensure the natural beauty and special character of the landscape and vitality of the communities are recognised, valued, enhanced and strengthened well beyond the plan period. Major development within the National Landscape area will only be permitted in exceptional circumstances and where it can be demonstrated that it is in the public interest. Consideration of such applications should include an assessment as set out in the NPPF, that considers applications for development in these areas.

Minor development within the National Landscape and its setting will be permitted provided that:

1. The location, form, scale, materials and design will conserve or enhance the character of the landscape and rural settlements;
2. The development would conserve or enhance the special qualities and condition of the distinctive character and tranquility of the National Landscape;
3. The development supports the adopted National Landscape Management Plan and any associated guidance; and
4. Unless allocated by the Local Plan Review, should avoid the loss of high-quality agricultural land.

Question 79

Do you support or object to Policy B3? What would you add, remove or amend to support it further or to remove your objection?

291 https://kentdowns.org.uk/management-plan-2021-2026/

41 Policy B4 The separation of settlements – Important Local Countryside Gaps

41.0.1 With the focus of much of the development pressure at the major settlements in the borough through windfall and Plan led development, there is the need to prevent coalescence and the erosion of the intrinsic character of the settlements close by. Resultantly, the purposes of this Important Local Countryside Gaps (ILCG) policy are to:

i. maintain the separate identities and character of settlements by preventing their merging and safeguarding the open and undeveloped character of the areas around them;
ii. prevent encroachment and piecemeal erosion by built development that can change the rural open character of an area; and,
iii. influence decisions on the longer-term development of settlements through the preparation and review of the Councils Local Plans.

41.0.2 The National Planning Policy Framework [292](NPPF para 187) makes clear that planning policies and decisions should contribute to and enhance the natural and local environment …recognising the intrinsic character and beauty of the countryside. This is reinforced in Planning Practice Guidance Natural Environment [293](PPG Natural environment para 036) that makes clear this approach applies to the wider countryside, as well as to designated landscapes.

41.0.3 The identity, character, and setting of settlements are formed, in part, by their physical separation from one another. Whilst the use of Landscape Character Assessments assists in safeguarding the intrinsic character and beauty of the countryside, in areas where development pressures could lead to coalescence or erosion of settlement separation, defining gaps provides additional emphasis when considering allocations and development management issues.

41.0.4 Within Swale, ILCGs were defined and set out in the 2008 Local Plan and confirmed, with amendments to reflect allocation boundaries, in Bearing Fruits, the 2017 adopted Swale Local Plan. Those gaps were reviewed again in the Swale Important Gaps Review 2025 [294] to determine whether they continued to serve their purpose as a result of development and particularly windfall development and to align with the gap assessment methodology carried out in 2021 to identify if there was a need for new gaps at Teynham and Faversham . With the exception of the gap known as Sittingbourne and the satellite village of Bobbing, all gaps were recommended to be retained with some amendments as a result of development. Whilst the review recommends the gap Sittingbourne and the satellite village of Bobbing be removed [295] an alternative new gap immediately to the west was suggested by the evidence to retain separation between Bobbing and Keycol. Including this new gap the following gaps from the 2025 review are considered appropriate:

- Sittingbourne and the satellite villages of Tunstall, Borden, Chestnut Street;
- Queenborough, Sheerness, Minster and Halfway;
- Upchurch and the administrative boundary with Medway Council;
- Keycol and Bobbing;
- Sittingbourne and the satellite villages of Bobbing and Iwade; and
- Sittingbourne and the satellite villages of Bapchild and Rodmersham Green.

292 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
293 https://www.gov.uk/guidance/natural-environment
294 https://swale.gov.uk/__data/assets/pdf_file/0006/496581/Swale-Important-Gaps-Review-final-February-2025.pd
295 Reason for removal: Existing recreational and educational land uses to the east of the A249, and the strong boundary feature of the road itself reinforced by mature vegetation, provide clear separation between the edge of Sittingbourne and Bobbing, which lies north of the railway line. The gap is dominated by the A249 which does not provide a 'countryside' character.

41.0.5 In addition to the existing gaps, a study Swale Important Gaps 2021[296] was undertaken as a result of the Local Plan Review seeing further development pressures across the borough. The review concluded that it was necessary to consider the need for gaps around the settlements of Teynham and Faversham. The following gaps from the 2021 review are considered appropriate:

- Teynham to Lynsted;
- Teynham to Bapchild;
- Faversham to Goodnestone;
- Faversham to Oare; and
- Faversham to Ospringe.

41.0.6 The boundaries of ILCGs will be illustrated on the Proposals Map, which will be available in later stages of the Local Plan, and they follow recognisable physical features, defined built-up area boundaries, boundaries of existing allocations, and consented development.

41.0.7 Not all forms of development are discouraged within the gaps. For example, agriculture, waste management and mineral recycling facilities, public open space, community woodland, nature reserves, recreation, allotments and burial grounds are all uses that could be conducted providing their purposes do not undermine or require the need to protect the countryside being compromised. However, there may be instances within the gaps where even modest development could impact upon their purpose, particularly where there may be:

i. actual (or the perception of) coalescence;
ii. the loss of a critical part of the gap and its function;
iii. resultant pressure arising from a development or an allocation that would be difficult to contain; or
iv. where the extent of the land remaining undeveloped would not function as maintaining the sense of separation.

Question 80

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy B4

The separation of settlements – Important Local Countryside Gaps

To retain the individual character and setting of settlements, the following Important Local Countryside Gaps are defined on the Proposals Map (to be illustrated in later stages of the Local Plan) as gaps between:

i. Sittingbourne and the satellite villages of Tunstall, Borden, Chestnut Street;
ii. Queenborough, Sheerness, Minster and Halfway;
iii. Upchurch and the administrative boundary with Medway Council;
iv. Keycol and Bobbing;
v. Sittingbourne and the satellite villages of Bobbing and Iwade;
vi. Sittingbourne and the satellite villages of Bapchild and Rodmersham Green;
vii. Teynham to Lynsted;
viii. Teynham to Bapchild;
ix. Faversham to Goodnestone;

296 https://swale.gov.uk/planning-and-regeneration/local-plans/local-plan-review-evidence/landscape#h2

41 Policy B4 The separation of settlements – Important Local Countryside Gaps

x. Faversham to Oare; and
xi. Faversham to Ospringe.

Within these gaps, unless allocated for development by the Local Plan, planning permission will not be granted for development that would undermine one or more of their purposes.

Question 81

Do you support or object to Policy B4? What would you add, remove or amend to support it further or to remove your objection?

42 Policy B5 Woodland, orchards, trees and hedgerows

42.0.1 Swale's tree population in particular ancient woodland, traditional orchards, veteran trees and hedgerows contribute greatly to the borough's character, local distinctiveness and beauty. The benefits of trees, woodlands and hedgerows are extensive. They address the effects of climate change, increase biodiversity, provide habitats, boost the local economy, improve air, water and soil quality, regulate temperature, alleviate flooding, preserve heritage and historical value, and improve the health and well-being of local communities. The broad range of benefits provided by trees offer nature-based solutions to the challenges of modern life. They contribute to the quality and character of Swale's urban and rural environments, boost local natural capital and contribute to the wider climate change and ecological emergency agenda, whilst ultimately, improving the lives of residents.

42.0.2 Tree planting is recognised by the Government as being one of the main ways the UK can achieve Net Zero by 2050 [297]. The Environment Act (2021) [298] and Government's Environmental Improvement Plan (2023) [299] commit to increase tree canopy and woodland cover from 14.5% to 16.5% of total land area in England by 2050, with an interim target to increase this by 0.26% (equivalent to 34,000 hectares) by 31 January 2028.

42.0.3 Kent County Council's (KCC) Tree Establishment Strategy[300] has an ambition that the county's tree cover will be extended by 1.5 million, establishing one new tree for every resident living in the county and increasing the tree canopy and woodland cover by 2%. This is in line with the 16.5% target recommended by DEFRA [301].This commitment is part of a wider strategy for the protection, restoration and creation of natural solutions to mitigate and adapt to climate change, reach net zero and support biodiversity.

42.0.4 Given the many and varied benefits trees provide, and aspirations to increase planting, it is important future development protects existing trees, woodlands and hedgerows and take the opportunity to plant more. Planting woodland, trees and hedges in new development help integrate development into its context and enhance quality and character. It also provides habitats, improve air quality, provide rainwater attenuation and shade – thereby playing an important role in adapting to climate change. New developments should set aside space for tree planting and hedgerows in the open spaces, on the boundaries, on the streets and within the gardens and this should be incorporated into applications. Trees and hedgerows should primarily be native trees of local provenance, disease and climate change resilient, and should, where possible, include large tree species.

42.0.5 The development potential of a site should be optimised in a way that does not result in tree, woodland or hedgerow loss. Where loss is proposed this will only be supported in exceptional circumstances, where the benefit of a development substantially outweighs retention and where there are no feasible alternative including engineering solutions or arboriculture techniques (such as root or canopy pruning) to mitigate any issues. Appropriate mitigation and compensatory tree planting for any loss will be required.

42.0.6 When development proposals are submitted that may affect woodland, orchards, trees and hedgerows the Council will require the submission of a tree survey in accordance with British Standards. Major development schemes shall also submit detailed landscaping scheme and landscape management plan to demonstrate that landscaping and other greening measures are appropriate to the site, can be implemented effectively and will be suitably managed and maintained over the lifetime of the development.

297 https://www.gov.uk/government/publications/committee-on-climate-changes-2019-progress-reports-government-responses
298 https://www.legislation.gov.uk/ukpga/2021/30/contents
299 https://www.gov.uk/government/publications/environmental-improvement-plan
300 https://www.kent.gov.uk/environment-waste-and-planning/nature-and-biodiversity/trees/kent-plan-tree-our-tree-establishment-strategy
301 https://www.gov.uk/government/publications/environmental-improvement-plan

42 Policy B5 Woodland, orchards, trees and hedgerows

42.0.7 Development resulting in the loss or deterioration of irreplaceable habitats (such as ancient woodland and ancient or veteran trees) will be refused, unless there are wholly exceptional reasons, and a suitable compensation strategy exists. Should there be an ancient or veteran tree(s) on the site please see the Natural England and the Forestry Commission for additional advice [302]

42.0.8 Development within or close to an ancient woodland must consider that a minimum 15m buffer between the tree and any development is recommended to protect against root damage, but a larger buffer is often needed to account for other impacts like air pollution or disturbance.

42.0.9 The Council also maintains authority over the statutory protection of trees and hedgerows and will continue to use Tree Preservation and Hedgerow Retention Notices, where necessary, to protect specific trees, groups of trees, woodlands or hedgerows, in the interests of amenity and biodiversity. It is a criminal offence to prune, fell or damage protected trees, including those in conservation areas, without appropriate consent and the Council will enforce breaches in accordance with relevant policy and legislation.

42.0.10 For further information and guidance on how trees can be included in development proposals, including design parameters for the placement of street trees, please refer to the National Design Guide [303] and National Model Design Code [304].

Question 82

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy B5

Woodland, orchards, trees and hedgerows

The Council supports the conservation, enhancement and sustainable management of existing woodland, trees, orchards and hedgerows. Development proposals will be supported where:

1. Existing trees, groups of trees, woodland, old orchard and hedgerow are retained, and landscaping and public realm schemes maximise opportunities for additional planting within the design and layout. New planting will be at sufficient scale to maintain and enhance the borough's tree and canopy cover, character of the locality and provide for an attractive living and working environment that includes tree lined streets and enhances biodiversity. New planting on development sites should:

a. be suitable for the site location and conditions;
b. use appropriate tree pit sizes and soil volumes;
c. provide suitable, preferably native, species resilient to climate change and from bio-secure sources;
d. achieve a net increase in trees and planting;
e. be informed by and contribute to local character;
f. enhance or create new habitat connectivity, wildlife habitats and refuges;
g. be positioned to avoid negative impacts on new and existing buildings, highway safety or disruption to underground utilities taking account of future sustainable growth;

302 https://www.gov.uk/guidance/ancient-woodland-ancient-trees-and-veteran-trees-advice-for-making-planning-decisions
303 https://www.gov.uk/government/publications/national-design-guide
304 https://www.gov.uk/government/publications/national-model-design-code

h. ensure appropriate long-term management and maintenance using best practice in tree care and woodland management; and

i. protect retained trees, groups of trees, hedgerows and woodland prior to, during and after construction.

2. Major development schemes shall submit an Arboriculture Survey, detailed landscaping scheme and landscape management plan to demonstrate that landscaping and other greening measures are appropriate to the site, can be implemented effectively and will be suitably managed and maintained over the lifetime of the development;

3. Minor and Other applications need to be accompanied by an Arboriculture Survey where there are existing trees on site;

4. Development that would lead to the loss or deterioration of an irreplaceable habitat (including ancient woodland, ancient and veteran trees) will be refused, unless there are wholly exceptional reasons, where the need for, and public benefits of, the development in that location clearly outweigh the loss and a suitable compensation strategy is provided;

5. The loss or deterioration of protected trees, groups of trees, woodland or important hedgerows will only be permitted in exceptional circumstances and in accordance with the relevant legislation, policy and good practice recommendations. In such circumstances, a replacement of an appropriate number, species, size and location will be required together with appropriate measures to secure their long-term management and maintenance;

6. Where loss or damage of non-protected trees, woodland or hedgerows is unavoidable, appropriate replacement or compensation planting including appropriate measures to secure their long-term management and maintenance will be required;

7. The Council will support carefully planned appropriate development, the intended purpose of which is to further the sustainable management of woodland/old orchards;

8. The Council will use Tree Preservation and Hedgerow Retention Notices, where necessary, to protect specific trees, groups of trees, woodlands or hedgerows, in the interests of amenity and biodiversity.

Question 83

Do you support or object to Policy B5? What would you add, remove or amend to support it further or to remove your objection?

43 Policy B6 Agricultural land

Agricultural land

43.0.1 Swale has some of the highest quality agricultural land in England and the aim of this policy is to ensure that it is only developed when there is an overriding need, when alternative options have been examined first and whilst having regard to other sustainability considerations.

43.0.2 Agricultural land is classified by a grading system of 1-5, with Grade 1 being of the highest quality. Grades 1, 2 and 3a are defined as the best and most versatile(BMV) [305]. The National Planning Policy Frameworkhttps://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf (NPPF, para 187b) states that planning policies should take into account the economic and other benefits of best and most versatile agricultural land. Where significant development of agricultural land can be demonstrated as being necessary, areas of poorer quality land should be preferred to those of higher quality (NPPF, footnote 65).

43.0.3 The Swale Agricultural Land Report - Stage 1: Baseline Information (September 2024) [306] shows it is difficult to avoid loss on BMV Land (Grades 1 to 3a) when allocating sites when other important constraints are considered.

43.0.4 Swale is one of the most productive agricultural areas in Kent due to the soils and favourable climatic conditions. There is a broad belt of Grades 1 and 2 agricultural land running east to west around the A2, with a large area of Grade 3 south of the M2 and smaller areas of Grades 2 and 3 on the Isle of Sheppey. Around 80% of Swale's land is classified as being suitable for some form of agriculture (grades 1-5), with the borough containing approximately 17% of Kent's Grades 1 and 2 resource.

43.0.5 Agriculture in Swale therefore continues to shape the nature and character of the countryside and remains associated with a long history of fruit production as well as the wider mixture of arable crops and livestock that we see today. As of 2016, more than 24,000 hectares of land is farmed in Swale [307] and this shapes much of the diversity of the borough's environment, including internationally important estuarine and coastal habitats in the North Kent Marshes, the central plain of orchards and arable land, the wooded clay outcrop of The Blean and the southern woodlands and dry chalk valleys of the North Downs dip-slope.



Picture 43.0.1

43.0.6 Policy B6 , in recognition of the importance of the agricultural sector to the borough in terms of its identity, environment and economy, looks to safeguard one of its most important resources – its soils, and in particular, the proportion of best and most versatile land that is present here. Soil is an essential natural capital asset that provides important ecosystem services, not just for agriculture, but also as a store for carbon and water, as a reservoir of biodiversity and as a buffer against pollution.

43.0.7 Development of agricultural land should be avoided in the first instance, but where this is demonstrated as being an overriding necessity, and having examined alternative options first, it should be

305 Guide to assessing development proposals on agricultural land (February 2021), Natural England https://www.gov.uk/government/publications/agricultural-land-assess-proposals-for-development/guide-to-assessing-development-proposals-on-agricultural-land

306 https://services.swale.gov.uk/assets/Planning%20Policy%202019/2024%20Agricultural%20Land%20Report%20-%20Final.pdf

307 Farming Statistics (December 2017), Defra https://www.gov.uk/government/statistics/farming-statistics-livestock-populations-at-1-december-2017-uk

directed to areas of lower quality land in preference to that of a higher quality. Therefore, the presence of best and most versatile land on a site should have a strong influence on whether development should be permitted.

Question 84

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy B6

Agricultural land

Development on agricultural land will only be permitted when there is an overriding need that cannot be met on land within the defined built-up area boundaries as shown that will be shown on the Proposals Map (to be illustrated in later stages of the Local Plan). Development on best and most versatile agricultural land will only be permitted if:

1. The site is allocated for development by the Local Plan; or
2. There is no alternative site on land of a lower grade than 3a or the use of land of a lower grade would significantly and demonstrably work against the achievement of sustainable development. On sites over 1ha in size, where Grade 3 land is not split into 3a and b, an Agricultural Land Classification assessment should be undertaken to identify areas of 3a and 3b; and
3. The development would not result in the remainder of the agricultural holding becoming not viable and lead to accumulated and significant losses of best and most versatile agricultural land.

Question 85

Do you support or object to Policy B6? What would you add, remove or amend to support it further or to remove your objection?

44 Policy B7 The Coast

44.0.1 Swale's 111 km coastline is the longest of any Kent district. It is also one of the borough's defining features and an essential part of its Green & Blue Infrastructure network. The coast combines a wide range of assets that including:

- Seaside resorts at Sheerness, Minster, Warden & Leysdown;
- Swathes of wetlands and marshes along The Swale and The Medway, designated internationally and nationally for their biodiversity interest and representing a distinctive proportion of Kent's ecological sites;
- Marine Conservation Zones at the Medway and the Swale Estuaries;
- Geologically important cliffs on the north coast of Sheppey;
- Locally valued and designated, tranquil, remote and wild landscapes along the Swale and Medway Estuaries;
- Creeks at Queenborough, Halstow, Funton, Milton, Conyer, Oare and Faversham;
- A Country Park at Milton Creek, Sittingbourne and Coastal Parks at Barton's Point, Sheerness and Leysdown;
- A long and rich history and built heritage, in particular at Queenborough, Sheerness and Faversham;
- A natural deep-water harbour and historic former naval dockyard at Sheerness Docks;
- A fishing port at Queenborough;
- Docks at Ridham with connections to the road and rail network;
- Quays and/or marinas at Queenborough, Otterham, Lower Halstow, Conyer, Oare and Faversham;
- Landing stages at Oare and Harty;
- Water sports along the north Sheppey coast and the borough's creeks; and
- The Saxon Shore Way and English Coastal Path.

44.0.2 Swale's coast faces particular threats, including from climate change (with issues such as coastal squeeze of habitats, flooding and erosion) as well as the pressures of development generally. The policy aims to balance the needs of development with those of the coast's sensitive and changing environment, within the context of a wide range of plans and policies at work along the coast. It is also important in meeting the Local Plan's vision of coastal rejuvenation.

The legal, policy and local context

44.0.3 The Marine Strategy Framework has been transposed into UK law, via the Marine Strategy Regulations 2010 [308]. These regulations require the UK to take necessary measures to achieve or maintain Good Environmental Status (GES) of our seas by 2020 through the development of a Marine Strategy. The Marine Strategy, including the characteristics of Good Environmental Status, how they are monitored and the programme of measures to achieve GES has to be reviewed every six years.

44.0.4 The Water Environment (Water Directive Framework) (England and Wales) 2017 Regulations[309] establishes a legal framework to protect and restore clean water and ensure long-term and sustainable use.

44.0.5 The Marine and Coastal Access Act 2009 [310]:

1. requires a publicly accessible long-distance route and land for open-air recreation around the coast of England;
2. designates and protects Marine Conservation Zones (MCZs) which exist alongside European sites (Special Areas of Conservation (SACs) and Special Protected Areas (SPAs)), SSSIs and Ramsar

308 https://www.legislation.gov.uk/uksi/2010/1627/contents/made
309 https://www.legislation.gov.uk/uksi/2017/407/contents/made
310 https://www.legislation.gov.uk/ukpga/2009/23/contents

sites. The Marine Conservation Zones of within the borough are The Swale Estuary MCZ [311] and The Medway Estuary MCZ https://www.gov.uk/government/publications/marine-conservation-zone-2013-designation-medway-estuary; and

3. defines arrangements for the system of marine management and planning in the UK and the creation of the Marine Management Organisation (MMO).

44.0.6 The UK Marine Policy Statement [312](MPS, 2011) is the framework for the marine planning system. All public authorities taking authorisation or enforcement decisions that affect or might affect the UK marine areas must do so in accordance with the Marine and Coastal Access Act 2009 and any relevant adopted Marine Plan (in Swale the South East Inshore Marine Plan [313] – see below) or the UK Marine Policy Statement unless relevant considerations indicate otherwise.

44.0.7 The Swale Green and Blue Infrastructure Strategy[314] health of Swale's residents, wildlife and habitats.

44.0.8 The National Planning Policy Framework [315](NPPF, para 187) requires planning policies and decisions to contribute to and enhance the natural and local environment through maintaining the character of the undeveloped coast, whilst improving public access to it where appropriate. It explains how policies and decisions should take account of the UK Marine Policy Statement and marine plans and apply Integrated Coastal Zone Management across local authority and land/sea boundaries, to ensure effective alignment of the terrestrial and marine planning regimes [316] (NPPF, para 183). Integrated Coastal Zone Management is described in Planning Practice Guidance [317] (PPG) as a process to allow a joined up and participative approach towards the planning and management of different elements in coastal areas, following key principles, including: a long term view; a holistic approach working with relevant bodies; working with natural processes and reflecting local characteristics. The PPG sets out how local planning authorities should collaborate with the Marine Management Organisation.

44.0.9 Work is well underway on the England Coast Path[318] ,a new National Trail around all of England's Coast. The sections relevant to Swale and their status are in table 7.0[319]:

	Section	Stage
1	Isle of Sheppey (28)	• Open to the public • Stage 6: Open (Not yet available for public use - work to establish the route is currently taking place) • Stage 4: awaiting approval
2	Whitstable to Iwade (29)	• Open to the public

311 https://www.gov.uk/government/publications/marine-conservation-zones-the-swale-estuary
312 https://www.gov.uk/government/publications/uk-marine-policy-statement
313 https://www.gov.uk/government/collections/south-east-marine-plan#the-south-east-marine-plan-documents
314 https://services.swale.gov.uk/assets/Planning%20Policy%202019/7659.012%20Swale%20GBI%20Strategy%20MERGED%20LR.pdf
315 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
316 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf
317 https://www.gov.uk/guidance/flood-risk-and-coastal-change
318 https://www.gov.uk/government/collections/england-coast-path-improving-public-access-to-the-coast
319 -https://www.gov.uk/government/publications/england-coast-path-in-the-south-east-of-england

	Section	Stage
3	Iwade to Grain (30)	• Open to the public • Stage 5: Open (not yet available for public use - work to establish the route is currently taking place)

Table 44.0.1 England Coast Path in Swale

44.0.10 The Government's A Green Future: Our 25 Year Environment Plan to Improve the Environment (2018) [320] seeks to achieve good environmental status of our seas whilst allowing marine industries to thrive, as well as to complete an ecologically coherent network of well-managed marine protected areas (MPAs). It aims to improve 'at least three quarters of our waters to be close to their natural state as soon as practical by…reaching or exceeding objectives for rivers, lakes, coastal and groundwaters…whether for biodiversity or drinking water… '[321] It seeks to reduce the risk of harm to people, the environment and the economy from natural hazards including flooding, drought and coastal erosion including by making sure everyone is able to access the information they need to assess any risks to their lives and livelihoods, health and prosperity posed by flooding and coastal erosion. It also promotes action to reduce the risk of harm from flooding and coastal erosion including through the greater use of natural flood management solutions.

44.0.11 The Marine Management Organisation (MMO) delivers UK marine policy objectives for English waters through statutory Marine Plans and other measures. Swale is within the South East Inshore Marine Plan area. The South East Inshore Marine Plan [322] was adopted in June 2021, becoming a statutory document for planning decisions. Under the Marine and Coastal Access Act, any authorisation or enforcement decisions must be made in accordance with the marine plan. Any other decisions which may impact the marine area must have regard to the marine plan. The East Inshore and East Offshore Marine Plans and the South Inshore and Offshore Marine Plans are the adjacent plans to the South East Inshore Marine Plan and should be considered where appropriate.

44.0.12 The MMO is also responsible for issuing marine licences [323] which may be needed for activities ranging from mooring private jetties to nuclear power plants and offshore windfarms. These may also require consideration under The Marine Works (Environmental Impact Assessment) Regulations 2007 (as amended)[324]. The MMO also issue consents under the Electricity Act 1989 (as amended) [325]for offshore generating stations (1-100 megawatts) and are a statutory consultee to the Planning Inspectorate for relevant nationally significant infrastructure projects.

44.0.13 Early consultation with the MMO is advised to ensure the effect on coastal processes are minimised or mitigated.

44.0.14 It should be noted that the boundary for marine plans extends up to the level of the mean high water spring tide mark and therefore there will be overlap with terrestrial plans, which generally extend to the mean low water springs mark.

44.0.15 The Marine Information System [326] *Please note that Google Chrome is recommended when using this system*. is a new digital mapping service of plans, policies and information relating to the marine environment.

320 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/693158/25-year-environment-plan.pdf

321 25 Year Environment Plan 2018. HM Government. Page 25

322 https://assets.publishing.service.gov.uk/media/60f6f6dde90e0764ccfbd836/FINAL_South_East_Marine_Plan__1_.pdf

323 https://www.gov.uk/government/collections/planning-and-development-marine-licences

324 https://www.legislation.gov.uk/uksi/2007/1518/contents

325 https://www.legislation.gov.uk/ukpga/1989/29/contents

326 https://www.gov.uk/guidance/explore-marine-plans

44.0.16 The River Medway and Swale Estuary Shoreline Management Plan (SMP9)[327]and The Isle of Grain to South Foreland Shoreline Management Plan (SMP10)[328] have been prepared by the South East Coastal Group and identify sustainable long-term management policies for Swale's coast in the face of climate change and sea-level rise. Following on from these, the Environment Agency (EA) has now finalised and adopted the Medway Estuary and Swale Flood and Coastal Erosion Risk Management Strategy (MEASS) [329]. This strategy sets out the economic, environmental and technical approach to managing flood and coastal erosion risk over the next 100 years. The principal objectives of the strategy are to reduce flood and erosion risk to properties and infrastructure in light of coastal change over the next 100 years and maintain the integrity of the Natura 2000 nature protection sites at risk of coastal squeeze.

44.0.17 The Swale Strategic Flood Risk Assessment 2020 [330](SFRA) and updates determine the extent of flood risk in Swale. More detail on this can be found in Policy C8 Flood risk.

44.0.18 Erosion is predicted to increase significantly over the next 100 years as a result of climate change, particularly impacting the north coast of The Isle of Sheppey. The North Sheppey Erosion Study 2011 [331] assessed cliff erosion along the North Sheppey coast from Minster to Leysdown, in particular the undefended frontage where the Shoreline Management Policy is for 'no active intervention'. This study was used to inform the development of the Coastal Change Management Area in the 2017 Adopted Local Plan.

44.0.19 The Environment Agency have recently published the National coastal erosion risk map[332] (NCERM) which aims to improve public access to the latest knowledge on coastal erosion via an online information tool. The NCERM provides the most up to date national picture of current and future areas of coastal erosion risk for England, using the best available evidence[333] from the National Network of Regional Coastal Monitoring Programmes. Along with data from the SFRA, this data is being used to inform updates to the Coastal Change Management Area, 31 Policy C6 Coastal Change Management.

44.0.20 The North Kent Bird Disturbance Study [334] examined the combined effects of development across north Kent districts for their effects on the Special Protection Areas (SPA), with a particular focus on wintering waterfowl, and established a mechanism to provide funding from development contributions for mitigation along the north Kent Marshes. More details on this will be included in a future strategic policy on Conserving and enhancing the natural environment.

44.0.21 The conservation objectives, published by Natural England [335] , for the internationally[336] and nationally [337] designated biodiversity sites which stretch along the borough's coast are a fundamental objective to be considered in any development proposal along the coast. More detail on these designations is set out in Policy B1 Biodiversity and geodiversity conservation and biodiversity net gain.

327 https://environment.data.gov.uk/shoreline-planning/shoreline-management-plan/SMP9
328 https://environment.data.gov.uk/shoreline-planning/shoreline-management-plan/SMP10
329 https://www.gov.uk/government/publications/medway-estuary-and-swale-flood-and-coastal-risk-management-strategy/medway-estuary-and-swale-flood-and-coastal-risk-management-strategy
330 https://swale.gov.uk/planning-and-regeneration/strategic-flood-risk-assessment-completed
331 https://services.swale.gov.uk/assets/Planning-General/Planning-Policy/Sheppey-Coastal-Erosion-Study/Sheppey-study-report-V3-for-web-Chapters-1-to-8.pdf
332 https://www.gov.uk/guidance/updates-to-national-flood-and-coastal-erosion-risk-information
333 https://www.gov.uk/government/publications/national-assessment-of-flood-and-coastal-erosion-risk-in-england-2024/national-assessment-of-flood-and-coastal-erosion-risk-in-england-2024#coastal-erosion-how-our-assessment-of-coastal-erosion-risk-is-changing
334 https://northkent.birdwise.org.uk/research-and-strategy-reports/
335 https://www.gov.uk/environment/protected-sites-species
336 https://publications.naturalengland.org.uk/[illegible]/6623471664689152
337 https://designatedsites.naturalengland.org.uk/SiteSearch.aspx

44 Policy B7 The Coast

44.0.22 The coastline of Swale lies within Natural England's National Character Area profile 81. Greater Thames Estuary[338] In summary, the environmental opportunities identified for this area are:

- maintain and enhance the expansive, remote coastal landscape, maintain internationally important habitats and their wildlife and underlying geodiversity, while addressing climate change and coastal processes;
- work with landowners and managers to improve environmental quality, climate adaptation, prevention of soil erosion and maintain historic character;
- maintain the tranquil and remote character of the estuary, whilst increasing opportunities for recreation and enjoyment of the landscape; and
- encourage a strategic approach to development that is informed by and makes a positive contribution to local character, incorporates green infrastructure, promotes recreation and addresses climate change while maintaining habitats, historic and geological features.

44.0.23 Three of the borough's Local Landscape Designations (the North Kent Marshes: Medway Marshes, the North Kent Marshes: South Swale and the North Kent Marshes: North Swale) run along the coast of the borough. The Statements of Significance [339] outline the qualities and attributes of these areas and the requirements going forward – in essence to conserve and enhance the rich biodiversity, sense of remoteness and wildness. These statements should be responded to in any development proposals for Swale's coastline along with other requirements for the landscapes of Swale, as outlined in 39 Policy B2 Conserving & enhancing valued landscapes.

44.0.24 The Swale Landscape Character and Biodiversity Appraisal Supplementary Planning Document 2011 [340] is a key resource in ensuring the protection and enhancement of the whole of the borough's landscapes and habitats, including at the coast. More detail on this can also be found in Policy B2 Conserving & enhancing valued landscapes.

44.0.25 The Swale Green and Blue Infrastructure Strategy 2020 [341] looks at Swale's current Green and Blue Infrastructure(GBI) resource, priorities for GBI, the multi-functionality of GBI and the opportunities in the borough for both existing GBI and new GBI provision.

44.0.26 The Swale Visitor Economy Framework [342] and Action Plan [343] has been developed by the the Council in consultation with stakeholders. The Action Plan contains specific 'deliverables' to improve the coastline, sea front and estuary offer across the borough – working with artists, the community, hospitality and leisure providers. It seeks to promote the England Coast Path within the borough, for instance by encouraging locals to take an entrepreneurial approach to initiatives that support increased coastal access. It aims to improve cycle and walking infrastructure and opportunities including 'Wildlife and Heritage Trails' linking the Downs to the Coast. It also seeks to develop water activities such as sailing, wind surfing, wild swimming, boat tours and increased moorings at Milton Creek, as part of that specific area's wider regeneration.

338 https://publications.naturalengland.org.uk/publication/4531632073605120#:~:text=National%20Character%20Areas%20The%20Greater%20Thames%20Estuary%20National,the%20North%20Sea%20and%20the%20rising%20ground%20inland.
339 https://swale.gov.uk/planning-and-regeneration/local-plans/local-plan-review-evidence/landscape#h2
340 https://swale.gov.uk/your-council/publications/planning-and-planning-policy/swale-landscape-character-and-biodiversity-appraisal-supplementary-planning-document-spd-2011
341 https://services.swale.gov.uk/assets/Planning%20Policy%202019/7659.012%20Swale%20GBI%20Strategy%20MERGED%20LR.pdf
342 https://swalemeansbusiness.co.uk/home/why-swale/a-bit-more-about-swale/the-swale-visitor-economy/the-swale-visitor-economy-framework-2018-2022
343 https://services.swale.gov.uk/meetings/documents/s15518/FINAL%20Swale%20Visitor%20Economy%20Framework%20Action%20Plan.pdf

Policy application

44.0.27 Any development proposal for the coast in Swale should demonstrate how it has responded to the plans, policies and studies outlined above.

44.0.28 This policy applies to both the developed and undeveloped coasts. The developed coast is represented by that inside the defined built up area boundaries shown on the Proposals Map (to be illustrated in later stages of the Local Plan), whilst the undeveloped coast is that beyond it, and its hinterland is defined as the land that directly relates to this coastline in terms of landscape or land use.

44.0.29 The policy also references seascape and coastal processes. Seascape is defined in the Marine Policy Statement 2011 [344], as landscapes with views of the coast or seas, and coasts and the adjacent marine environment with cultural, historical and archaeological links with each other. Coastal processes can be described as the processes of erosion, transportation and deposition in which coasts are shaped by the sea and the action of waves.

Question 86

Do you have any specific comments on the preamble above? What would help make it more focused, relatable or complete?

Policy B7

The Coast

Planning permission will be granted for development proposals at or near the coast subject to:

1. Demonstrating the protection, management and enhancement, as appropriate, of biodiversity, landscape, seascape and coastal processes;
2. Maintaining or enhancing access to the coast where it can be appropriately managed;
3. Enabling wildlife to build resilience and adapt to the effects of climate change and contribute towards the Local Plan's Green and Blue Infrastructure Plan and ensuring Biodiversity Net Gain as required by a potential future strategic policy on Conserving and enhancing the natural environment and Policy B1 Biodiversity and geodiversity conservation and biodiversity net gain;
4. Supporting, where appropriate, sustainable and healthy fisheries and protection and enhancement of the marine and coastal environment in line with the objectives of the South East Inshore Marine Plan, the Marine Conservation Zones and the other relevant international and national biodiversity designations;
5. Maintaining the character of the undeveloped coast; demonstrating conformity with the opportunities identified in Natural England's Greater Thames Estuary 'Statements of Environmental Opportunity' and the requirements set out in Swale's Local Landscape Designation's Statements of Significance for the relevant coastal designation as well as the guidelines within the Swale Landscape Character and Biodiversity Appraisal SPD;
6. Taking account of the policies and proposals of the Shoreline Management Plans, the Medway Estuary and Swale Flooding and Coastal Erosion Risk Management Strategy and the South East Inshore Marine Plan;
7. Proposals within the built up area boundaries as defined on the Proposals Maps (to be illustrated in later stages of the Local Plan), contributing to the rejuvenation of the developed coast, particularly where enhancing either existing industrial and maritime infrastructure, coastal heritage, tourism or environmental management;

344 https://assets.publishing.service.gov.uk/media/5a7957ded915d042206795b/pb3654-marine-policy-statement-110316.pdf

44 Policy B7 The Coast

8. Proposals outside the built-up area boundaries, at the undeveloped coast and its hinterland, supporting conservation, enhancement and Biodiversity net gain;
9. Compliance with Policy C6 Coastal Change Management for the Coastal Change Management Area.

Question 87

Do you support or object to Policy B7? What would you add, remove or amend to support it further or to remove your objection?

45 Policy B8 Rural Lanes

45.0.1 Swale possesses a rich heritage of rural lanes that contribute to rural amenity, nature conservation and the character of the landscape. Many are experiencing pressures from the rapid rise in rural traffic, urbanisation and changes in the management of verges and the Council want to limit the effects of these. A study undertaken in 1997 by Kent County Council identified the top 20% of these lanes against environmental criteria, and these are shown on the Proposals Map (to be illustrated in later stages of the Local Plan). Only the top 20% are shown on the Proposals Map but this policy applies to all lanes in rural Swale.

45.0.2 In order to safeguard these lanes, the Council will not permit development that would harm their identified qualities, and will implement traffic restraints, speed restrictions, routing agreements with businesses, and tree and hedgerow preservation orders. Development proposals may similarly bring forward such proposals as mitigation of adverse impacts, together with measures such as landscape or historic features restoration.

45.0.3 Given the age of the rural lanes study, applicants may be required to provide further evidence as to the landscape, amenity, biodiversity, historic and archaeological importance of the lane(s) in question. The Council will, when resources permit, update the Rural Lanes Study for Swale.

45.0.4 The Kent Downs National Landscape (Formally known The Kent Downs Area of Outstanding Natural Beauty (AONB)) unit have published Rural Streets and Lanes: A Design Handbook (2009) [345] which identifies the characteristics of the rural road network and promotes its conservation and maintenance through detailed design guidance and case studies. This guide has been adopted by Kent County Council and should be referenced for all relevant applications both within and outside the AONB.

Quiet Lanes

45.0.5 The Council would like to designate some of Swale's rural lanes as 'Quiet Lanes'. Quiet Lanes are defined as minor rural roads or networks of minor rural roads appropriate for shared use by walkers, cyclists, horse riders and other vehicles. The aim of Quiet Lanes is to maintain the character of minor rural roads by seeking to contain rising traffic growth. They must be rural in character, carry less than 1,000 vehicles per day and the 85th percentile traffic speed should be less than 35 mph. Narrow, single–track roads are the most suitable to be designated. The process for designating Quiet Lanes involves community involvement to help to define what lanes should be considered and then a formal consultation similar to that required to introduce a Traffic Regulation Order. The Council aim to progress work, in conjunction with Town and Parish Councils, to designate a number of Quiet Lanes within Swale. They require investment therefore implementation will be phased.

Question 88

Do you have any specific comments on the preamble above? What would help make it more focused, relatable or complete?

Policy B8

Rural Lanes

Planning permission will not be granted for development that would either physically, or as a result of traffic levels, significantly harm the character of rural lanes. For those rural lanes shown on the Proposals Map (to be illustrated in later stages of the Local Plan), development proposals should have particular regard to their landscape, amenity, biodiversity, and historic or archaeological importance.

345 https://kentdowns.org.uk/wp-content/uploads/2018/04/Rural-Streets-and-Lanes-a-design-handbook.pdf

45 Policy B8 Rural Lanes

Question 89

Do you support or object to Policy B8? What would you add, remove or amend to support it further or to remove your objection?

46 Policy B9 The keeping & grazing of horses

46.0.1 The borough of Swale is a popular location for equestrian activities and has become a source of income to farmers and others in parts of the borough. Whilst these activities can bring economic benefits to the rural areas, they can, individually or cumulatively, adversely change the rural character of the area with stables, paddocks, fencing, on-site riding facilities and other visual clutter.

46.0.2 In many parts of the borough, such as between Newington, Upchurch, Lower Halstow and the borough boundary with Medway and between Chestnut Street and Oad Street, within the setting of The Blean and around the north coasts of Sheppey, the levels of equestrian activity has had a negative impact upon the landscape. Further proposals will only be allowed where additional cumulative harm would not occur. Landscapes with an open character are less likely to be capable of accommodating such development. The use of higher standards of design of stable buildings, fencing, landscaping and parking that has been achieved in some locations will enable proposals to better reflect and enhance the character of the area.

46.0.3 Should new equestrian enterprises, particularly those of a commercial nature, come forward for consideration, traditional farm buildings should be utilised as a base for their development in the first instance. New equestrian enterprises should be located in or based on buildings of this kind, both to help ensure new uses for traditional buildings and reduce the pressure for new structures in the countryside.

46.0.4 The council's Landscape Character and Biodiversity and Biodiversity Appraisal Supplementary Planning Document 2011 [346] will be used to guide the acceptability of proposals in terms of their individual or cumulative impacts upon the landscape along with the council's adopted 'Supplementary Planning Guidance The Erection of Stables and Keeping of Horses', which is a material consideration. Applicants should reference these documents in applications. Within the Kent Downs National Landscape, the Kent Downs National Landscape Unit's document 'Managing Land for Horses' will be a further consideration.

Question 90

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy B9

The keeping and grazing of horses

Planning permission will only be granted for development involving the use of land for the keeping or grazing of horses and ponies in connection with riding or other non-agricultural purposes, if they are of high quality design and of a scale and intensity that is acceptable in landscape character, biodiversity, amenity and highway terms. In considering proposals, the Council will have regard to the cumulative effect of such uses in the local area, the site's accessibility to the bridleway network (having regard to potential conflicts with other path users), or the ability to provide on-site riding facilities.

Question 91

Do you support or object to Policy B9? What would you add, remove or amend to support it further or to remove your objection?

346 https://swale.gov.uk/your-council/publications/planning-and-planning-policy/swale-landscape-character-and-biodiversity-appraisal-supplementary-planning-document-spd-2011

47 Policy HE1 Development involving Listed Buildings

47.0.1 Listed buildings are irreplaceable heritage assets that are recognised as being of special architectural or historic interest in the national context. They are identified on the National Heritage List. Buildings on the list enjoy statutory protection through the Planning (Listed Buildings and Conservation Areas) Act 1990 [347] Protection extends to the whole building, inside and outside, its curtilage and certain structures within its domain. The majority of works to listed buildings require listed building consent (in addition to any other consent required through planning legislation), including fittings, attachments and any decorative schemes of special significance.

47.0.2 Applicants must prepare a heritage statement and a design & access statement for any proposals for listed building consent or for planning permission for development within the curtilage of a listed building. The statements will be required to justify the proposals, demonstrating why works and/or development that would affect the significance of a listed building are necessary or desirable. In all cases the policy seeks to safeguard, and where possible, enhance the special interest and setting of listed buildings.

47.0.3 The council will use its statutory powers to ensure that listed buildings at risk from neglect or decay are appropriately maintained and repaired.

47.0.4 Extensions and alterations should be sympathetic and not dominate the listed building in scale, material, or situation. Often a building's immediate setting is important to its character, so gardens, yards, other spaces, and boundary details are of value in their own right. Proposals to create off-street parking provision can frequently be damaging to the setting of a listed building.

47.0.5 The significance of a listed building can be harmed by inappropriate repair, alteration or extension. Proposals to repair, alter or extend a listed building must be justified and appropriate. Consequently, a high level of professional skill and craftsmanship will be required in both the design and execution of any scheme. Proposals to repair, alter or extend a listed building that harm its significance will not be permitted unless there is a clear and convincing justification. Substantial harm to, or the loss of a listed building will be firmly resisted in all but the most exceptional of cases.

47.0.6 New development within the setting of a listed building may not always be appropriate if the setting is particularly important to the significance of it. However, in all other instances, new development within the setting of a listed building is required to be of good quality, contextually sensitive in design. Proposed new development within the setting of a listed building that would harm its significance will not be permitted unless there is a clear and convincing justification, and substantial harm will be strongly resisted.

47.0.7 The best use for a listed building is usually the use for which it was originally designed, but the overriding consideration is securing the future upkeep and conservation of the building. Subsequently, the Council will support necessary and appropriate changes in use. Particular attention will be paid to ensuring that the proposed use will not be harmful to the significance of the listed building and its surroundings, including a careful assessment of any alterations associated with its proposed change of use.

Climate change

47.0.8 Proposals that aim to mitigate and adapt to the effects of climate change should in the first instance explore all opportunities of enhancing energy efficiency and forms of providing renewable energy and improved adaptation to climate change without harming the significance of heritage assets.

47.0.9 Where conflict between climate change objectives and the conservation of heritage assets is unavoidable, the public benefit of mitigating the effects of climate change will be weighed against any harm to the significance of heritage assets, in accordance with the National Planning Policy Framework [348] (NPPF) and the development management policies and principles of this Local Plan. The more significant the heritage asset, the greater the degree of public benefit that will need to be demonstrably achievable to justify even a low level of harm to the heritage asset. Heritage assets are finite resources and with their

347 https://www.legislation.gov.uk/ukpga/1990/9/contents
348 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

embedded energy and in many cases, adaptability to re-use over a long period of time, they are in many cases already inherently sustainable. As such, there will be instances where proposed alteration in a particular way to help combat climate change will be firmly resisted to ensure that the significance of the heritage asset isn't compromised to an unacceptable degree. Listed buildings make up less than 1% of the borough's stock of buildings, and as such, it is expected that the focus on combating climate change will first and foremost be on that vast majority of buildings that can be adapted to help combat climate change, with little or no harm to their intrinsic character and associated appearance.

Question 92

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy HE1

Development involving Listed Buildings

Development proposals, including any change of use, affecting a listed building, and/or its setting, will be supported where:

1. The listed building's special architectural or historic interest, its setting and any features of special architectural or historic interest which contribute to its significance, are preserved or enhanced, paying special attention to the:

a. design, including scale, materials, situation and detailing;
b. appropriateness of the proposed use of the building;
c. desirability of removing unsightly or negative features or restoring or reinstating historic features; and,
d. protection of important views, both of and from, the Listed Building.

2. They help secure a sustainable future for a building at risk;

3. When considering the impact of proposed works and/or a proposed development on the significance of a listed building, great weight will be given to the building's conservation (and the more important the listed building, the greater the weight will be). This is irrespective of whether any potential harm amounts to substantial harm, total loss or less than substantial harm to its significance;

4. Harm to the significance of a Listed Building or its setting will be permitted only where this is outweighed by the public benefits of the proposal. Substantial harm or total loss of a Listed Building will only be permitted where it can be demonstrated that the substantial harm or loss is necessary to achieve substantial public benefits that outweigh that harm or loss, or all of the following apply:

a. the nature of the heritage asset prevents all reasonable uses of the site;
b. no viable use of the heritage asset itself can be found in the medium term through appropriate marketing that will enable its conservation;
c. conservation by grant-funding or some form of charitable or public ownership is demonstrably not possible; and
d. the harm or loss is outweighed by the benefit of bringing the site back into use.

5. Where substantial harm or total loss of a Listed Building is permitted, building recording will be secured to advance understanding of the significance of the asset; and

6. Applications should be accompanied by an appropriate, evidence-based heritage statement, sufficient to understand the potential impact of the proposal on the significance of the building.

47 Policy HE1 Development involving Listed Buildings

Question 93

Do you support or object to Policy HE1? What would you add, remove or amend to support it further or to remove your objection?

48 Policy HE2 Development affecting a Conservation Area

48.0.1 Conservation areas are areas of special architectural or historic interest, the character, or appearance of which it is desirable to preserve or enhance. The character of conservation areas can be fragile, and their distinctive quality and character can be damaged by new development, or by other more subtle means such as increased traffic, car parking, signs and noise, or piecemeal changes to key architectural elements such as doors and windows. They are not, though, areas where change will not occur. Development that makes a positive contribution to Swale's local character and distinctiveness will be encouraged. New development within, or adjacent to a conservation area, where appropriate, will be expected to be of an appropriate use, of a very high standard of design, and respond positively to the grain of the historic area by preserving or enhancing the character or appearance of the place.

48.0.2 Applicants must prepare a heritage statement and a design & access statement for any proposals in or adjoining a conservation area that will need to include an objective assessment on the likely impact of their proposals on the significance of any heritage assets or their settings.

48.0.3 The council will use its statutory powers to ensure that buildings and spaces within conservation areas that are at risk from neglect or decay are appropriately maintained and repaired.

48.0.4 A list of conservation areas, along with their boundary maps, character appraisals and management plans, is available at Heritage and Landscape- Conservation [349]. The appraisals and management plans provide useful guidance for applicants, borough residents, and public bodies. Swales Heritage Strategy Action Plan [350] prioritises the delivery of new and updated conservation area appraisals across the borough.

48.0.5 Whilst it is the quality and interest of an area as a whole that is recognised through designation, it is often the cumulative impacts of small changes over time that erode the special qualities and significance of a place. Where necessary, and with public support, Article 4 Directions will be introduced to help to control potentially damaging alterations.

Spaces and settings

48.0.6 The spaces and settings around and between buildings, other features and conservation areas, together with views to and from the area, are important and should be protected from unsympathetic changes and, where possible, enhanced. Non-listed buildings (Heritage Assets).

48.0.7 Many buildings and features in a conservation area are not listed as being of special architectural or historic interest. Nevertheless, they may make a valuable contribution to the character of a conservation area individually, or as part of a group. In such cases, their demolition will only be permitted in exceptional circumstances.

48.0.8 In reaching such a decision, the Council will examine the cost of maintaining and repairing the building or feature in relation to its importance and the value derived from its use, the adequacy of efforts to maintain the building in an acceptable use, and the merits of alternative proposals for the building. These must demonstrably preserve or enhance the character and appearance of the area in a way that the former building did not. Fundamentally, consent will normally only be given for demolition when a detailed scheme for redevelopment has been agreed. Planning conditions and/or legal agreements will ensure that demolition does not take place without the certainty of timely redevelopment.

Highway features

48.0.9 Many bridges, retaining walls, signs, footpaths, kerb lines, and milestones help to tell the story of the borough's development over time. Modern unsympathetic highway or traffic management works, including signage, lighting and alterations to traffic flows, can have adverse impacts. Those carrying out such works will therefore need to ensure that the protection of the character and setting of historic highway features are given due consideration, particularly where they form a key positive element of a conservation area.

349 https://swale.gov.uk/planning-and-regeneration/heritage-and-landscape/conservation-areasw.swale.gov.uk
350 https://swale.gov.uk/your-council/strategies-and-policies/swales-heritage-strategy

48 Policy HE2 Development affecting a Conservation Area

Question 94

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy HE2

Development affecting a Conservation Area

1. Development proposals within, affecting the setting of, or views into and out of a conservation area, will be supported where they are designed to preserve or enhance all features that contribute positively to the area's special character or appearance;

2. Development should be of high-quality contextual design so that they preserve or enhance a conservation area's significance and have particular regard to:

a. conservation area character appraisal & management plan documents where these have been prepared;
b. townscape, buildings, rooflines and the relationships between buildings;
c. plot coverage and open spaces, including gardens;
d. scale, form, elevational hierarchy, fenestration pattern, ornamentation and materials;
e. trees, topography, boundaries and other landscape features;
f. important views, including those contained within relevant conservation area appraisals and other local views; and
g. retain unlisted/non designated heritage assets or other structures that make a positive contribution to the character or appearance of the area.

3. Harm to the significance of a conservation area will be permitted only where this is outweighed by the public benefits of the proposal and has clear and convincing justification. Substantial harm or total loss of significance of a conservation area will only be permitted where it can be demonstrated that the harm or loss is necessary to achieve substantial public benefits that outweigh that harm or loss.

Planning applications for development within or adjacent to a conservation area will be required to include an evidence-based Heritage Statement that demonstrates a clear understanding of the significance of the conservation area, any related individual or group heritage assets affected by proposals and the impact on heritage significance, as applicable.

Question 95

Do you support or object to Policy HE2? What would you add, remove or amend to support it further or to remove your objection?

49 Policy HE3 Parks & gardens

49.0.1 The borough contains four grade II sites on Historic England's register of historic parks and gardens. These are Lees Court, Belmont House, Doddington Place and Mount Ephraim. These semi-natural landscapes were created to serve the grand homes of the landed gentry and big industrial business proprietors and are of significance because of the striking nature of aspects of their designed landscapes. Each displays a range of landscaping, ranging from the highly ornate to the more naturalistic in style in the vein of the most famous English landscape gardener, Lancelot 'Capability' Brown.

49.0.2 Historic Parks and Gardens are a fragile and finite resource that can easily be damaged beyond repair or lost forever. To identify those sites that are of particular historic importance, Historic England is enabled by government to compile the 'Register of Parks and Gardens of special historic interest in England'. Inclusion in the Register recognises that the site is of national importance and they comprise a variety of features including open space, flora, water features, cemeteries, archaeological remains and buildings.

49.0.3 Registration is a 'material consideration' in the planning process, meaning that planning authorities must consider the impact of any proposed development on the special interest of the park or garden.

49.0.4 Applications that affects a registered historic park and garden or their wider setting should be supported by a heritage statement which includes a statement of significance proportionate to the scale and nature of the proposed works.

49.0.5 A number of other parks and gardens, both in private and public ownership, are undesignated but nonetheless play an important role, contributing to the character and distinctiveness of the borough and providing a focus for conservation, access projects, interpretation, education and research. These are considered to be locally important by way of their particular historic or design interest, and the contribution they make to the landscape quality and character of the area; such sites are afforded protection under 50 Policy HE4 Non-designated Heritage Assets.

Question 96

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy HE3

Parks & gardens

1. Development that affects a registered historic park and garden or their wider setting will be supported where they:

a. do not harm the layout, design, character, appearance or setting of the park or garden, or key views into or out from the park or garden;
b. are sensitive to the original design intention and subsequent layers of design and the functional evolution of the park or garden and do not prejudice any future restoration; and,
c. would enhance or better reveal the significance of the Historic Park and garden or would help to secure a sustainable future for a feature within it.

2. Harm to an element that contributes to the significance of a Registered Historic Park and Garden will only be permitted where this is outweighed by the public benefits of the proposal. Substantial harm or total loss to the significance of a Registered Historic Park and Garden will only be permitted where it can be demonstrated that the harm or loss is necessary to achieve substantial public benefits that outweigh that harm or loss.

49 Policy HE3 Parks & gardens

Question 97

Do you support or object to Policy HE3? What would you add, remove or amend to support it further or to remove your objection?

50 Policy HE4 Non-designated Heritage Assets

Non-designated Heritage Assets (Including Locally listed Buildings, un-registered parks and gardens and Area of High Townscape Value)

50.0.1 Non-designated heritage assets can vary in type and form and should possess a degree of heritage significance that merits consideration in planning decisions. Non-designated heritage assets can be either buildings including locally listed buildings and structures, places such as Sittingbourne's Area of High Townscape Value or non-built assets such as archaeological assets and parks and gardens. Non-designated heritage assets are not protected in the same way as Designated Heritage Assets but the identification of them as a non-designated heritage asset is a planning consideration when determining applications.

50.0.2 The borough contains many buildings, structures and areas that are not statutorily listed but are nonetheless of special historic, architectural, townscape, landscape, social or cultural interest in their local area. These are important to our local communities and make a valuable contribution to local distinctiveness, sense of history and understanding of place. Many of these are captured in the Local Heritage List which identifies heritage assets that are important to the local area but are not statutorily designated. The Local Heritage List defines what is significant about them and identifies assets using selection criteria detailed in a 'Local Heritage List' document. This document and further information of the Local Heritage List is available on the Council website[351].

50.0.3 Outside the designated conservation area, the Area of High Townscape Value south of Sittingbourne town centre, has a coherent local character, based on townscape, architecture and spatial qualities. Its significance is derived from the combined qualities of groups of elements rather than the value of the elements taken individually. It is an area of Victorian and Edwardian housing, parks, cemeteries, trees and open spaces that mark an important period in the town's post-industrial expansion with many of its street trees being a poignant reminder of the town's marking of The Great War. The Council's objectives in this area are to encourage a high standard of design of new development, the retention and reinstatement of original features and the preservation of the spaces between buildings, landscaping and parks, alongside the retention and expansion of its street trees.

50.0.4 Development proposals that affect non-designated heritage assets with an archaeological significance, or potential significance, should be appropriately investigated and measures taken to protect and record any historic remains. A programme of archaeological recording may be required to be carried out including phases of desk-based assessment and fieldwork, post-excavation analysis, publication of the results and deposition of the site archive in an appropriate repository.

50.0.5 Any archaeological non-designated heritage assets that are demonstrably of equal significance to a Scheduled Monument by way of a heritage assessment and/or Government guidance should be considered under the same policy as a Scheduled Monument, in accordance with National Planning Policy Framework [352] (NPPF para 213 and footnote 75). The relevant Local Plan policy is 51 Policy HE5 Archaeology.

50.0.6 Non-registered parks and gardens are often less apparent than designated sites but nonetheless play an important role, contributing to the character and distinctiveness of the borough and providing a focus for conservation and access projects, interpretation, education and research.

50.0.7 There are a number of processes through which non-designated heritage assets may be identified, including the local heritage list, local and neighbourhood plan-making processes, conservation area appraisals and reviews and as part of the decision-making process on planning applications. Additionally, the Council has a rolling programme of evaluating and recognising the importance and value of local

351 https://swale.gov.uk/planning-and-regeneration/heritage-and-landscape/local-heritage-list
352 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

non-designated heritage assets, through periodic reviews and updates of the Local Heritage List. Any development proposals that relate to non-designated heritage assets and their settings must be accompanied by an assessment of their significance.

Question 98

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy HE4

Non-designated Heritage Assets

1. The Council will actively seek to retain and conserve non-designated heritage assets including those on the Swale's Local Heritage List. Development proposals affecting a non-designated heritage asset or its setting will be supported where they conserve those elements that contribute to its significance.

2. Where development would remove, harm or undermine the significance of such assets, or their contribution to the character and/or appearance of a place, a balanced judgement will be made having regard to the scale of the harm and significance of the heritage asset.

Prior to any approved demolition, alteration, extension or restoration of non-designated heritage assets, the Council may require appropriate building or archaeological recording, relevant to the asset's significance and the scope of works.

Question 99

Do you support or object to Policy HE4? What would you add, remove or amend to support it further or to remove your objection?

51 Policy HE5 Archaeology

51.0.1 Swale has an extensive and important archaeological resource stemming from the borough's strategic position. Half-way along the north coast of Kent, Swale has been an important conduit for transport and communication between London and the open sea, and between inland Kent and the Thames Estuary. Its small towns grew up along creeks cutting inland from the coast whereas its largest port, Sheerness, reflects its wider, global maritime role.

51.0.2 Swale's archaeological heritage covers a vast expanse of time – perhaps over half-a-million years. There have been numerous finds of palaeolithic artefacts in Swale, many from gravel pits such as at Teynham and Hartlip, Bapchild and Tonge, but also collected from the surface. Most of the evidence is in the form of hand axes, as well as the remains of animals that lived alongside early humans such as woolly mammoth and rhinoceros. Though such finds are ephemeral, they represent the great majority of the period within which humans lived in Swale and have the potential to tell us much about humanity's remote past. The end of the last glaciation saw the emergence of new flint technologies reflected in numerous finds of Mesolithic flints such as the chipping floor at High Halstow which produced over 1,000 flint finds and another flint working site at Sittingbourne.

51.0.3 Permanent occupation in Swale seems to have begun in the Neolithic period, as perhaps evidenced by occupation sites at High Halstow, Grovehurst and Kingsborough Manor on Sheppey. Means of exchange are indicated by a possible log boat from Murston. Although burial monuments may well have been constructed in the Neolithic, none have been found so far in Swale and it is not until the Bronze Age that such sites are found, for example as at Shrubsoles Hill and the Aspire School where ring-ditches that would have been constructed around burial mounds have been found. Settlement expanded and occupation comprising huts, ditches and enclosures have been found at Kemsley, Shrubsoles Hill, Kingsborough Manor, Neatscourt and Iwade.

51.0.4 During the Iron Age, a salt-extraction industry seems to have emerged in the borough as evidenced by finds of kiln lining from Neatscourt and High Halstow. Cremation became the main burial rite, as seen in several cemeteries that were established across the borough, for example at Milton Regis, Faversham, and Borden.

51.0.5 During the Roman period, Swale played an important role. The main London to Dover (via Canterbury) Road – Watling Street – ran roughly along the line of the A2 and along it were at least 20 Roman villas, for example at Blacklands, Bax Farm, Sheldwich and Borden. Many of these were close to the creeks that penetrate inland and which were probably transportation routes for the major salt-making and pottery fabrication industries in the area – the marshes north of Upchurch and Lower Halstow contain very many salt and pottery manufacturing sites. Swale also had an extensive ritual landscape with a temple at Boxted (scheduled monument), a walled cemetery near Sittingbourne, a Roman mausoleum at Stone Chapel (scheduled monument) and a possible temple at Luddenham, as well as cremation and inhumation cemeteries from across the borough.

51.0.6 Numerous Roman settlement sites have also been found across Swale. During the Anglo-Saxon period several important centres emerged. Faversham, Milton Regis and Minster became estate centres and trading places and there were numerous small settlements across the borough. Early churches were also found at Teynham, Minster (being accompanied by a 7th century nunnery) and Newington. Early cemeteries containing grave goods have also been found across the borough including at Milton, Faversham and the Meads, Sittingbourne.

51.0.7 Maritime trade is indicated by the Graveney Boat, which dates to the late 9th century and is now in the National Maritime Museum. During the Medieval period, Faversham continued to be an important centre focused on the Abbey (founded 1148) whilst Sittingbourne grew in importance and gradually overtook Milton Regis. Queenborough was founded as an entirely new town and settlements spread across the borough. These are witnessed by the large number of churches and chapels, and high and low status domestic buildings that still survive, as well as archaeological monuments such as salt mounds, deneholes, field systems and fishtraps.

51 Policy HE5 Archaeology

51.0.8 The Post Medieval period saw the rapid expansion of population and settlement in Swale. Key industries were based here such as the nationally important gunpowder industry around Faversham, ship-building in Sheerness and an emerging aviation industry on Sheppey, the archaeological remains of which still survive. There is a wealth of surviving maritime heritage in the form of shipwrecks, barges (both floating and hulks) docks and port installations. The continuing importance of the borough in national and international affairs is demonstrated by the wide range of military sites that still exist in Swale – ranging from the 17th century defences of Sheerness to the stop lines dating from both World Wars. Many historic structures relating to these themes still survive. Often, they have no statutory protection, such as most of the World War structures, and are therefore highly vulnerable. Numerous historic parks and gardens also came into being during this period.

51.0.9 The borough's archaeological heritage sites in a landscape that is also characterised by many survivals from the past and the landscape that is visible today is the result of many centuries of evolution and the pattern of roads, tracks, field boundaries and hedgerows that gives the modern landscape its character is firmly rooted in the past.

51.0.10 The Swale Heritage Strategy [353] (March 2020) presents the overarching strategy for the management of the historic environment in Swale. The Strategy contains a detailed thematic review of the heritage of the borough, identifies its vulnerabilities and opportunities and makes recommendations for the future management of the heritage resource.

51.0.11 Individual archaeological sites will have their own particular vulnerabilities, but the archaeological resource of the borough will generally be vulnerable to natural processes such as erosion and climate change, rural activities such as ploughing and other agricultural techniques, construction and development, including utilities, services and infrastructure works, change of use and general neglect. All of these serve to degrade the archaeological resource and reduce its significance and potential for improving life in the borough.

51.0.12 Archaeological significance derives from whether the heritage asset 'holds, or potentially holds, evidence of past human activity worthy of expert investigation at some point.' When preparing development proposals that affect heritage assets it is essential that the heritage interest of the site is correctly assessed. When the heritage interest is an archaeological site, the assessment should include a desk-based assessment and, when necessary, archaeological fieldwork.

51.0.13 Swale's archaeological resource includes both designated and non-designated heritage assets. Designated heritage assets are those protected by law. These include Scheduled Monuments which are mostly archaeological sites and monuments. Other designated assets will also have an archaeological component. Listed Buildings, Registered Parks and Gardens, Protected Military Remains and Conservation Areas all contain archaeological remains that must be treated appropriately within development management processes.

51.0.14 There are several information resources for Swale's archaeological heritage: The Swale Heritage Strategy includes thematic reviews of the borough's heritage including a chapter reviewing Swale's archaeological heritage. The Kent Historic Environment Record [354] is the main database of archaeological discoveries and activities and built heritage assets in Kent. The National Heritage List for England[355] contains information on all designated heritage assets. Kent Farmsteads Guidance [356] (2014, Historic England and Kent Downs AONB Team) The Kent Gardens Trust are currently reviewing many of the Swale sites in the Kent Compendium of Parks and Gardens [357] 'Archaeologia Cantiana' (the journal of the Kent Archaeological Society) and the Kent Archaeological Review [358] (the journal of the former Council for Kentish Archaeology).

353 https://swale.gov.uk/your-council/strategies-and-policies/swales-heritage-strategy
354 https://www.kent.gov.uk/leisure-and-community/history-and-heritage/historic-environment-record
355 https://historicengland.org.uk/listing/the-list
356 https://democracy.kent.gov.uk/documents/s40761/B2%20Appendix%20Part_1_Kent_Farmsteads_Guidance_2013_24%205%2013.pdf
357 https://heritage.kent.gov.uk/Source/SKE12972
358 https://archaeologydataservice.ac.uk/library/browse/series.xhtml?recordId=17

51.0.15 The Council will promote the enjoyment of Swale borough's archaeological resource through the preservation, protection and enhancement of archaeological sites, monuments and historic landscape features, and will seek to encourage and develop their educational, recreational and tourist potential through research, public access, management and interpretation.

Question 100

Do you have any specific comments on the preamble above? What would help make it more focussed, relatable or complete?

Policy HE5

Archaeological heritage

Where a development proposal will affect, or has the potential to affect, sites with archaeological interest, planning permission will be supported where:

1. They are accompanied by the necessary level of information to enable an assessment to be made as to the likely impact of the proposed development on the archaeological deposits affected, including desk-based assessment, and if necessary, archaeological fieldwork, that:

a. characterises the nature, extent and condition of the archaeological deposits in the development area;
b. assesses the significance of the deposits and the contribution made by their setting;
c. describes and assesses the impact of the development proposals on the archaeological deposits, their significance, and their setting; and,
d. describes how the archaeological deposits will be protected during development. Where this is not possible the assessment should clearly justify why this is not possible and should describe the proposals for mitigating any impacts.

2. They will not result in harm to an element that contributes to the significance or setting of a Scheduled Monument or other nationally important remains, unless that harm is outweighed by the public benefits of the proposal. Substantial harm or total loss of a Scheduled Monument or other nationally important remains will be permitted only where it can be demonstrated that the substantial harm or loss is necessary to achieve substantial public benefits that outweigh that harm or loss;

3. They are designed to enhance or better reveal the significances of an archaeological site or will help secure a sustainable future for an archaeological site at risk; and,

4. The impact of the proposal is acceptable in principle and detailed mitigation measures have been agreed with the Council that may include, where appropriate, archaeological monitoring, investigation, provision for recording, analysis, publication, archive deposition and community involvement.

Question 101

Do you support or object to Policy HE5? What would you add, remove or amend to support it further or to remove your objection?

52 Implementation and Monitoring

52.0.1 The successful implementation of the Local Plan vision and objectives cannot be achieved by the Council alone and will involve multiple stakeholders and partners who will work alongside the Council to deliver set goals. A wide range of stakeholders have been involved at various stages in the preparation of the Local Plan and the Council will continue to work in partnership with public, private and voluntary sector agencies to establish robust delivery mechanisms and make the most of funding opportunities in order to deliver the strategy.

52.0.2 It is recognised that there are external factors that will have an influence on delivering the Local Plan strategy. Successfully achieving the Local Plan vision and objectives is dependent on the extent to which the Plan policies are being implemented effectively. The Local Plan will be monitored regularly against policy specific indicators which will be set out in a monitoring framework at a later stage of the plan making process. This will help determine if the policies are achieving the intended policy outcomes.

52.0.3 The main mechanism for reporting the monitoring information will be the Authority Monitoring Report (AMR), which will be published on a yearly basis. The latest published version of the AMR is available on the council's website[359].

52.0.4 The National Planning Policy Framework [360](NPPF para 34) requires Policies in local plans to be reviewed to assess whether they need updating at least once every five years. Along with the monitoring framework, the triggers and key considerations for updating local plan policies will be developed as the plan making process progresses.

Question 102

Do you have any comments on the monitoring and delivery section of the Local Plan?

Question 103

Do you have any further comments to make on any aspect of the consultation that you haven't yet made?

359 https://swale.gov.uk/planning-and-regeneration/local-plans/planning-policy
360 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

Glossary

Accretion (coastal): Land mass increasing due to addition of sediment.

Active Travel: Active travel means a mode of transport that involves physical activity such as walking and cycling to get from one destination to another - including travel to and from the places we live, work, learn, visit and play.

Affordable housing: Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision. 238 The Swale Local Plan Review February 2021 9 Glossary of terms Social rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.

Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).

Intermediate housing is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

Homes that do not meet the above definition of affordable housing, such as “low cost market” housing, may not be considered as affordable housing for planning purposes.

Agrivoltaics: the inherently combined use of land for solar PV generation and agriculture.

Air Quality Management Areas: These are declared in areas where national objectives for air quality are not being met, or at risk of not being met. They are declared by a Local Authority who must then prepare an Action Plan to identify measures to meet the national air quality objectives.

Albedo: Measure of the reflectivity of a surface, defined as the fraction of incident light or radiation that is reflected by that surface.

Ancient woodland: An area that has been wooded continuously since at least 1600 AD.

Appropriate Assessment/Habitats Regulation Assessment: Study carried out to make sure that sites which are important for biodiversity at European level are protected and will not be damaged by proposals and policies.

Archaeological interest: There will be archaeological interest in a heritage asset if it holds, or potentially may hold, evidence of past human activity worthy of expert investigation at some point. Heritage assets with archaeological interest are the primary source of evidence about the substance and evolution of places, and of the people and cultures that made them.

Article 4 direction: A direction which withdraws automatic planning permission granted by the General Permitted Development Order.

Benefit Area: defined geographic region or area that is expected to receive specific benefits or advantages from a project or development.

Biodiversity Opportunity Area: BOA maps can be seen as a spatial reflection of the Kent Biodiversity Strategy. They indicate where the delivery of Kent Biodiversity Strategy targets should be focused in order to secure the maximum biodiversity benefits.

Glossary

British Standard (BS): These are standards published by the British Standard Institution which is the the national standards body of the UK**.**The “EN” prefix indicates that the standard has been adopted by a regional European standardising body.

Building Research Environmental Assessment Methodology: an environmental assessment for rating and certifying non-residential development.

Caravan: Mobile living vehicle used by Gypsies and Travellers; sometimes referred to as trailers. Also used for holiday accommodation.

Coastal squeeze: the loss of natural habitats, or a deterioration in their quality, caused by man-made structures or human activity. As sea levels rise, these structures/activities prevent habitats from naturally migrating inland, causing them to be squeezed.

Carbon dioxide equivalent (CO2e). The sum of a mixture of gases, in terms of their climate-changing impact in a 100-year period expressed as the amount of CO2 that would have the same effect. Often shortened to ‘carbon’.

Carbon offsetting: offsetting in the built environmental is a financial contribution to an official body (e.g. local authority) to compensate for a shortfall in the required amount of carbon emissions reduction on-site.

Chalet: A small, permanent single storey cabin or house used by holiday-makers, often forming a unit within a holiday complex.

Conservation Area: A conservation area is an area of special architectural or historic interest, the character or appearance of which it is desirable to preserve or enhance.

Committee on Climate Change(CCC): The Committee on Climate Change (CCC) is an independent, statutory body established under the Climate Change Act 2008 and its purpose is to advise the UK and devolved governments on emissions targets and to report to Parliament on progress made in reducing greenhouse gas emissions and preparing for and adapting to the impacts of climate change.

Chartered Institution of Building Services Engineers Technical Memorandum (CIBSE TM52 and CIBSE TM59): are standard approach that uses dynamic thermal analysis to predict risk of overheating in building design.

Development Management (DM) policies: Influence the type and location of development by setting design standards, mitigating environmental impacts, promoting social and community development, and addressing infrastructure requirements. They also provide a framework for local authorities to decide on planning applications, influencing the type, scale, and location of developments.

Development plan: a set of statutory documents prepared by a local planning authority (or combined authority) that sets out the framework for how land in an area should be used and developed.

Economic Development: Development, including those within the B Use Classes, public and community uses and main town centre uses (but excluding housing development).

Ecological Networks: These link sites of biodiversity importance.

Ecosystem Services: The benefits people obtain from ecosystems such as, food, water, flood and disease control and recreation.

Embodied Carbon: carbon that was emitted during the production, transport and assembly of a building, infrastructure, vehicle or other product, before the product is in use. As opposed to ‘operational carbon’ which is emitted due to energy use when operating the building / infrastructure / vehicle / other product.

Energy Use Intensity (EUI): a measure of how much energy a building uses per square metre of floor. Expressed in kilowatt-hours per square metre of floor space per year.

Flood levies: a financial charge to assist with costs associated with flood risk management.

Geodiversity: The range of rocks, minerals, fossils, soils and landforms.

Gigabit ready infrastructure: Gigabit-ready infrastructure is a physical network setup that can support future gigabit-speed internet connections and includes components like ducts, cables, and a network termination point inside a building. For new builds, this infrastructure, such as fibre optic cabling and conduits, must be installed from a distribution point to each home to ensure they are future-proofed for high-speed internet, even if a gigabit connection is not immediately installed.

Gigabit capable broadband connections: Gigabit-capable broadband connections offer speeds of at least 1 gigabit per second (Gbps), or 1,000 megabits per second (Mbps), and are typically delivered using full-fibre (FTTP) technology, where fibre-optic cables run directly to the property. Other technologies, such as some cable networks, can also be gigabit-capable. This type of connection is much faster than traditional broadband and is ideal for activities like downloading large files, streaming in high definition, and using many devices simultaneously.

Green Infrastructure: A network of multi-functional green spaces, urban and rural, which is capable of delivering a wide range of environmental and quality of life benefits for local communities. Can include:

- Parks and gardens - including urban parks, country parks and formal gardens;
- Designated and non-designated natural and semi-natural urban and rural green spaces and landscapes - woodlands, urban forestry, street trees, scrub, grassland, downland, commons and meadows, The Swale Local Plan Review February 2021 241 Glossary of terms 9 wetlands, open and running water, wastelands and derelict open land and rock areas. May include historic landscapes and other heritage assets;
- Green corridors - including river and canal banks, road verges, railway embankments, cycle ways, and rights of way;
- Outdoor public or private sports facilities;
- Amenity green space – informal recreation spaces, green spaces in and around housing, domestic gardens and village greens;
- Outdoor play and informal areas;
- Allotments, community gardens and urban farms;
- Cemeteries and churchyards;
- Accessible countryside in urban fringe areas; and
- Green roofs and walls.

For further expansion see the South East Green Infrastructure Framework: From Policy into Practice 2009. The South East Green Infrastructure Partnership a body comprising Natural England, Environment Agency, Government Office for the South East, Forestry Commission, Wildlife Trusts in the South East, Groundwork and the (then) South East England Partnership Board.

Gypsy: Members of Gypsy or Traveller communities. Usually used to describe Romany (English) Gypsies originating from India. This term is not acceptable to all Travellers.

Gypsies and Travellers: Consistent with the Housing Act 2004, inclusive of: all Gypsies, Irish Travellers, New Travellers, Show People, Circus People and Gypsies and Travellers in bricks and mortar accommodation.

Home Energy Model (HEM): A new government calculation methodology designed to assess the energy performance of homes in the UK, set to replace the Standard Assessment Procedure (SAP) in 2025.

Infrastructure Delivery Plan: A strategic document that outlines the infrastructure needs of a community or area to support sustainable development and growth.

Intergovernmental Panel on Climate Change (IPCC): The Intergovernmental Panel on Climate Change (IPCC) is the United Nations body for assessing the science related to climate change.

Kilowatt-hours per square meter (Kwh/m^2): energy consumption of a building measured in kilowatt-hours per square meters and used in assessing energy efficiency.

Glossary

Listed buildings: Buildings of special architectural or historic interest. The protection afforded to a listed building includes its interior and any historic fixtures and fittings. Objects or structures within the curtilage of a listed building, unless constructed after 1 July 1948, are also protected.

Local Development Order: An Order made by a local planning authority (under the Town and Country Planning Act 1990) that grants planning permission for a specific development proposal or classes of development.

Local Development Scheme (LDS): a requirement under section 15 of the Planning and Compulsory Purchase Act 2004 (as amended). It is a public project plan identifying which local development documents will be produced, in what order and when. It must specify (among other matters) the development plan documents (i.e. local plans) which, when prepared, will comprise part of the development plan for the area. Local planning authorities are encouraged to include details of other documents which form (or will form) part of the development plan for the area, such as Neighbourhood Plans.

Microgeneration Certificate Scheme (MCS): certifies, quality assures and provides consumer protection for microgeneration installations and installer of renewable energy.

Natural Flood Management: managing flood and coastal erosion risk by protecting, restoring and emulating the natural 'regulating' function of catchments, rivers, floodplains and coasts.

National Planning Policy Framework (NPPF): sets out government's planning policies for England and how these are expected to be applied.

National Planning Practice Guidance (PPGs): Offers additional context and detail for the policies outlined in the NPPF.

Operational carbon: Carbon dioxide emitted during the operational phase of a development**.**

Partnership Funding: Partnership funding refers to a collaborative arrangement between two or more organizations that join forces to pursue a common goal or project using grant funding.

Performance gap: The difference between the amount of energy a building is predicted to use during design, versus the actual amount of energy it uses. The gap is due to poor prediction methodologies, errors in construction, and unexpected building user behaviour.

Photovoltaics/PV: solar panels that generate electricity.

Passivhaus Planning Package (PHPP): a tool to accurately predict a building's energy use. It is used to design buildings that seek Passivhaus certification but can be used without pursuing certification.

Preamble: a preliminary or preparatory statement; an introduction.

Protected trees: trees protected by a Tree Preservation Order, those located within a Conservation Area and hedgerows meeting the criteria of "important hedgerow" in the Hedgerow Regulations.

Ramsar: A Ramsar site is a wetland site designated to be of international importance under the Ramsar Convention.

Regulated energy: Carbon emissions associated with energy uses that are 'regulated' by Building Regulations Part L. This covers permanent energy uses in the building, (space heating, space cooling hot water, fixed lighting, ventilation, fans, and pumps).

Regulation 18: a local plan consultation document, named after Regulation 18 of the Town and Country Planning (Local Plan) (England) Regulations 2012. It is the first formal consultation stage required of a local planning authority in the preparation of a Local Plan.

Regulation 19: a local plan consultation document, named after Regulation 19 of the Town and Country Planning (Local Plan) (England) Regulations 2012. It is the second formal consultation stage required of a local planning authority in the preparation of a Local Plan. It sets out the proposed policies for an area. It is often called the Publication Stage plan.

Residual risk: in terms of flood risk terms, residual risk refers to the remaining risk of flooding after all mitigation measures have been implemented to protect a site from flooding, of if these measures (eg flood defences) fail.

Rural Exception Sites: Small sites used for affordable housing in perpetuity where sites would not normally be used for housing. Rural exception sites seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. Small numbers of market homes may be allowed at the local authority's discretion, for example where essential to enable the delivery of affordable units without grant funding.

Serviced Plot: land with access to a public highway and connections (or reasonably deliverable connections) for electricity, water, and wastewater.

Sequestration: Removal and storage of carbon dioxide (or other greenhouse gases/GHGs) so that it cannot perform its harmful climate-changing role in the atmosphere. Currently only achieved by trees/plants and soil. May be achieved by technologies in future.

Shoreline Management Plans: a strategy for managing flood and erosion risk for a particular stretch of coastline, over short, medium and long-term periods.

Site of Special Scientific Interest: Sites designated by Natural England under the Wildlife and Countryside Act 1981.

Space Heat Demand: The amount of energy needed to heat a building to a comfortable temperature. Expressed in in kilowatt-hours per square metre of floor space per year.

Special Areas of Conservation: Areas given special protection under the European Union's Habitats Directive, which is transposed into UK law by the Habitats and Conservation of Species Regulations 2010.

Special Protection Areas: Network of areas within European Union countries that have been identified as being of international importance for the breeding, feeding, wintering or the migration of rare and vulnerable species of birds. These sites are designated under the EU Birds Directive.

Standard Assessment Procedure (SAP) : the national calculation method for residential buildings' energy and carbon, used to satisfy building regulations Part L.

Statutory Consultation: In planning it is a legally mandated process where local authorities must consult specific individuals, groups, and organizations about certain planning decisions or policies.

Stepping Stones: Pockets of habitat that, while not necessarily connected, facilitate the movement of species across otherwise inhospitable landscapes.

Strategic Flood Risk Assessment (SFRA): Local Planning Authorities should carry out SFRAs for their areas to help parties consider flood risk in planning decisions.

Sustainable Development: Development that meets the needs of the present generations without compromising the ability of future generations to meet their own needs.

Strategic Policies: Strategic policies in planning establish the overarching strategy and scale for an area, guiding development for a desired future by providing a framework for housing, employment, infrastructure, and environmental protection, as defined by national and local planning documents like the UK's National Planning Policy Framework (NPPF). These high-level policies address cross-boundary issues and long-term priorities, setting the stage for more detailed, non-strategic policies found in local or neighbourhood plans. Swale will include these at the Reg 19 stage of the Local Plan.

Supplementary Planning Documents: Documents which add further detail to the policies in the Local Plan. They can be used to provide further guidance for development on specific sites, or on particular issues, such as design. Supplementary planning documents are capable of being a material consideration in planning decisions but are not part of the development plan.

Sustainable Urban Drainage System (SuDS): Means of managing surface water drainage to reduce flooding and pollution impacts and provide multifunctional benefits.

Glossary

Transition window: The National Planning Policy Framework [361](NPPF 2024) put in place transitional arrangements to support progress of advanced plans in line with the Government's objective of achieving ambitious Local Plans as quickly as possible. Plans that are submitted by December 2026 can be prepared against the current plan making legislation/guidance (the 'transition window').

Transport Assessment: A comprehensive and systematic process that sets out transport issues relating to a proposed development. It identifies what measures will be required to improve accessibility and safety for all modes of travel, particularly for alternatives to the car such as walking, cycling and public transport and what measures will need to be taken to deal with the anticipated transport impacts of the development.

Transport Statement: A simplified version of a transport assessment where it is agreed the transport issues arising out of development proposals are limited and a full transport assessment is not required.

Travelling Showpeople: Commonly referred to as Showmen, these are a group of occupational Travellers who work on travelling shows and fairs across the UK and abroad.

Use Classes: The Town and Country Planning (Use Classes) Order 1987 (as amended) puts uses of land and buildings into various categories known as 'Use Classes'. 'Change of use' can occur within the same use class or from one use class to another.

Wildlife Corridor: Areas of habitat connecting wildlife populations.

Windfall Sites: Sites which have not been specifically identified as available in the Local Plan process. They normally comprise previously-developed sites that have unexpectedly become available.

Whole life carbon: refers to the total greenhouse gas emissions associated with a built asset throughout its entire lifecycle. This includes all emissions from the extraction of raw materials, manufacturing, construction, operation, maintenance, and eventual demolition and disposal of the asset.

Veteran trees: A tree which, because of its great age, size or condition is of exceptional value for wildlife, in the landscape, or culturally.

361 https://assets.publishing.service.gov.uk/media/67aafe8f3b41f783cca46251/NPPF_December_2024.pdf

List of acronyms

AMR Authority Monitoring Report

AONB Areas of Outstanding Natural Beauty

AQA Air Quality Assessment

AQAP Air Quality Action Plan

AQMA Air Quality Management Area

BA Benefit Area

BAP Best Available Practice

BAP Biodiversity Action Plan

BLR Brownfield Land Register

BNG Biodiversity net gain

BOA Biodiversity Opportunity Area

BRE Building Research Establishment

BREEAM Building Research Establishment Environmental Assessment Method

BS British Standard

CCC Committee on Climate Change

CCMA Coastal Change Management Areas

CCVA Coastal Change Vulnerability Assessment

CIL Community Infrastructure Levy

CIBSE TM Chartered Institution of Building Services Engineers Technical Memorandum

CO2e Carbon dioxide equivalent

CPRE Campaign to Protect Rural England

CROW Countryside and Rights of Way Act 2000

CWIS Cycling and Walking Investment Strategy

Defra Department for Environment, Food & Rural Affairs

DfT Department for Transport

DPD Development Plan Document

DTC Duty to Cooperate

EA Environment Agency

ELR Employment Land Review

FRA Flood Risk Assessment

FCERM Flood and Coastal Erosion Risk Management

GES Good Environmental Status

G&T Gypsy and Travellers

GIA Gross Internal Area

List of acronyms

GTAA Gypsy and Travellers Accommodation Assessment

HEM Home Energy Model

HLS Housing Land Supply

HMA Housing Market Assessment

HRA Habitats Regulation Assessment

HTL Hold the line

HQM Home Quality Mark

IDP Infrastructure Delivery Plan

ILCG Important Local Countryside Gap

IPCC Intergovernmental Panel on Climate Change

KCC Kent County Council

KCWIP Kent Cycling and Walking Infrastructure Plan

Kwh/m² Kilowatt-hours per square meter

LAQM Local Air Quality Management

LCWIP Local Cycling and Walking Infrastructure Plan

LDO Local Development Order

LDS Local Development Scheme

LGS Local Green Space

LLFA Lead Local Flood Authority

LNP Local Nature Partnership

LNR Local Nature Reserve

LPA local planning authority

LPR Local Plan Review

LTC Lower Thames Crossing

LNRS Local Nature Recovery Strategy

LWS Local Wildlife Sites

MCZ Marine Conservation Zones

MEAS Medway Estuary and Swale Flood and Coastal Erosion Risk Management Strategy

MHCLG Ministry of Housing, Communities & Local Government

MMO Marine Management Organisation

NCA National Character Areas

NCERM National coastal erosion risk map

NDO Neighbourhood Development Order

NDSS Nationally Described Space Standards

NNR National Nature Reserve

NP Neighbourhood Plan

NPPF National Planning Policy Framework

PF Partnership Funding

PHPP Passivhaus Planning Package

PPA Planning Performance Agreement

PPG Planning Practice Guidance

PPTS Planning Policy for Traveller Sites

PV Photovoltaics

RICS Royal Institution of Chartered Surveyors

RNR Roadside Nature Reserve

RP Register Providers

SA Sustainability Appraisal

SAC Special Areas of Conservation

SAMMS Strategic Access Management and Monitoring Strategy

SBC Swale Borough Council

SBCH Self Build Custom Housebuilding

SCI Statement of Community Involvement

SE South East

SFRA Strategic Flood Risk Assessment

S(HMA) Strategic Housing Market Assessment

SHELAA Strategic Housing Economic Land Availability Assessment

SME Small and Medium Enterprises

SMP Shoreline Management Plans

SOCG Statement of Common Ground

SPA Special Protection Area

SPD Supplementary Planning Documents

SME Small Medium Enterprises

SSSI Site of Special Scientific Interest

SuDS Sustainable Drainage Systems

TA Transport Assessment

TCPA Town and Country Planning Association

WPVA Whole Plan Viability Assessment

Question 104

Have we missed any terms from the glossary or anything from the list of acronyms that appear in the document and would be useful to be included?

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Appendix II: Table I: Reg 18 Local Plan Development Management Policies

Policy Number	Policy Title	Commentary
Cross-cutting		
Policy G1	General Development Criteria	Updated to reflect the 2024 NPPF and new relevant legislation and the Council signing the TCPA Healthy Homes Pledge.
Good design		
Policy GD1	Local Design Principles	Updated to reflect the 2024 NPPF, new relevant legislation and relevant government design guidance. Includes additional drafting relating to design review and reference to relevant design related guidance documents.
Policy GD2	Alterations & Extensions	Updated to reflect the 2024 NPPF and new relevant legislation. Minor drafting changes.
Policy GD3	Shop fronts, signs & advertisements	Updated to reflect the 2024 NPPF and new relevant legislation. Updated for clarity, particularly the assessment criteria.
Housing		
Policy H1	Affordable Housing	Updated to reflect the 2024 NPPF, new relevant legislation and an updated evidence base. The requirement for First Homes as set out in the latest NPPF has been removed and replaced with more local flexibility on affordable home ownership tenures.
Policy H2	Small and medium sites for housing development	Updated to reflect the 2024 NPPF and new relevant legislation. No significant changes
Policy H3	Rural exception and community-led housing development	Updated to reflect the 2024 NPPF and new relevant legislation. No significant changes
Policy H4	Self-build and custom build	Updated to reflect the 2024 NPPF and new relevant legislation. Additional criteria added requiring plots in mixed

Policy Number	Policy Title	Commentary
		use development to demonstrate how they will be located within it.
Policy H5	Park Homes	Updated to reflect the 2024 NPPF and new relevant legislation. Additional criteria added to ensure new park homes are for the needs of older people as described in the SHMA and will be managed to that effect.
Policy H6	Gypsy, Traveller & Travelling Showpeople Accommodation	Updated to reflect the 2024 NPPF, and new definition of a Gypsy &Traveller in the Planning Policy for Traveller Sites (PPTS) 2024, new relevant legislation and an updated evidence base.
Policy H7	Dwellings for rural workers	Updated to reflect the 2024 NPPF and new relevant legislation. More detail added in the Policy to ensure that temporary permissions are granted where there is a robust plan demonstrating how compliance with the purpose of the policy will be achieved.
Policy H8	Extensions to, & the replacement of, dwellings in the countryside	Updated to reflect the 2024 NPPF and new relevant legislation. No significant changes.
Policy H9	Extending the garden of a dwelling in the countryside	Updated to reflect the 2024 NPPF and new relevant legislation. No significant changes.
Economic Development		
Policy E1	Loss of employment floorspace & land	Updated to reflect the 2024 NPPF, new relevant legislation and an updated evidence base. Policy amended to reflect the new Class E and permitted development changes.
Policy E2	The Rural Economy	Updated to reflect the 2024 NPPF and new relevant legislation. No significant changes.
Policy E3	Proposals for Main Town Centre Uses	Updated to reflect the 2024 NPPF, new relevant legislation and an updated evidence base. No significant changes.

Policy Number	Policy Title	Commentary
Policy E4	New Holiday Parks or extensions to existing parks & the occupancy of holiday parks	Updated to reflect the 2024 NPPF and new relevant legislation. No significant changes.
Infrastructure		
Policy INF1	Managing transport demand & impact	Updated to reflect the 2024 NPPF, new relevant legislation and an updated evidence base. No significant changes.
Policy INF2	Vehicle parking	Updated to reflect the 2024 NPPF, new relevant legislation and an updated evidence base. No significant changes.
Policy INF3	Open space, sport and recreation provision	Updated to reflect the 2024 NPPF, new relevant legislation and an emerging evidence base. No significant changes.
Policy INF4	Local Green Spaces	Updated to reflect the 2024 NPPF, new relevant legislation and an emerging evidence base. No significant changes.
Climate Change, Pollution & The Water Environment		
Policy C1	Sustainable design and adaptation principles	New policy to reflect the ambitions of the Council's Climate and Ecological Emergency.
Policy C2	Net zero operational carbon in new build residential development	New policy to reflect the ambitions of the Council's Climate and Ecological Emergency.
Policy C3	Net zero operational carbon in new build non-domestic development	New policy to reflect the ambitions of the Council's Climate and Ecological Emergency.
Policy C4	Embodied carbon and waste	New policy to reflect the ambitions of the Council's Climate and Ecological Emergency.
Policy C5	Renewable energy development and infrastructure	New policy to reflect the ambitions of the Council's Climate and Ecological Emergency.
Policy C6	Coastal change management	Updated to reflect the 2024 NPPF, new relevant legislation and an emerging evidence base. The coastal management zone,

Policy Number	Policy Title	Commentary
		and policy, have been updated to reflect new evidence that shows more land and existing development (houses) are now likely within the zone.
Policy C7	Implementing the Medway Estuary & Swale Coastal Risk Management Strategy	Updated to reflect the 2024 NPPF, new relevant legislation and an emerging evidence base. The policy looks at the possibility of setting a tariff for new development to contribute to the implementation of the Strategy.
Policy C8	Flood risk	Updated to reflect the 2024 NPPF, new relevant legislation and an emerging evidence base. The policy now highlights changes to the existing flood zone designation at Faversham Creek and boosts the importance of the sequential approach.
Policy C9	Sustainable drainage	Updated to reflect the 2024 NPPF, new relevant legislation and an emerging evidence base and to reflect changes to national standards and comments from Kent County Council as the Lead Local Flood Authority.
Policy C10	Water quality and water resources	Updated to reflect the 2024 NPPF, new relevant legislation and an emerging evidence base. The policy proposes an increased, more ambitious water efficiency standard.
Policy C11	Air quality	Updated to reflect the 2024 NPPF and new relevant legislation. The guidance in the policy has been made simpler to make it easier to use and to reflect current guidance and the updated Swale Air Quality and Planning Guidance.
Policy C12	Pollution & land instability	Updated to reflect the 2024 NPPF and new relevant legislation. No significant changes.

Policy Number	Policy Title	Commentary
Biodiversity and Landscapes		
Policy B1	Biodiversity & geodiversity conservation & BNG	Updated to reflect the 2024 NPPF, new relevant legislation and an emerging evidence base. No significant changes.
Policy B2	Conserving & enhancing valued landscapes	Updated to reflect the 2024 NPPF, new relevant legislation and an updated evidence base. No significant changes.
Policy B3	Kent Downs National Landscape Management Plan	Updated to reflect the 2024 NPPF, new relevant legislation and an updated evidence base. No significant changes.
Policy B4	The separation of settlements – Important Local Countryside Gaps	Updated to reflect the 2024 NPPF, new relevant legislation and an updated evidence base. Policy made clearer as to what the specific gaps are, including the new ones.
Policy B5	Woodland, orchards, trees and hedgerows	Updated to reflect the 2024 NPPF and new relevant legislation and edited for clarity.
Policy B6	Agricultural land	Updated to reflect the 2024 NPPF, new relevant legislation and an updated evidence base. No significant changes.
Policy B7	The Coast	Updated to reflect the 2024 NPPF, new relevant legislation and an updated evidence base. Added reference to new King Charles III England Coast path.
Policy B8	Rural Lanes	Updated to reflect the 2024 NPPF and new relevant legislation. No significant changes.
Policy B9	The keeping & grazing of horses	Updated to reflect the 2024 NPPF and new relevant legislation. No significant changes.
Historic Environment		
Policy HE1	Development involving Listed Buildings	Updated to reflect the 2024 NPPF and new relevant legislation, particularly when considering harm to a heritage asset and those assets most at risk. Edited to ensure that

Policy Number	Policy Title	Commentary
		appropriate level of information is submitted with applications.
Policy HE2	Development affecting a Conservation Area	Updated to reflect the 2024 NPPF and new relevant legislation, particularly when considering harm to a conservation area. Edited to be clearer as to the issues development should have regard to.
Policy HE3	Parks and Gardens	Updated to reflect the 2024 NPPF and new relevant legislation. Updated to preserve registered Parks and Gardens. Non-designated parks and gardens and historic/cultural landscapes and are now covered by policy HE4 and other landscape policies.
Policy HE4	Non-designated Heritage Assets	Updated to reflect the 2024 NPPF separation of designated and non-designated heritage assets. All non-designated heritage assets are subject to the same assessment considerations, therefore they are grouped and managed under a single policy. Also includes provision for recording.
Policy HE5	Archaeological	Updated to reflect the 2024 NPPF and new relevant legislation, particularly when considering harm to archaeology. Also includes provision for assets at risk, recording and archiving.

Sustainability Appraisal for the Swale Local Plan

Scoping Report Update

Draft

Prepared for:
Swale Borough Council
October 2025



Delivering a better world

AECOM

Quality information

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Cover image: Faversham Pump

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1. Introduction

1.1. Background

1.1.1. AECOM has been commissioned to undertake an independent Sustainability Appraisal (SA) in support of the emerging Swale Borough Local Plan (SBLP). Swale Borough is located in Kent, South East England. The borough boundary is depicted in **Figure 1-1**.

1.1.2. As part of preparing the Local Plan for Swale, the SA is being undertaken as a statutory requirement under Section 19 of the Planning and Compulsory Purchase Act 2004, and it incorporates the requirements of the Environmental Assessment of Plans and Programmes Regulations 2004 (the 'SEA Regulations'). The SA ensures that environmental, social, and economic considerations are integrated into the plan-making process from the outset, helping to promote sustainable development and assess reasonable alternatives.

1.1.3. The SA is being undertaken in accordance with relevant national guidance, including the National Planning Policy Framework (NPPF) and associated Planning Practice Guidance (PPG). It is an iterative process that informs the development of the Local Plan and supports its legal compliance and soundness.

Figure 1-1: Swale Borough Boundary



1.2. Planning Policy Context

1.2.1. The National Planning Policy Framework (NPPF) provides an overarching framework for development in England. It sets out the Government's planning policies for England and how these are expected to be applied. It is supported by planning practice guidance, which is a suite of policy papers covering a broad range of topics, including SEA.

1.2.2. The revised NPPF has now been published following the consultation period that ended in September 2024. The new framework includes significant reforms aimed at boosting housing supply and supporting sustainable growth. One of the key changes is the reintroduction of mandatory housing targets, which now require an increased number of dwellings in Swale Borough.

1.2.3. The Government requires all Councils to revisit their Local Plans every five years and Swale Borough Council are in the process of reviewing the current Swale Local Plan (Bearing Fruits), which was adopted in July 2017.[1] The SBLP will set out the planning framework for the borough for the period to 2042 and will cover issues such as; housing provision, the economy, retail and town centres; infrastructure provision and the environment. It will also set out policies by which planning applications will be determined, in addition to allocating land for housing, employment and other uses.

1.3. SA Explained

1.3.1. Sustainability Appraisal (SA) is a mechanism for assessing and communicating the likely effects of an emerging plan, and reasonable alternatives, with a view to achieving sustainable development and fulfilling the requirements for Strategic Environmental Assessment (SEA).

1.3.2. The aim of the SA will be to inform plan-making both directly (i.e. through structured, systematic and evidence-based analysis), and indirectly (by providing stakeholders with information on potential plan impacts and so facilitating effective consultation).

1.3.3. Undertaking SA will help ensure consistency in the development and evaluation of the SBLP.

[1] Swale Borough Council (2017). '*Bearing Fruits 2031: The Swale Borough Local Plan'* can be accessed through this link.

Strategic Environmental Assessment (SEA)

1.3.4. SA and SEA are very similar assessment processes. SEA was established at the international level, whilst SA was established at the national level. SEA is undertaken to meet the requirements of the Environmental Assessment of Plans and Programmes (England) Regulations 2004 ('the SEA Regulations'),[2] which transposes into national law the EU Strategic Environmental Assessment (SEA) Directive. It applies to many different types of plan documents. SA is a legal requirement for Local Development Plans under Section 19(5) of the Planning and Compulsory Purchase Act 2004. SA usually incorporates SEA to deliver a single assessment process that avoids repetition in the local development plan evidence base.

1.3.5. In line with the regulations, there are two key steps for SA / SEA:

- When deciding on 'the scope and level of detail of the information' which must be included in the Environmental Report there is a consultation with nationally designated authorities concerned with environmental issues; and

- A report (the 'Environmental Report') is published for consultation alongside the draft plan which presents an assessment of the draft plan (i.e. discusses 'likely significant effects' that would result from plan implementation) and reasonable alternatives.

Sustainability Appraisal and Habitats Regulations Assessment

A separate Habitats Regulations Assessment (HRA) is also being undertaken for the Local Plan. While it is a distinct workstream, its conclusions will be taken into account within the SA process to ensure consistency and alignment across assessments.

[2] UK Government (2004). '*The Environmental Assessment of Plans and Programmes Regulations 2004'* can be accessed through this link.

1.4. Scoping

1.4.1. A key procedural requirement of the SEA Regulations is to present a scope for the SA, so that the designated authorities (Historic England, Natural England and the Environment Agency) can provide timely comment.

1.4.2. Developing the draft scope for the SA as presented in this Scoping Report has involved the following steps:

- Exploring the policy context for the Plan and SA to summarise the key messages arising;
- Establishing the baseline for the SA (i.e., the current and future situation in the area in the absence of the Plan) to help identify the Plan's likely significant effects;
- Identifying particular problems or opportunities ('issues') that should be a particular focus of the SA; and
- Considering this information, developing an SA framework comprising SA Objectives and assessment questions, which can then be used as a guiding framework for the subsequent assessment.

1.4.3. The scope is explored and presented under a series of key environmental themes as follows:

- Accessibility (Community Infrastructure)
- Air Quality and Noise
- Biodiversity
- Climate Change Adaptation
- Climate Change Mitigation
- Communities and Health
- Economy and Employment
- Historic Environment
- Homes
- Landscape
- Soils and Natural Resources

- Transport
- Water

1.4.4. The selected SA themes incorporate the 'SEA topics' suggested by Schedule 2(6) of the SEA Regulations.[3] These were refined to reflect a broad understanding of the anticipated scope of plan effects. The discussion of the scoping information for each theme is presented in **Chapters 2 to 14**, and the proposed SA framework is brought together as a whole in **Chapter 15**. Each proposal within the SBLP will be assessed consistently using this Framework.

[3] UK Government (2004). '*The Environmental Assessment of Plans and Programmes Regulations 2004'* can be accessed through this link.

2. Accessibility (Community Infrastructure)

2.1. Focus of Theme

2.1.1. This theme focuses on identifying accessible locations in the borough with sustainable transport links, essential services, and inclusive infrastructure.

2.2. Policy Context

2.2.1. **Table 2-1** presents the most relevant documents identified in the policy review for the purposes of the SA.

Table 2-1: Plans, Policies and Strategies Reviewed in Relation to Accessibility (Community Infrastructure)

Document Title	Year of Publication
National	
10-Year Infrastructure Strategy	2025
National Planning Policy Framework (NPPF)	2024
Levelling-up and Regeneration Act	2023
Building for Life / Building for a Healthy Life	2020
Planning Practice Guidance	various
Planning and Infrastructure Bill	emerging
Local	
Swale Built Facility Assessment and Strategy	2024
Swale Borough Infrastructure Delivery Plan	2020

2.2.2. The key messages emerging from the review are summarised below:

- The 10-Year Infrastructure Strategy will provide a long-term vision for national infrastructure planning, with a focus on economic growth, environmental sustainability, and social well-being. It emphasises the integration of housing, transport, digital connectivity, and public services to create more resilient and accessible communities;

- The SBLP will need to have regard for the principles set out in the NPPF, which seek to retain and enhance access to community services and facilities such as educational facilities and open spaces. The NPPF recognises the benefits of having a range of local provision to support community needs, in addition to the benefits of creating cohesive communities in safe environments where the fear of crime (and crime itself) does not undermine resident quality of life. This contributes to ensuring settlement and community identities are protected. The NPPF is complimented by Planning Policy Guidance, which offers practical guidance on how local planning authorities should implement the NPPF's policies;

- The Government's Levelling Up and Regeneration Act seeks to reduce regional inequalities and promote economic growth and opportunities in less prosperous areas. It has been designed to address regional disparities, stimulate economic development, and enhance infrastructure and community well-being in order to create a more balanced and inclusive nation;

- The emerging Planning and Infrastructure Bill is designed to speed up planning approvals and infrastructure delivery, particularly for housing and transport projects. It includes provisions to encourage brownfield redevelopment and to ensure that new housing developments are supported by necessary infrastructure, such as roads, schools, and healthcare facilities;

- Building for a Healthy Life is a design framework that promotes high-quality housing developments with a focus on connectivity, community integration, and sustainability. It encourages developments that prioritise pedestrian-friendly streets, access to public transport, and the inclusion of green and blue infrastructure (such as parks and waterways). The framework also emphasises the importance of social spaces and local facilities, ensuring that new housing developments foster a sense of community;

- The Swale Built Facility Assessment and Strategy (2024) sets out a vision to help residents lead healthier, more active lives by offering the right activities in accessible, affordable, and good-quality spaces. The Council aims to improve physical activity levels, reduce health inequalities, and ensure facilities are flexible, locally available, and fit for future needs; and

- The Swale Borough Infrastructure Delivery Plan (IDP) establishes what additional infrastructure and service needs are required to support the development in to 2038. The IDP will help ensure that the identified additional infrastructure and service needs are delivered in a timely, co-ordinated and sustainable way.

2.3. Baseline Summary

Current Baseline

Facilities and Services

2.3.1. Swale Borough is located on the north coast of Kent in South East England. It encompasses the towns of Sittingbourne, Faversham, and the Isle of Sheppey (including Sheerness), offering a blend of rural, coastal, and urban environments. The borough provides a wide range of services and facilities, including healthcare, education, recreational spaces, and community amenities.

2.3.2. According to Kent County Council's education website 'KELSI', Swale is home to 61 educational institutions, including nursery schools, special schools, and pupil referral units.[4] This comprises:

- 49 primary schools (including 33 academies – the highest figure in Kent);
- Nine secondary schools (all academies); and
- Three special educational needs (SEN) schools.

2.3.3. Further education is available locally at Sheppey College, located in Sheerness.[5]

2.3.4. Specialist training and supported employment opportunities are provided by Bemix, a local programme operating within the borough.[6]

2.3.5. Healthcare services in Swale include multiple GP practices, community health centres, and minor injury units. More comprehensive care is available at Sittingbourne Memorial Hospital, Sheppey Community Hospital, Faversham Cottage Hospital, and the DMC Community Dermatology Service.[7]

[4] KELSI (2025). '*Facts and Figures 2025*' can be accessed through this link.
[5] KFE (no date). 'Our Colleges' can be accessed through this link.
[6] Kent County Council (no date). '*Specialist colleges and training providers*' can be accessed through this link.
[7] NHS (no date). '*Hospitals near Sittingbourne*' can be accessed through this link.

2.3.6. Swale also offers a broad range of other amenities and community facilities, including public parks, libraries, leisure centres, retail areas, cafés, and entertainment venues. These are primarily concentrated in the borough's larger settlements.

Barriers to Essential Services

2.3.7. The Index of Multiple Deprivation 2019 (IMD) is an overall relative measure of deprivation, combining seven different domains. Of particular relevance to the Accessibility (Community Infrastructure) SA theme is the Barriers to Housing and Services domain, which addresses the physical and financial accessibility of housing and local services. It includes indicators such as housing affordability, household overcrowding, and distance to essential services such as GP surgeries and schools.

2.3.8. Lower Super Output Areas (LSOAs)[8] are designed to improve the reporting of small-area statistics in England and Wales. These are standardised geographic units intended to be as consistent as possible, with each LSOA typically containing between 1,000 and 1,500 people. Within this context, the borough spans 85 LSOAs. In relation to the IMD 2019, LSOAs are ranked out of 32,844 in England and Wales, with a rank of 1 indicating the most deprived area.

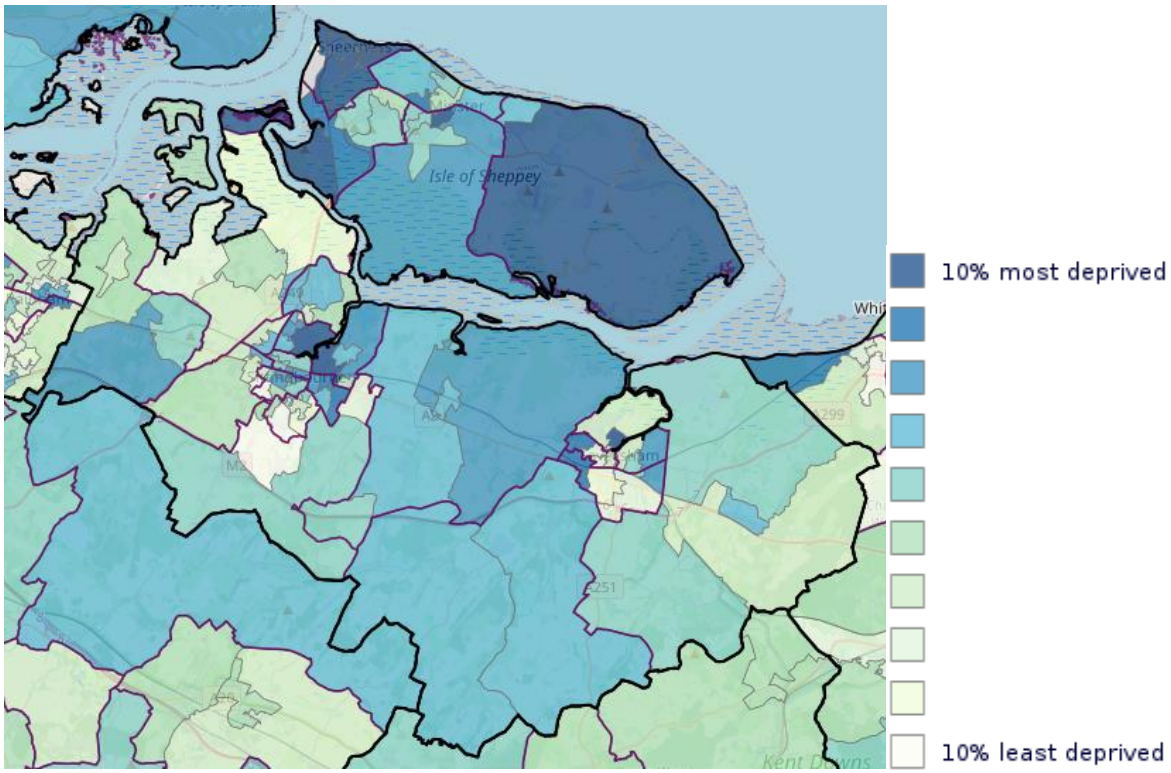
2.3.9. **Figure 2-1** shows the ranking of Swale Borough's LSOAs for the Barriers to Housing and Services domain, while **Table 2-2** provides additional details on the LSOAs within Swale Borough that fall within the 50% most deprived, or worse, areas.

2.3.10. An analysis of this data reveals mixed trends regarding the barriers to housing and services domain within the borough. Just over half of Swale Borough's LSOAs are ranked within the 50% most deprived, or worse, LSOAs. Higher levels of deprivation are found in the borough's larger settlements (Sittingbourne and Faversham) along with most of the Isle of Sheppey. Given that these areas are generally well-connected and accessible, the deprivation scores are likely to reflect housing-related factors (such as affordability and overcrowding) rather than physical access to essential services. In contrast, the more rural regions in the borough's western and eastern extents generally report less deprivation under this domain.

[8] The Indices of Deprivation Explorer can be accessed through this link.

2.3.11. As Swale Borough continues to grow, ensuring that residents can easily access essential services such as healthcare, education, and retail will remain a priority. While mainland areas of the borough generally experience fewer accessibility issues, higher levels of deprivation in certain LSOAs highlight challenges in reaching services, particularly in more peripheral areas (including the Isle of Sheppey). Addressing these disparities through targeted improvements in public transport coverage, digital accessibility, and local service provision will help reduce barriers and improve overall accessibility across the borough.

Figure 2-1: Barriers to Housing and Services IMD Domain[9]



[9] Ministry of Housing, Communities & Local Government (2019). '*Indices of Deprivation: 2019 and 2015'* can be accessed through this link.

Table 2-2: LSOAs in Swale Borough Ranked Within 50% Most Deprived or Worse for the Barriers to Housing and Services IMD Domain

Decile	Most Deprived Indices
50% Most Deprived	11
40% Most Deprived	7
30% Most Deprived	11
20% Most Deprived	4
10% Most Deprived	12
Total	**45 (out of 85)**

Transport and Connectivity

2.3.12. Swale benefits from strong transport connectivity, with key road links including the M2 and A249, which connect the borough to the wider Kent region and London. The rail network serves major towns such as Sittingbourne, Faversham, and Sheerness, with direct services to London. The borough is actively promoting sustainable transport, with walking and cycling initiatives supported by both Swale Borough Council and Kent County Council, including local infrastructure plans in Faversham. Public transport plays an important role in mobility, with rail stations and bus services linking communities across the borough and beyond.

2.3.13. For further detail on transport infrastructure in Swale Borough, see **Chapter 14**.

Future Baseline

2.3.14. Following the UK government's target for a carbon-neutral future, Swale Borough is likely to see further expansion in EV charging points to accommodate the growing number of electric vehicles. This includes potential initiatives to enhance the availability of charging infrastructure in both public and private spaces.

2.3.15. As digital infrastructure improves, ensuring equal access to digital services (e.g., online healthcare appointments, remote education) will become increasingly important. Addressing digital accessibility, especially for older residents and those with disabilities, will be a priority.

2.4. Key Issues

2.4.1. Considering the policy context and baseline information, the following key issues (constraints and/ or opportunities) are identified in relation to accessibility:

- High levels of deprivation in certain parts of Swale create barriers to housing and services. Targeted interventions in these areas, such as improved transport and service provision, will help address these challenges;
- The SBLP provides an opportunity to identify an active travel network across the borough and focus efforts/investments towards improving this;
- With increasing reliance on digital services (e.g., online healthcare, remote education), ensuring equal access to digital infrastructure for all residents, including older and disabled groups, is important for reducing inequality in service access; and
- New housing and employment developments should be well-integrated with existing transport and service networks, reducing travel distances and enhancing accessibility for residents.

2.5. SA Objective

2.5.1. Considering the key issues discussed above, it is proposed that the SA should include the following objective in relation to accessibility (community infrastructure):

Improve accessibility to essential services and facilities across the borough

2.5.2. The following questions will help assess how well each option supports the SA objective. Will the option help to:

- …identify priority measures that will improve active travel networks in future growth?
- …reduce inequalities in access to essential services across Swale Borough, particularly in its most deprived areas?
- …connect new housing and employment areas with healthcare, education, and community facilities?
- …enhance digital connectivity and inclusion to ensure all residents can access online services and opportunities?

3. Air Quality

3.1. Focus of Theme

3.1.1. This theme focuses on air pollution, in particular: sources of air pollution, air quality hotspots, and areas known to exceed objectives for air quality.

3.2. Policy Context

3.2.1. **Table 3-1** presents the most relevant documents identified in the policy review for the purposes of the SA.

Table 3-1: Plans, Policies and Strategies Reviewed in Relation to Air Quality

Document Title	Year of Publication
National	
National Planning Policy Framework (NPPF)	2024
The Environmental Targets (Fine Particular Matter) (England) Regulations 2023	2023
Environment Act	2021
The Clean Air Strategy	2019
A Green Future: Our 25 Year Plan to Improve the Environment	2018
UK plan for tackling roadside nitrogen dioxide concentrations	2017
Local	
Swale 2025 Air Quality Annual Status Report	2025
Swale Air Quality Action Plan (2023-2028)	2023

3.2.2. The key messages emerging from the review are summarised below:

- The SBLP will be required to be in general conformity with the NPPF, which seeks early planning to reduce/ mitigate air quality impacts in development and to improve air quality. Measures to improve air quality include traffic and travel management and green infrastructure provision. Strategic development is expected to be focused on locations that have or will be provided with high levels of accessibility; supporting both a reduced need to travel and offering a genuine choice of transport modes. Smaller-scale development should consider the potential for cumulative effects in relation to air quality;

- The SBLP will also be required to be in general conformity with the Environment Act 2021, which introduces the need for the Secretary of State to set an annual mean particulate matter (PM2.5) level target. This links to the Environmental Targets (Fine Particulate Matter) (England) Regulations 2023, which sets out to ensure annual PM2.5 concentrations are equal to or less than 10 micrograms per cubic metre by the 31 December 2040;

- The Clean Air Strategy outlines how the government will tackle all sources of air pollution. The strategy proposes goals to cut public exposure to particulate matter pollution and outlines required action to meet these goals. Furthermore, it seeks to recognise wider sources that cause poor air quality, such as diffuse sources and smaller contributors. The proposed measures include new legislation and local powers to act in areas with air pollution issues. The Air Quality Action Plan for Swale Borough (2023-2028) seeks to reflect this strategy on a more localised scale;

- The 25 Year Environment Plan establishes how the government will expand net gain approaches to include air quality improvements, such as planting more trees in urban areas and changing fuel supplies. In particular, 'Goal 1 Clean air' and the policies contained within 'Chapter 4: Increasing resource efficiency and reducing pollution and waste' directly relate to the air quality SA theme;

- The UK plan for tackling roadside nitrogen dioxide is an air quality plan focused on bringing nitrogen dioxide (NO_2) within statutory limits in the quickest time possible. The plan identifies that improving air quality and reducing carbon emissions is also important and wants to position the UK at the forefront of vehicle innovation by making motoring cleaner;

- Local authorities are required to monitor air quality across the borough, report regularly to Defra and act where nationally set levels and limits of pollutants are likely to be exceeded under Section 82 of the Environment Act (1995). Monitoring is undertaken to assess levels of nitrogen dioxide, sulphur dioxide, ozone, benzene, and particulates. Where exceedances exist, areas are declared as air quality management areas (AQMAs) and local authorities are required to produce an air quality action plan (AQAP) to improve air quality in the area. Under Schedule 11 in the Environment Act (2021), a local authority must identify any parts of its area in which it appears air quality standards or objectives are not likely to be achieved within the relevant period.

- Local authorities must also identify relevant sources of emissions that are considered partly or wholly responsible for failing to achieve air quality standards or objectives in the area. As such, the Swale 2025 Air Quality Annual Status Report (ASR) for 2025 is the last available report for the borough; fulfilling the requirements of the local air quality management (LAQM) as set out in Section 82 of the Environment Act (1995).

3.3. Baseline Summary

Current Baseline

Air Quality Management Areas

3.3.1. Air Quality Management Areas (AQMAs) are declared by councils in areas which exceed national objectives for levels of particulates, nitrogen dioxide, sulphur dioxide, ozone, benzene, polycyclic aromatic hydrocarbons, butadiene, carbon monoxide, lead and/ or nitrogen oxides.

3.3.2. As shown in **Figure 3-1**, Swale Borough contains four AQMAs, all monitoring concentrations of NO_2 and PM_{10} (24-hour mean):

- AQMA 1: Newington, (A2 / High St), declared in 2009 for NO_2 exceedances;
- AQMA 6: the Mount, declared in May 2016 for NO_2 exceedances. Formerly known as AQMA 2, Ospringe Street, Faversham (A2/Ospringe).
- AQMA 4: St Paul's Street, Milton, Sittingbourne (B2006), declared in January 2013 and amended in October 2020, for NO_2 and PM_{10} exceedances, respectively; and
- AQMA 7: Keycol Hill, declared October 2020, for NO_2 exceedances.

3.3.3. It should be noted that the following two AQMAs were revoked in September 2025 due to consecutive years of compliance:

- East Street AQMA (declared in January 2013, for NO_2 exceedances);
- Teynham AQMA (declared in December 2015, for NO_2 exceedances).

3.3.4. The main source of air pollution in Swale is from vehicle emissions. The borough has the largest automatic monitoring network in Kent - three automatic stations and 80 NO_2 diffusion tubes.

3.3.5. Regarding PM_{10}, the latest Air Quality Annual Status Report for Swale Borough (for 2025) (ASR) notes that there has been a steady improvement in NO_2 concentrations in the borough over the past 6 to 7 years. These air quality improvements are predominantly due to the replacement of older vehicles in the vehicle fleet with newer vehicles that meet stricter emissions standards, and more recently, the uptake of electric vehicles.

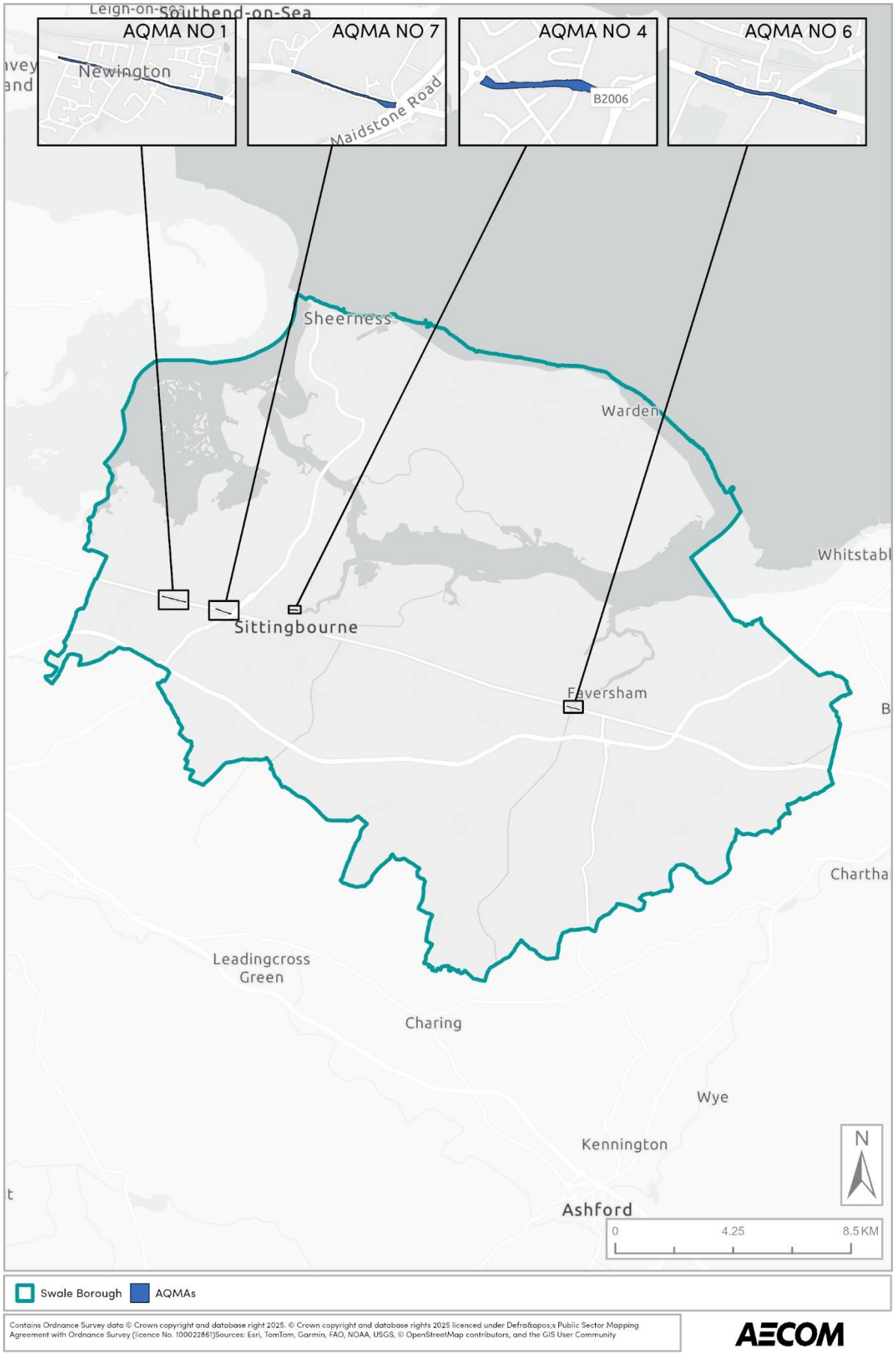
3.3.6. The ASR also reveals that latest monitoring has shown all three automatic stations (and 67 diffusion tubes) did not exceed the National Air Quality Objective for both NO_2 and PM_{10} objectives.

3.3.7. In line with Local Air Quality and Management guidance (LAQM), the Environmental Health team for Swale Borough Council will be recommending the revocation of Teynham and East Street AQMAs.

3.3.8. In terms of localised sources of air quality pollution, Swale's road network comprises a mix of residential streets, local roads, and major transport corridors. While much of the borough is served by smaller local routes, key strategic roads include the A2 and A249, which facilitate significant traffic movements between Sittingbourne, Faversham, the Isle of Sheppey, and neighbouring areas such as Maidstone and Medway. The borough also connects to the M2 motorway, providing access to wider regional and national networks. Additionally, a number of other A and B roads (including the A299, A2500, A251, B2005, and B223) contribute to localised emissions from road traffic and associated air quality pressures.

3.3.9. Swale Borough is served by several railway lines forming part of the Southeastern rail network. The Chatham Main Line runs east-west through the borough, connecting Faversham and Sittingbourne with destinations such as Medway, Canterbury, Dover, and London. The Sheerness Line branches north from Sittingbourne to the Isle of Sheppey, serving Kemsley, Swale Halt, and Sheerness-on-Sea. These rail routes can contribute to localised air quality impacts.

Figure 3-1: AQMAs in Swale Borough



Industry

3.3.10. In additional to transport, industrial processes can be a significant source of air pollution, particularly in urban areas. Emissions can include particulate matter (PM_{10} and $PM_{2.5}$), nitrogen oxides (NO_X), sulphur dioxide (SO_2), and volatile organic compounds (VOCs), depending on the nature of the process.

3.3.11. Within Swale, industrial emissions may arise from manufacturing and processing facilities, energy generation sites, waste management and treatment operations, and port-related activities, particularly around Sittingbourne, Faversham, and the Isle of Sheppey. The Port of Sheerness and surrounding industrial estates, including logistics, storage, and vehicle handling operations, are also notable contributors to localised emissions. Further detail is provided in **Chapter 13**.

Construction and Demolition

3.3.12. Construction and demolition activities are also a common source of dust and fine particulates, especially during earthworks, site preparation, and materials handling. Emissions from non-road mobile machinery (NRMM) also contribute to local NO_X and PM levels. In areas of the borough undergoing rapid development, multiple construction sites can also lead to cumulative air quality impacts.

3.3.13. Dust from construction and demolition is usually coarse (PM_{10}), but fine fractions ($PM_{2.5}$) are also generated and can remain airborne longer, affecting health and visibility. Controls to mitigate air quality adverse impacts from construction and demolition is regulated through Construction Environmental Management Plans (CEMPs) for major sites.

Aggregates

3.3.14. Kent County Council's list of aggregate sites identifies the presence one Secondary and Recycled Aggregate Site in Swale - Faversham Quarry.[10]

3.3.15. The handling, storage, processing, and transport of aggregates and minerals (such as sand, gravel, and crushed rock) are associated with the release of coarse and fine dust particles, particularly from loading/unloading, screening, and crushing operations. Dust can travel beyond site boundaries without appropriate suppression measures.

[10] Kent County Council (no date). '*Minerals and waste sites in Kent'* can be accessed through this link.

3.3.16. To manage these emissions, aggregate sites are required to implement dust management plans. These typically include measures such as wheel washing, road cleaning, and material covering, to minimise the spread of dust and reduce adverse impacts on local air quality.

Future Baseline

3.3.17. The growth associated with future development within the borough has the potential for adverse effects on air quality in the short to medium term, due to construction activities and increased levels of traffic and associated pollutants. Although, in line with higher level planning policy, future development should contribute towards improving air quality, supporting opportunities to improve accessibility, particularly in terms of the use of sustainable modes of transport (including active travel modes, working from home and electric vehicle use).

3.3.18. The adoption of low-emission vehicles and policies to reduce car dependency are expected to play a significant role in improving air quality over the long term.

3.4. Key Issues

3.4.1. Considering the policy context and baseline information, the following key issues (constraints and / or opportunities) are identified in relation to the air quality SA theme:

- There are four active AQMAs in Swale; however, recent monitoring data indicates that all are currently recording pollutant levels below national air quality objectives, suggesting improvements in local air quality;
- Road traffic remains the primary source of air pollution in the borough, with strategic routes such as the A2, A249, and M2 contributing to localised emissions, particularly in areas with high traffic volumes and congestion;
- Industrial activities, including those associated with the Port of Sheerness and surrounding estates, continue to contribute to emissions, requiring ongoing monitoring and mitigation;
- Construction and demolition activities, especially in areas of planned growth, can lead to short-term increases in dust and fine particulates, with cumulative impacts where multiple sites are active concurrently;
- Processing operations and construction activities are associated with the release of coarse and fine dust particles, necessitating effective site-level dust management to prevent off-site impacts; and

- Future development may temporarily increase air pollution through construction and traffic-related emissions, but also presents opportunities to embed sustainable transport, active travel, and low-emission technologies into planning and infrastructure.

3.5. SA Objective

3.5.1. Considering the key issues discussed above, it is proposed that the SA should include the following objective in relation to air quality:

Improve air quality, reduce air pollution and reduce exposure to air pollution

3.5.2. The following questions will help assess how well each option supports the SA objective. Will the option help to:

- …reduce key pollutant emissions, particularly nitrogen dioxide (NO_2) and particulate matter (PM_{10}/$PM_{2.5}$)?
- …ensure that new development, particularly housing in or near AQMAs, is supported by infrastructure improvements that minimise exposure to poor air quality?
- …promote a shift to low- and zero-emission vehicles and sustainable transport modes?
- …minimise traffic congestion and encourage active travel and public transport use?
- …prevent or mitigate adverse air quality impacts from construction, industrial, and aggregate activities?
- …support compliance with, or improvement beyond, national air quality standards across the borough?

4. Biodiversity

4.1. Focus of Theme

4.1.1. This theme focuses on nature conservation designations, habitats, and species within and surrounding the borough.

4.2. Policy Context

4.2.1. **Table 4-1** presents the most relevant documents identified in the policy review for the purposes of the SA.

Table 4-1: Plans, Policies and Strategies Reviewed in Relation to Biodiversity

Document Title	Year of Publication
National	
National Planning Policy Framework (NPPF)	2024
Natural England Green Infrastructure Framework	2023
Environmental Improvement Plan	2023
Environment Act 2021	2021
UK Post-2010 Biodiversity Infrastructure Framework	2012
The Natural Choice: securing the value of nature (Natural Environment White Paper)	2011
Biodiversity Infrastructure 2020 Strategy	2011
The Natural Environment and Rural Communities Act	2006
UK Biodiversity Infrastructure Action Plan	1994
Local	
Swale Climate and Ecological Emergency Action Plan	2025
Swale & Ure Drainage Board Biodiversity Action Plan 2025 - 2030	2025
Kent Environment Plan	2025
Kent and Medway Shoreline Pollution Emergency Plan	2023
Swale Green and Blue Infrastructure (GBI) Strategy	2020
Kent Nature Partnership Biodiversity Strategy	2020
Medway Estuary and Swale (MEAS) Flood and coastal Erosion Risk Management (FCERM)	2019
Kent Local Nature Recovery Strategy	emerging

4.2.2. The key messages emerging from the review are summarised below:

- The Local Plan will need to consider the principles set out in the NPPF, which indicate that planning policies and decisions should protect and enhance sites of value for biodiversity. Plans should also identify, map, and safeguard components of wider ecological networks, promote positive action for priority habitats and species, and pursue opportunities to secure biodiversity net gains. The NPPF also states that if development causes substantial harm and cannot be avoided, adequately mitigated, or compensated, then planning permission should be refused;

- The Natural England Green Infrastructure Framework provides a structure to analyse where greenspace in urban environments is needed most. It aims to support equitable access to greenspace across the country, with an overarching target for everyone being able to reach good quality greenspace in their local area. The framework's ultimate goal aims to help increase the amount of green cover in England to 40% in urban residential areas;

- The Environment Act makes provision for biodiversity gain to be a condition of planning permission in England, in addition to creating biodiversity gain site registers and biodiversity credits. It recognises there is a duty to conserve and enhance biodiversity and encourages the identification of suitable areas through biodiversity reports and local nature recovery strategies. Furthermore, habitat maps are expected to include recovery and enhancement areas which are currently, or could become, important for biodiversity;

- The NPPF also supports the establishment and enhancement of habitat networks and green infrastructure to allow for more resilience to current and future pressures for biodiversity;

- Building on the 25 Year Environment Plan (2018), the Environmental Improvement Plan (2023) sets out how the Government will work with landowners, communities and businesses to deliver goals to restore nature, reduce environmental pollution, and increase the national prosperity;

- Over the past decade, policy (for example, The Natural Environment White Paper: Biodiversity 2020) has demonstrated a move away from the traditional approach of protecting biodiversity, to a wider landscape approach to enhancing biodiversity, as part of the overall aims to halt biodiversity loss;

- The Swale Climate and Ecological Emergency Action Plan (2025) outlines seven focus areas to guide the borough toward net-zero emissions, emphasising collaboration and community transformation. It highlights the potential for stronger communities, a green economy, and improved public health through climate and ecological action;

- The Kent Environment Plan sets out Kent County Council's strategy to address climate change, pollution, and biodiversity loss. It focuses on six goals (ranging from reducing carbon emissions and adapting to climate impacts to protecting natural assets and promoting a circular economy) aiming to deliver environmental improvement alongside sustainable economic growth;

- The Swale & Ure Drainage Board Biodiversity Action Plan (2025-2030) sets out targeted conservation actions for habitats and species the Board can influence, particularly those in aquatic and riparian environments. It establishes measurable objectives and integrates biodiversity into all aspects of water level management, maintenance, and operational decision-making;

- The Kent and Medway Shoreline Pollution Emergency Plan (2023) supports biodiversity protection by coordinating rapid responses to pollution incidents that threaten coastal habitats and species. It ensures effective planning, trained personnel, and inter-agency collaboration to minimise ecological harm and safeguard sensitive shoreline environments;

- The Swale Green and Blue Infrastructure Strategy (2020-2039) recognises green and blue spaces as important ecosystems for both people and wildlife, guiding opportunities to enhance biodiversity across the borough. It supports habitat protection, community engagement, and nature-based improvements, particularly in areas of international ecological importance such as Swale's coastline and woodlands;

- The Kent Nature Partnership Biodiversity Strategy (2020-2045) sets out a long-term vision to restore, maintain, and create thriving habitats across Kent's terrestrial, freshwater, intertidal, and marine environments. It aligns with national ambitions in the Government's 25 Year Environment Plan, aiming to leave the natural environment in a better state for future generations;

- The Medway Estuary and Swale Flood and Coastal Risk Management Strategy (2019) sets out a long-term approach to sustainably managing tidal defences and coastal risks in the area. It aims to protect people, property, designated habitats, and agricultural land over the next 100 years through adaptive and resilient flood management;

- The emerging Kent & Medway Local Nature Recovery Strategy will identify priority areas for habitat creation and enhancement to maximise benefits for biodiversity and the wider environment. It will support the delivery of biodiversity net gain, inform local planning, and guide investment and land management decisions to accelerate nature recovery across the region.

4.3. Baseline Summary

Current Baseline

Internationally Important Sites

4.3.1. There are many internationally designated biodiversity sites located within Swale and within a 10 km radius of its boundary.(see **Figure 4-1**):

Special Areas of Conservation

- Blean Complex. Located in the east of the borough. Designated for its oak-hornbeam woodland habitat, a rare and ecologically valuable forest type in south-east England. The site supports diverse flora and fauna, including the nationally important heath fritillary butterfly, and benefits from traditional coppice management.

- North Downs Woodlands. Located approximately 3.6 km south-west of the borough.

- Queendown Warren. Located approximately 4.0 km south of the borough.

- Wye & Crundale Downs. Located approximately 5.4 km south of the borough.

- Tankerton Slopes And Swalecliffe. Located approximately 5.6 km north-east of the borough.

- Essex Estuaries. Located approximately 6.7 km north of the borough.

- Stodmarsh. Located approximately 8.3 km east of the borough.

- Peters Pit. Located approximately 9.2 km west of the borough.

Special Protection Areas

- The Swale. Located in central and western parts of the borough. Designated for its internationally important wetland supporting populations of non-breeding waterbirds, including dark-bellied brent goose and dunlin, as well as its rich breeding and wintering bird assemblages.

- Medway Estuary & Marshes. Located in the west of the borough. Designated for its internationally important wetland supporting populations of breeding and non-breeding waterbirds, including species such as dark-bellied brent goose, pied avocet, and little tern.

- Thames Estuary & Marshes. Located approximately 0.5 km west of the borough.

- Foulness (Mid-Essex Coast Phase 5). Located approximately 6.7 km north of the borough.

- Benfleet and Southend Marshes. Located approximately 6.7 km north of the borough.

- Thanet Coast & Sandwich Bay. Located approximately 6.8 km north-east of the borough.

- Stodmarsh. Located approximately 8.3 km east of the borough.

RAMSAR Sites

- The Swale. Located in central and western parts of the borough. Designated for its internationally important wetland supporting populations of non-breeding waterbirds, including dark-bellied brent goose (*Branta bernicla bernicla*) and dunlin (*Calidris alpina alpina*), as well as its rich breeding and wintering bird assemblages.

- Medway Estuary & Marshes. Located in the west of the borough. Located in the west of the borough. Designated for its internationally important wetland supporting populations of breeding and non-breeding waterbirds, including species such as dark-bellied brent goose, pied avocet, and little tern.

- Thames Estuary & Marshes. Located approximately 0.5 km west of the borough.

- Foulness (Mid-Essex Coast Phase 5). Located approximately 6.7 km north of the borough.

- Benfleet And Southend Marshes. Located approximately 6.7 km north of the borough.

- Thanet Coast & Sandwich Bay. Located approximately 6.8 km north-east of the borough.

- Stodmarsh. Located approximately 8.3 km east of the borough.

Nationally Important Sites

4.3.2. Sites of Special Scientific Interest (SSSI) are nationally important sites for wildlife and / or geological conservation.

4.3.3. There are six SSSI and two National Nature Reserves (NNR) within Swale (see **Figure 4-2**):

Sites of Special Scientific Importance

- Queendown Warren SSSI. Located in the west of the borough. Designated for designated for its species-rich chalk grassland and ancient woodland, supporting two nationally rare plant species and an outstanding assemblage of orchids and other flora. Condition of units during last survey: 100% favourable.

- Purple Hill SSSI. Located in the west of the borough. Designated for its herb-rich chalk grassland, scrub, and woodland, supporting a nationally rare plant species and a diverse range of chalk downland flora. The site is notable for its orchid diversity, including man, fragrant, and pyramidal orchids, and for hosting the rare Kentish milkwort. Condition of units during last survey: 64% favourable; 36% unfavourable-recovering.

- Church Woods, Blean SSSI. Located in the east of the borough. Designated for its extensive broadleaved woodland on London Clay, which supports a nationally rare species, the heath fritillary butterfly, and an outstanding assemblage of invertebrates. Condition of units during last survey: 100% favourable.

- The Swale SSSI. Located on the borough's northern coastline. Designated for its extensive freshwater grazing marshes, mudflats, and saltmarshes, which support internationally important populations of wintering and breeding wildfowl and waders. Condition of units during last survey: 98% favourable; 2% unfavourable-no change.

- Sheppey Cliffs and Foreshore SSSI. Located on the borough's northern coastline. Designated for its exceptional geological features, representing one of Britain's most important Palaeogene fossil sites.

- Medway Estuary and Marshes SSSI. Located on the borough's northern coastline. Designated for its extensive intertidal habitats, including mudflats, saltmarshes, and grazing marshes, which support internationally important populations of wintering and breeding birds. Condition of units during last survey: 54% unfavourable-recovering; <1% unfavourable-no change; 46% unfavourable-declining; <1% destroyed.

National Nature Reserves

- Blean Woods. Located in the east of the borough. Designated for its extensive ancient broadleaved woodland, which supports a rich diversity of flora and fauna, including the nationally rare heath fritillary butterfly.

- Elmley. Located centrally in the borough. Designated for its extensive coastal grazing marsh, which supports large populations of wintering wildfowl and breeding waders.

- The Swale. Located on the borough's northern coastline. Designated for its coastal grazing marsh of high ecological value, supporting significant populations of waterfowl and other wetland species.

4.3.4. There are 12 other SSSI and one NNR within 5 km of the borough boundary.

4.3.5. SSSI Impact Risk Zones (IRZ) are a GIS tool/dataset that map zones around each SSSI according to their sensitivities. They specify the types of development that have the potential to have adverse impacts at a given location, and thresholds of development which indicate a need to consult Natural England. In this respect, there are areas of the borough that overlap with IRZs for development types expected to be brought forward in the SBLP; therefore, consultation with Natural England may be required for any applications that come forward in these locations.

Figure 4-1: International Designations for Biodiversity Conservation in Swale

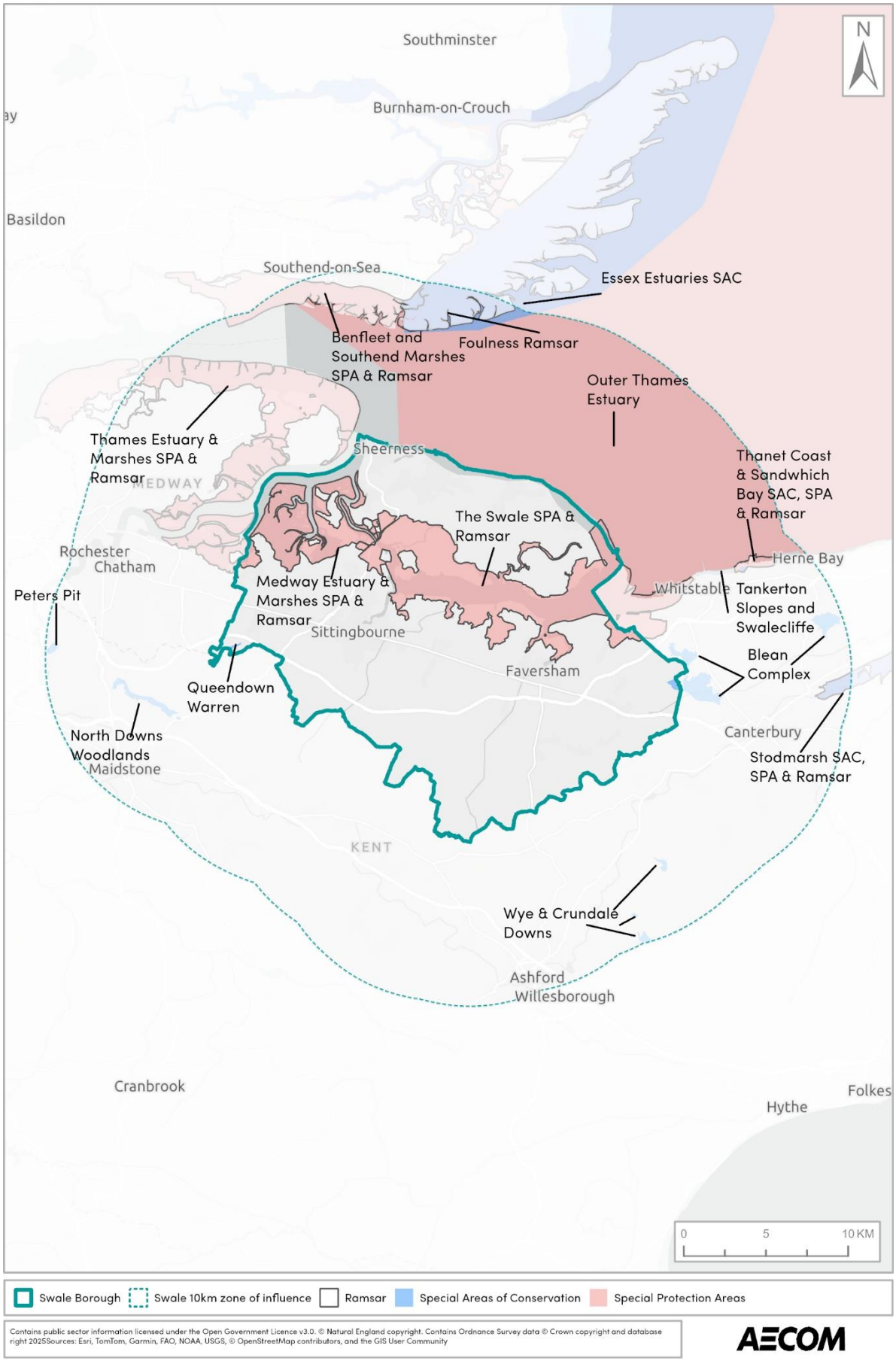
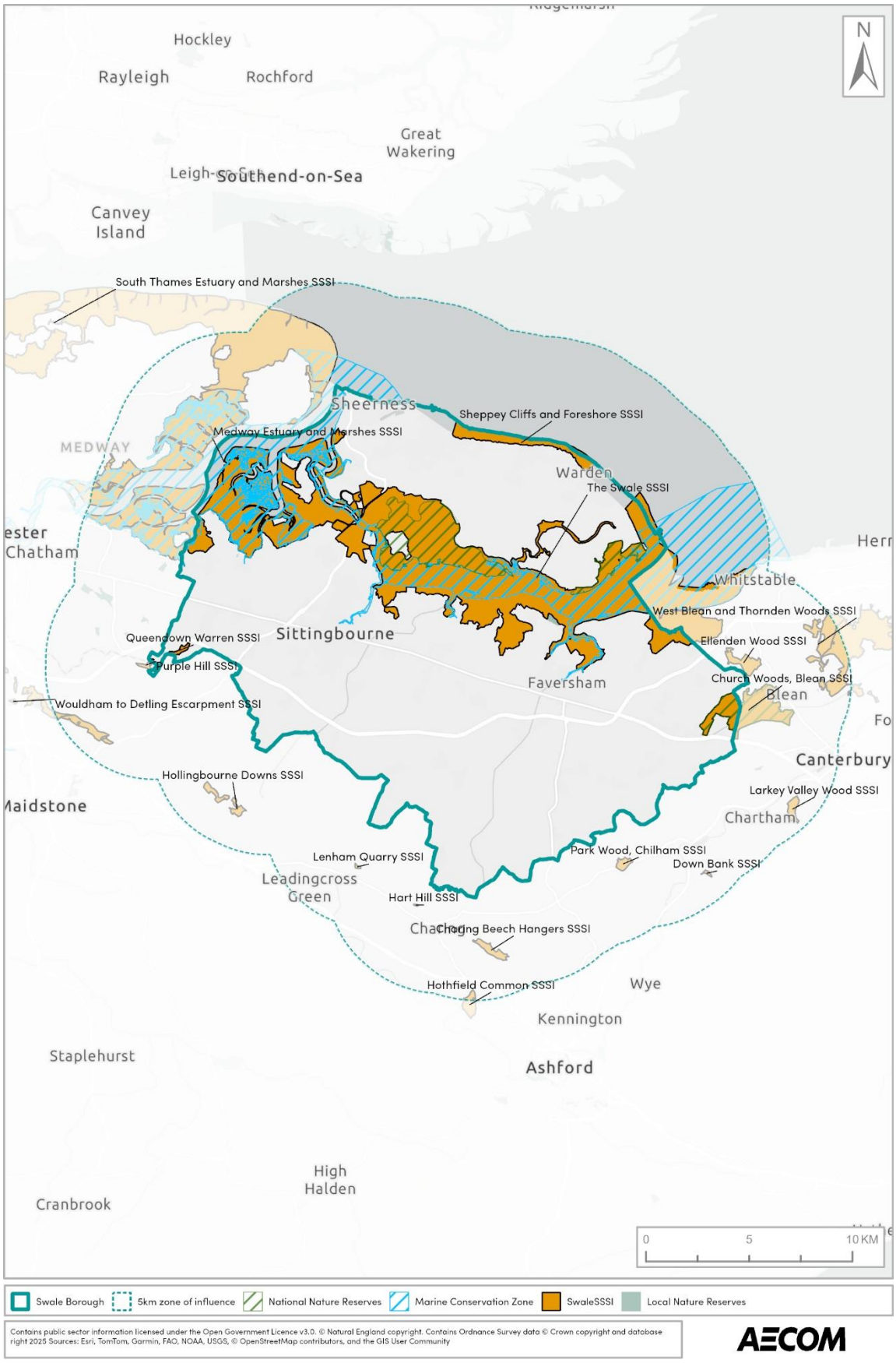


Figure 4-2: National Designations for Biodiversity Conservation in Swale Borough



Locally Important Sites

4.3.6. Local Nature Reserves (LNRs) are designated to conserve locally significant natural habitats, species, and geological features. They provide accessible green spaces for community enjoyment, education, and engagement, while also serving as valuable sites for local ecological research and conservation efforts.

4.3.7. There are three LNRs in Swale Borough (see **Figure 4-3**):

- South Bank Of The Swale. Located in the east of the borough.
- Queendown Warren. Located in the west of the borough.
- Oare Marshes. Located in the east of the borough.

4.3.8. There are also six LNRs within 2 km of the borough.

4.3.9. Kent's locally important places for wildlife are recognised as Local Wildlife Sites (LWS) (a non-statutory designation). Over 500 LWS have been identified across Kent. According to the adopted Swale Local Plan (2017) there are 36 LWS in Swale. It is possible that this figure has grown since 2017 with the addition of new sites. Kent's Wildlife Trust website provides a map of the county's LWS.[11]

4.3.10. The adopted Local also notes that there are also 13 Roadside Nature Reserves in Swale. These have been identified through the Road Verge Project (a partnership between Kent County Council, Kent Highways and Kent Wildlife Trust) because they contain rare or threatened habitats or species.

Ancient Woodland

4.3.11. Ancient woodland takes hundreds of years to establish. It is considered important for its wildlife (often including rare and threatened species), and soils. Ancient woodland includes land that has been wooded continuously since at least 1600 AD. This means the following is included under its designation:

- Ancient semi-natural woodland mainly made up of trees and shrubs native to the site, usually arising from natural regeneration; and

[11] Kent Wildlfie Trust (2025). '*Local Wildlife Sites*' can be accessed through this link.

- Plantations on ancient woodland sites - replanted with conifer and broadleaved trees that retain ancient woodland features, such as undisturbed soil, ground flora and fungi.[12]

4.3.12. Within the borough there are around 200 ancient woodland sites, with many other sites located adjacent to the borough's border (see **Figure 4-3**).[13] Swales's ancient woodland sites are mostly found in the south of the borough, and include:

- 141 sites of ancient & semi-natural woodland.
- 57 sites of ancient replanted woodland.

[12] GOV.UK (2022). '*Ancient woodland, ancient trees and veteran trees: advice for making planning decisions*' can be accessed through this link.
[13] Defra (no date). '*Magic'* can be accessed through this link.

Figure 4-3: Local Nature Reserves and Ancient Woodland in Swale



Priority Habitats and Species

4.3.13. The borough is interspersed with a range of Biodiversity Action Plan (BAP) Priority Habitats,[14] as shown in **Figure 4-4**.

4.3.14. In the northern part of Swale, BAP Priority Habitats are predominantly coastal, including, but not limited to, coastal saltmarsh, reedbeds, mudflats, and coastal and floodplain grazing marsh. This pattern reflects the area's proximity to the Thames Estuary and the English Channel.

4.3.15. In central and southern parts of the borough, inland habitats such as deciduous woodland and occasional wood-pasture and parkland dominate. These habitats occur in smaller, fragmented patches than in the north, where large areas are covered by BAP designations.

4.3.16. The Kent and Medway Biological Records Centre (KMBRC)[15] contains archives of protected and notable species within Swale , including those species protected by the Wildlife and Countryside Act 1981[16] and under Section 41 of the Natural Environment and Rural Communities Act 2006. The BAP Priority Habitats and ecological designations, as well as non-priority habitats, within and surrounding the borough support important populations of protected species.

4.3.17. The Swale Biodiversity Baseline Report[17] notes that these habitats collectively support a diverse range of species, including nationally and locally important populations of birds, invertebrates, and plants. Coastal habitats in the north provide important feeding and roosting areas for overwintering and migratory birds, while inland woodlands and parkland in the south offer breeding sites and shelter for mammals, bats, and woodland specialists. The combination of coastal and inland habitats contributes to Swale's overall ecological richness and underpins its role as a key area for biodiversity within Kent.

National Habitat Network

4.3.18. The National Habitat Network (NHN) is a set of maps that work to help identify areas for future habitat creation and restoration at a landscape scale (see **Figure 4-5**).[18]

[14] Defra (no date). '*Magic'* can be accessed through this link.
[15] The Kent and Medway Biological Records Centre website can be accessed through this link.
[16] UK Government (1981) 'The Wildlife and Countryside Act 1981' can be accessed through this link.
[17] Kent Wildlife Trust (2020). '*Swale Biodiversity Baseline Report'* can be accessed through this link.
[18] Natural England (2020). '*National Habitat Network Maps*' can be accessed through this link.

4.3.19. The majority of Swale falls within NHN designations, reflecting its importance for habitat connectivity and restoration. In the northern part of the borough, large areas are identified as restorable habitat, alongside Network Enhancement Zones 1 (deemed most suitable for habitat re-creation supporting the primary habitat) and 2 (most suitable for new habitats and green infrastructure), with some sections classified as Network Expansion Zones (identified as a suitable location for connecting and linking up habitats across a landscape through new habitat creation). Central and southern areas of the borough contain extensive coverage of Network Enhancement Zone 1, highlighting opportunities to strengthen and link existing habitats through targeted restoration and management.

Figure 4-4: Priority Habitats in Swale Borough

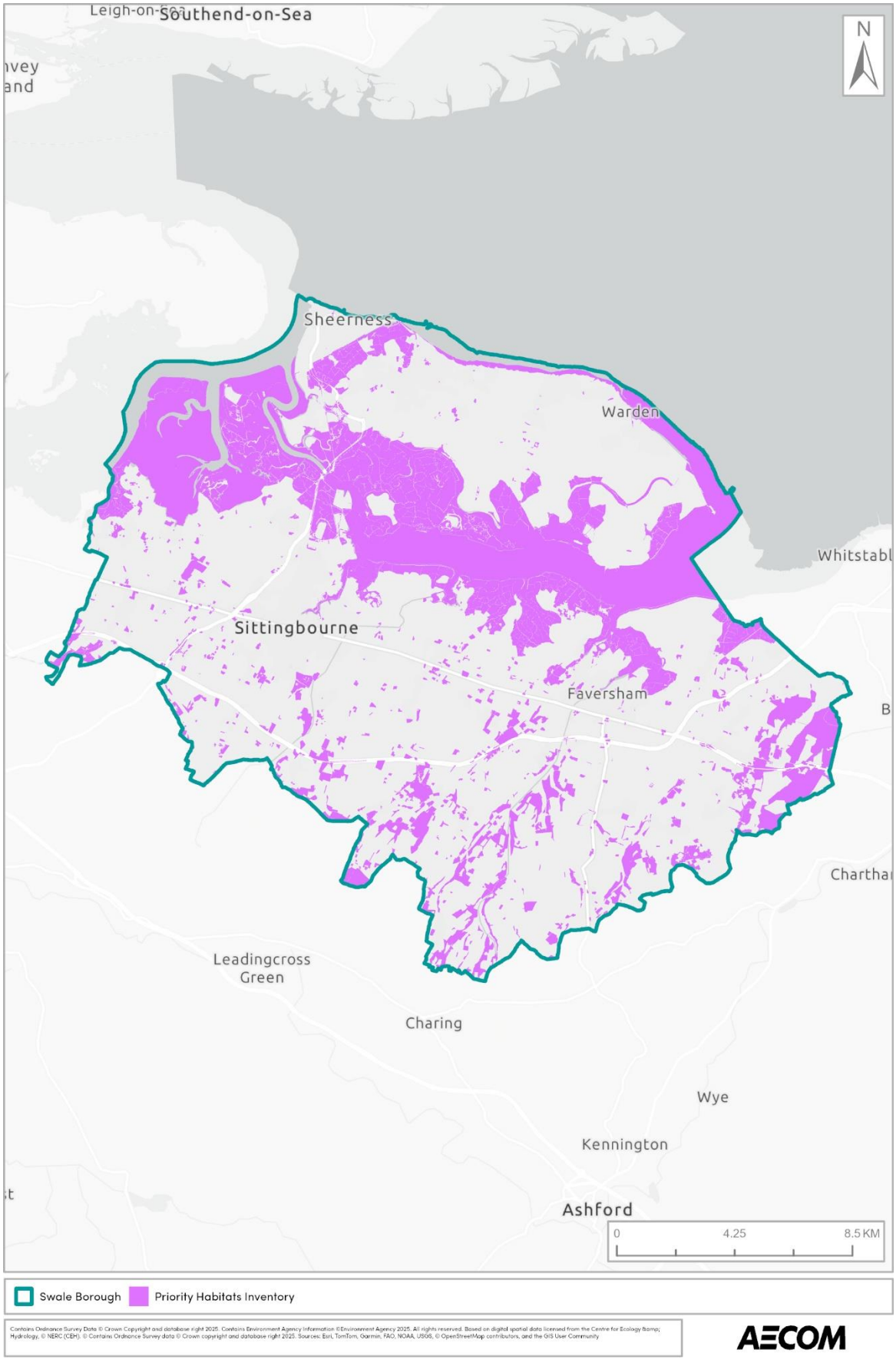
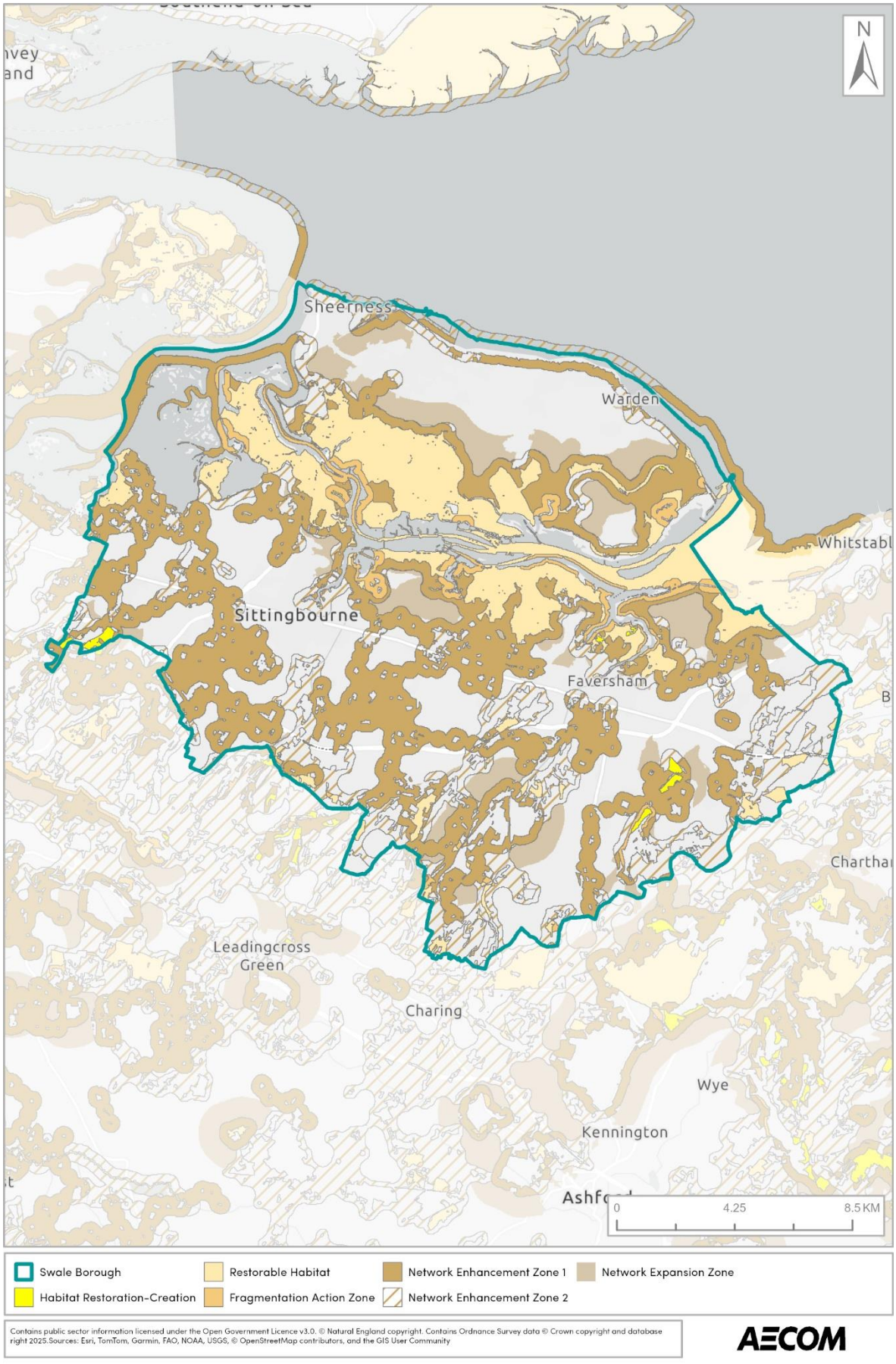


Figure 4-5: National Habitat Network in Swale Borough



Wildlife Corridors

4.3.21. Wildlife corridors are linear features which connect significant areas of wildlife habitat helping to mitigate some of the adverse ecological effects of habitat fragmentation. These corridors enable the movement and dispersal of species between Swale Borough's many sites of high biodiversity value (including SSSIs, LNRs, and LWSs, as well as priority and non-priority habitats).

4.3.22. Swale's Green and Blue Infrastructure Strategy (2020) notes that a key wildlife corridor in the borough is the Saxon Shore Way, a long distance route along the coast which is predominantly off-road. Through Swale, the Saxon Shore Way follows The Swale, passing by creeks, mudflats, saltmarshes and the Oare Marshes Nature Reserve, internationally important for its bird life.

Future Baseline

4.3.23. Habitats and species will potentially face increasing pressures from future development within the borough, with the potential for negative impacts on the wider ecological network. This may include a loss of habitats and impacts on biodiversity networks, which may be exacerbated by the effects of climate change. This has the potential to lead to changes in the distribution and abundance of species and changes to the composition of habitats.

4.3.24. The SBLP presents an opportunity to maximise benefits for biodiversity by including consideration of important habitats, species, and designated sites at an early stage of planning for future growth. To maintain and improve the condition of biodiversity in the future, it will be important to not only protect, extend and enhance important habitats, but also the connections between them. It will be crucial to effectively coordinate the delivery of new development to ensure that opportunities to improve green infrastructure and ecological corridors are maximised within the borough.

4.4. Key Issues

4.4.1. Considering the policy context and baseline information, the following key issues (constraints and/ or opportunities) are identified in relation to biodiversity and green/ blue infrastructure:

- New development through the SBLP may result in direct or indirect impacts on the integrity of SPAs, SACs, and Ramsar sites within and around the borough. Development proposals should assess and mitigate potential impacts on these designations, such as The Swale SPA/Ramsar site, Medway Estuary & Marshes SPA/Ramsar site, and Thames Estuary & Marshes SPA/Ramsar site;

- The borough contains several SSSIs and NNRs. New development may affect the integrity of these sites if located nearby. Additionally, much of the borough overlaps with SSSI IRZs for development types likely to come forward through the SBLP, indicating a need for consultation with Natural England;

- Development could impact LNRs, LWSs, and Roadside Nature Reserves, which provide important habitats and accessible green spaces for communities and ecological research;

- The borough contains a range of BAP Priority Habitats (including coastal saltmarsh, reedbeds, grazing marsh, and ancient woodland) and designated wildlife corridors. These habitats support protected and notable species. Development may lead to habitat loss and fragmentation, weakening ecological networks and reducing species movement; and

- The SBLP presents an opportunity to deliver and coordinate biodiversity net gain through development location, design and management. This includes creating new habitats, improving connectivity, restoring degraded areas, and strengthening green and blue infrastructure networks to support ecological resilience and climate adaptation.

4.5. SA Objective

4.5.1. Considering the key issues discussed above, it is proposed that the SA should include the following objective in relation to biodiversity:

Maintain, create and enhance the extent and quality of biodiversity habitats and networks within and surrounding the borough, and protect species and species diversity

4.5.2. The following questions will help assess how well each option supports the SA objective. Will the option help to:

- …avoid or mitigate adverse impacts on internationally and nationally designated sites (e.g., SACs, SPAs, Ramsar, SSSIs) and their integrity?
- …protect and enhance locally important sites such as LNRs, LWSs, and ancient woodlands?
- …prevent habitat loss, fragmentation, and degradation, maintaining or improving connectivity through wildlife corridors and ecological networks?
- …promote biodiversity net gain by encouraging habitat creation, restoration, and enhancement in development proposals?
- …support the conservation of priority habitats and protected species?

5. Climate Change Adaptation

5.1. Focus of Theme

5.1.1. This theme focuses on the expected effects of climate change, including flood risk, overheating, and climate change adaptation.

5.2. Policy Context

5.2.1. **Table 5-1** presents the most relevant documents identified in the policy review for the purposes of the SA.

Table 5-1: Plans, Policies and Strategies Reviewed in Relation to Climate Adaptation

Document Title	Year of Publication
National	
National Planning Policy Framework (NPPF)	2024
UK Climate Change Risk Assessment	2022
The National Design Guide	2021
National Model Design Code	2021
National Infrastructure Assessment	2021
Net Zero Strategy: Build Back Greener	2021
UK Sixth Carbon Budget	2020
National Flood and Coastal Erosion Risk Management Strategy	2020
Heat Networks: Building a Market Framework	2020
The Clean Air Strategy	2019
Clean Growth Strategy	2019
25-Year Environment Plan	2019
UK (second) National Adaptation Programme 2018 to 2023	2018
How Local Authorities Can Reduce Emissions and Manage Climate Change Risk	2012
Flood and Water Management Act	2010
UK Climate Change Act	2008
Local	
Swale Climate and Ecological Emergency Action Plan	2025

Document Title	Year of Publication
Kent Environment Plan	2025
Kent Local Flood Risk Management Strategy	2024
Kent and Medway Shoreline Pollution Emergency Plan	2023
Swale Green and Blue Infrastructure (GBI) Strategy	2020
Swale Borough Council Level 1 Strategic Flood Risk Assessment	2020
Medway Estuary and Swale (MEAS) Flood and coastal Erosion Risk Management (FCERM)	2019
Swale Surface Water Management Plan	2012
River Medway and Swale Estuary Shoreline Management Plan	2010

5.2.2. The key messages emerging from the review are summarised below:

- The SBLP will be required to be in general conformity with the NPPF, which requires proactive planning to both mitigate and adapt to climate change. Planning policies are expected to improve the resilience of communities and infrastructure to climate change impacts, avoid inappropriate development in the flood plain, and support the move to a low carbon economy. The NPPF recognises the potential for planning to shape places in ways that deliver long-term resilience, including through reuse, regeneration, and conversion;

- The UK Climate Change Risk Assessment is published on a 5-yearly cycle in accordance with the requirements of the Climate Change Act 2008. It required the Government to compile an assessment of the risks for the UK arising from climate change, and then to develop an adaptation programme to address those risks and deliver resilience to climate change on the ground. For both the 2012 and the 2017 UK Climate Change Risk Assessment, the Adaptation Sub-Committee commissioned an evidence report aiming to understand the current and future climate risks and opportunities…

- …The evidence report contains six priority risk areas requiring additional action between 2017 and 2022, see below:
  - Flooding and coastal change risks to communities, businesses, and infrastructure.
  - Risks to health, well-being, and productivity from high temperatures.
  - Risk of shortages in the public water supply, and for agriculture, energy generation and industry.
  - Risks to natural capital, including terrestrial, coastal, marine, and freshwater ecosystems, soils, and biodiversity.
  - Risks to domestic and international food production and trade; and
  - New and emerging pests and diseases, and invasive non-native species, affecting people, plants, and animals.
- Following the publication of each Change Risk Assessment, the Government must lay out its objectives, policies, and proposals to address the climate change risks and opportunities. The second National Adaptation Programme (NAP2, 2018-2023), setting out these objectives, policies, and proposals, was published in 2018. The ASC is required by the Act to assess the NAP and present progress reports. The most recent report was published in 2019, concluding that climate change adaptation needs to be addressed at a national scale and the Government's response to date has not been successful;

- The National Design Guide (NDG) and the National Design Code address how the Government recognises "well-designed places" including opportunities for climate change measures. Notably the NDG defines what constitutes a well-designed place using ten characteristics under three themes of climate, character, and community. Under the climate theme, homes and buildings should be functional, healthy, and sustainable, resources should be efficient and resilient, and buildings should be made to last;

- The National Infrastructure Assessment is published every five years and analyses the UK's long-term economic infrastructure needs to create a strategic vision and recommendations. The baseline report states that climate change will increase pressures on all sectors, including economic infrastructure;

- The Clean Growth Strategy, Clean Air Strategy, Net Zero Strategy, and the 25-year Environment Plan are a suite of documents which seek to progress the government's commitment under the UK Climate Change Act to becoming net zero by 2050…

- …The documents set out detailed proposals on how the government will tackle all sources of air pollution, whilst maintaining an affordable energy supply and increasing economic growth. This parallels with the 25-year Environment Plan, which further seeks to manage land resources sustainably, recover and reinstate nature, protect soils and habitats, increase resource efficiency, improve water quality, and connect people with the environment. The documents also interlink with the government's commitment to decarbonising transport, a recognised challenge that needs more work in a timely manner if government are to achieve net zero targets. Furthermore, the decarbonisation plan recognises the twinned need to undertake action to adapt the transport sector and increase resilience to climate change risks; and this challenge is more directly addressed through the UK's National Adaptation Programme;

- The Flood and Water Management Act was introduced in 2010 as a response to the need to develop better resilience to climate change. The Act requires better management of flood risk, creating safeguards against rises in surface water drainage charges, and protecting water supplies for consumers. Good flood and coastal risk management is further outlined through the National Flood and Coastal Erosion Risk Management Strategy (2020). At a local scale, the Swale Borough Council Level 1 Strategic Flood Risk Assessment (2020) provides understanding of flood risk within the borough to inform planning decisions and ensure sustainable development;

- The Committee of Climate Change's 2012 report entitled 'How Local Authorities Can Reduce Emissions and Manage Climate Change Risk' emphasises the crucial role councils have in helping the UK meet its carbon targets and preparing for the impacts of climate change. It outlines specific opportunities for reducing emissions and highlights good practice examples from Local Authorities;

- The Swale Climate and Ecological Emergency Action Plan (2025) outlines seven focus areas to guide the borough toward net-zero emissions, emphasising collaboration and community transformation. It highlights the potential for stronger communities, a green economy, and improved public health through climate and ecological action;

- The Kent Environment Plan sets out Kent County Council's strategy to address climate change, pollution, and biodiversity loss. It focuses on six goals (ranging from reducing carbon emissions and adapting to climate impacts to protecting natural assets and promoting a circular economy) aiming to deliver environmental improvement alongside sustainable economic growth;

- The Kent Local Flood Risk Management Strategy (2024-2034) sets out how the council, as Lead Local Flood Authority, will manage flood risks from surface runoff, groundwater, and ordinary watercourses. It strengthens collaboration between authorities, improves understanding of flood risk, and builds on lessons from previous strategies to enhance resilience across the county;

- The Kent and Medway Shoreline Pollution Emergency Plan provides a coordinated framework for responding to coastal pollution incidents. It defines roles and responsibilities, emergency contacts, operational requirements, and training needs, while consolidating shoreline access, sensitivity data, and booming plans to protect Kent and Medway's coastal environment;

- The Swale Green and Blue Infrastructure Strategy (2020-2039) emphasises the role of green and blue spaces in strengthening climate resilience. It promotes nature-based solutions to manage climate impacts, enhance biodiversity, and protect ecologically significant areas such as Swale's coastline and woodlands, while engaging communities in adaptation efforts;

- The Medway Estuary and Swale Flood and Coastal Risk Management Strategy sets out the Environment Agency's long-term plan to manage tidal defences and coastal erosion sustainably over the next century. It aims to protect communities, property, habitats, and farmland while balancing environmental, technical, and economic considerations in partnership with local stakeholders;

- The Swale Surface Water Management Plan investigates local flood risks from surface runoff, groundwater, and ordinary watercourses. Led by Kent County Council in partnership with other authorities, it identifies priority areas, proposes mitigation options, and sets out an action plan to reduce flood risk and improve resilience across Swale; and

- The Medway Estuary and Swale Shoreline Management Plan (SMP) provides a high-level framework for managing risks from coastal change in a sustainable way. It sets long-term policies to protect people, property, and the natural and historic environment, forming part of the national strategy for flood and coastal defence.

5.3. Baseline Summary

Current Baseline

Flood Risk

5.3.1. As shown in **Figure 5-1**, Swale Borough faces significant flood risk due to its coastal location and tidal influences from the Swale tidal channel and Medway estuaries. Most of the northern half of the borough lies within Flood Zone 3, including the main settlements of Sheerness, Sittingbourne, and Faversham, making them particularly vulnerable to tidal flooding.

5.3.2. Swale also experiences significant surface water flood risk, linked to its coastal geography and network of drainage channels (see **Figure 5-2**). High-risk hotspots include the Isle of Sheppey, east of Goodnestone, east of Teynham, and east of Newington, while the main settlements of Sheerness, Sittingbourne, and Faversham also face varying degrees of surface water flooding. These vulnerabilities highlight the need for targeted drainage improvements and resilience measures to manage future flood impacts.

Figure 5-1: Fluvial / Coastal Flood Risk in Swale

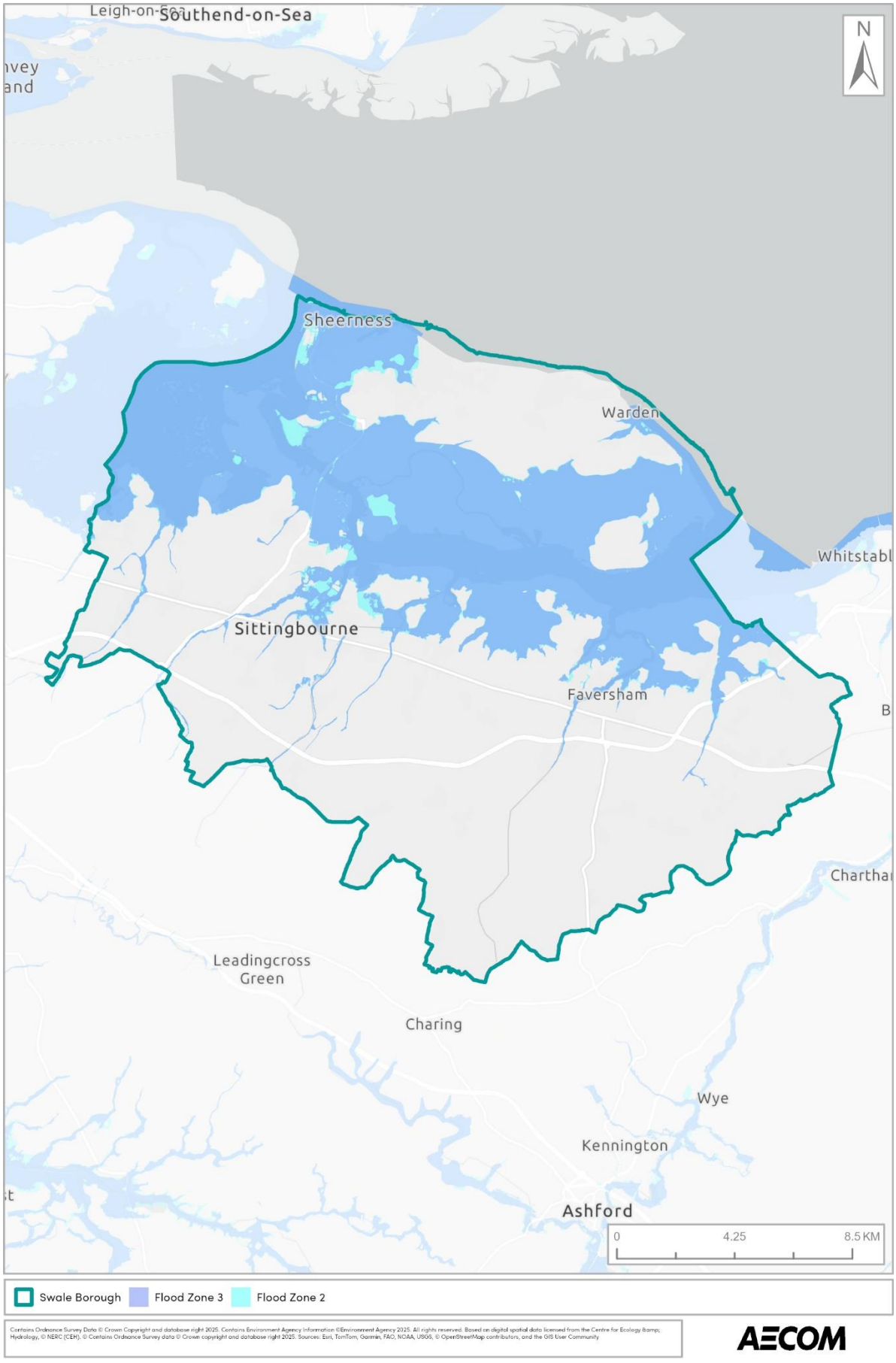
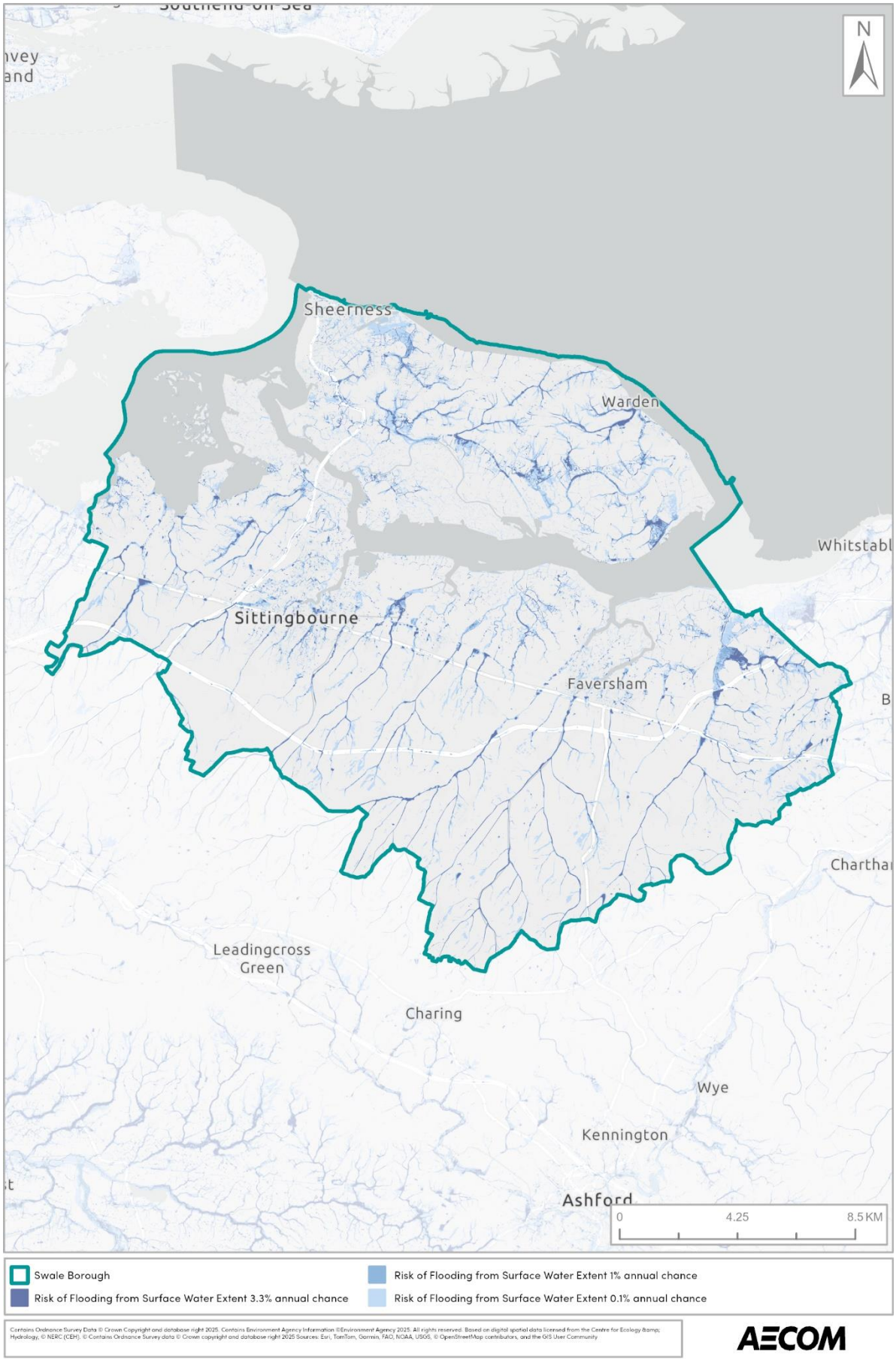


Figure 5-2: Surface Water Flood Risk in Swale



Overheating

5.3.3. Overheating refers to situations where indoor temperatures exceed comfortable and healthy levels, often resulting in discomfort, health risks, and increased energy consumption. In the context of climate change, overheating is becoming an increasingly significant issue, particularly in urban areas of the borough, where the combined effects of higher temperatures, reduced green spaces, and increasing urban density can exacerbate the problem. Urban heat islands (UHI) are particularly evident in areas with high population density, where concrete, asphalt, and other materials absorb and retain heat.

5.3.4. Adaptation measures are important to manage these risks. Guidance from Kent County Council and partners highlights practical steps such as improving shading, enhancing ventilation, and incorporating green infrastructure to cool urban environments.[19] Initiatives like the Cool Towns and Cool Neighbourhoods projects (with Kent County Council as an associated partner) demonstrate how nature-based solutions and community-led interventions can reduce heat stress at neighbourhood scale. Local planning and design standards should embed these principles to ensure new developments and retrofits are resilient to future heat extremes.

Future Baseline

Impacts of Climate Change

5.3.5. Research on the probable effects of climate change in the UK was released in 2018 by the UK Climate Projections (UKCP18) team. UKCP18 gives climate information for the UK up to the end of this century and projections of future changes to the climate are provided, based on simulations from climate models. Projections are broken down to a regional level across the UK and are shown in probabilistic form, which illustrate the potential range of changes and level of confidence in each prediction.

5.3.6. As highlighted by the research, the effects of climate change for the South East by 2040 in a 'medium emissions' (RCP4.5) scenario are likely to be as follows:[20]

- An increase in winter mean temperature of 1°C and an increase in summer mean temperature of 2°C; and
- A change in winter mean precipitation up to +10% and summer mean precipitation up to -10%.

[19] Kent County Council (no date). '*Kent's changing climate'* can be accessed through this link.
[20] Met Office (2019) '*Climate change projections over land'* can be accessed through this link.

5.3.7. Resulting from these changes, a range of risks exist for the borough, including:

- Effects on water resources, such as a reduction in availability of groundwater for extraction and a need to increase capacity of wastewater treatment plants and sewers;
- Adverse effect on water quality from low stream levels and turbulent stream flow after heavy rain;
- Increased risk of flooding and a need to upgrade flood defences;
- Soil erosion due to flash flooding;
- Loss of species that are at the edge of their southerly distribution and spread of species at the northern edge of their distribution;
- Health impacts, including increased risk of respiratory and cardiovascular illnesses during heatwaves, higher vulnerability among elderly and low-income populations, and mental health impacts associated with extreme weather events;
- Effects on the significance of designated and non-designated heritage assets;
- Increased demand for air-conditioning; and
- Heat stress related issues with infrastructure due to increased temperature.

5.4. Key Issues

5.4.1. Considering the policy context and baseline information, the following key issues (constraints and / or opportunities) are identified in relation to climate change adaptation:

- Parts of the borough face high risks of fluvial, coastal and surface water flooding due to nearby waterbodies. This poses a significant constraint for future development, especially in Swale Borough's main urban areas and this will be a significant consideration in developing the spatial strategy for the plan. Development must consider the requirements of the NPPF for sequential and exception testing alongside the risks and necessary flood mitigation measures;
- Increases in the built footprint of the borough has the potential to exacerbate flood risk issues;

- Climate change may reduce groundwater availability in summer and increase surface water flooding in winter, stressing drainage systems and water quality. Effective water management solutions, like sustainable drainage systems, will be needed to mitigate these risks;

- Following national trends, extreme heat events are likely to occur more frequently in the future in Swale Borough. In addition to this, drought is likely to become an increasing issue in summer. In this respect, climate change resilience strategies should form an integral part of the emerging SBLP policy framework; and

- Higher temperatures and flooding increase risks to public health, particularly in dense urban areas. Vulnerable populations will need better access to cooling and flood protection.

5.5. SA Objectives

5.5.1. Considering the key issues discussed above, it is proposed that the SA should include the following objectives and assessment questions in relation to climate change adaptation:

Increase resilience to the potential effects of climate change, including flood risk

5.5.2. The following questions will help assess how well each option supports the SA objective. Will the option help to:

- …avoid or reduce flood risk from tidal, fluvial, and surface water sources, particularly in vulnerable urban centres?

- …incorporate sustainable drainage and water management systems to mitigate increased flood and drought risks?

- …help reduce overheating by protecting and expanding green infrastructure and increasing permeable surfaces?

- …support climate-resilient design and infrastructure to safeguard public health, especially for vulnerable populations?

6. Climate Change Mitigation

6.1. Focus of Theme

6.1.1. This theme focuses on activities in the borough that contribute to climate change mitigation, including mitigating the borough's emissions, and developing renewable energy infrastructure.

6.2. Policy Context

6.2.1. **Table 2-1** presents the most relevant documents identified in the policy review for the purposes of the SA.

Table 6-1: Plans, Policies and Strategies Reviewed in Relation to Climate Change Mitigation

Document Title	Year of Publication
National	
National Planning Policy Framework (NPPF)	2024
UK Climate Change Risk Assessment	2022
The National Design Guide	2021
National Model Design Code	2021
National Infrastructure Assessment	2021
Net Zero Strategy: Build Back Greener	2021
UK Sixth Carbon Budget	2020
Heat Networks: Building a Market Framework	2020
The Clean Air Strategy	2019
Clean Growth Strategy	2019
25-Year Environment Plan	2019
UK National Adaptation Programme 2018 to 2023	2018
How Local Authorities Can Reduce Emissions and Manage Climate Change Risk	2012
UK Climate Change Act	2008
Local	
Swale Climate and Ecological Emergency Action Plan	2025
Kent Environment Plan	2025
Swale Electric Vehicle Strategy (2022-2030)	2022

Document Title	Year of Publication
Swale Green and Blue Infrastructure (GBI) Strategy	2020
Kent and Medway Energy and Low Emissions Strategy	2020
Kent Renewable Energy Action Plan (Update)	2017

6.2.2. The key messages emerging from the review are summarised below:

- The SBLP will be required to be in general conformity with the NPPF, which requires proactive planning to both mitigate and adapt to climate change. Planning policies are expected to improve the resilience of communities and infrastructure to climate change impacts, and support the move to a low carbon economy. The NPPF recognises the potential for planning to shape places in ways that contribute to radical reductions in greenhouse gas emissions, and deliver long-term resilience, including through reuse, regeneration, and conversion;

- The UK Climate Change Risk Assessment is published on a 5-yearly cycle in accordance with the requirements of the Climate Change Act 2008. It required the Government to compile an assessment of the risks for the UK arising from climate change, and then to develop an adaptation programme to address those risks and deliver resilience to climate change on the ground. For both the 2012 and the 2017 UK Climate Change Risk Assessment, the Adaptation Sub-Committee commissioned an evidence report aiming to understand the current and future climate risks and opportunities. The evidence report contains six priority risk areas requiring additional action between 2017 and 2022, see below:

  - Flooding and coastal change risks.
  - Risks to health, well-being, and productivity from high temperatures.
  - Risk of shortages in the public water supply, and for agriculture, energy generation and industry.
  - Risks to natural capital, including terrestrial, coastal, marine, and freshwater ecosystems, soils, and biodiversity.
  - Risks to domestic and international food production and trade; and
  - New and emerging pests and diseases, and invasive non-native species, affecting people, plants, and animals.

- Following the publication of each Change Risk Assessment, the Government must lay out its objectives, policies, and proposals to address the climate change risks and opportunities...

- …The second National Adaptation Programme (NAP2, 2018-2023), setting out these objectives, policies, and proposals, was published in 2018. The ASC is required by the Act to assess the NAP and present progress reports. The most recent report was published in 2019, concluding that climate change adaptation needs to be addressed at a national scale and the Government's response to date has not been successful. The Sixth Carbon Budget, required under the Climate Change Act, is the legal limit of UK net greenhouse gas emissions and requires the country to reduce emissions by 78% by 2035 relative to 1990 levels. This puts the country on track to achieve net-zero emissions by 2050 at the latest;

- The National Design Guide (NDG) and the National Design Code address how the Government recognises "well-designed places" including opportunities for climate change measures. Notably the NDG defines what constitutes a well-designed place using ten characteristics under three themes of climate, character, and community. Under the climate theme, homes and buildings should be functional, healthy, and sustainable, resources should be efficient and resilient, and buildings should be made to last;

- The National Infrastructure Assessment is published every five years and analyses the UK's long-term economic infrastructure needs to create a strategic vision and recommendations. The baseline report states that climate change will increase pressures on all sectors, including economic infrastructure;

- The Clean Growth Strategy, Clean Air Strategy, Net Zero Strategy, and the 25-year Environment Plan are a suite of documents which seek to progress the government's commitment under the UK Climate Change Act to becoming net zero by 2050. The documents set out detailed proposals on how the government will tackle all sources of air pollution, whilst maintaining an affordable energy supply and increasing economic growth. This parallels with the 25-year Environment Plan, which further seeks to manage land resources sustainably, recover and reinstate nature, protect soils and habitats, increase resource efficiency, improve water quality, and connect people with the environment. The documents also interlink with the government's commitment to decarbonising transport, a recognised challenge that needs more work in a timely manner if government are to achieve net zero targets. Furthermore, the decarbonisation plan recognises the twinned need to undertake action to adapt the transport sector and increase resilience to climate change risks; and this challenge is more directly addressed through the UK's National Adaptation Programme;

- The Department for Business, Energy and Industrial Strategy released a framework for heat networks which includes proposals to increase access to renewable heat sources and achieve a net zero target by 2050;

- The Committee of Climate Change's 2012 report entitled 'How Local Authorities Can Reduce Emissions and Manage Climate Change Risk' emphasises the crucial role councils have in helping the UK meet its carbon targets and preparing for the impacts of climate change. It outlines specific opportunities for reducing emissions and highlights good practice examples from Local Authorities;

- The Swale Climate and Ecological Emergency Action Plan (2025) outlines seven focus areas to guide the borough toward net-zero emissions, emphasising collaboration and community transformation. It highlights the potential for stronger communities, a green economy, and improved public health through climate and ecological action;

- The Kent Environment Plan sets out Kent County Council's strategy to address climate change, pollution, and biodiversity loss. It focuses on six goals (ranging from reducing carbon emissions and adapting to climate impacts to protecting natural assets and promoting a circular economy) aiming to deliver environmental improvement alongside sustainable economic growth;

- The Swale Electric Vehicle Strategy (2022) highlights the growing demand for electric vehicles and outlines how Swale Borough Council will support the transition through well-planned, accessible charging infrastructure;

- The Swale Green and Blue Infrastructure Strategy (2020–2039) highlights the role of green and blue spaces in reducing carbon emissions and supporting climate change mitigation. It promotes nature-based solutions that absorb carbon, enhance biodiversity, and protect key ecological areas such as Swale's coastline and woodlands, while encouraging community involvement in sustainable practices;

- The Kent and Medway Energy and Low Emissions Strategy (2020) sets out a countywide approach to tackling the climate emergency by reducing carbon emissions and promoting clean energy. It calls for collective action from residents, businesses, and public bodies to deliver sustainable growth, improve air quality, and address fuel poverty while positioning Kent as a leader in low-carbon innovation; and

- The updated Kent Renewable Energy Action Plan revises the county's energy and emissions baseline and assesses future demand scenarios. It reviews current renewable and Combined Heat and Power capacity, explores deployment potential, and sets out actions to accelerate renewable energy growth and reduce carbon emissions across Kent and Medway.

6.3. Baseline Summary

Current Baseline

Climate Emergency

6.3.1. Swale Borough Council declared a climate emergency in June 2019, setting the borough on a pathway towards carbon neutrality by 2045. Since the climate emergency was confirmed in Swale, a new Climate Change Action Plan has been adopted to enable the Council to meet these commitments.

Contribution to Climate Change

6.3.2. The Climate Change Act 2008 (2050 Target Amendment) Order of 2019 requires carbon dioxide (CO_2) emissions from the built environment to be monitored and recorded at the local authority level. The CO_2 emissions shown in **Figure 6-1** and **Figure 6-2** are derived from data supplied by the Department for Business, Energy, and Industrial Strategy.[21]

6.3.3. Beginning with **Figure 6-1**, it shows that throughout the observed period, the majority of Swale Borough's territorial CO_2 emissions originated from three key sectors: industry, transport, and domestic.

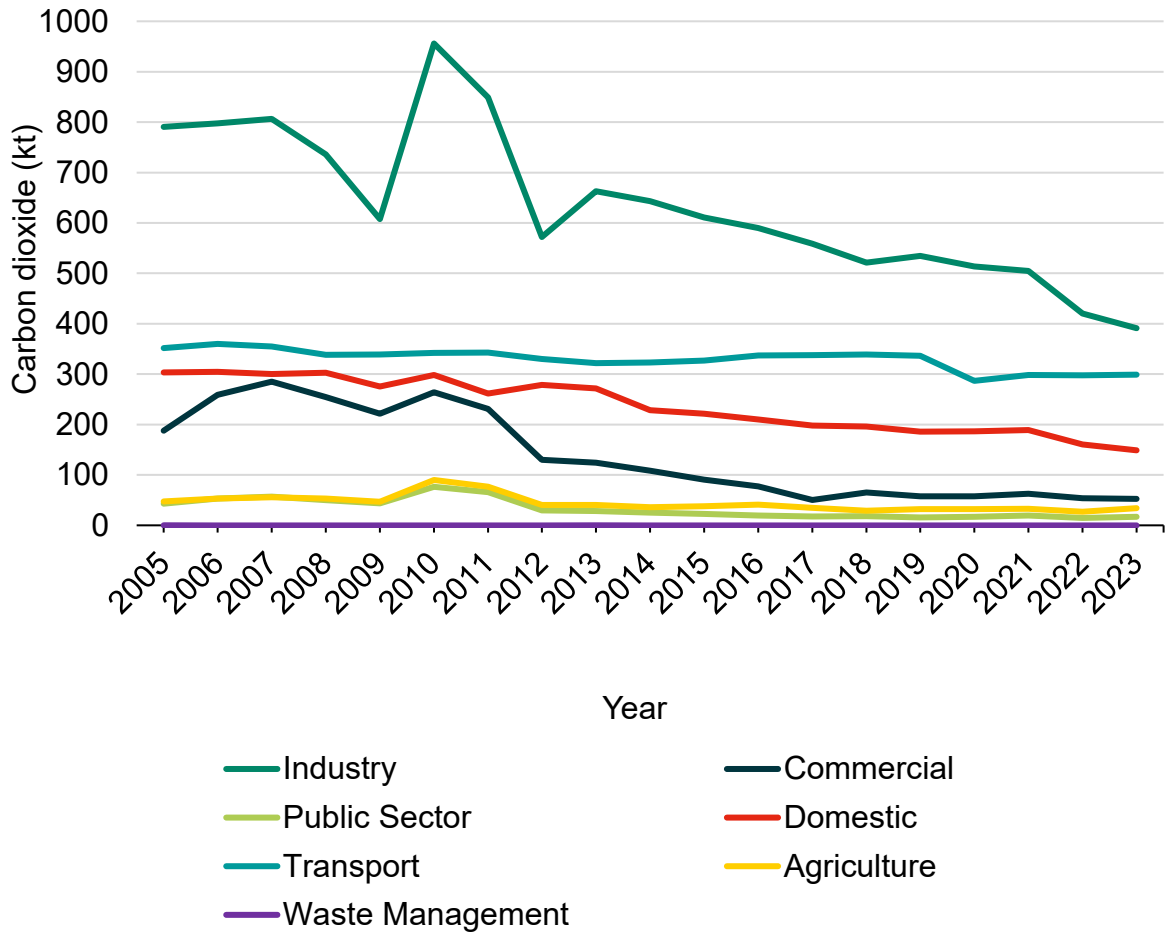
6.3.4. Despite significant reductions in emissions over the years, the industry sector has consistently been the largest contributor in Swale, likely influenced by activities such as shipping and manufacturing.

6.3.5. Transport emissions are the second-largest source of CO_2 in Swale. Emissions remained relatively stable until 2019, after which there was a notable drop (likely due to reduced travel during the COVID-19 pandemic). By 2021, emissions had begun to rise again, though they remained below the 2018 levels.

[21] Department for Business, Energy and Industrial Strategy (2025). '*UK local authority and regional carbon dioxide emissions national statistics: 2005-2023'* can be accessed through this link. Table 1.2.

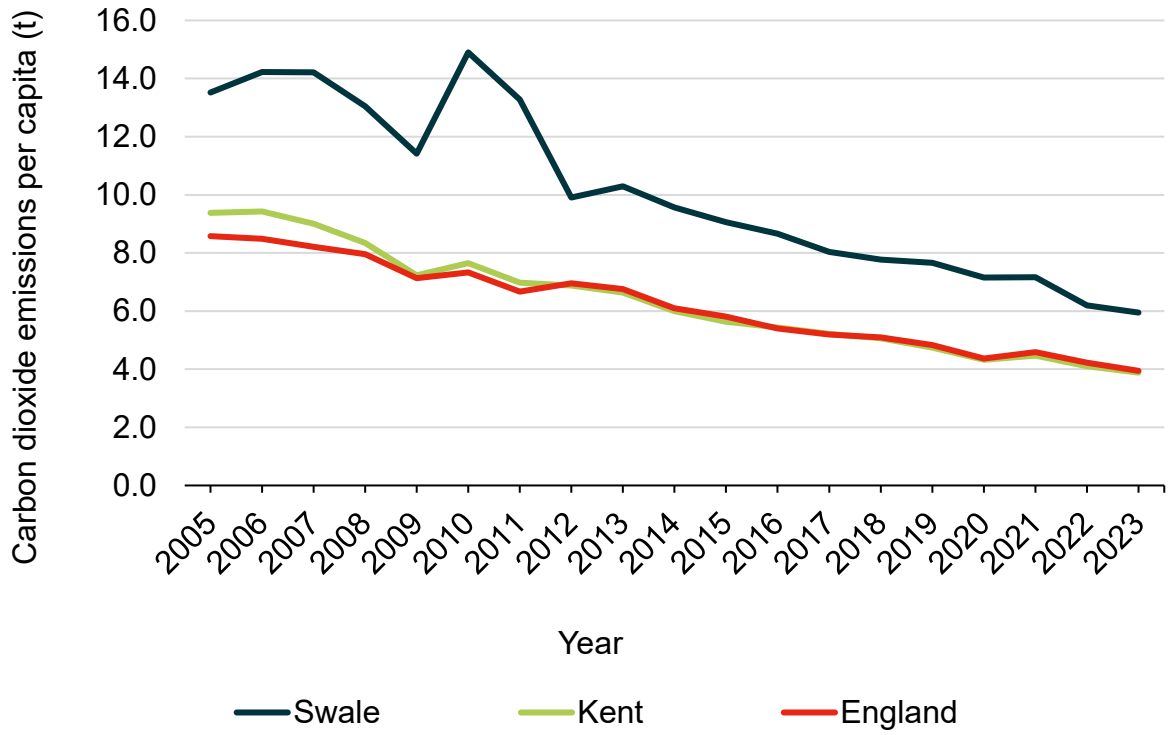
6.3.6. In 2005, domestic emissions were relatively high, but have since declined significantly, nearly halving by 2023. This reduction is largely attributed to the decarbonisation of the national grid and increased energy efficiency in homes.

Figure 6-1: Local Authority Territorial Carbon Dioxide Emissions Estimates Within the Scope of Influence of Swale Borough 2005-2023 (kt CO_2e)



6.3.7. **Figure 6-2** indicates that since 2013, CO_2 emissions per capita in Swale have remained around 50% higher than the averages for Kent and England. This difference may be attributed to the borough's industrial activity, including sectors such as manufacturing and logistics which are associated with Medway Port.

Figure 6-2: Territorial Carbon Dioxide Emissions per Capita (in Tons) for Swale Borough, and the Whole of England (2005-2023)



Renewable Energy

6.3.8. Electric Vehicles (EVs) do not burn fuel and create almost no noise. They are battery powered and have the potential to be 'zero-emission vehicles' (ZEVs) if powered by renewable electricity. As of July 2025, there were 124 public electric charging devices in Swale Borough.[22] This figure is the third highest of all the districts and boroughs in Kent.

6.3.9. In terms of renewable energy, the Department for Business, Energy and Industrial Strategy publishes annual statistics on renewable energy generation, disaggregated by Local Authority.[23] The most recent data (to 2024) shows that Swale Borough has a total of 3,548 renewable energy (electricity) installations (the majority of which are photovoltaics), amounting to a total renewable electricity capacity of 809.6 MW.

[22] HM Gov (2025) '*Electric vehicle charging infrastructure statistics: July 2025*' can be accessed through this link Table 1a.

[23] DBEIS (2025) '*Renewable electricity by local authority, 2014 to 2024*' can be accessed through this link. LA-Sites 2024. LA-Capacity 2024.

Energy Efficiency

6.3.10. Swale faces significant challenges in improving the energy efficiency of its housing stock. With approximately 55,000 homes, the borough has one of the highest rates of inadequate loft insulation in Kent, affecting an estimated 30,000 properties.[24] In addition, 10,000 solid wall homes and 17,500 with empty cavities present further barriers to effective insulation due to the cost and complexity of retrofit works.

6.3.11. Comprehensive insulation across all homes in Swale could cost between £64 million and £151 million, but would deliver substantial benefits: an estimated £8 million in annual energy bill savings for residents and a reduction of 33,000 tonnes of CO_2 emissions per year.[24]

6.3.12. Swale Borough Council has already taken steps to address energy efficiency through initiatives like the Rushenden Retrofit Programme on the Isle of Sheppey. Funded by the Community Energy Savings Programme, this national demonstrator project aims to achieve at least 40% carbon savings in both private and social housing. Phase one has delivered retrofit measures to over 60 homes, including external wall insulation, replacement glazing, new boilers, heating systems, and solar panels. Monitoring equipment has been installed to evaluate energy use and behavioural changes post-retrofit.[24]

Future Baseline

Renewable Energy Uptake

6.3.13. In line with UK trends and national commitments, emissions are likely to continue to fall as energy efficiency measures, renewable energy take-up and new technologies, such as EVs and solar PV, become more widely adopted.

6.3.14. With regard specifically to transport emissions, the uptake of Ultra Low Emission Vehicles (ULEVs) will contribute positively towards the reduction of road transport related emissions. In line with assumptions made by the Department for Transport's 'Road to Zero' Report (2018)[25], it is assumed that ULEV uptake will increase rapidly in the coming decade and aside from Heavy Goods Vehicles (HGVs), many more vehicles could be ultra-low emission (powered either by hydrogen or electricity) by 2030.

[24] Kent County Council (no date). *'Kent Environment Strategy Briefing Note Swale*' can be accessed through this link.

[25] HM Gov (2018) '*The Road to Zero – Next steps towards cleaner road transport and delivering our Industrial Strategy'* can be accessed through this link.

6.4. Key Issues

6.4.1. Considering the policy context and baseline information, the following key issues (constraints and/ or opportunities) are identified in relation to climate change mitigation:

- Swale Borough Council declared a climate emergency in 2019, with a target of carbon neutrality by 2045, reinforcing the need to embed climate action in the SBLP;
- The borough's CO_2 emissions are primarily from the industry, transport, and domestic sectors. While emissions have declined, industry and transport remain significant sources, underscoring the need for targeted reductions for these sectors;
- Expanding EV infrastructure is needed to support the transition to electric mobility;
- Increasing renewable energy installations, such as solar panels and wind turbines, is important to reduce reliance on fossil fuels and lower overall CO_2 emissions in the borough; and
- The energy efficiency of Swale's housing stock is below average, requiring targeted action through the SBLP to support retrofit programmes and low-carbon building standards.

6.5. SA Objectives

6.5.1. Considering the key issues discussed above, it is proposed that the SA should include the following objectives and assessment questions in relation to climate change mitigation:

Mitigate climate change by increasing decarbonisation, with a focus on industry, transport and the built environment, increasing efficiency and reducing energy use

6.5.2. The following questions will help assess how well each option supports the SA objective. Will the option help to:

- …guide Swale Borough towards carbon neutrality by 2045 through strong emissions reductions?
- …ensure new developments achieve high energy efficiency with monitored performance?
- …accelerate uptake of low-carbon heating?

- …expand EV charging infrastructure to support the shift to electric vehicles?
- …increase renewable energy generation?
- …promote sustainable transport options that reduce transport emissions?

7. Communities and Health

7.1. Focus of Theme

7.1.1. This theme focuses on promoting health, wellbeing, and safety by addressing healthcare access, health inequalities, road safety, crime prevention, and the quality of the living environment.

7.2. Policy Context

7.2.1. **Table 7-1** presents the most relevant documents identified in the policy review for the purposes of the SA.

Table 7-1: Plans, Policies and Strategies Reviewed in Relation to Health, Wellbeing and Safety

Document Title	Year of Publication
National	
10 Year Health Plan for England	2025
National Planning Policy Framework (NPPF)	2024
Levelling-up and Regeneration Act	2023
Streets for a Healthy Life: A companion guide to building for a Healthy Life	2022
Building for a Healthy Life	2020
Health Equity in England: The Marmot Review 10 Years On	2020
Planning for Sport Guidance	2019
The 25 Year Environment Plan	2018
Healthy High Streets	2018
Spatial Planning for Health: An evidence resource for planning and designing healthier places	2017
Health and Social Care Act	2012
Planning Practice Guidance	various
Local	
Swale Community Safety Plan 2025/26	2025
Empowering You in Swale (2024-2027)	2024
Kent and Medway Integrated Care Strategy (2023-2028)	2023
We Care Strategy (2023 to 2028)	2023

Document Title	Year of Publication
Swale Green and Blue Infrastructure (GBI) Strategy	2020

7.2.2. The key messages emerging from the review are summarised below:

- The 10 Year Health Plan is part of the government's health mission to build a health service fit for the future. It sets out how the government will reinvent the NHS through three shifts:
  - hospital to community.
  - analogue to digital.
  - sickness to prevention.

  To support the scale of change needed, the Plan outlines that the government will ensure the NHS is ready to deliver these three shifts at pace:
  - through a new operating model.
  - by ushering in a new era of transparency.
  - by creating a new workforce model with staff genuinely aligned with the future direction of reform.
  - through a reshaped innovation strategy.
  - by taking a different approach to NHS finances.
- The Government's Levelling Up and Regeneration Bill seeks to reduce regional inequalities and promote economic growth and opportunities in less prosperous areas. It has been designed to address regional disparities, stimulate economic development, and enhance infrastructure and community well-being in order to create a more balanced and inclusive nation;
- The SBLP will need to have regard for the principles set out in the NPPF, which seek to retain and enhance access to community services and facilities such as educational facilities and open spaces. The NPPF recognises the benefits of having a range of local provision to support community needs, in addition to the benefits of creating cohesive communities in safe environments where the fear of crime (and crime itself) does not undermine resident quality of life. This contributes to ensuring settlement and community identities are protected;
- As set out in the NPPF, it should be ensured that the design of streets, parking areas, other transport elements and the content of associated standards reflects current national guidance, including the National Design Guide and the National Model Design Code…

- …which illustrate how well-designed places that are beautiful, healthy, greener, enduring, and successful can be achieved in practice;

- The NPPF highlights the role of development plans in helping to deliver access to high quality open spaces and opportunities for sport and physical activity, therefore contributing to the health and wellbeing of communities. The health benefits of access to nature, green spaces and green infrastructure are further reiterated in the 25-year Environment Plan, which has a particular focus on the physical and mental wellbeing benefits that the environment provides.;

- The 2020 Health Equity in England Report identifies that the health gap between less and more deprived areas has grown in the last decade, where more people can expect to spend more of their lives in poor health, and where improvements to life expectancy have stalled, or even declined for the poorest 10% of women;

- The Planning for Sport Guidance seeks to help the planning system provide formal and informal opportunities for everyone to take part in sport and be physically active. The Guidance outlines 12 'planning-for-sport' principles;

- In 2017 Public Health England (PHE) published '*Spatial Planning for Health: An evidence resource for planning and designing healthier places*'. The review provides guidance on the role of the built and natural environment in shaping health impacts. The review also explores the impacts of neighbourhood design, provision of housing, transport and the natural environment on public health. Although PHE has since been replaced by the UK Health Security Agency and the Office for Health Improvement and Disparities, the guidance remains a relevant reference for planning and public health;

- In 2018 PHE produced a 'Healthy High Streets' briefing which highlights how health inequalities can be addressed in the design of the built environment. Additionally, 'Building for a Healthy Life' guidance (and its companion 'Streets for a Healthy Life') helps local council applications focus more on active travel, air quality and biodiversity;

- The Health and Social Care Act 2012 transferred responsibility for public health from the NHS to local government, giving local authorities a duty to improve the health of the people who live in their areas. This will require a more holistic approach to health across all local government functions;

- The Swale Community Safety Plan 2025/26 sets out how the Community Safety Partnership will address local safety priorities. Updated annually, it uses strategic assessments and stakeholder input to respond to emerging issues and legislative changes, ensuring actions reflect community needs;

- The Empowering You in Swale Strategy sets priorities for community development to tackle inequalities and improve residents' lives. It focuses on partnership working, skills, health, sustainability, and innovative projects to support communities facing challenges such as the cost of living, housing, and fuel crises;

- The Kent and Medway Integrated Care Strategy (2023-2028) sets out a collaborative approach to improving health and wellbeing across the region. It addresses health inequalities by tackling wider determinants such as housing, education, environment, and employment, and commits system partners to work together for better outcomes than any one organisation could achieve alone;

- The NHS We Care Strategy (2023-2028) sets out four key ambitions to transform community health services and tackle inequalities exposed by the pandemic. Co-designed with patients, carers, and staff, it focuses on improving care quality, aligning with system partners, and driving change through the power of community-based healthcare; and

- The Swale Green and Blue Infrastructure Strategy (2020-2039) recognises green and blue spaces as vital for community health and wellbeing. It sets out opportunities to create healthier, more connected environments through nature-based improvements, urban greening, and safe routes, while fostering partnerships to deliver sustainable projects that enhance quality of life for residents.

7.3. Baseline Summary

Current Baseline

Population Growth

7.3.1. Swale's population was 151,700 in 2021, an increase of 11.7% from around 135,800 in 2011. This growth rate is higher than the South East average (7.5%) and England overall (6.6%).[26]

7.3.2. Growth has been most pronounced among older age groups, with residents aged 65 years and over increasing by 27% between 2011 and 2021, compared to 8% growth for those aged 15-64 and 9% growth for those under 15 years. This trend reflects an ageing population.

Health

7.3.3. Life expectancy for males in Kent (dashboard data was not available at the Swale level) during the period 2021-2023 was 79.3 years. For females, it was higher, at 83.3 years. Life expectancy for both sexes has remained relatively stable compared to a decade earlier, although life expectancy for males has dropped slightly since 2017-2019 (when it was 79.8). Despite this, Swale's figures remain broadly comparable to national averages.[27]

7.3.4. In the 2021 Census, 80% of Swale's residents recorded their general health as 'good' or 'very good'.[28] This is slightly lower than county and national averages, which both were recorded as 82%.

7.3.5. Office for Health Improvement and Disparities maintain the Fingertips website, which provides health profiles for each local authority area in England, including Swale. The latest Health Profile for Swale summarises various datasets produced over recent years. **Table 7-2** provides a high-level review of Swale's performance compared to England for the 35 indicators measured (see the Fingertips for further detail).[29]

[26] ONS (2022). '*How the population changed in Swale: Census 202'* can be accessed through this link.
[27] OHID (2023). *'Health Inequalities Dashboard'* can be accessed through this link.
[28] Nomis (2021). '*Query Data*' can be accessed through this link. See Table TS037.
[29] Office for Health Improvement and Disparities (no date). '*Fingertips - Swale Borough Local Authority Health Profile'* can be accessed through this link.

7.3.6. Overall, Swale performs similarly to or better than the national average for most indicators. However, the borough performs worse for:

- Life expectancy at birth (Male, 3 year range);
- Estimated dementia diagnosis rate;
- Under 18s conception rate;
- Year 6 prevalence of obesity (including severe obesity) (10-11 yrs);
- Average Attainment 8 score: and
- Overall deprivation score (IMD 2019).

Table 7-2: Health Summary for Swale Borough

Indicator Category (Number of Indicators)	Significantly Better than England (Better 95%)	Not Significantly Different (Similar)	Significantly Worse (Worse 95%)
Life expectancy and causes of death (8)	0	7	1
Injuries and ill health (5)	2	2	1
Behavioural risk factors (5)	1	4	0
Child health (4)	0	2	2
Inequalities (4)	0	3	1
Wider determinants of health (6)	4	1	1
Health protection (3)	2	1	0
Total	**9**	**21**	**6**

7.3.7. The Index of Multiple Deprivation 2019 (IMD) is an overall relative measure of deprivation, combining seven different domains. Of particular relevance to the Health, Wellbeing and Safety SA theme are:

- **Health deprivation and disability**: the risk of premature death and the impairment of quality of life through poor physical or mental health;
- **Crime**: the risk of personal and material victimisation at the local level; and
- **Living environment**: the quality of the local environment, categorised into 'indoors living environment' to measure the quality of housing and 'outdoors living environment' to measure indicators like air quality and road traffic accidents.

7.3.8. **Figure 7-1** shows the ranking of Swale Borough's LSOAs for the Health and Disability domain, while **Table 7-3** provides additional details on the LSOAs within Swale Borough that fall within the 50% most deprived, or worse, areas.

7.3.9. Analysis indicates Swale performs poorly in the Health and Disability domain, with 60% of its LSOAs within the 50% most deprived nationally, including five in the bottom 10%. Higher levels of deprivation are concentrated on the Isle of Sheppey, Faversham, and Sittingbourne.

Figure 7-1: Health and Disability IMD Domain[30]

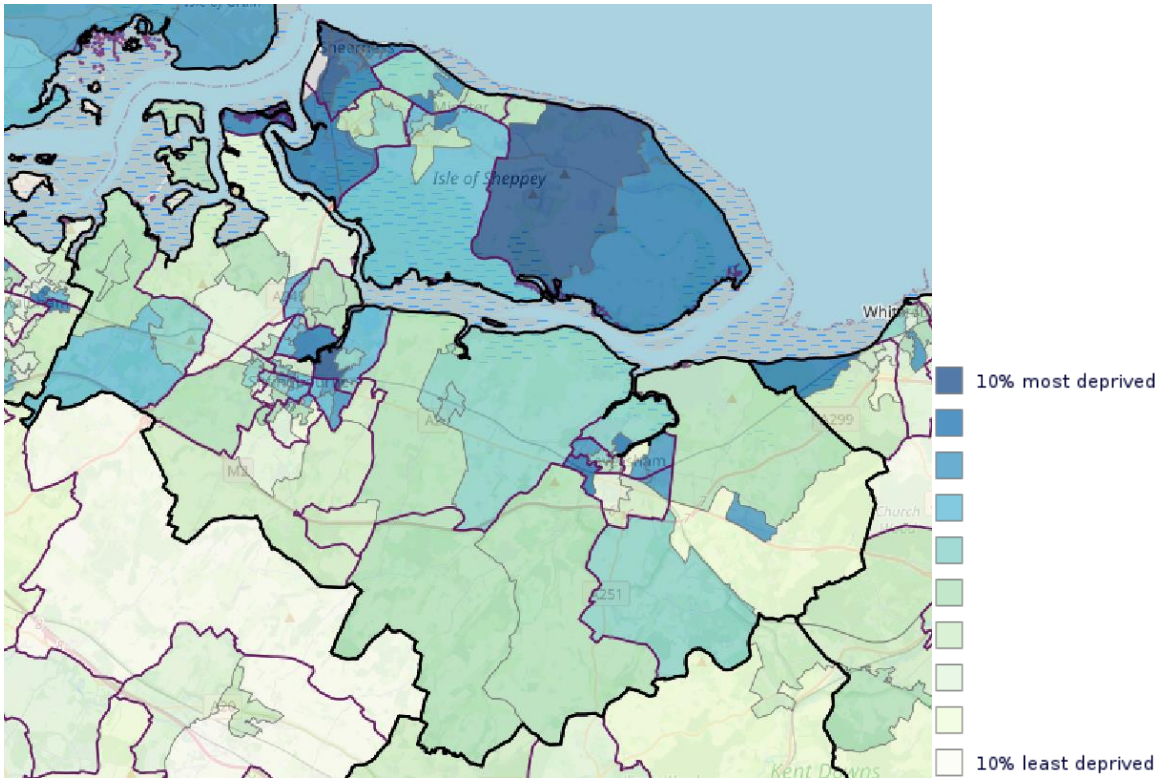


Table 7-3: LSOAs in Swale Borough Ranked Within 50% Most Deprived or Worse for the Health and Disability IMD Domain

Decile	Most Deprived Indices
50% Most Deprived	14
40% Most Deprived	10
30% Most Deprived	9
20% Most Deprived	13
10% Most Deprived	5
Total	**51 (out of 85)**

[30] Ministry of Housing, Communities & Local Government (2019). '*Indices of Deprivation: 2019 and 2015'* can be accessed through this link.

7.3.10. The Government recently published a draft Outcomes Framework for Local Government, which includes a focus on health metrics.[31] Regard can be given to those of most relevance moving forward in the SA. Also, consideration can be given to two recent publications from the Town and Country Planning Association and Royal Town Planning Institute, respectively, dealing with the links between local plan-making and health.[32,33] Those publications both include a considerable emphasis on gathering data that can then be used to inform local plan-making.

Healthcare Facilities

7.3.11. Access to primary care services in Swale is a significant concern. A 2025 report by Healthwatch Kent and Diversity House found that Swale has the worst GP-to-patient ratio in the UK, with one GP for every 3,300 patients.[34] This shortage has led to difficulties in accessing timely care, particularly for vulnerable groups. The report also highlighted disparities in healthcare experiences based on geography, culture, and ethnicity.

7.3.12. Looking ahead, Swale's ageing population is likely to place further pressure on healthcare infrastructure. Older residents typically have more complex and long-term health needs, including chronic disease management, mobility support, and social care services. This demographic shift will require continued investment in both physical healthcare facilities and the workforce, with a particular focus on geriatric care and integrated community services.

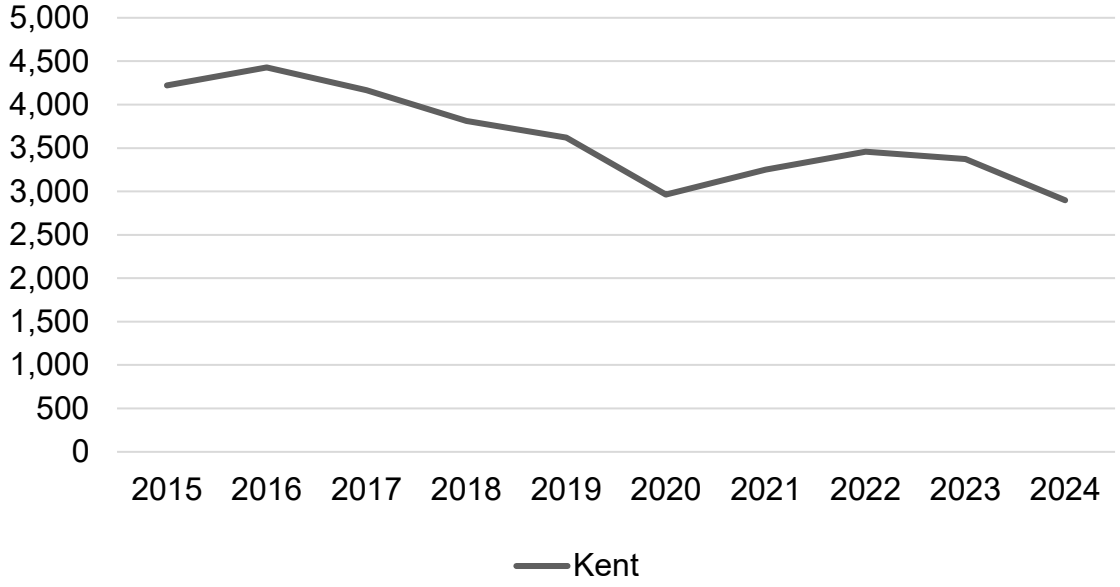
Road Safety

7.3.13. The Department for Transport provides information on the number and nature of casualties sustained as a result of road traffic accidents reported in Great Britain's roads, with the latest available data coming from 2023.[35]

[31] GOV.UK (2025). '*Local Government Outcomes Framework: Call for feedback*' can be accessed through this link.
[32] Tcpa (2024). '*Planning for healthy places – a guide on embedding health in Local Plans and planning policy in England'* can be accessed through this link.
[33] RTPI (2024). '*Project: Local plans and health'* can be accessed through this link.
[34] Diversity House (2022). '*Access To Healthcare : Looking At Health Inequalities In Swale'* can be accessed through this link.
[35] Department for Transport (2023). '*Number and rates of reported road collisions by severity and local authority, Great Britain, 10 years up to 2023'* can be accessed through this link. [See Sheet RAS0403]

7.3.14. Over the last 10 years, there has been a downward trend in reported road collisions (all types) in Kent (see **Figure 7-2**)[36], reflecting a wide range of factors including road improvement schemes, improved vehicle safety, and national and local measures to improve the training and skills of road users and their compliance with traffic laws.

Figure 7-2: Road Collisions in Kent (All Severities)(2015-2024)



Crime

7.3.15. Swale experiences a slightly higher level of crime compared to other districts in Kent and across England. According to ONS, the overall crime rate in Swale for the year ending March 2025 was 96.5 crimes per 1,000 residents, which is higher than the average crime rate across similar local authority areas (including the average for Kent).[37]

7.3.16. The most commonly reported crimes in Swale (as of February 2024) were:[38]

- Violence and sexual offences;
- Anti-social behaviour; and
- Criminal damage and arson.

[36] Data for Swale was not available.

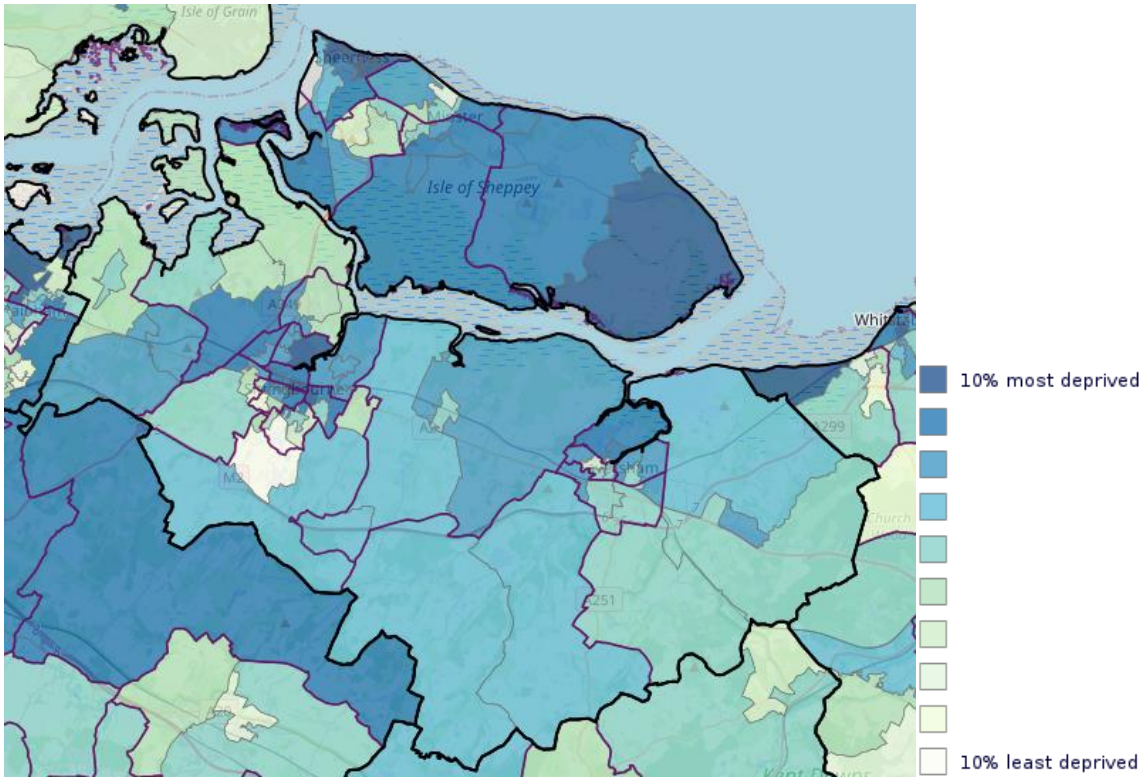
[37] Police.UK (2025). '*Compare your area*' can be accessed through this link.

[38] Police-uk,org (2024). '*Swale Crime Data, Postcodes, Wards, Map'* can be accessed through this link.

7.3.17. The Crime domain of the Index of Multiple Deprivation measures the risk of personal and material victimisation at local level, drawing on indicators such as recorded violence, burglary, theft, and criminal damage. **Figure 7-3** shows the ranking of Swale's LSOAs for the Crime domain, while **Table 7-4** provides additional details on the LSOAs within Swale that fall within the 50% most deprived areas.

7.3.18. 80% of the LSOAs in Swale Borough fall within the 50% most deprived nationally for crime, with eight LSOAs ranked in the 10% most deprived. The presence of multiple LSOAs in the most deprived category indicates a need for targeted interventions to address crime and its underlying causes in these areas.

Figure 7-3: Crime IMD Domain[39]



[39] Ministry of Housing, Communities & Local Government (2019). '*Indices of Deprivation: 2019 and 2015'* can be accessed through this link.

Table 7-4: LSOAs in Swale Borough Crime IMD Domain

Decile	Most Deprived Indices
50% Most Deprived	16
40% Most Deprived	6
30% Most Deprived	22
20% Most Deprived	16
10% Most Deprived	8
Total	**68 (out of 85)**

Living Environment

7.3.19. The Living Environment domain measures the quality of the local environment, combining data on housing condition and wider environmental factors. It includes indicators such as indoor housing quality, air quality, and road traffic accidents. **Figure 7-4** shows the ranking of Swale's LSOAs for the Living Environment domain, while **Table 7-5** provides additional details on the LSOAs within Swale that fall within the 50% most deprived, or worse, areas.

7.3.20. Swale generally performs well in this domain, with 60% of its LSOAs among the 50% least deprived nationally, though pockets of deprivation remain, primarily in the east of the Isle of Sheppey and rural central and southern areas.

Figure 7-4: Living Environment IMD Domain[40]

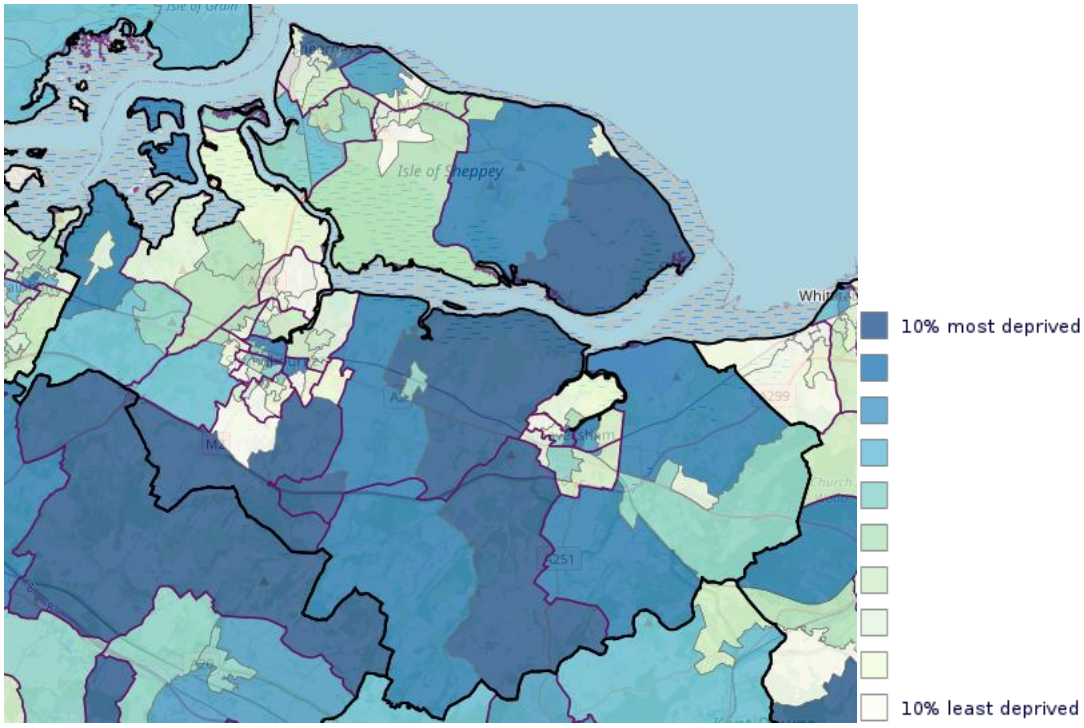


Table 7-5: LSOAs in Swale Borough Living Environment IMD Domain

Decile	Most Deprived Indices
50% Most Deprived	10
40% Most Deprived	4
30% Most Deprived	3
20% Most Deprived	12
10% Most Deprived	7
Total	**34 (out of 85)**

[40] Ministry of Housing, Communities & Local Government (2019). '*Indices of Deprivation: 2019 and 2015'* can be accessed through this link.

Green Infrastructure

7.3.21. Improving access to greenspace are increasingly being recognised as an important asset for supporting health and wellbeing. This 'natural capital' can help local authorities address local issues that they face, including improving health and wellbeing, managing health and social care costs, reducing health inequalities, improving social cohesion and taking positive action to address climate change.[41]

7.3.22. Swale Borough Council has acknowledged the importance of green infrastructure through its Green and Blue Infrastructure Strategy, which guides opportunities for a greener, healthier, more biodiverse and prosperous borough.

7.3.23. Swale benefits from a good supply of open green spaces and rivers, particularly in the peripheral areas of the borough. Many of these are accessible via the local public footpath network, including Public Rights of Way (PROW) (see **Chapter 13**), which are managed by Kent County Council to ensure safe and sustainable access for walking, cycling, and horse riding.

7.3.24. Three sites in Swale currently hold Green Flag status (the national benchmark for well-managed parks and green spaces):[42]

- Milton Creek Country Park
- Oare Gunpowder Works Country Park
- Faversham Recreation Ground

Future Baseline

7.3.25. As the borough's population grows, pressure on local services and those in surrounding authorities will increase. This underscores the need to retain existing community facilities and secure new or upgraded infrastructure where possible in future development.

7.3.26. An ageing population will continue to strain social care services, particularly for older adults with long-term conditions. Health inequalities may persist, especially in deprived areas. Without targeted interventions addressing chronic illness, mental health, and obesity, improvements in life expectancy could slow.

[41] PHE (2020); '*Improving access to greenspace'* can be accessed through this link.
[42] Swale Borough Council (2025). '*Award winning green spaces*' can be accessed through this link.

7.3.27. Development will likely increase road traffic volumes, raising accident risks, particularly for pedestrians and cyclists. Enhancing active travel infrastructure and networks will be important for safer, more sustainable transport.

7.3.28. Crime patterns may shift with population growth and socio-economic change, with theft and violent crime remaining concerns. Higher crime rates could persist unless community safety initiatives, youth engagement programmes, and policing strategies address root causes. Applying 'designing out crime' principles (such as improved street lighting, active frontages, natural surveillance, and well-maintained public spaces) will be important in the emerging SBLP.

7.3.29. Environmental pressures will grow as Swale urbanises, affecting air quality, noise, and access to green space. Maintaining and expanding parks and open spaces will be vital for public health, social cohesion, and climate resilience. Poorer air quality may become more pronounced in densely developed areas, making sustainable urban planning critical.

7.4. Key Issues

7.4.1. Considering the policy context and baseline information, the following key issues (constraints and / or opportunities) are identified in relation to health, wellbeing and safety:

- Population growth will increase demand for healthcare, housing, education, and community facilities, requiring coordinated infrastructure planning;
- A significant rise in older residents will drive demand for social care, specialist services, and dementia support;
- Deprivation hotspots, particularly on the Isle of Sheppey and parts of Sittingbourne and Faversham, continue to experience poorer community and health outcomes;
- Swale's GP-to-patient ratio is among the worst nationally, creating barriers to timely healthcare and exacerbating inequalities;
- Violent crime, anti-social behaviour, and theft remain concentrated in deprived areas, impacting wellbeing and perceptions of safety;
- Maintaining and enhancing parks, open spaces, and waterways is important for health, wellbeing, biodiversity, and climate resilience.

7.5. SA Objective

7.5.1. Considering the key issues discussed above, it is proposed that the SA should include the following objective in relation to communities and health:

Promote and protect health, wellbeing, and safety by ensuring access to healthcare, reducing health inequalities, improving road safety, enhancing green infrastructure, and creating safe and sustainable communities

7.5.2. The following questions will help assess how well each option supports the SA objective. Will the option help to:

- …improve access to healthcare services and facilities for all residents?
- …reduce health inequalities, particularly in deprived areas?
- …support physical and mental health outcomes across different population groups?
- …address key health challenges such as obesity and long-term conditions?
- …enhance road safety, particularly for pedestrians, cyclists, and vulnerable road users?
- …strengthen social cohesion and community wellbeing?
- …reduce crime rates, particularly in hotspot areas?
- …address residents' fear of crime?

8. Economy and Employment

8.1. Focus of Theme

8.1.1. This theme focuses on improving Swale Borough's economic well-being by supporting diverse employment opportunities, enhancing workforce skills, and addressing challenges like qualification gaps and the changing nature of work.

8.2. Policy Context

8.2.1. **Table 8-1** presents the most relevant documents identified in the policy review for the purposes of the SA.

Table 8-1: Plans, Policies and Strategies Reviewed in Relation to Economy and Employment

Document Title	Year of Publication
National	
National Planning Policy Framework (NPPF)	2024
Get Britain Working White Paper	2024
Planning Practice Guidance	various
Invest 2035: UK Industrial Strategy Green Paper	emerging
Local	
Kent and Medway Economic Framework	2024
Empowering You in Swale	2024
Swale Corporate Plan	2023
Framing Kent's Future 2022-2026	2022
Swale Workforce Strategy 2020 to 2025	2020
Swale Economic Improvement Plan	2020

8.2.2. The key messages emerging from the review are summarised below:

- The National Planning Policy Framework (NPPF) (supported by Planning Practice Guidance) sets out the Government's planning policies for England and how these are expected to be applied. The 2024 revision emphasises the importance of aligning planning policies with economic growth objectives. It encourages local authorities to identify and support sectors crucial for modern economies, such as laboratories, gigafactories, data centres, digital infrastructure, and logistics…

- …by facilitating appropriate development in these areas, the NPPF aims to stimulate economic activity and create employment opportunities. It requires that Local Plans should:
  - Set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth;
  - Support existing business sectors;
  - Plan for new or emerging sectors;
  - Flexibility to accommodate needs not anticipated;
  - Identify priority areas for economic regeneration;
  - Facilitate flexible working practices;
  - Policies should avoid protecting land for employment where there is no reasonable prospect of a site being used for the allocated employment use; and
  - Planning policies should support economic growth in rural areas.
- The Get Britain Working White Paper, published in 2024, focusses on policies to increase employment and improve workforce skills. It is aimed at supporting economic recovery and addressing barriers to work, outlining actions to tackle unemployment, promote job creation, and ensure that individuals have the skills needed by industries to boost productivity and workforce participation.

- The emerging Invest 2035: UK Industrial Strategy Green Paper outlines plans for the future of the UK's industrial base, focusing on innovation, investment, and skills. While still emerging, its goal is to support economic growth by encouraging investment in key sectors such as manufacturing, digital, and green technologies;

- The Kent & Medway Economic Framework (2024) aims to build a productive, sustainable and inclusive economy by enabling innovative businesses, widening opportunities, and unlocking talent. It focuses on resilient infrastructure and vibrant places to attract investment, create jobs, and strengthen long-term economic growth;

- The Empowering You in Swale Strategy sets priorities for community development to tackle inequalities and improve residents' lives. It focuses on partnership working, skills, health, sustainability, and innovative projects to support communities facing challenges such as the cost of living, housing, and fuel crises;

- The Swale Corporate Plan (2023–2027) aims to boost the local economy by using Levelling-Up and Shared Prosperity funds for regeneration, supporting town centre development, and implementing a Property Asset Strategy to increase income. It also focuses on skills development, an Economic Development Strategy, and sustainable transport solutions to create jobs and strengthen economic resilience;

- Framing Kent's Future (2022–2026) prioritises levelling up the county's economy, improving skills, and reducing inequalities to boost employment opportunities. It also focuses on infrastructure investment and digital connectivity, creating the conditions for business growth and a stronger workforce;

- The Swale Workforce Strategy (2020-2025) focuses on ensuring the council has the right people with the right skills to deliver services effectively. By analysing current and future workforce needs, it supports economic resilience through a skilled, adaptable workforce that underpins local employment and service delivery; and

- The Swale Economic Improvement Plan (2020-2023) focused on raising Swale's profile, attracting investment, and improving infrastructure to drive economic growth. While the plan period has now ended, its priorities (supporting local businesses and enhancing skills) remain relevant for sustaining jobs and competitiveness in the borough.

8.3. Baseline Summary

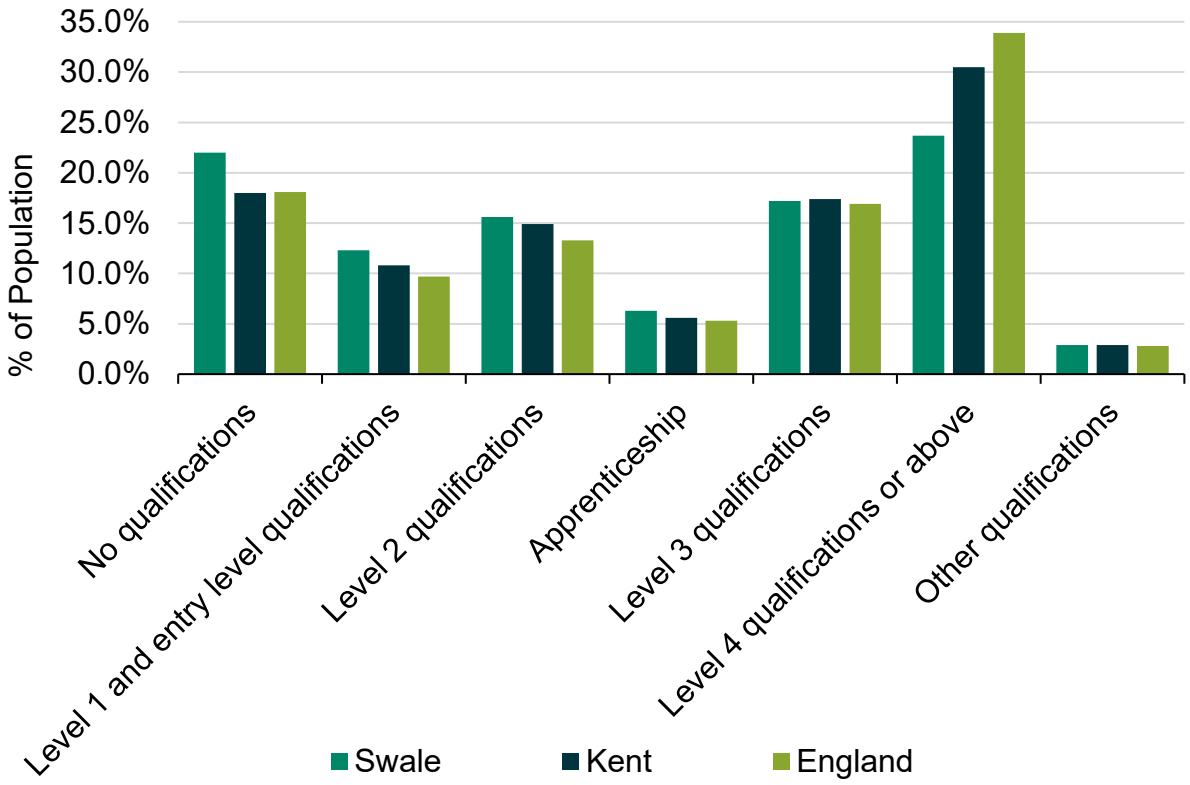
Current Baseline

Qualifications

8.3.1. Swale Borough's population is generally less qualified compared to regional and national rates. In the borough, only 24% of residents aged 16 and above having at least a Level 4 Qualification, as shown in **Figure 8-1**. This is lower than the regional (31%) and national (34%) comparators. There are also slightly more people in the borough that have no qualifications (22%) compared to the regional and national averages (both 18%).

8.3.2. The relatively lower levels of qualifications in Swale may have implications for local economic growth and employment opportunities. A workforce with fewer higher-level qualifications may limit the borough's ability to attract certain high-value industries and knowledge-based businesses. Conversely, sectors that require lower formal qualifications, such as skilled trades and administrative roles, may remain dominant within the local economy.

Figure 8-1: Highest Level of Qualification in Swale Borough (2021)[43]



8.3.3. The Index of Multiple Deprivation 2019 (IMD) is an overall relative measure of deprivation, combining seven different domains. Of particular relevance to the Economy and Employment SA theme are:

- **Education, skills, and training:** the lack of attainment and skills in the population;
- **Employment**: the proportion of the working-age population involuntarily excluded from the labour market, including those who want to work but cannot; and
- **Income**: the proportion of the population experiencing a deprivation relating to low income.

8.3.4. **Figure 8-2** shows the ranking of Swale Borough's LSOAs for the Education, Skills and Training domain, while **Table 8-2** provides additional details on the LSOAs within Swale Borough that fall within the 50% most deprived, or worse, areas.

[43] Nomis (2021). '*Query Data*' can be accessed through this link. See Table TS067.

8.3.5. An analysis of this data reveals significant educational deprivation in Swale. Over 70% of the borough's LSOAs rank within the 50% most deprived areas nationally for education, skills, and training, with 22 of these in the bottom 10%. The most deprived areas are concentrated on the Isle of Sheppey and northern parts of the mainland, including Faversham and Sittingbourne. This indicates the need for both broad policy measures to improve education and targeted interventions in the most affected areas.

Figure 8-2: Education, Skills and Training IMD Domain[44]

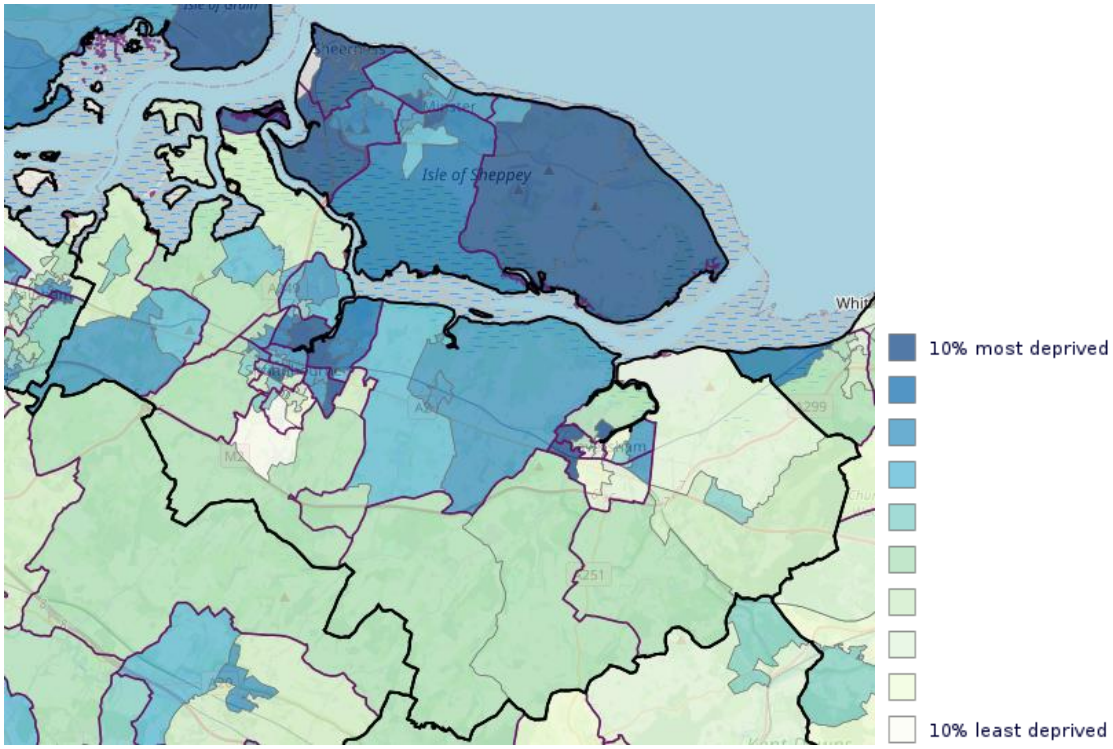


Table 8-2: LSOAs in Swale Borough Ranked Within 50% Most Deprived or Worse for the Education, Skills and Training IMD Domain

Decile	Most Deprived Indices
50% Most Deprived	6
40% Most Deprived	9
30% Most Deprived	51
20% Most Deprived	14
10% Most Deprived	22
Total	**61 (out of 85)**

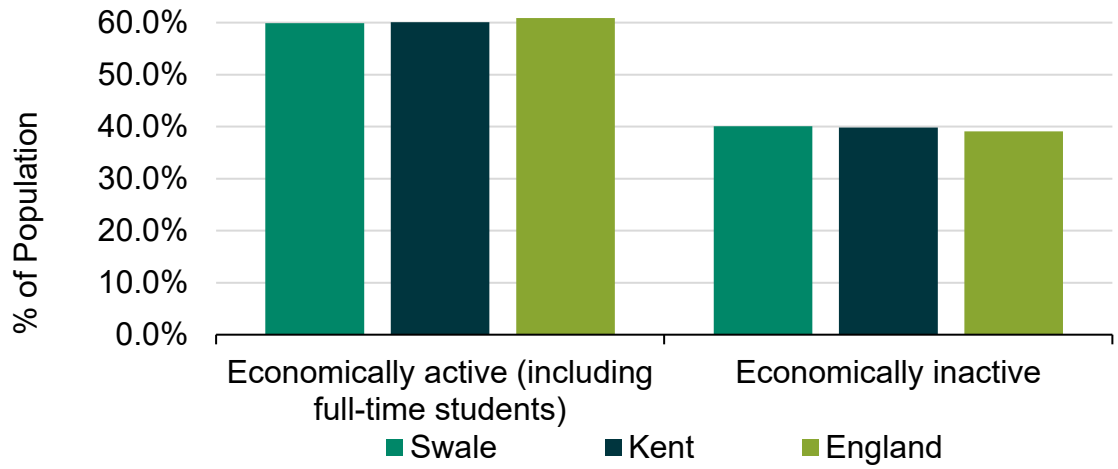
[44] Ministry of Housing, Communities & Local Government (2019). '*Indices of Deprivation: 2019 and 2015'* can be accessed through this link.

Economic Activity Rates

8.3.6. As **Figure 8-3** illustrates, economic activity rates in Swale are broadly in line with regional and national comparators, with 59% of the population economically active compared to 60% in the South East and 61% nationally.

8.3.7. Swale's Economic Improvement Plan (EIP) notes that the borough's economy has experienced growth in recent years, reflected in increased activity and job availability across the borough. However there are still challenges to the local economy, including a low ratio between jobs and working age population and below-average workplace earnings.[45] The EIP emphasises the need to diversify Swale's economic base, particularly by supporting Small and Medium Enterprises, the visitor economy, and underrepresented sectors such as creative industries and professional services. It also highlights the importance of improving job quality, addressing the skills gap, and promoting sustainable growth that aligns with environmental priorities.

Figure 8-3: Economic Activity Rates in Swale Borough (2021) [46]



8.3.8. The Employment domain measures the proportion of the working-age population excluded from the labour market due to unemployment, sickness, disability, or caring responsibilities. It reflects the availability of and access to secure employment opportunities. **Figure 8-4** shows the ranking of Swale Borough's LSOAs for the Employment domain, while **Table 8-3** provides additional details on the LSOAs within Swale Borough that fall within the 50% most deprived, or worse, areas.

[45] Swale Borough Council (2020). '*Swale Economic Improvement Plan*' can be accessed through this link.
[46] Nomis (2021). '*Query Data*' can be accessed through this link. See Table TS066.

8.3.9. Employment deprivation mirrors educational deprivation, with 67% of Swale's LSOAs ranking within the 50% most deprived areas nationally for employment, including 15 in the bottom 10%.

Figure 8-4: Employment IMD Domain[47]

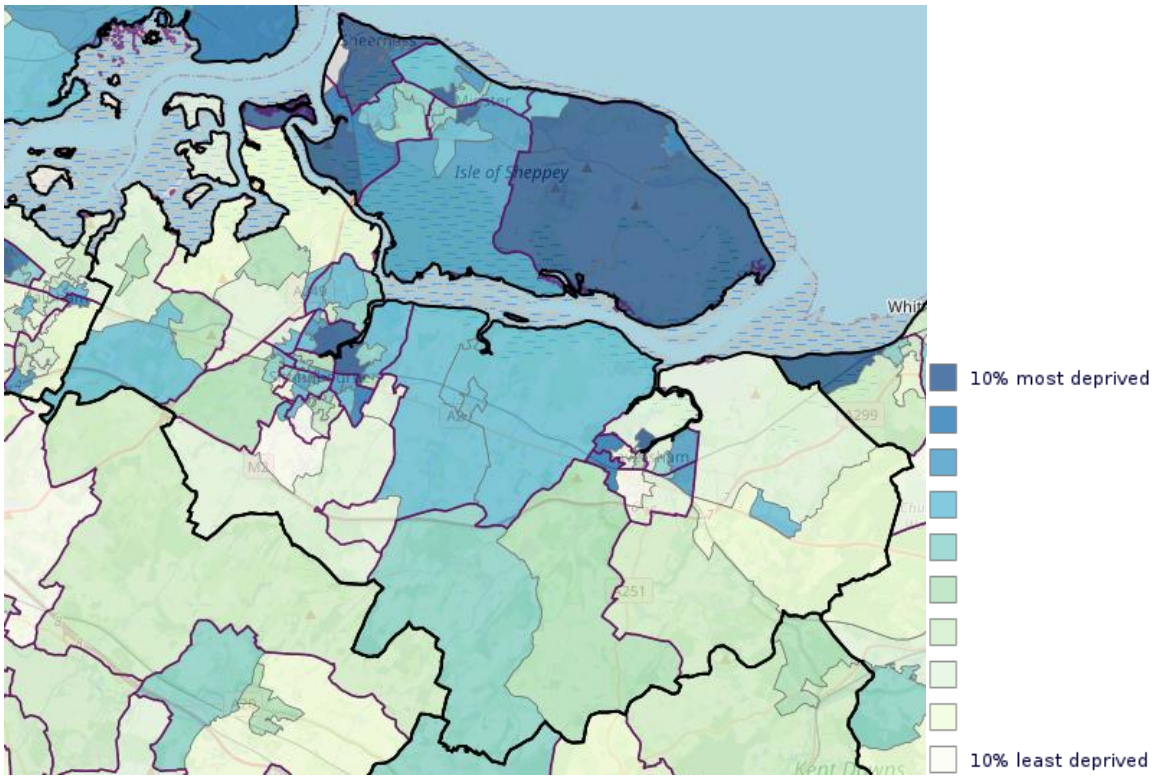


Table 8-3: LSOAs in Swale Borough Ranked Within 50% Most Deprived or Worse for the Employment IMD Domain

Decile	Most Deprived Indices
50% Most Deprived	12
40% Most Deprived	17
30% Most Deprived	21
20% Most Deprived	6
10% Most Deprived	15
Total	**57 (out of 85)**

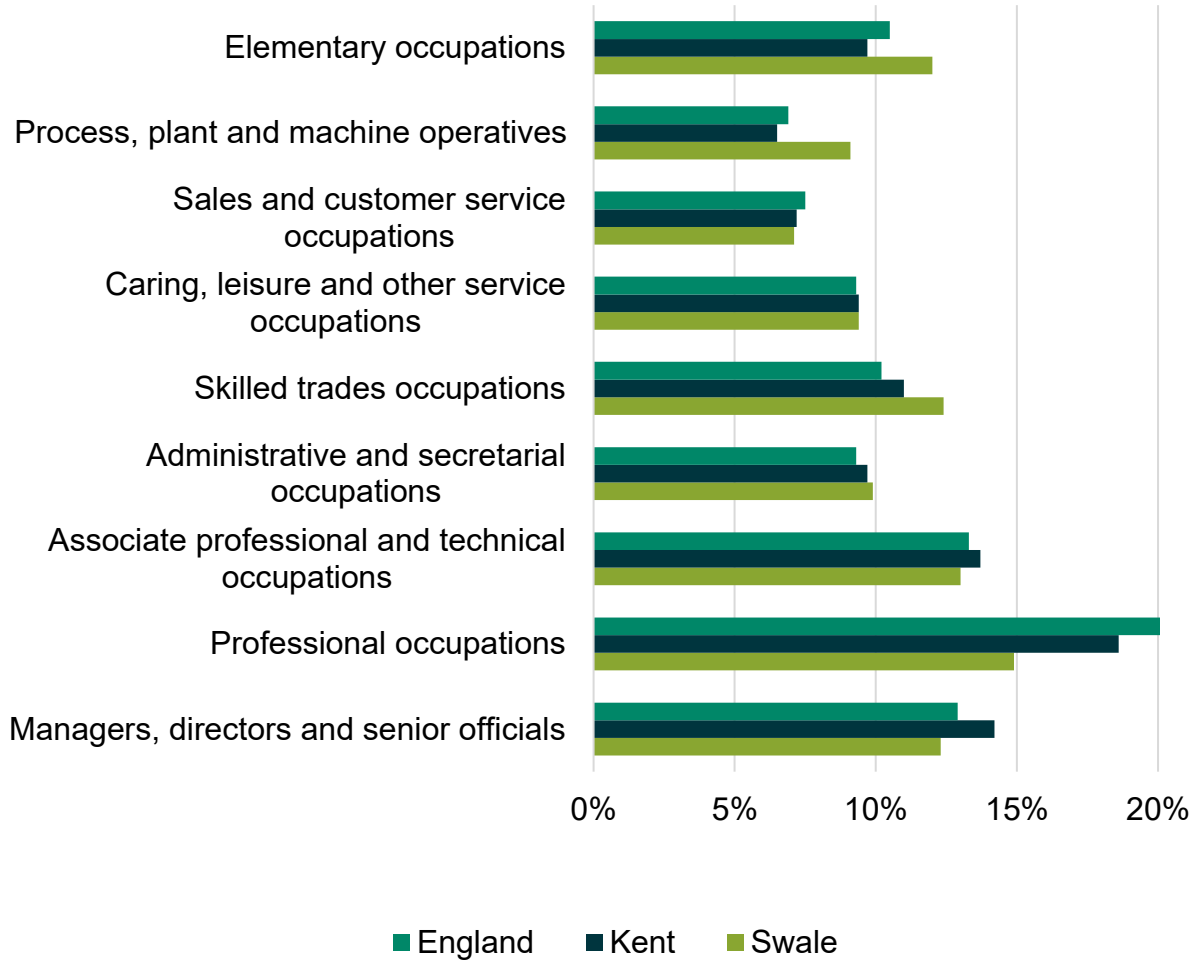
[47] Ministry of Housing, Communities & Local Government (2019). '*Indices of Deprivation: 2019 and 2015'* can be accessed through this link.

Occupation

8.3.10. **Figure 8-5** highlights the occupation of working-age residents in Swale.

8.3.11. Occupational data shows Swale has slightly higher shares in elementary occupations (12%) and process, plant and machine operatives (9%) compared to Kent and England averages. Skilled trades are also marginally higher. In contrast, professional occupations account for only 15% of employment, which is lower than Kent (19%) and England (20%). The remaining categories are broadly similar to regional and national patterns. Overall, Swale's employment structure leans towards traditional trades and operational roles, with fewer professional and technical positions.

Figure 8-5: The Occupation of Residents Aged 16 and Over In Employment (2021) [48]



[48] Nomis (2021). '*Query Data*' can be accessed through this link. See Table TS063.

Income

8.3.12. The Income domain of the Index of Multiple Deprivation measures the proportion of the population experiencing deprivation related to low income. It captures those in receipt of income-related benefits and tax credits, reflecting the extent of financial hardship within an area. **Figure 8-6** shows the ranking of Swale Borough's LSOAs for the Income domain, while **Table 8-4** provides additional details on the LSOAs within Swale Borough that fall within the 50% most deprived, or worse, areas.

8.3.13. Income deprivation is significant, with 68% of Swale's LSOAs ranking within the 50% most deprived areas nationally, and 16 of these in the bottom 10%. Areas such as the Isle of Sheppey, Faversham, and Sittingbourne experience the highest levels of financial hardship.

Figure 8-6: Income IMD Domain

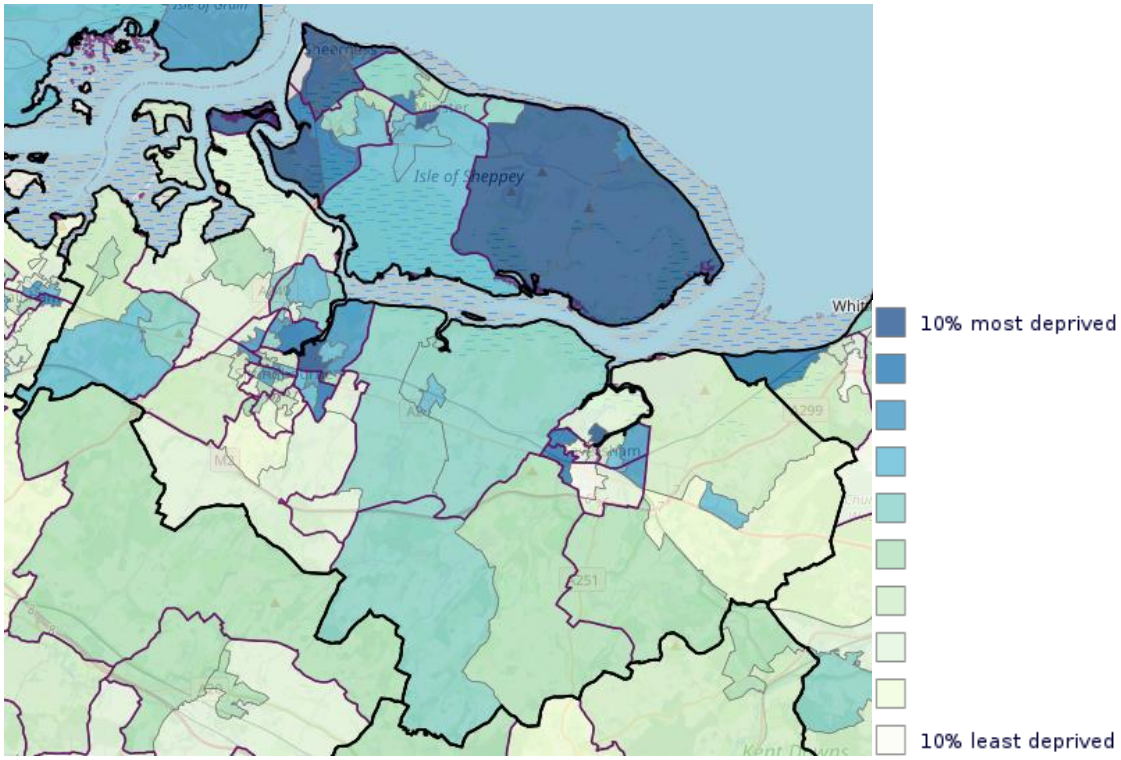


Table 8-4: LSOAs in Swale Borough Ranked Within 50% Most Deprived or Worse for the Income IMD Domain

Decile	Most Deprived Indices
50% Most Deprived	14
40% Most Deprived	13
30% Most Deprived	9
20% Most Deprived	12
10% Most Deprived	16
Total	**58 (out of 85)**

Barriers to the Local Economy

8.3.14. Swale's EIP notes that the borough faces infrastructure constraints that affect economic performance. There is a need for improved broadband connectivity, sustainable transport options, and investment in town centres to support economic activity and adapt to changing patterns of work.[49]

8.3.15. The EIP sets out four priorities for Swale's economy: raising Swale's profile, securing investment and infrastructure, supporting local businesses, and improving skills. Actions include promoting Swale's assets to attract investment and grow the visitor economy, ensuring sufficient employment land supply, and encouraging modal shift through walking, cycling, and sustainable transport. Support for start-ups and SMEs is also important to creating a more diverse and resilient economy, alongside measures to improve the availability of co-working and grow-on space. Addressing skills deprivation is a key focus, with ambitions to enhance further and higher education provision and strengthen employer engagement in training and apprenticeships.

Future Baseline

8.3.16. Without significant investment in skills and higher education, Swale is likely to maintain a higher proportion of workers in elementary occupations, process and plant operatives, and skilled trades, while continuing to have fewer professional roles compared to national averages. This could influence the types of businesses attracted to the borough, with an emphasis on sectors requiring lower-to-mid-level skills.

[49] Swale Borough Council (2020). '*Swale Economic Improvement Plan*' can be accessed through this link.

8.3.17. The ongoing shift towards homeworking, self-employment, and home-based businesses is likely to shape Swale economic landscape during the SBLP period. As remote and hybrid working models become more embedded, there may be increased demand for co-working spaces, digital infrastructure, and local business hubs. This trend could provide opportunities for economic diversification and support a more resilient local economy, particularly if emerging industries such as digital services, creative industries, and technology-based enterprises are encouraged.

8.3.18. As housing and employment land are allocated, it will be important to ensure developments provide access to varied job opportunities and skills training initiatives to bridge qualification gaps and support a balanced, future-proof economy.

8.4. Key Issues

8.4.1. Considering the policy context and baseline information, the following key issues (constraints and/ or opportunities) are identified in relation to economy and employment:

- Fewer residents in Swale Borough have higher-level qualifications compared to regional and national averages, which may place reliance on in-commuting to fill high-skilled jobs and growth industries located in the borough;
- Significant educational and employment deprivation is concentrated in areas such as the Isle of Sheppey, Faversham, and Sittingbourne, highlighting the need for targeted interventions;
- The borough's employment structure shows slightly higher shares in elementary occupations and process, plant and machine operatives, with fewer professional roles than Kent and England, indicating a reliance on manual and operational work and associated workspaces;
- Income deprivation affects a large proportion of the borough, with over two-thirds of LSOAs ranking within the 50% most deprived nationally;
- Infrastructure constraints (including limited broadband connectivity, transport challenges, and town centre decline) act as barriers to economic performance and adaptation to changing work patterns;
- Out-commuting remains high due to a low ratio of jobs to working-age population and below-average workplace earnings, reinforcing the need to create more local job opportunities and more competitive economic opportunities;

- The rise of homeworking and self-employment will increase demand for digital infrastructure, co-working spaces, and local business hubs; and
- Ensuring sufficient employment land supply based on evidenced needs is important to support a diverse economy.

8.5. SA Objective

8.5.1. Considering the key issues discussed above, it is proposed that the SA should include the following objective in relation to employment and economy:

Support a productive, diverse and resilient economy that provides opportunities for all

8.5.2. The following questions will help assess how well each option supports the SA objective. Will the option help to:

- …improve skills and qualifications among residents to support access to higher-skilled jobs?
- …create diverse, well-paid, and locally accessible employment opportunities across the borough?
- …support growth sectors and address existing and future skills gaps through training and education initiatives?
- …enable flexible working through investment in digital infrastructure and adaptable workspaces?
- …protect and enhance employment land?

9. Historic Environment

9.1. Focus of Theme

9.1.1. This theme focuses on designated and non-designated heritage assets and features (including archaeology) and their setting.

9.2. Policy Context

9.2.1. **Table 9-1** presents the most relevant documents identified in the policy review for the purposes of the SA.

Table 9-1: Plans, Policies and Strategies Reviewed in Relation to Historic Environment

Document Title	Year of Publication
National	
National Planning Policy Framework (NPPF)	2024
Levelling-up and Regeneration Act	2023
Historic England: Heritage and Climate Change	2022
Historic England Advice Note 11: Local Planning and the Historic Environment	2022
Historic England Advice Note 4: Tall Buildings Advice Note	2022
The National Design Guide	2019
Historic England Advice Note 1: Conservation Area Appraisal, Designation and Management	2019
The 25 Year Environment Plan	2018
Historic England Good Practice Advice: The Setting of Heritage Assets	2017
Historic England Advice Note 8: Sustainability Appraisal (SA) and Strategic Environmental Assessment (SEA)	2016
Historic England Advice Note 3: The Historic Environment and Site Allocations in Local Plans	2015
Enterprise and Regulatory Reform Act	2013
Ancient Monuments and Archaeological Areas Act 1979	1979
Planning (Listed Buildings and Conservation Areas) Act 1990	1990

Document Title	Year of Publication
Historic Buildings and Ancient Monuments Act	1953
Local	
Kent Heritage Conservation Strategy	2022
A Heritage Strategy for Swale	2020

9.2.2. The key messages emerging from the review are summarised below:

- The key high-level principles for the conservation and enhancement of the historic environment are as follows:
  - The historic environment is a shared resource;
  - Everyone should be able to participate in sustaining the historic environment;
  - Understanding the significance of places is vital;
  - Significant places should be managed to sustain their values;
  - Heritage is a finite and non-renewable resource that should be conserved for the benefit of present and future generations;
  - Decisions about change must be reasonable, transparent, and consistent; and
  - Documenting and learning from decisions is essential.[50]
- The significance of places is the key element which underpins the conservation and enhancement of the historic environment. Significance is a collective term for the sum of all the heritage values attached to a place, be it a building an archaeological site or a larger historic area such as a whole village or landscape;
- The Local Plan will be required to be in general conformity with the NPPF, which ultimately encourages the conservation and enhancement of historic environment assets in a manner appropriate to their significance. The NPPF seeks planning policies and decisions which are sympathetic to local character and history without preventing or discouraging appropriate innovation of change. The NPPF supports the use of area-based character assessments, design guides and codes and masterplans to help ensure that land is used efficiently while also creating beautiful and sustainable places;

[50] Historic England: Conservation Principles, Policies and Guidance

- The NPPF requires local plans to set out a positive strategy for the conservation and enjoyment of the historic environment, including heritage assets most at risk through neglect, decay or other threats. This strategy should recognise the wider social, cultural, economic and environmental benefits that conservation can bring;

- When considering the impact of a proposed development on the significance of a designated heritage asset, great weight should be given to the asset's conservation, reflecting the statutory duty under the Planning (Listed Buildings and Conservation Areas) Act 1990 to have special regard to the desirability of preserving listed buildings and conservation areas;

- Additionally, as set out in the NPPF, it should be ensured that the design of streets, parking areas, other transport elements and the content of associated standards reflects current national guidance, including the National Design Guide and the National Model Design Code. Design Codes can set out a necessary level of detail in sensitive locations, for example, with heritage considerations, and they can set out specific ways to maintain local character;

- Planning Practice Guidance expands on the NPPF recognising the proactive rather than passive nature of conservation;

- A number of Acts provide the statutory framework for protecting the historic environment, all of which are relevant to Local Plan-making. The Ancient Monuments and Archaeological Areas Act 1979 establishes protection for scheduled monuments and designated archaeological areas, while the Planning (Listed Buildings and Conservation Areas) Act 1990 sets out duties for local planning authorities in relation to listed buildings and conservation areas. The Historic Buildings and Ancient Monuments Act 1953 underpins the state's powers to acquire, preserve, and provide grants for historic properties, forming part of the wider legislative background. More recent changes were introduced by the Enterprise and Regulatory Reform Act 2013, which reformed aspects of heritage consent, including heritage partnership agreements and listed building consent orders. The Levelling-up and Regeneration Act 2023 brings reforms to the planning system, including changes to Local Plan preparation and environmental assessment, which affect how historic environment considerations are addressed;

- The role of the historic environment, as part of healthy and thriving ecosystems, landscapes and cultural values, including settlement identity, is reiterated through the key messages of the Environmental Improvement Plan and National Design Guide;

- Historic England's Advice Notes, Good Practice Advise, and Climate Change strategy provide further guidance in relation to the conservation and enhancement of the historic environment. Of particular relevance for the Local Plan is the emphasis on the importance of:

- Understanding the different types of special architectural and historic interest which underpin designations, as well as how settings and/ or views contribute to the significance of heritage assets;

  – Advising on mitigating, managing risks, and adapting to challenges posed by climate change;
  – Recognising the value of implementing controls through Local Plans, conservation area appraisals and management plans; and
  – Appropriate evidence gathering, including clearly identifying those issues that threaten an area or assets character or appearance and that merit the introduction of management measures.

- The Kent Heritage Conservation Strategy (2022) sets out a vision to conserve, enhance, and promote Kent's rich heritage for public benefit. Its five strategic aims focus on improving historic environment advice, conserving KCC assets, raising awareness, achieving financial sustainability, and addressing the climate emergency; and

- The Swale Heritage Strategy (2020-2032) sets out a vision for valuing and conserving heritage assets while addressing risks from development and climate change. Its five priorities focus on conservation, sustainable growth, local distinctiveness, tourism integration, and raising awareness of heritage's cultural and social benefits.

9.3. Baseline Summary

Current Baseline

Listed Buildings

9.3.1. Listed buildings are designated heritage assets, of national importance, which are protected through the Planning (Listed Buildings and Conservation Areas) Act 1990.[51] To assess the historic environment, the National Heritage List for England, provided by Historic England,[52] has been utilised. There are a total of 1,440 listed buildings in the borough:

- 1,310 Grade II;
- 93 Grade II*
- 37 Grade I.

9.3.2. A hotspot map for listed buildings in the borough is presented in **Figure 9-1**.

Scheduled Monuments

9.3.3. In England, scheduled monuments are nationally important archaeological sites or historical building designated and protected by Historic England under the Ancient Monuments and Archaeological Areas Act 1979.[53] There are 24 scheduled monuments in Swale, including prehistoric burial sites, Roman remains, and medieval fortifications.

9.3.4. Scheduled monuments are shown in **Figure 9-2**.

Conservation Areas

9.3.5. Conservation areas are places of historical or architectural importance protected under the Planning (Listed Buildings and Conservation Areas) Act 1990. Stricter planning rules apply, requiring permission for demolitions, significant alterations, or new developments to preserve their character.

9.3.6. Swale Borough has 51 conservation areas (see **Figure 9-2**), each with their own distinct historical character and identity.[54] These include market towns such as Faversham, rural villages, and coastal settlements.

[51] UK Government (1990) '*Planning (Listed Buildings and Conservation Areas) Act*' can be accessed through this link.
[52] Historic England (no date) '*National Heritage List for England – Search the List – Advanced Search*' can be accessed through this link.
[53] Ancient Monuments and Archaeological Areas Act (1979) can be accessed through this link.
[54] Swale Borough Council (no date). '*Conservation Areas*' can be accessed through this link.

9.3.7. Fourteen conservation areas currently lack published appraisals, indicating a gap in baseline information. These include:

- Baldesmere;
- Doddington and Newnham;
- Eastling;
- Hernhill;
- Newington Church;
- Newington High Street;
- Newington Newington Manor;
- Painter's Forstal;
- Selling;
- Sheldwich;
- Stalisfield Green;
- Staplestreet;
- Throwley Forstal; and
- Whitehill.

Registered Parks and Gardens

9.3.8. Registered parks and gardens are designated areas of special historic interest in the UK, recognised for their significant landscape design, historical associations, or horticultural value. These sites are listed on the Register of Historic Parks and Gardens, maintained by Historic England, to ensure their preservation and protection for future generations. Swale has four Grade II registered parks and gardens (see **Figure 9-2**).

Heritage at Risk

9.3.9. According to the latest Heritage at Risk register (2024), 15 of Swale's heritage designations are known to be at risk[55] of being lost due to neglect, decay, or inappropriate development. This highlights vulnerability and the need for proactive management. The 'at risk' assets are listed in **Table 9-2**.

[55] Historic England (2024) '*Heritage at Risk 2024 Registers*' can be accessed through this link.

Table 9-2: Swale's Heritage at Risk (2024)

Asset Type	Asset Name	Grade	Condition
Conservation Area	Milton Regis High Street		Poor
Conservation Area	Sheerness: Royal Naval Dockyard & Bluetown, Sheerness		Very bad
Conservation Area	Sheerness: Marine Town, Sheerness		Fair
Conservation Area	Sittingbourne High Street		Very bad
Conservation Area	Cellar Hill and Greenstreet, Lynsted with Kingsdown / Teynham		Poor
Listed Building	The Boat Store, Sheerness Dockyard, Sheerness	I	Very bad
Listed Building	Former Working Mast House, 26, Jetty Road, Sheerness Dockyard, Sheerness	II*	Poor
Listed Building	Church of St Giles, Church Road, Tonge	I	Poor
Listed Building	Church of St Peter and St Paul, Water Lane, Ospringe	II*	Poor
Conservation Area	Sheerness: Mile Town, Sheerness		Poor
Conservation Area	Upchurch		Poor
Listed Building	Church of St Peter, Church Road, Oare	I	Poor
Conservation Area	Newington High Street, Newington		Poor
Listed Building	Parish Church of the Holy Trinity, North Street, Milton Regis, Sittingbourne.	I	Poor
Scheduled Monument	Sheerness Defences, Swale, Sheerness		Very bad

Figure 9-1: Listed Building Hotspot Map for Swale

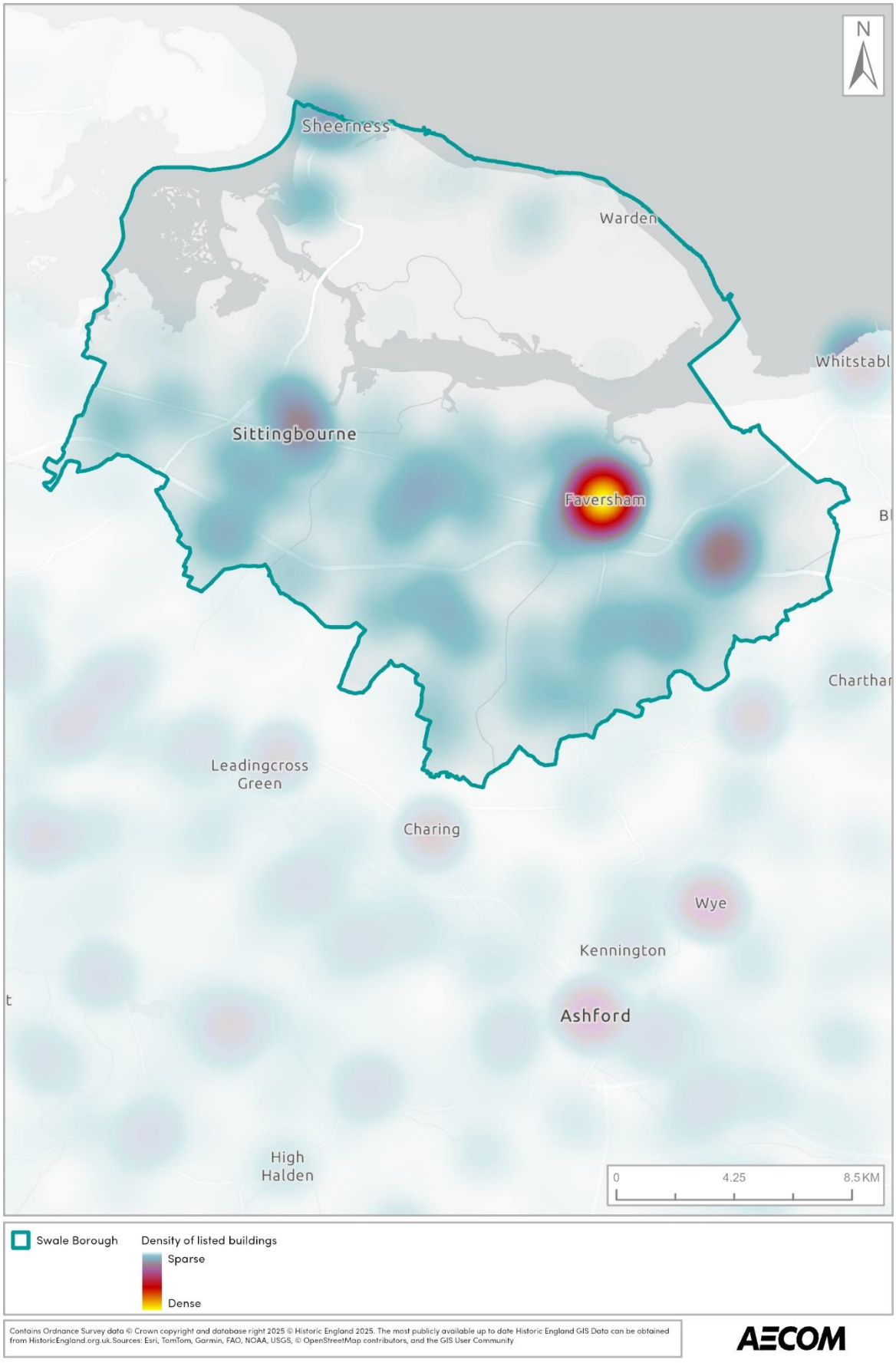
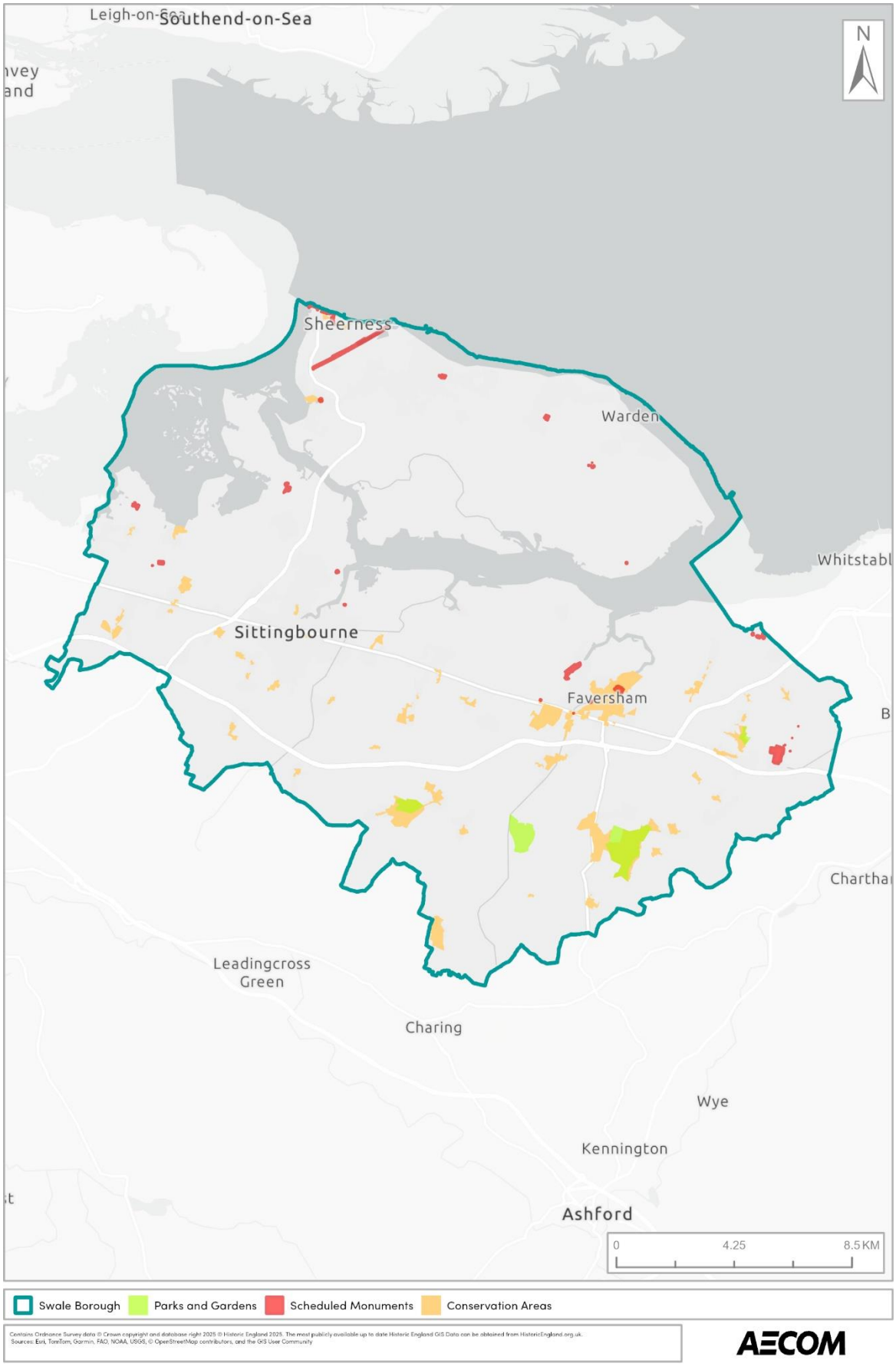


Figure 9-2: Designated Historic Environment Assets in Swale



Locally Important Heritage Features

9.3.10. It is noted that not all of the borough's historic environment features are subject to statutory designations and non-designated features contribute a large part of what people interact with on a day-to-day basis. Although not designated, many buildings and areas are of historic interest and are important to local communities.

9.3.11. As of October 2025, Swale Borough's Local Heritage List comprises 150 assets.[56]

9.3.12. The Kent Historic Environment Record (HER) identifies important and distinctive structures or features that positively contribute to the local sense of place and distinctiveness of the county. Following a high-level review of HER website[57], there are over 6,500 documented local records returned when the term 'Swale' is input in the search bar. During the subsequent stages of the SA process, the HER and Swale Borough Council's Local Heritage List shall be explored in further detail to consider the potential impacts associated with the SBLP proposals on these assets.

Archaeological Significance

9.3.13. Information in this section is drawn from the Swale Heritage Strategy 2020-2032.[58]

9.3.14. Swale has an exceptionally rich and varied archaeological resource, reflecting its strategic location at the mouth of the Thames and Medway rivers and its role as a conduit for people and trade between the continent and London. Archaeological evidence spans the entire period of human habitation, from Palaeolithic flint tools to 20th-century defence structures, and includes buried remains, earthworks, landscape features, and wrecks along the coastline.

9.3.15. A summary of Swale's archaeology through the ages is provided below:

- **Prehistoric Period**: Palaeolithic flint tools have been found in brickearth and gravel deposits. Neolithic and Bronze Age activity is evidenced by camps, ritual monuments, and burial sites, including extensive enclosures discovered at Kingsborough Manor on the Isle of Sheppey. Iron Age remains include hilltop earthworks at Perry Wood near Selling;

[56] Swale Borough Council (2025). '*Local Heritage List'* can be accessed through this link.
[57] Kent County Council (2025) '*Search'* can be accessed through this link.
[58] Swale Borough Council (2020). '*A Heritage Strategy for Swale*' can be accessed through this link.

- **Roman Period**: The borough's Roman landscape is particularly significant. The main Roman road (Watling Street) ran through Swale along the present A2 corridor, accompanied by roadside settlements at Ospringe/Syndale (the reputed site of Durolevum), Newington, and Radfield. Numerous villa sites, pottery production areas, saltworking sites in marshlands, and burial grounds have been recorded. A recent major discovery at Newington revealed a Roman road, industrial area, and a Romano-Celtic temple;

- **Anglo-Saxon Period**: Rich cemeteries with grave goods have been found, notably the Kings Field cemetery at Faversham and sites at The Meads, Bobbing;

- **Medieval Period**: Archaeology illustrates the origins of historic towns and villages, including Faversham and Milton as port towns and Queenborough as a planned medieval town with its castle mound still visible. Moated sites such as Castle Rough (Milton) and Sayes Court (Harty) are scheduled monuments; and

- **Post-Medieval and Modern**: Defence heritage is extensive, including 18th-century forts, the Sheerness Lines, and First World War anti-invasion defences forming part of the Chatham Land Front. Aviation archaeology is nationally significant, with remains of early aerodromes at Eastchurch and Leysdown, linked to the pioneers of flight and later military use. Industrial archaeology includes dispersed remains of the gunpowder industry around Faversham, papermaking sites in Sittingbourne, and brickmaking landscapes across the northern borough.

9.3.16. Swale is also rich in marine archaeology, with foreshore and offshore areas containing archaeological remains. Submerged landscapes, hulks of barges, and wrecks such as the Second World War munitions ship USS Richard Montgomery lie along the coast. Dead Man's Island near Queenborough exposes 19th-century graves, and the unique Saxon boat discovered at Graveney Marsh in 1970 is now held by the National Maritime Museum.

Future Baseline

9.3.17. Whilst designated and non-designated assets will continue to be afforded protection under the provisions of the NPPF and the Local Plan, it is recognised that future development has the potential to negative affect historic character and settings, detract from historic settlement qualities and disrupt valued viewpoints; being susceptible to insensitive design and layout in new development.

9.3.18. Climate change threatens heritage assets through extreme weather, rising sea levels, and erosion. Increased rainfall and humidity can accelerate material decay, while coastal sites risk permanent loss. Sustainable conservation strategies, like improved drainage and digital documentation, are important to protecting historic sites for the future.

9.4. Key Issues

9.4.1. Considering the policy context and baseline information, the following key issues (constraints and/ or opportunities) are identified in relation to historic environment:

- Swale Borough has a range of designated and non-designated historic assets. These must be protected from inappropriate development that could damage their historic character or settings, ensuring that future developments do not negatively impact these assets;
- Fourteen conservation areas lack published appraisals, creating gaps in baseline information;
- Fifteen heritage assets are recorded as being at risk, highlighting the need for proactive intervention and long-term conservation strategies;
- Non-designated heritage assets, including those on the Local Heritage List and recorded in the Kent HER, make a significant contribution to local character and sense of place; these require consideration in planning decisions;
- Swale's archaeological resource is exceptionally rich and varied, spanning from the Palaeolithic to the modern era, including nationally significant discoveries such as the Romano-Celtic temple at Newington. Development proposals should safeguard archaeological remains and ensure appropriate investigation and recording;
- Climate change poses a growing threat to heritage assets through flooding, coastal erosion, and accelerated material decay, particularly for assets in low-lying marshland and coastal areas;
- Future development could erode historic settlement patterns, disrupt valued views, and harm the setting of heritage assets if not carefully managed. This is particularly relevant in Faversham, a historic main town with significant heritage value and strong transport connectivity, where growth pressures may create tensions between development needs and heritage conservation;

- Planning for future growth through the SBLP will support the minimisation of impacts on heritage assets. It can also seek opportunities for public realm improvements, and accessibility improvements which can indirectly benefit access to and enjoyment of the historic environment; and

- Sustainable conservation strategies, such as improved drainage systems and digital documentation, are important for safeguarding Swale Borough's historic assets amidst future development.

9.5. SA Objective

9.5.1. Considering the key issues discussed above, it is proposed that the SA should include the following objective in relation to the historic environment:

Protect, conserve and enhance the historic environment, heritage assets and their setting within the borough

9.5.2. The following questions will help assess how well each option supports the SA objective. Will the option help to:

- …protect and conserve designated and non-designated heritage assets from harm or inappropriate development?

- …respect and enhance the character, setting, and integrity of conservation areas and historic viewpoints?

- …safeguard archaeological sites?

- …address climate change risks to heritage through sustainable conservation and adaptation measures?

- …promote public access, awareness, and enjoyment of the borough’s historic environment?

10. Homes

10.1. Focus of Theme

10.1.1. This theme focuses on meeting housing needs, including affordable housing, housing mix (size, type, and tenure), and specialist accommodation needs.

10.2. Policy Context

10.2.1. **Table 10-1** presents the most relevant documents identified in the policy review for the purposes of the SA.

Table 10-1: Plans, Policies and Strategies Reviewed in Relation to Homes

Document Title	Year of Publication
National	
National Planning Policy Framework (NPPF)	2024
Levelling-up and Regeneration Act	2023
Homes England Strategic Plan 2023 to 2028	2023
Long-Term Plan for Housing	2023
The National Housing Federation's Vision for a Long-Term Housing Strategy	2023
Planning Policy for Traveller Sites	2023
10-Year Infrastructure Strategy	emerging
Local	
Kent and Medway Housing Strategy (2025–2030)	2025
Swale Housing, Homelessness and Rough Sleeping Strategy (2023-2027)	2023

10.2.2. The key messages emerging from the review are summarised below:

- The NPPF sets out the government's planning policies for England and provides a framework within which local plans should be prepared. It emphasises sustainable development, efficient use of land, and delivering a sufficient supply of homes. The latest reforms to the NPPF aim to refine planning policies to better support housing supply and infrastructure needs, contributing to the government's ambition of delivering 1.5 million new homes;

- Levelling-up and Regeneration Act 2023 introduces reforms to accelerate the planning system, strengthen local democracy, and support regeneration. It aims to enable the delivery of new homes and infrastructure, aligning with the government's levelling-up agenda;

- The Homes England Strategic Plan 2023 to 2028 outlines Homes England's mission to increase housing supply, support affordable housing, and ensure sustainable development across England;

- Long-Term Plan for Housing sets out a vision for housing delivery, focusing on regeneration, urban densification, and the provision of high-quality, safe, and affordable homes in areas with high growth potential;

- National Housing Federation's Vision for a Long-Term Housing Strategy presents recommendations from housing experts and associations on delivering a long-term housing strategy, emphasising the importance of affordable housing and community well-being;

- The emerging 10-Year Infrastructure Strategy outlines the government's approach to delivering infrastructure projects over the next decade, ensuring that housing development is supported by necessary transport, utilities, and social infrastructure;

- The Planning Policy for Traveller Sites (2023) sets out the Government's planning policy for traveller sites. The Government's overarching aim is to ensure fair and equal treatment for travellers, in a way that facilitates the traditional and nomadic way of life of travellers while respecting the interests of the settled community;

- The Kent and Medway Housing Strategy (2025-2030) seeks to accelerate housing delivery and improve affordability while ensuring homes are safe, sustainable, and resilient to climate risks. It prioritises plan-led growth, infrastructure investment, and tackling homelessness to create healthy, secure communities; and

- The Swale Housing, Homelessness and Rough Sleeping Strategy (2023 - 2027) focuses on delivering affordable homes, preventing homelessness early, and reducing time in temporary accommodation. It also aims to improve private housing conditions and provide support for vulnerable households through partnerships and targeted initiatives.

10.3. Baseline Summary

Current Baseline

Population

10.3.1. As noted in **Chapter 7**, Swale's population was 151,700 in 2021, an increase of 11.7% from around 135,800 in 2011. This growth rate is higher than the South East average (7.5%) and England overall (6.6%).[59]

10.3.2. Growth has been most pronounced among older age groups, with residents aged 65 years and over increasing by 27% between 2011 and 2021, compared to 8% growth for those aged 15-64 and 9% growth for those under 15 years. This trend reflects an ageing population and has implications for future housing needs.

Housing Stock (Type and Size)

10.3.3. The 2021 Census identifies 60,495 households in Swale. Semi-detached houses make up the largest proportion at 34%, followed by terraced houses at 30%, detached houses at 24%, and flats at 10%, with 2% in other types.

10.3.4. In terms of size, Swale's housing stock is predominantly medium-to-large properties: 46% are three-bedroom homes, 26% two-bedroom, 20% four or more bedrooms, and 9% one-bedroom.

10.3.5. Following national trends, demand for smaller homes is likely to increase due to demographic changes, including more single-person households and an ageing population.

Tenure and Affordability

10.3.6. Homeownership is the dominant tenure, with 67% of households owning their homes (outright or with a mortgage).[60] Private renting accounts for 18%, social renting for 13%, and shared ownership for 1%. These rates are broadly consistent with Kent but show higher ownership and lower rental compared to national averages.

[59] ONS (2022). '*How the population changed in Swale: Census 202'* can be accessed through this link.
[60] Nomis (2021). '*Query Data*' can be accessed through this link. See Table TS054.

10.3.7. The average house price in Swale was £292,000 in July 2025, up from £285,000 in July 2024.[61] Detached homes averaged £480,000, semi-detached £312,000, terraced £249,000, and flats £154,000. Prices are lower than the South East average (£382,000) but still high relative to local incomes. House prices and private rents have risen faster than local incomes, widening the affordability gap for many households.

10.3.8. Private rents have also risen in Swale, averaging £1,105 per month in August 2025, an annual increase of 8%. These trends highlight a growing affordability gap for first-time buyers and lower-income households.

Housing Growth and Planned Development

10.3.9. Population growth has driven housing demand, and the SBLP will identify allocations to meet future needs. The major growth areas are likely to be focused on Sittingbourne, the Isle of Sheppey, and Faversham. Strategic priorities include balancing development with infrastructure capacity and environmental constraints, particularly in sensitive rural and coastal areas.

Infrastructure and Services

10.3.10. Swale Borough benefits from a range of infrastructure and services supporting its residential communities. The borough's transport network includes road and rail connections facilitating commuter access to central London and neighbouring areas. Essential services such as schools, healthcare facilities, and recreational amenities are distributed throughout the borough, contributing to residents' quality of life.

Homelessness

10.3.11. Homelessness is associated with severe poverty and is a social determinant of health. It often results from a combination of events such as relationship breakdown, debt, and adverse experiences in childhood and through ill health.

10.3.12. In April 2024, Swale Borough Council declared an Affordable Housing Emergency, reporting 1,859 households on the housing register in 2024/25, with high demand for affordable rented homes.[62] The council's strategy prioritises early intervention, reducing temporary accommodation, and partnership working to prevent homelessness.

[61] ONS (2025). '*Housing prices in Swale'* can be accessed through this link.
[62] Swale Borough Council (2025). '*Affordable Housing Emergency – Update*' can be accessed through this link.

10.3.13. Although dated, the 2018 Homelessness Review found that parental eviction and loss of private tenancies accounted for half of all cases.[63] Rising housing costs, limited affordable options, and Local Housing Allowance rates below market rents have made private renting inaccessible for many low-income households, increasing demand for temporary accommodation and costs to the council.

Specialist Housing Need

10.3.14. The ageing population will increase demand for specialist housing and care provision. The Housing Review (2018) noted that provision for specialist accommodation in Swale is much lower than recommended. The council aims to increase housing suitable for older people, including well-designed single-level homes and extra care schemes, subject to Kent County Council's commissioning priorities.

Gypsy and Traveller

10.3.15. Swale's Gypsy and Traveller and Travelling Showperson Accommodation Assessment (2022/23) identifies that in 2023 there were 232 pitches across 87 sites and one Travelling Showperson's yard with one plot.[64]

10.3.16. The assessment indicates that there is an overall need for 114 additional Gypsy and Traveller pitches across Swale Borough over the period 2022/23 to 2037/38.

10.3.17. To meet this need, the Council could regularise unauthorised sites and expand or intensify existing sites, potentially delivering 72-78 authorised pitches between 2023-2028, and four pitches from turnover, meeting short-term requirements and leaving a longer-term need for 34 pitches.

[63] Swale Borough Council (2019). '*Housing, Homelessness & Rough Sleeping Strategy (2019-2023)'* can be accessed through this link.

[64] Swale Borough Council (2023). '*Gypsy and Traveller and Travelling Showperson Accommodation Assessment 2022/23*' can be accessed through this link.

Future Baseline

10.3.18. The population in Swale is projected to continue growing over the plan period, driven by net migration and natural change. Estimates suggest the borough could reach around 178,000 residents by the 2043, with the most significant growth among older age groups.[65] The population aged 75 and over is expected to rise sharply, increasing demand for downsizer-friendly homes, accessible housing, and specialist accommodation such as extra care and care homes. This demographic shift will require housing policies that address both affordability and adaptability for an ageing population.

10.3.19. The SBLP is likely to deliver an increased level of growth, reflecting government housing targets and local growth pressures. Delivery will focus on strategic allocations in Sittingbourne, the Isle of Sheppey, and Faversham, alongside smaller sites across the borough.

10.3.20. The construction of new housing developments in Swale Borough will put increased pressure on local services, including schools, healthcare facilities, public transport, and emergency services. As the population grows, existing infrastructure may struggle to meet rising demand, leading to overcrowded GP surgeries, longer waiting times at hospitals, and insufficient school places for children. Additionally, increased road traffic and higher usage of public transport could strain an already busy network. To ensure sustainable growth, investment in upgrading and expanding these essential services must accompany new housing developments.

10.4. Key Issues

10.4.1. Considering the policy context and baseline information, the following key issues (constraints and / or opportunities) are identified in relation to housing:

- Swale Borough's population grew by 11.7% between 2011 and 2021, outpacing regional and national averages. Continued growth will increase pressure on housing supply, affordability, and infrastructure;
- Swale Borough Council declared an Affordable Housing Emergency in April 2024, highlighting the urgent need for more affordable options, including social rent, shared ownership, and low-cost private rental properties;

[65] ONS (2019). '*National population projections: 2018-based'* can be accessed through this link.

- The housing stock is dominated by medium-to-large homes, while demographic trends (such as an ageing population and more single-person households) are driving demand for smaller properties;
- Planned housing growth must be supported by investment in schools, healthcare, transport, and digital infrastructure to avoid service strain and congestion;
- The over-75 population is projected to rise significantly, increasing demand for downsizer-friendly homes and specialist accommodation, including extra care and assisted living;
- Homelessness remains a major challenge in the borough, with 1,859 households on the housing register in 2024/25 and high demand for affordable rented homes, highlighting the need for proactive prevention and support services; and
- There is an identified need for 114 additional Gypsy and Traveller pitches by 2037/38. Many existing pitches are on unauthorised or tolerated sites, requiring regularisation and suitable site allocations in the SBLP.

10.5. SA Objective

10.5.1. Considering the key issues discussed above, it is proposed that the SA should include the following objective in relation to the housing:

Support the delivery of a range of housing to meet identified needs, with a focus on improving affordability for those most in need

10.5.2. The following questions will help assess how well each option supports the SA objective. Will the option help to:

- …increase the supply of affordable and accessible housing for all residents, including lower-income and vulnerable groups?
- …deliver a balanced housing mix that meets the needs of different household types, including smaller homes and specialist housing for older people?
- …address homelessness and provide appropriate accommodation for Gypsy and Traveller communities?
- …ensure that housing growth is supported by adequate infrastructure, services, and community facilities?

11. Landscape

11.1. Focus of Theme

11.1.1. This theme focuses on designated/ protected landscapes within or near to the borough, as well as landscape character, landscape quality, and visual amenity.

11.2. Policy Context

11.2.1. **Table 11-1** presents the most relevant documents identified in the policy review for the purposes of the SA.

Table 11-1: Plans, Policies and Strategies Reviewed in Relation to Landscape

Document Title	Year of Publication
National	
National Planning Policy Framework (NPPF)	2024
Protected Landscapes Targets and Outcomes Framework	2024
Environmental Improvement Plan	2023
National Model Design Code	2021
The National Design Guide	2019
Local	
Kent Downs National Landscape Management Plan 2021-2026	2021
Swale Green and Blue Infrastructure (GBI) Strategy	2020
River Medway and Swale Estuary Shoreline Management Plan	2010

11.2.2. The key messages emerging from the review are summarised below:

- The SBLP will be required to be in general conformity with the NPPF which gives great weight to conserving and enhancing protected landscapes, as well as landscape character and scenic beauty. The NPPF recognises the role of green infrastructure in landscape settings, as well as the importance of designated biodiversity sites, habitats, woodland, historic features, agricultural land and cultural landscapes. The positive contribution that land remediation can make in terms of addressing despoiled, degraded, derelict, contaminated and unstable land is also recognised;

- The Protected Landscapes Targets and Outcomes Framework sets out a shared, non-statutory ambition for all 44 of England's Protected Landscapes, including National Parks and National Landscapes. It establishes targets for these areas to contribute to national environmental and climate commitments, including the 30by30 goal to protect 30% of land and sea for nature by 2030. The framework is designed to be embedded within Protected Landscape management plans, ensuring consistent and effective delivery of nature recovery, climate resilience, and public access objectives across these designated areas;

- The Environmental Improvement Plan and National Design Guide complement each other with their aims for a cleaner, greener country which puts the environment first and celebrates the variety of natural landscapes and habitats. Design is focused on beautiful, enduring and successful places, which respond to local character and provide a network of high quality green open spaces;

- The National Model Design Code states that all design codes should include a landscape and open space strategy that incorporates the existing natural features and new structural elements. It recognises that landscapes can be major drivers in the design process;

- Management plans for National Landscapes (NLs) within, and in proximity of, the National Park should influence policies in the SBLP. A management plan has been made for Kent Downs NL, which contains aims and objectives for the conservation and enhancement of the NL;

- The Swale Green and Blue Infrastructure Strategy (2020-2039) recognises green and blue spaces as important ecosystems and landscape features for both people and wildlife, guiding opportunities to enhance biodiversity across the borough. It supports habitat protection, community engagement, and nature-based improvements, particularly in areas of international ecological importance such as Swale's coastline and woodlands; and

- The Medway Estuary and Swale SMP provides a high-level framework for managing risks from coastal change in a sustainable way. It sets long-term policies to protect people, property, and the natural and historic environment, forming part of the national strategy for flood and coastal defence.

11.3. Baseline Summary

Current Baseline

Nationally Protected Landscapes

11.3.1. There is one nationally protected landscape within Swale: Kent Downs, covering large areas in the south of the borough. The NL is characterised by rolling chalk hills, ancient woodlands, and picturesque valleys. The landscape also features historic sites such as medieval churches, ancient pathways like the Pilgrims' Way and traditional Kentish villages.[66]

11.3.2. There are no other NLs within 10 km of the borough's boundary.

National Character Areas

11.3.3. Swale is covered by three National Character Areas (see **Figure 11-1**):

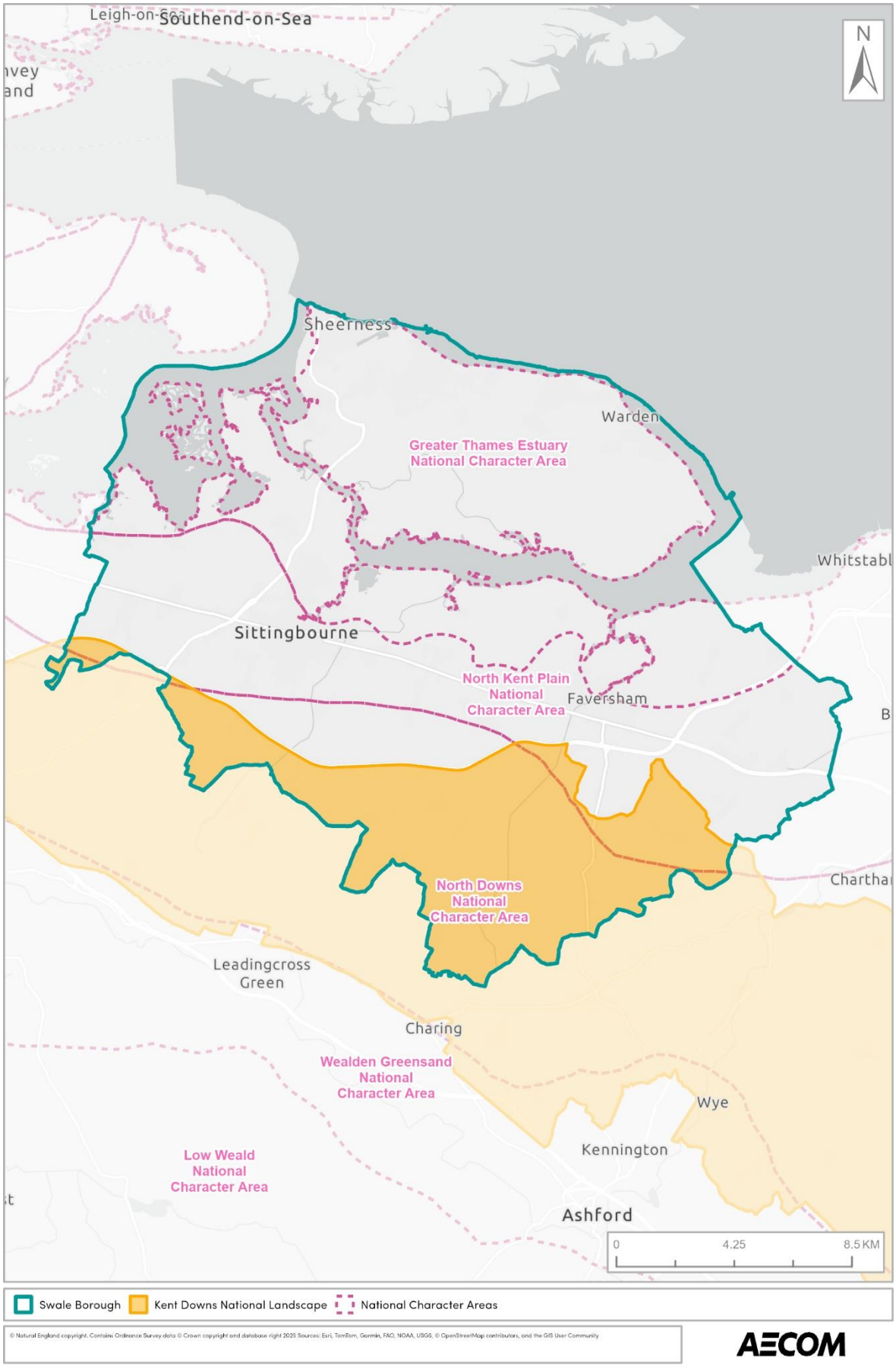
- Greater Thames Estuary (NCA81): Located in the northern third of the borough, covering Swale's mainland northern coast and the Isle of Sheppey. The NCA is a remote, low-lying coastal landscape of estuaries, mudflats, salt marshes, and reclaimed marshland stretching from the North Sea inland along the Thames. Environmental opportunities for the NCA include:
  - Conserve coastal habitats and processes: Maintain and enhance the remote coastal landscape and its internationally important habitats by addressing climate change, coastal squeeze, and supporting natural coastal dynamics.
  - Support sustainable land management: Work with landowners to improve biodiversity, geodiversity, soil and water quality, and climate resilience, while preserving the area's agricultural productivity and historic character.
  - Protect estuarine tranquillity and heritage: Conserve the estuary's peaceful character by enhancing coastal habitats and safeguarding its distinctive historic and geological features, while promoting responsible recreation.
  - Guide sustainable development: Promote development that respects local character, integrates green infrastructure, supports ecosystem services, and protects key habitats and heritage features.

[66] Kent Downs (no date). '*What is special about the Kent Downs*?' can be accessed through this link.

- North Kent Plain (NCA 113): Running through the borough's central belt, encompassing the towns of Sittingbourne and Faversham. The NCA is a low, open, and fertile agricultural landscape between the Thames Estuary and Kent Downs, known for its arable farming, fruit-growing heritage, and scattered ancient woodlands. Environmental opportunities for the NCA include:
  - Sustain farmed landscapes and heritage: Maintain the historic, farmed character of the landscape by enhancing ecological networks, supporting biodiversity and geodiversity, improving soil and water quality, and preserving traditional fruit-growing practices that reinforce Kent's identity as the Garden of England.
  - Manage coastal change: Support natural coastal processes and sustainable management to protect landscape character, enhance biodiversity, reduce flood risk, and create opportunities for habitat and recreation.
  - Conserve and connect woodlands: Protect and manage ancient semi-natural woodlands, expand broadleaved woodland where appropriate, and improve habitat connectivity to support biodiversity and recreational use.
  - Enhance urban character and green infrastructure: Protect urban heritage and character while planning new green spaces and corridors to support development, enhance local distinctiveness, and deliver social and environmental benefits.
- North Downs (NCA 119): Located in the southern third of the borough, partially overlapping with the Kent Downs NL. The NCA is a scenic chalk landscape stretching from Surrey to Dover, marked by traditional villages, ancient lanes, and distinctive architecture, with much of the area designated for its outstanding natural beauty. Environmental opportunities for the NCA include:
  - Conserve rural character and heritage: Manage and enhance the North Downs' historic landscape, settlement patterns, and cultural landmarks while protecting its tranquillity for future generations.
  - Enhance and manage woodlands: Restore and sustainably manage diverse woodlands for biodiversity, cultural value, recreation, and climate resilience, while supporting local timber and biomass markets.
  - Promote sustainable farming: Support mixed farming and protect semi-natural habitats like chalk grassland through sustainable practices that benefit the environment and maintain food production.
  - Deliver multifunctional green space: Plan for well-managed green infrastructure in urban and fringe areas to provide social, environmental, and economic benefits while reinforcing local landscape character.

11.3.4. The ecosystem services provided by the three NCAs should be protected, including food provision, water availability, regulating soil erosion, regulating soil quality, regulating water quality, sense of place / inspiration, sense of history, recreation, biodiversity, and geodiversity.

Figure 11-1: National Landscapes and National Character Areas in Swale



Swale Local Landscape Designations

11.3.5. In support of the SBLP, a Local Landscape Designation review report was published.[67] The report highlights the rich and varied landscapes of Swale and provides a summary of the borough's landscape context.

11.3.6. At the county level, Swale contains three Areas of High Landscape Value (Kent Level), which are considered strategic landscape assets:

- The lower dip slope to the north of the National Landscape and associated dry valleys - North Kent Downs;
- The marshlands along the Swale's coastal edge forming part of the North Kent Marshes SLA extending across the Borough boundaries; and
- Blean Woods in the east forming part of the wider complex of ancient woodland in Canterbury District.

11.3.7. At the borough level, four Areas of High Landscape Value (Swale Level) have been identified as locally important strategic assets:

- Tonge and Luddenham;
- Iwade, Newington and Lower Halstow;
- Boughton Street, Hernhill, Dargate and Staplestreet; and
- Sheppey Court and Diggs Marshes.

11.3.8. These designated areas are illustrated in Figure 1.1 of the Local Landscape Designation Review.[67]

11.3.9. In addition to these designations, the Swale Landscape Character and Biodiversity Appraisal identifies 42 individual Landscape Character Areas across the borough, reflecting the diversity and complexity of Swale's landscape.[68]

11.3.10. This landscape evidence provides a valuable baseline for understanding the sensitivity of different areas to change, and supports the assessment of potential environmental effects within the SA.

[67] LUC (2018). '*Swale Local Landscape Designations - Review and recommendations*' can be accessed through this link.
[68] Jacobs (2011). '*Swale Landscape Character and Biodiversity Appraisal*' can be accessed through this link.

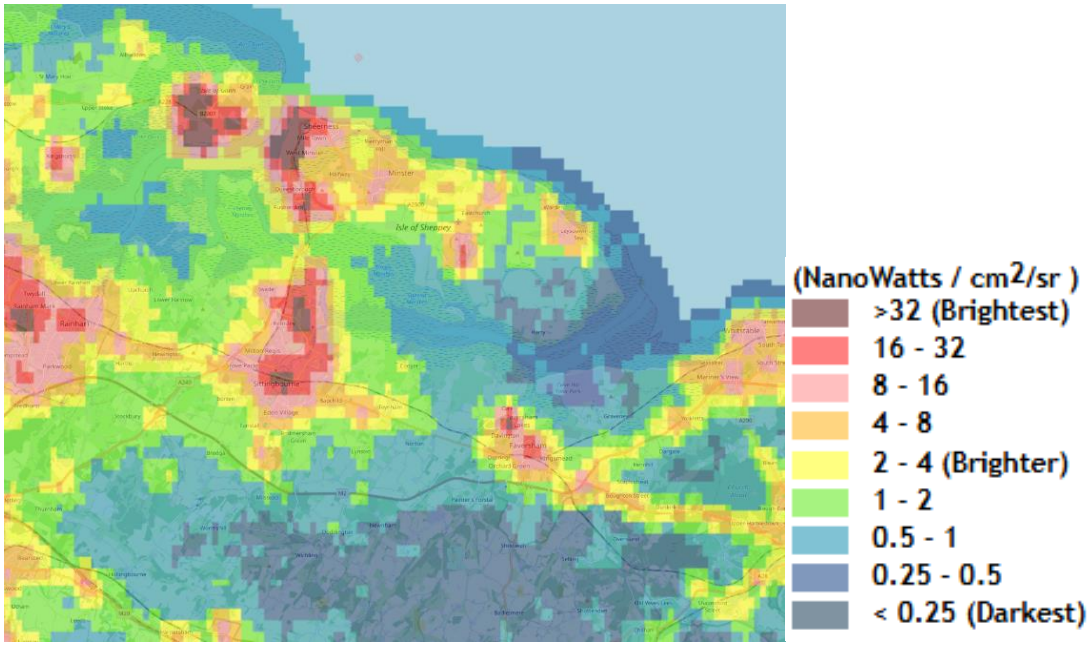
Dark Skies and Tranquillity

11.3.11. Tranquillity is an established component of landscape character, recognised in planning guidance and case law as contributing to the quality and enjoyment of rural areas. Tranquil areas typically exhibit low levels of visual intrusion, artificial lighting, and noise, supporting biodiversity, recreation, and cultural heritage. Dark skies are similarly valued for their ecological benefits and contribution to sense of place, with national guidance encouraging minimisation of light pollution.

11.3.12. Light pollution affects the sense of remoteness and tranquillity for which the area is valued. In 2016, Campaign to Protect Rural England (CPRE) produced an interactive map depicting the level of light pollution and dark skies in Britain.[69] As shown in **Figure 11-2**, the borough's least tranquil areas are concentrated along major transport corridors (the M2, A2, A249, and A299) and around urban centres such as Sittingbourne, Faversham, and Sheerness. These areas experience high levels of traffic, lighting, and built development, reducing opportunities for quiet recreation and dark skies. In contrast, the most tranquil zones occur in Swale estuary and parts of the North Kent Downs, where open landscapes, limited development, and low light levels prevail.

11.3.13. Development in less tranquil areas of the borough may have limited additional impact, whereas proposals affecting the coastal areas or rural downs could significantly erode these qualities.

Figure 11-2: Swale Tranquillity Map[69]



Source: CPRE

[69] CPRE (2016). '*England's Light Pollution and Dark Skies'* can be accessed through this link.

11.3.14. A further study conducted by CPRE in 2023 suggests that areas of 'severe' light pollution have been documented in several locations in the borough (including Sheerness, Faversham and Lower Halstow), based on the number of stars visible to the naked eye in the night sky.[70] The study does not discuss results on a local scale, however concluded that around three quarters of people living in the UK have an obscured view of the night sky.

Local Countryside Gaps

11.3.15. A review of Local Countryside Gaps around Sittingbourne, Upchurch and Sheerness was published in 2025.[71] The report assessed six designated gaps in Swale (see Figure 1.1 of the review), using criteria including: existing settlement identity and pattern; landscape character; visual character; gap extent; boundary defensibility; and potential for enhancement.

11.3.16. Most gaps were found to fully meet the criteria for continued designation. In contrast, the gap between Sittingbourne and Bobbing (SG6) was recommended for removal due to its dominance by transport infrastructure and lack of rural character.

11.3.17. The findings offer important context for understanding how future development might affect the character and function of the borough's landscapes, and will help inform the assessment of spatial options and environmental effects within the SA.

Local Views

11.3.18. It is useful to note that views of and across the borough are also an important factor to consider in the planning process, as the scale, height, and mass of development can ultimately impact on important views. Changes like development and landscape change can see these important views and vistas degraded overtime. The emerging LWNP may designate locally important viewpoints to provide additional protection to these assets.

Tree Preservation Orders

11.3.19. A Tree Preservation Order (TPO) is a legal measure used by local planning authorities to protect specific trees, groups of trees, or woodlands from being cut down, topped, lopped, uprooted, or otherwise damaged without prior consent. TPOs are typically placed on trees that offer significant amenity value to the local environment. Similar protections are afforded trees within designated conservation areas.

[70] CPRE (2023). '*Star Count 2023*' can be accessed through this link.
[71] LUC (2025). '*Swale Important Local Countryside Gaps*' can be accessed through this link.

11.3.20. Swale contains a number of TPOs across the borough, reflecting the value placed on its trees and woodlands for their contribution to local character, biodiversity, and landscape quality.

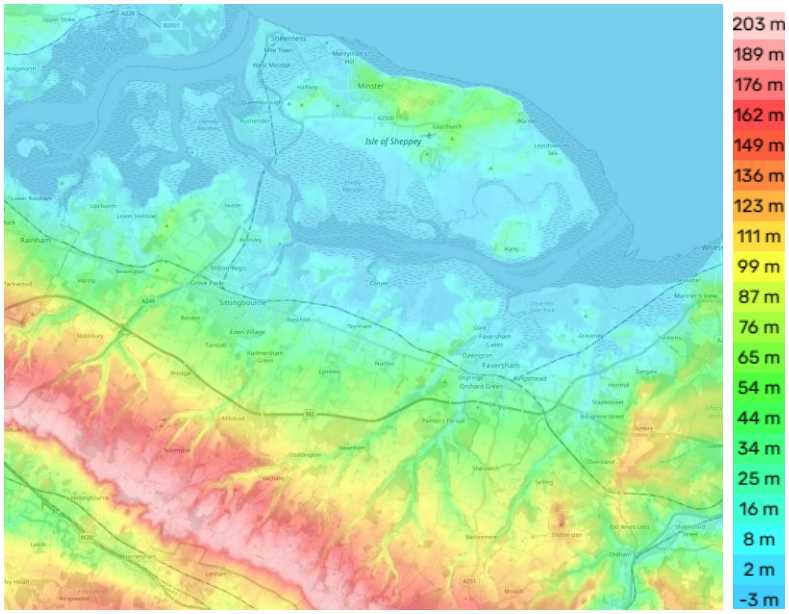
Topography

11.3.21. In terms of the Swale Borough's topography, the borough's landscape transitions from hilly terrain in the south to flatter, lower-lying areas in the north.

11.3.22. The southern parts of the borough are characterised by rolling hills and elevated ground. Moving north, the elevation gradually decreases, with areas like Sittingbourne and Faversham sitting at a moderate level. The terrain continues to flatten towards the north of the borough, towards the coastal landscapes.

11.3.23. It is therefore recognised that any future growth within the southern area of the borough is likely to be relatively elevated in the landscape in comparison to the surrounding areas.

Figure 11-3: Topography of Swale Borough[72]



Future Baseline

11.3.24. Urban growth in Swale is likely to change the landscape, particularly due to its rural areas and green spaces. New developments could place pressure on the surrounding countryside, including areas of high environmental value. Considered site selection and design will be necessary to maintain the borough's rural character and prevent the erosion of important green spaces.

[72] Topographic-map.com (2025). '*Home'*, available through this link.

11.3.25. New development has the potential to lead to incremental changes in landscape quality within and surrounding the borough. This could place increased pressure on Swale's designated landscapes. Development also has the potential to disrupt views to and from Swale Borough, especially if built in the south of the borough.

11.3.26. Climate change may alter Swale Borough's landscape, with potential adverse effects anticipated on its green spaces, historic assets, local wildlife, and agricultural land.

11.3.27. Coordinated delivery of green infrastructure, recreational spaces, and any regeneration opportunities could support landscape enhancements in the borough. The SBLP therefore presents an opportunity to plan for development in a way which minimises landscape impacts and maximises improvement/ enhancement to the landscape resource where possible.

11.4. Key Issues

11.4.1. Considering the policy context and baseline information, the following key issues (constraints and / or opportunities) are identified in relation to the landscape SA theme:

- The Kent Downs NL requires safeguarding from inappropriate development, including within its setting, to maintain its scenic quality, cultural heritage, and ecosystem services;
- Development should respect the distinct characteristics of the Greater Thames Estuary, North Kent Plain, and North Downs National Character Areas, including their biodiversity, agricultural heritage, and sense of place;
- Areas of High Landscape Value (Kent and Swale levels) and the 42 Landscape Character Areas are sensitive to change and should be considered in spatial planning;
- Tranquillity and dark skies are vulnerable to light pollution and visual intrusion; development near transport corridors may have limited additional impact, but proposals affecting marshlands or rural downs could significantly erode these qualities;
- Local countryside gaps remain important for preventing settlement coalescence and preserving rural character;
- Existing Tree Preservation Orders and conservation area protections should be maintained to safeguard amenity value and biodiversity;

- Elevated areas in the south are more visually prominent, requiring careful design to avoid adverse landscape impacts;
- Expansion of settlements could threaten green spaces and natural features, requiring careful site selection and design to maintain rural character; and
- Climate change may impact Swale Borough's green spaces, historic assets, agricultural land, and biodiversity. Planning for climate resilience, including habitat restoration and green infrastructure, is essential for maintaining landscape quality.

11.5. SA Objective

11.5.1. Considering the key issues discussed above, it is proposed that the SA should include the following objective in relation to landscape:

Protect and enhance the character and quality of the landscape, including green infrastructure corridors

11.5.2. The following questions will help assess how well each option supports the SA objective. Will the Option help to:

- …conserve nationally and locally designated landscapes, including the Kent Downs NL and Areas of High Landscape Value?
- …respect the distinctive features and character of the Greater Thames Estuary, North Kent Plain, and North Downs National Character Areas?
- …preserve tranquillity and dark skies, avoiding significant increases in noise or light pollution?
- …integrate and promote green infrastructure, including tree planting, parks, and natural corridors, to support biodiversity, recreation, and climate resilience?

12. Soils and Natural Resources

12.1. Focus of Theme

12.1.1. This theme focuses on the quality of soil resources the extent of mineral resources in the borough, and includes consideration of related issues such as waste management, landfill sites, and the redevelopment of brownfield land.

12.2. Policy Context

12.2.1. **Table 12-1** presents the most relevant documents identified in the policy review for the purposes of the SA.

Table 12-1: Plans, Policies and Strategies Reviewed in Relation to Soils and Natural Resources

Document Title	Year of Publication
National	
National Planning Policy Framework (NPPF)	2024
The 25 Year Environment Plan	2018
Safeguarding our Soils: A strategy for England	2009
Local	
Kent Minerals and Waste Local Plan (2024–2039)	2025
Kent Mineral Sites Plan	2020
Swale Contaminated Land Strategy	2010

12.2.2. The key messages emerging from the review are summarised below:

- The SBLP will be required to be in general conformity with the NPPF, which seeks to protect high quality soil resources; recognising the wider benefits of natural capital and derived from ecosystem services. Furthermore, the NPPF recognises the need to take account of the long-term implications of climate change and build resilience in this respect. The NPPF encourages efficient land use, utilising brownfield land opportunities and land remediation schemes where appropriate and delivering environmental gains;

- The NPPF places a requirement on mineral planning authorities to prepare an annual Local Aggregate Assessment (LAA), which reports on the demand for and supply of aggregates in their area. The relevant LAA for Swale Borough is Kent's 11th Local Aggregate Assessment (2023);

- The 25-year Environment Plan presents a focus for environmental improvement in the next couple decades, with aims to achieve clean air, and reduced risk from environmental hazards. This includes measures to improve soil quality, restore and protect peatlands, reduce pollution, maximise resource efficiency and minimise environmental impacts. This leads on from and supports the soil strategy for England (Safeguarding our soils) which seeks to ensure that all England's soils will be managed sustainably, and degradation threats tackled successfully by 2030, as well as the national waste plan which seeks to identify measures being taken to move towards a zero-waste economy;

- The Kent Minerals and Waste Local Plan (2024-2039) reaffirms a commitment to sustainable resource management and climate action, promoting a circular economy and near elimination of landfill. It safeguards mineral supply chains and wharves while ensuring extraction and waste practices minimise carbon impacts and protect landscapes, biodiversity, and communities;

- The Kent Mineral Sites Plan identifies specific locations for quarrying essential minerals to support growth, ensuring extraction is managed without causing unacceptable harm to communities or the environment. It also promotes site restoration for recreational use and biodiversity, balancing resource provision with landscape and ecological protection;

- The Swale Contaminated Land Strategy (2021-2026) sets out how the council will identify and manage land posing unacceptable risks to health or the environment, following DEFRA statutory guidance. It promotes a proportionate, evidence-based approach to investigations and remediation, while supporting residents and guiding developers on contamination issues.

12.3. Baseline Summary

Current Baseline

Agricultural Land

12.3.1. The Agricultural Land Classification (ALC) classifies land into six grades (plus 'non-agricultural land' and 'urban'), where Grades 1 to 3a are recognised as being the 'best and most versatile' (BMV) land and Grades 3b to 5 are of poorer quality.

12.3.2. As shown in **Figure 12-1**, the borough is underlain by a range of ALC grades, with a majority of higher-grade land.

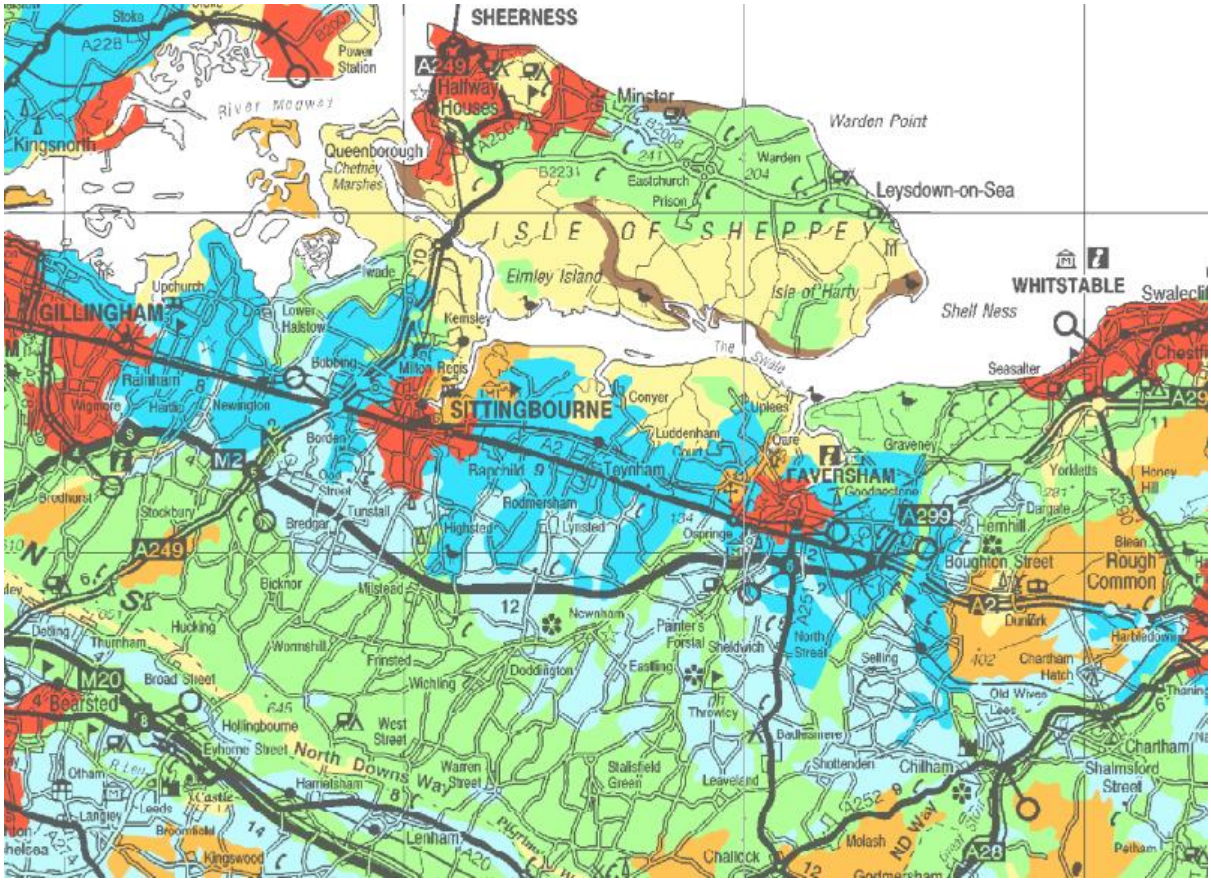
12.3.3. Grade 1 (Excellent) and Grade 2 (Very Good) land is concentrated across the central belt of the borough, with some additional Grade 2 land also present in the northern part of the Isle of Sheppey.

12.3.4. The southern areas of the borough are largely underlain by Grade 3 (Good to Moderate) land, which also covers much of the northern half of the Isle of Sheppey. It should be noted that, in the absence of detailed ALC surveys, it is not possible to distinguish between sub-grade 3a land (Best and Most Versatile) and sub-grade 3b land (not BMV).

12.3.5. Remaining areas of the borough comprise a mix of Grade 4 (Poor), Grade 5 (Very Poor), and land in urban use.

12.3.6. Therefore, development in many parts of the borough could result in the loss of high-quality agricultural land, with an element of uncertainty at this stage. It will be important to protect the higher quality agricultural land from future development and promote the use of previously developed land where possible.

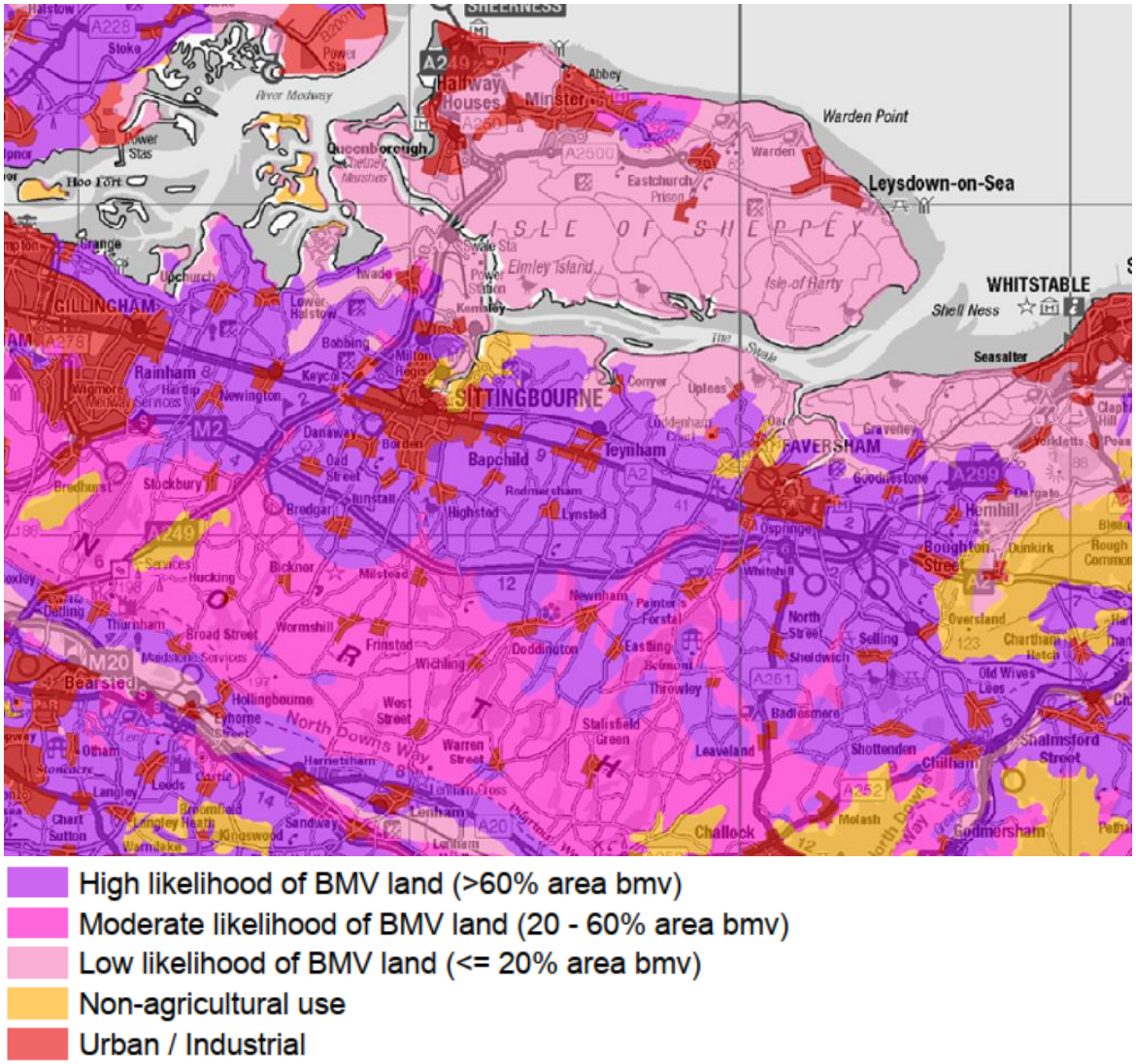
Figure 12-1: Agricultural Land Classification for the Borough[73]



12.3.7. **Figure 12-2** also shows the results of Natural England's 'Predictive Best and Most Versatile Land Assessment' for the London and the South East region. It indicates that the majority of mainland Swale has moderate (20%-60%) or high (+60%) likelihood for BMV land. Conversely, the majority of the Isle of Sheppey is graded as low likelihood (<20%) for BMV land.

[73] Natural England (2010) '*Agricultural Land Classification map London and the South East (ALC007)*' can be accessed through this link.

Figure 12-2: Likelihood of BMV Land Within the Borough[74]



High likelihood of BMV land (>60% area bmv)
Moderate likelihood of BMV land (20 - 60% area bmv)
Low likelihood of BMV land (<= 20% area bmv)
Non-agricultural use
Urban / Industrial

Mineral Resources

12.3.8. Mineral resources are defined as natural concentrations of minerals or bodies of rock that have the potential to be of economic interest in the present or the future due to their inherent properties. As minerals are a non-renewable resource, minerals safeguarding is deployed as the process through which it is ensured that non-minerals development does not needlessly prevent the future extraction of mineral resources.[75]

[74] Natural England (2017) '*Likelihood of Best and Most Versatile (BMV) Agricultural Land – Strategic scale map London and the South East (ALC019)'* can be accessed through this link.
[75] UK Government (2014) '*Guidance: Minerals'* can be accessed through this link.

12.3.9. There are three mineral safeguarding areas in Swale, as designated in the Kent Minerals and Waste Local Plan.[76] These are: River Terrace; Brickearth Swale Areas; and Wharfs and Rail Depots.

12.3.10. Swale contains a range of mineral-related sites and facilities.[77] Faversham Quarry, operated by Brett Aggregates Ltd, is a key site for secondary and recycled aggregates, supporting sustainable construction practices. In addition, Ridham Dock serves as a major wharf for aggregate handling and import/export, operated by Brett Aggregates and Lafarge Tarmac, facilitating marine-dredged sand and gravel movements.

12.3.11. Beyond aggregates, Swale hosts several brickearth extraction sites, including Claxfield Farm, Hempstead House, and sites at Paradise Farm (Hartlip) and Orchard Farm (Iwade), operated by Weinerberger Ltd and Ibstock Building Products. Brickearth is an important raw material for brick manufacturing. The borough also includes a clay site at Norwood Quarry, managed by FCC Environment (UK) Ltd.[77]

12.3.12. As noted in the adopted Local Plan for Swale, in the event that mineral reserves are identified on sites allocated for development, developers should work with the Minerals Planning Authority (Kent County Council) to ensure the timely working of the site, provided that there is a sustainable and viable outlet for the resource which allows extraction without an unreasonable impact on development coming forward.

Waste

12.3.13. Swale Borough Council is part of the Mid Kent Waste Partnership alongside Ashford and Maidstone, with waste collection services delivered by SUEZ Recycling and Recovery UK since March 2024. The borough operates a fortnightly collection for residual waste and dry recyclables, weekly food waste collections, and a charged garden waste service. Non-recyclable waste is sent to energy-from-waste facilities, with no waste going to landfill.[78]

12.3.14. The latest DEFRA data suggests that 40.1% of Swale's household waste is recycled; this ranks 184 of 333 local authorities.[79] For comparison, the national average recycling rate for household waste is 44%.

[76] Kent County Council (2025). '*Kent Minerals and Waste Local Plan'* can be accessed through this link. See p191.
[77] Kent County Council (no date). '*Minerals and waste sites in Kent'* can be accessed through this link.
[78] Swale Borough Council (2025). '*Annual Performance Report for the Waste Collection & Street Cleansing Service*' can be accessed through this link.
[79] Wikiwaste (2025). '*Key Metric Rankings*' can be accessed from this link.

12.3.15. There are two household waste sites in Swale: Sittingbourne Household Waste Recycling Centre and Sheerness Household Waste Recycling Centre.[80]

Brownfield Sites

12.3.16. Brownfield sites are previously developed land that is no longer in use. They are preferred for new developments because they help reduce urban sprawl, make use of existing infrastructure, and regenerate neglected areas.

12.3.17. The most recent Swale Borough Brownfield Register (2024)[81] identifies 55 sites within Swale Borough. Of these sites, 41 have been permissioned, one is marked as 'permitted', one is marked as 'prior notification', and 13 are marked as 'not permissioned'.

12.3.18. Development on brownfield sites can pose risks of mobilising pollutants from contaminated land, which could adversely affect groundwater quality. It will be important that all development proposals incorporate appropriate site investigations and remediation measures to prevent contamination. Development should be designed and implemented in line with the Environment Agency's Approach to Groundwater Protection, ensuring that groundwater resources are safeguarded and that no adverse impacts occur as a result of construction or operational activities.[82]

Historic Landfill Sites

12.3.19. Historic landfill sites (HLS), once used for waste disposal, can create challenges for development due to potential contamination from harmful gases and leachate. Development sites near to HLS must conduct site assessments to check for environmental risks, which may require remediation efforts like soil removal or gas monitoring. Development on Historic Landfills may also require an environmental permit.

12.3.20. There are several HLS across Swale, particularly around Faversham, north of Sittingbourne, and in the western part of the Isle of Sheppey. The locations of these sites can be viewed online.[83]

[80] Kent County Council (no date). '*Our Household Waste Recycling Centres*' can be accessed from this link.
[81] Swale Borough Council (2024). '*Part 1 of the Brownfield Land Register*' through this link.
[82] Environment Agency (2018). '*The Environment Agency's approach to groundwater protection'* can be accessed through this link.
[83] Arcgis.com (no date). '*Historic landfills in England'* can be accessed through this link.

Future Baseline

12.3.21. Future development has the potential to affect soil resources in the neighbourhood area through the loss of BMV ('excellent', 'very good' and 'good') quality agricultural land. Due to the prevalence of BMV land across the borough, it is likely that development outside of the urban settlement could lead to the permanent loss of this resource. However, it is recognised that detailed land classification has not been carried out and therefore uncertainty remains in this respect.

12.3.22. Rising temperatures and shifting rainfall patterns may lead to more frequent droughts or floods, affecting soil moisture, structure, and agricultural productivity. Soil erosion risks may also increase due to extreme weather, reducing soil fertility and agricultural potential, especially in BMV land.

12.3.23. Demand for waste processing is likely to grow alongside population increases and urban expansion. The capacity of existing waste management infrastructure will need to be regularly assessed to ensure it can cope with the increasing demand. Additionally, with the identification of potential sites for new waste facilities, it will be important to assess any potential impacts these facilities might have on nearby communities, as well as any associated environmental risks such as emissions or leachate.

12.4. Key Issues

12.4.1. Considering the policy context and baseline information, the following key issues (constraints and / or opportunities) are identified in relation to soils and mineral resources:

- Development outside urban areas could result in the permanent loss of BMV agricultural land, particularly in the central belt and parts of the Isle of Sheppey. This could impact food production and soil quality;
- Redevelopment of brownfield sites offers opportunities to reduce urban sprawl, utilise existing infrastructure, and support regeneration. However, development on these sites may pose contamination risks to groundwater, requiring appropriate site investigations and remediation;
- The borough contains designated Mineral Safeguarding Areas for River Terrace, Brickearth, and Wharfs/Rail Depots, which should be protected to avoid sterilisation of mineral resources by non-mineral development;
- Historic landfill sites across the borough, particularly near Faversham, Sittingbourne, and the Isle of Sheppey, present contamination risks from harmful gases and leachate. Development near these sites may require environmental permits and remediation measures;

- Population growth and urban expansion will increase demand for waste processing infrastructure. Existing facilities must be monitored and potentially expanded to meet future needs, while ensuring that any new facilities do not adversely affect nearby communities or the environment; and

- Climate change may increase the risk of soil erosion, drought, and flooding, affecting soil structure, moisture levels, and agricultural productivity, especially in areas with BMV land.

12.5. SA Objectives

12.5.1. Considering the key issues discussed above, it is proposed that the SA should include the following objectives and assessment questions in relation to soils and natural resources:

Protect soil and mineral resources, promote efficient land use, and manage waste effectively

12.5.2. The following questions will help assess how well each option supports the SA objective. Will the option help to:

- …protect BMV agricultural land from unnecessary loss or degradation, prioritising development on brownfield or lower-quality land?

- …safeguard mineral resources within Mineral Safeguarding Areas, ensuring that non-mineral development does not prevent future extraction?

- …manage development proposals near historic landfill sites to prevent environmental contamination and health risks?

- …support the sustainable management and expansion of waste processing infrastructure to meet growing demand?

13. Transport

13.1. Focus of Theme

13.1.1. This theme focuses on transport infrastructure, transport usage, traffic flows and congestion, and accessibility levels in the borough.

13.2. Policy Context

13.2.1. **Table 13-1** presents the most relevant documents identified in the policy review for the purposes of the SA.

Table 13-1: Plans, Policies and Strategies Reviewed in Relation to Transportation

Document Title	Year of Publication
National	
National Planning Policy Framework (NPPF)	2024
Decarbonising Transport: A Better, Greener Britain	2021
Decarbonising Transport: Setting the Challenge	2020
The National Design Guide	2019
The Transport Investment Strategy – Moving Britain Ahead	2017
The Department for Transport's Cycling and Walking Investment Strategy	2016
Local	
Swale Local Cycling and Walking Infrastructure Plan	2025
Kent Local Transport Plan 5	2024
Kent Bus Service Improvement Plan (BSIP)	2024
Swale Transport Strategy (2022–2037)	2022
Kent Active Travel Strategy	2017

13.2.2. The key messages emerging from the review are summarised below:

- The Local Plan will be required to be in general conformity with the NPPF, which seeks the consideration of transport issues from the earliest stages of plan-making and development proposals to address any known issues and maximise opportunities to increase accessibility, particularly by walking, cycling and public transport...

- …Larger developments are expected to be delivered in areas which are or can be made sustainable by limiting the need to travel and offering a genuine choice of transport modes. However, it is recognised that sustainable transport solutions will vary between urban and rural environments;

- National transport strategies set out investment priorities which ultimately all seek to improve the connectivity, effectiveness and reliably of transport networks, whilst reducing impacts on the natural environment (including through decarbonisation). Furthermore, they place great emphasis on making cycling and walking the natural choice for shorter journeys, or as part of a longer journeys. This includes investment in new and upgraded infrastructure, changing perceptions, and increasing safety;

- Swale's Local Cycling and Walking Infrastructure Plan (2025) aims to both encourage and facilitate the modal shift away from motorised vehicles to more active modes, transforming areas in ways which support active travel, reduce congestion, support local economies and improve physical and mental health in line with sustainable visions at a local to a national level;

- Kent's Local Transport Plan 5: Striking the Balance (2024-2037) sets out Kent County Council's overarching transport strategy. It aims to deliver a balanced approach to transport across Kent, integrating proposals with sub-strategies such as the Bus Service Improvement Plan and the Kent Cycling and Walking Infrastructure Plan for more detailed actions. This is also accompanied by Kent's Active Travel Strategy (2017); and

- The Swale Transport Strategy (2022-2037) sets out a framework to reduce car dependency and promote sustainable and active travel across the borough. It supports housing growth while aiming to improve air quality, enhance safety, and create healthier, more affordable travel options. The strategy's vision is to deliver a sustainable transport network that meets local needs and encourages greener, more active lifestyles.

13.3. Baseline Summary

Current Baseline

Rail Network

13.3.1. The rail network in Swale is primarily served by the Sheerness Line, which connects Sittingbourne on the Chatham Main Line to the Isle of Sheppey via stations at Kemsley, Swale Halt, Queenborough, and Sheerness-on-Sea. This line provides an important link between the island and the mainland, crossing the Kingsferry Bridge, and supports both passenger and freight movements, including traffic to local industrial sites such as Ridham Dock and Sheerness steelworks.[84]

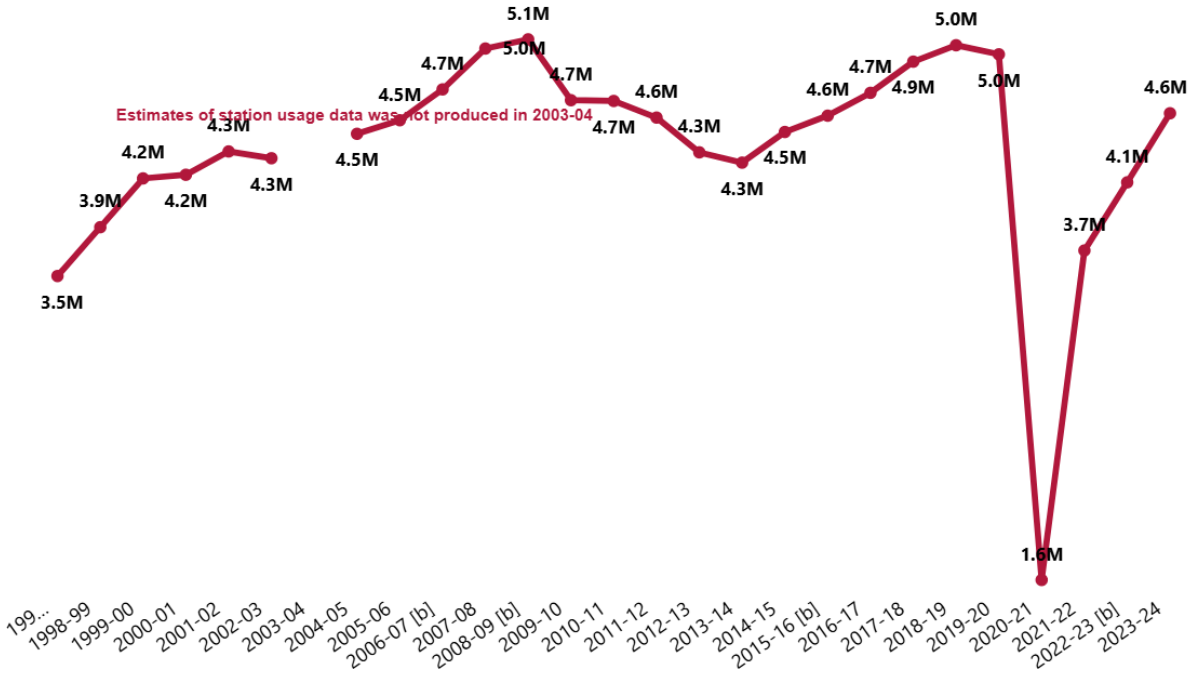
13.3.2. Sittingbourne acts as the main interchange, offering connections to London and East Kent, including high-speed services from nearby Faversham.

13.3.3. In addition to the mainline services, Swale features heritage railways such as the Sittingbourne & Kemsley Light Railway, which operate seasonally for tourism and leisure purposes.

13.3.4. According to the Office of Rail and Road, estimated usage of Swale Borough's train stations has shown steady growth between 1997 and 2024, increasing from 3.5 million to 4.6 million annual entries and exits over this period (see **Figure 13-1**). There was a significant dip in usage in 2020-21, reflecting the impact of the COVID-19 pandemic and associated travel restrictions. Since then, usage has not recovered but not yet surpassed pre-pandemic levels.

[84] Visit Swale (no date). '*Heritage Railways in Swale*' can be accessed through this link.

Figure 13-1: Passenger Numbers at Swale Borough's Train Stations[85]



Bus Network

13.3.5. The bus network in Swale is operated by three main providers:

- Arriva Buses;
- Stagecoach; and
- Chalkwell Buses.

13.3.6. Buses in Swale provides essential connections between key towns such as Sittingbourne, Faversham, and Sheerness, as well as links to surrounding rural areas.[86] Services cover local routes within the borough and longer-distance connections to destinations including Maidstone and Canterbury.

13.3.7. The network supports access to employment, education, and healthcare, and includes school and community transport options. Recent improvements have focused on fare reductions through national schemes, real-time tracking, and contactless payment systems, making services more affordable and convenient.[87]

[85] Office of Rail and Road (2025) '*Estimates of station usage'* can be accessed through this link.
[86] Kent County Council (no date). '*Bus Routes in Swale Area*' can be accessed through this link.
[87] Swale Borough Council (no date). '*Travel by bus or rail'* can be accessed through this link.

Road Network and Congestion

13.3.8. Swale Borough's road network is shaped by its strategic position in North Kent, incorporating major routes such as the A2, A249, and M2. The A2 provides an important east–west corridor linking Sittingbourne and Faversham, while the A249 connects the Isle of Sheppey to the mainland and serves as a key route to the M2 and wider Strategic Road Network. These roads are essential for local travel, freight movements from Sheerness Docks, and regional connectivity.

13.3.9. Swale's Transport Strategy (2022-2027) notes that congestion is a persistent challenge, particularly along the A2 through Sittingbourne and at junctions on the A249, where traffic volumes are compounded by housing growth and commercial development. The borough's rural character and dispersed settlements mean car dependency remains high, placing additional pressure on these corridors.

13.3.10. Several improvement schemes are underway to address these issues, such as improvements to Key Street and Grovehurst Road junctions on the A249, which aimed at reducing queuing and improving journey time reliability.[88]

Public Rights of Way (PRoW) and Cycleways

13.3.11. Swale benefits from an extensive network of public rights of way, including footpaths, bridleways, and byways, which provide access to its varied landscapes from the Thames Estuary to the Kent Downs. These routes support leisure, tourism, and active travel, offering opportunities for walking, cycling, and wheeling.[89]

13.3.12. Long-distance trails such as the Saxon Shore Way, North Downs Way, and the King Charles III England Coast Path pass through the borough, alongside numerous shorter circular and linear routes that connect rural villages with towns like Sittingbourne and Faversham. This network is complemented by seafront promenades and country lanes, forming part of the National Cycle Network Routes 1 and 174, which runs through Swale and links to wider Kent and national routes.

[88] Kent County Council (2023). '*A249 Key Street and Grovehurst Road junction Improvements'* can be accessed through this link.

[89] Swale Borough Council (no date). '*Swale's Cycling and Walking Pathways*' can be accessed through this link.

13.3.13. Swale Borough Council is actively working to improve and expand this infrastructure through its Local Cycling and Walking Infrastructure Plan (2025). The plan aims to create a cohesive, safe, and accessible network by upgrading existing paths, adding new cycle lanes, improving signage, and introducing better lighting and crossings. These enhancements are designed to encourage modal shift from car travel to active travel, reduce congestion, and improve air quality, while supporting health and wellbeing.

Future Baseline

13.3.14. Swale Borough is expected to see continued population growth, driven by new developments such as those in the emerging SBLP. As the population increases, there will be greater demand for transport services and infrastructure.

13.3.15. National and local health agendas are expected to drive greater emphasis on walking and cycling. Investment in safe, connected active travel networks will be essential to encourage modal shift, reduce emissions, and improve wellbeing.

13.3.16. Climate change will impact Swale Borough's transport network, with extreme weather increasing risks like flooding, road damage, and public transport disruptions. Heavy rainfall may waterlog roads, while extreme heat could degrade surfaces and affect rail reliability, potentially leading to greater car dependency, congestion, and emissions. To mitigate these risks, future transport planning must integrate climate resilience measures and promote sustainable travel options.

13.4. Key Issues

13.4.1. Considering the policy context and baseline information, the following key issues (constraints and/ or opportunities) are identified in relation to transportation:

- Rail services in Swale Borough provide essential connectivity but face capacity challenges as demand grows. Continued development will require improvements to service frequency and resilience to maintain accessibility and reliability;

- The bus network offers important links between towns and rural areas but may become strained with population growth. Enhancements in service frequency, coverage, and integration with rail will be needed to make public transport a viable alternative to car travel;

- Swale has an extensive network of public rights of way and cycle routes. Further investment will be important to reduce car dependency, improve health outcomes, and address severance issues between north and south of the borough;

- Major roads such as the A2, A249, and M2 experience congestion, particularly at key junctions. Growth in housing and freight movements could exacerbate this, requiring strategies to manage traffic flow and promote sustainable alternatives; and

- Climate change poses risks to the transport network, including flooding and heat-related damage to roads and rail infrastructure. Future planning must incorporate climate resilience measures to safeguard infrastructure and maintain service reliability.

13.5. SA Objective

13.5.1. Considering the key issues discussed above, it is proposed that the SA should include the following objective in relation to transportation:

Promote sustainable transport use and reduce the need to travel

13.5.2. The following questions will help assess how well each option supports the SA objective. Will the option help to:

- …connect future development with sustainable transport networks?

- …enhance bus service frequency, reliability, and integration?

- …expand and improve active travel infrastructure, including cycle routes and footpaths, to reduce car dependency and address severance issues?

- …manage road congestion effectively through traffic flow improvements, road upgrades, and promotion of alternative transport modes?

- …integrate climate resilience measures to protect transport infrastructure from flooding, heat damage, and other extreme weather impacts?

14. Water

14.1. Focus of Theme

14.1.1. This theme focuses on water supply resources and water quality (including wastewater treatment) in Swale Borough.

14.2. Policy Context

14.2.1. **Table 14-1** presents the most relevant documents identified in the policy review for the purposes of the SA.

Table 14-1: Plans, Policies and Strategies Reviewed in Relation to Water

Document Title	Year of Publication
National	
National Planning Policy Framework (NPPF)	2024
The 25 Year Environment Plan	2018
Future Water: The government's water strategy for England	2011
Water for Life	2011
Local	
Kent Local Flood Risk Management Strategy	2024
Southern Water North Kent Drainage and Wastewater Management Plan	2022
Swale Surface Water Management Plan	2012
River Medway and Swale Estuary Shoreline Management Plan	2010

14.2.2. The key messages emerging from the review are summarised below:

- The SBLP will be required to be in general conformity with the NPPF, which seeks to improve the water environment and recognises the wider benefits of natural capital and derived from ecosystem services. Furthermore, the NPPF recognises the need to take account of the long-term implications of climate change and build resilience in this respect;

- The 25-year Environment Plan presents a focus for environmental improvement in the next couple decades, with aims for clean and plentiful water and reduced risk from environmental hazards. This includes measures to restore and protect peatlands, use water more sustainably, reduce pollution, and minimise environmental impacts. This leads national water strategies which seek to secure sustainable and resilient water resources and improve the quality of waterbodies;

- The Kent Local Flood Risk Management Strategy (2024-2034) sets out how the council, as Lead Local Flood Authority, will manage flood risks from surface runoff, groundwater, and ordinary watercourses. It strengthens collaboration between authorities, improves understanding of flood risk, and builds on lessons from previous strategies to enhance resilience across the county;

- The Southern Water Drainage and Wastewater Management Plan (2022) focuses on reducing storm overflow spills, improving sewer resilience, and mitigating flood risks by managing excess rainwater in the North Kent River Basin Catchment. It also addresses the ecological and nutrient impacts of wastewater discharges on local rivers and estuaries while planning for future development and protecting groundwater quality;

- The Swale Surface Water Management Plan investigates local flood risks from surface runoff, groundwater, and ordinary watercourses. Led by Kent County Council in partnership with other authorities, it identifies priority areas, proposes mitigation options, and sets out an action plan to reduce flood risk and improve resilience across Swale; and

- The Medway Estuary and Swale SMP provides a high-level framework for managing risks from coastal change in a sustainable way. It sets long-term policies to protect people, property, and the natural and historic environment, forming part of the national strategy for flood and coastal defence.

14.3. Baseline Summary

Current Baseline

Water Quality

14.3.1. The borough lies within the Thames River Basin District, with most of its area falling under the Kent North Management Catchment and White Drain and Lakes Operational Catchment. It also includes the following water bodies:

- Murston Lakes, angling lakes Water Body; and
- White Drain.

14.3.2. Areas west of Sittingbourne fall within the Medway Management Catchment and the Medway Lower Operational Catchment.

14.3.3. The borough's coastline is part of the Thames TraC Management Catchment and the Medway Swale Estuary Operational Catchment, which includes the following water bodies:

- Medway;
- Murston Lakes; and
- Swale.

14.3.4. In the latest survey year (2022), the White Drain water body was assessed as having poor ecological status, while Murston Lakes was rated good; other water bodies were recorded as moderate. However, all water bodies failed the most recent chemical status assessment (2019), primarily due to polybrominated diphenyl ethers (PBDE), with additional failures linked to mercury and benzo(g,h,i)perylene in certain areas.

14.3.5. The Medway Swale Estuary Partnership (MSEP) works to conserve and improve the ecological health of the Medway and Swale estuaries and their tributaries through community engagement and targeted projects.[90] Their initiatives include developing a Catchment Action Plan under the Catchment Based Approach (CaBA), tackling issues such as pollution and invasive species, and supporting habitat restoration.[91]

[90] MSEP (no date). '*Welcome to the Medway Swale Estuary Partnership'* can be accessed through this link.
[91] MSEP (no date). '*North Kent Catchment Action Plan*' can be accessed through this link.

14.3.6. MSEP also collaborates with local councils and groups on projects like improving the Iwade Stream and Westbrook in Faversham, and runs volunteer programs for monitoring and practical conservation work.[92]

14.3.7. Nitrate Vulnerable Zones (NVZs) represent areas at risk from agricultural nitrate pollution, identifying rules in relation to the use of fertilisers and manures as well as a requirement to prevent water pollution from farming areas. Figure 10-1 in the Swale Borough Council Level 1 Strategic Flood Risk Assessment (SFRA) shows that the borough contains a groundwater NVZ located between Sittingbourne and Faversham, as well as a surface water NVZ on the borough's eastern border.[93]

Water Resources

14.3.8. In England, watercourses can be designated as 'main rivers'. These are usually larger rivers and streams, and are managed by The Environment Agency. The designated main rivers in Swale Borough include:[94]

- River Medway;
- Otterham Creek;
- Iwade Stream;
- Milton Creek;
- Windmill Creek;
- The Swale;
- Scrapsgate Drain;
- Warden Bay Stream;
- Capel Fleet Drain;
- Faversham Creek;
- White Drain.

[92] MSEP (no date). '*Introduction'* can be accessed through this link.
[93] Swale Borough Council (2020). '*Swale Borough Council Level 1 Strategic Flood Risk Assessment*' can be accessed through this link.
[94] Swale Borough Council (2020). '*Swale Borough Council Level 1 Strategic Flood Risk Assessment Appendix B*' can be accessed through this link.

14.3.9. Rivers that are not designated as main rivers are known as 'ordinary watercourses', and are instead managed by lead local flood authorities, borough councils and internal drainage boards. Swale Borough has many ordinary watercourses, which are smaller streams, tributaries, and drainage channels that contribute to the local water network.[95]

14.3.10. Swale also has many waterbodies throughout the borough, with named examples including Bysing Wood Pool and Stonebridge Pond in Faversham, Mill Pond in Tonge, and Lasher's Lake in Hermhill.

14.3.11. In relation to water resources, the borough is served by Southern Water South East Water. The Environment Agency have published a document entitled 'Water Stressed Areas – 2021 classification' which included a map of England, identifying areas of relative water stress. In this regard, the whole of Southern Water and South East Water's supply area is shown as an area of 'Serious' water stress, based upon the amount of water available per person both now and in the future.[96]

14.3.12. Within their Water Resource Management Plans (WRMPs) water companies refer to their Water Resource Zones (WRZs). WRZs are the largest possible zone in which all resources, including external transfers, can be shared and hence the zone in which all customers experience the same risk of supply failure from a resource failure. In this respect, the borough falls within the Kent Medway West WRZ, Kent Medway East WRZ, and Ashford WRZ which experience pressures due to climate change and population growth.

Groundwater

14.3.13. Groundwater plays an important role in the borough's water resource system, contributing to both water supply and ecological health. Swale sits upon aquifers, which are vulnerable to pollution, over-abstraction, and changes in infiltration patterns due to urban development.

[95] Swale Borough Council (2020). '*Swale Borough Council Level 1 Strategic Flood Risk Assessment Appendix B*' can be accessed through this link.

[96] Environment Agency and DEFRA (2021) '*Water stressed areas – 2021 classification'* can be accessed through this link.

14.3.14. All development through the SBLP must be consistent with the Environment Agency's Approach to Groundwater Protection, which sets out principles for safeguarding groundwater from contamination and unsustainable use.[97] This includes:

- Preventing pollution from hazardous substances and contaminated land;
- Ensuring infiltration-based drainage systems (for example, SuDS) do not compromise groundwater quality or increase flood risk; and
- Conducting site-specific groundwater risk assessments where development may affect aquifers or involve subsurface works.
- Groundwater protection is also important for maintaining long-term water availability, especially in a borough identified as being within a seriously water-stressed area. Sustainable water management should therefore include:
- Minimising demand on groundwater through water-efficient design and technologies;
- Protecting recharge zones and avoiding development that could reduce infiltration in appropriate areas; and
- Remediating contaminated sites prior to development to prevent leaching into groundwater.

14.3.15. Groundwater Source Protection Zones (SPZs) have been defined by the Environment Agency in England and Wales to protect groundwater sources such as wells, boreholes, and springs that are used for public drinking water supply. According to the SFRA (see Figure 10-1 in the SFRA), large areas in southern half of the borough fall within an SPZ.[98]

[97] Environment Agency (2018). '*The Environment Agency's approach to groundwater protection'* can be accessed through this link.

[98] Swale Borough Council (2020). '*Swale Borough Council Level 1 Strategic Flood Risk Assessment*' can be accessed through this link.

Future Baseline

14.3.16. Climate change is expected to have significant implications for water resources in Swale Borough, exacerbating existing pressures on both water availability and quality. Rising temperatures and changing rainfall patterns could lead to more frequent droughts, reducing river flows and increasing competition for already scarce water supplies in the area. More intense rainfall events may also result in increased surface water runoff, heightening the risk of pollution in local watercourses.

14.3.17. Future development also has the potential to affect water quality through increased consumption, diffuse pollution, waste-water discharges, water run-off, and modification. Southern Water South East Water are likely to maintain adequate water services over the SBLP period; therefore, it will be important for new development to avoid negative impacts on water quality, and instead contribute to reducing consumption and improving efficiency.

14.3.18. It is also noted that the requirements of the Water Framework Directive, as transposed into national legislation, are likely to lead to continued improvements to water quality within the SBLP and wider area. However, it will nonetheless be important for new development to avoid impacts on water quality, and support demand management measures by contributing to reduced consumption and improved efficiency.

14.3.19. To support this, the SBLP should set strong targets for greenfield runoff rates, ensuring that post-development runoff does not exceed pre-development levels. The use of SuDS will be important in achieving this, helping to manage surface water, improve water quality, and enhance biodiversity.

14.3.20. Given that the borough is located within a seriously water-stressed area (as identified in the Environment Agency's latest Water Stressed Areas classification), all new residential developments must meet the higher water efficiency standard of 110 l per person per day, as set out in the Building Regulations &c. (Amendment) Regulations 2015.[99,100]

14.3.21. For non-residential developments of 1,000 m^2 or more, the SBLP should encourage achievement of the BREEAM 'Excellent' standard for water consumption (WAT 01) or an equivalent benchmark.[101]

14.3.22. Increased water efficiency in new developments enables growth to be realised without placing additional pressure on water resources.

[99] Gov.uk (2021). '*Water stressed areas – 2021 classification*' can be accessed through this link.
[100] Gov.uk (2015). '*The Building Regulations &c. (Amendment) Regulations 2015*' can be accessed through this link.
[101] BREEAM (no date). 'An Introduction to BREEAM' can be accessed through this link.

Developers are encouraged to incorporate water-efficient technologies, fixtures, and fittings (such as low-flow taps and toilets, rainwater harvesting systems, and greywater recycling).

14.4. Key Issues

14.4.1. Considering the policy context and baseline information, the following key issues (constraints and / or opportunities) are identified in relation to Water:

- Water bodies in the borough show mixed ecological status: White Drain is ‘poor’, Murston Lakes is ‘good’, and others are ‘moderate’. Future development must ensure no further deterioration and should contribute to achieving good ecological status as required by the Water Framework Directive;
- All water bodies failed the most recent chemical status assessment (2019), primarily due to PBDE, with additional failures linked to mercury and benzo(g,h,i)perylene. Development should avoid introducing pollutants and support measures to improve chemical quality;
- Swale Borough contains several NVZs, meaning parts of the borough are at risk of agricultural nitrate pollution. New development should minimise the risk of water pollution from urban runoff, construction, and wastewater discharge;
- Increased housing and associated infrastructure could lead to higher water consumption and wastewater generation, which may place additional pressures on water treatment facilities and local watercourses;
- The borough lies within an area of ‘serious’ water stress, requiring development to incorporate water efficiency measures to reduce demand;
- Climate change and population growth are placing additional pressures on the borough’s WRZ. New development should consider sustainable water management, including rainwater harvesting, greywater recycling, and water-efficient appliances;
- Groundwater SPZs are present in parts of the borough, meaning development in these areas must prevent contamination of drinking water sources.

14.5. SA Objective

14.5.1. Considering the key issues discussed above, it is proposed that the SA should include the following objective in relation to water:

Protect and enhance water quality and resources, ensuring sustainable water management to support current and future needs while reducing pollution risks

14.5.2. The following questions will help assess how well each option supports the SA objective. Will the option help to:

- …improve the ecological status of all water bodies, supporting the achievement of good status as required by the Water Framework Directive?
- …address chemical status failures by reducing pollutants such as PBDE, mercury, and hydrocarbons?
- …minimise pollution risks from nitrate vulnerable zones, urban runoff, construction, and wastewater discharge?
- …reduce water consumption through incorporation of water-efficient technologies such as rainwater harvesting and greywater recycling?
- …protect Groundwater Source Protection Zones from contamination linked to development and land use changes?

15. Proposed SA Framework

15.1.1. The SA framework has been established through the identification of key issues and environmental objectives as part of the scoping exercise. This draws upon the baseline position and policy context that has been prepared for a range of SA themes (as set out in **Chapters 2-14**).

15.1.2. The framework consists of a set of headline objectives and supporting assessment questions, which will be used to appraise the environmental effects of the draft Plan (and reasonable alternatives).

15.1.3. **Table 15-1** below outlines the proposed SA framework, bringing together the objectives and assessment questions that have been set out at the end of each SA theme.

15.1.4. Example supporting questions for each SA Objective are listed at the end of each SA theme's chapter.

Table 15-1: Proposed SA Framework

SA Theme	SA Objective
Accessibility	Improve accessibility to essential services and facilities across the borough
Air Quality	Improve air quality, reduce air pollution and reduce exposure to air pollution
Biodiversity	Maintain, create and enhance the extent and quality of biodiversity habitats and networks within and surrounding the borough, and protect species and species diversity
Climate Change Adaptation	Increase resilience to the potential effects of climate change, including flood risk
Climate Change Mitigation	Mitigate climate change by increasing decarbonisation, with a focus on industry, transport and the built environment, increasing efficiency and reducing energy use
Communities and Health	Promote and protect health, wellbeing, and safety by ensuring access to healthcare, reducing health inequalities, improving road safety, enhancing green infrastructure, and creating safe and sustainable communities
Economy and employment	Support a productive, diverse and resilient economy that provides opportunities for all
Historic Environment	Protect, conserve and enhance the historic environment, heritage assets and their setting within the borough
Homes	Support the delivery of a range of housing to meet identified needs, with a focus on improving affordability for those most in need
Landscape	Protect and enhance the character and quality of the landscape, including green infrastructure corridors
Soils and Natural Resources	Protect soil and mineral resources, and manage waste effectively
Transport	Promote sustainable transport use and reduce the need to travel
Water	Protect and enhance water quality and resources, ensuring sustainable water management to support current and future needs while reducing pollution risks

16. Next Steps

16.1. SA Stages

16.1.1. Scoping (the current stage) is the first stage of the SA process. The next stage will involve appraising reasonable alternatives for the SBLP against the SA framework. The findings of this appraisal will be documented within an Interim SA Report, which will accompany the Regulation 18 draft plan for consultation.

16.2. Consultation on the Scoping Report

16.2.1. Public involvement through consultation is a key element of the SA process. At this scoping stage, the SEA Regulations require consultation with statutory consultation bodies but not full consultation with the public.

16.2.2. The statutory consultation bodies are the Environment Agency, Historic England, and Natural England. This scoping report has been released to these three statutory consultees.

16.2.3. Consultees are invited to comment on the content of this scoping report, particularly the evidence base for the SA, the identified key issues, and the proposed SA Framework.

16.2.4. The consultation period runs from XXXX 2025 to XXXX 2025. Comments on the scoping report should be sent to:

Antonio Vinti, AECOM (antonio.vinti@aecom.com)

16.2.5. All comments received on the scoping report will be reviewed and will influence the development of the SA where appropriate.

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