Planning and Transportation Policy Working Group	
Meeting Date	27th May 2026
Report Title	Housing Market Assessment update 2026
EMT Lead	Emma Wiggins, Director of Regeneration and Neighbourhoods
SMT Lead	Joanne Johnson, Head of Place
Lead Officer	Stuart Watson, Project Manager, Planning Policy
Classification	Open
Recommendations	• To note the Housing Market Assessment (HMA) update 2026 and to provide any comments members have on the document and its findings.

1. Introduction

1.1 The purpose of this report is to set out the main findings of the Housing Market Assessment (HMA) update 2026 (Appendix I). The HMA update is a draft and is being presented to members for their information and for the opportunity to provide comments early in the process. The draft is in the process of being proofread by officers and will inevitably include minor matters and typos[1].

1.2 The findings of the HMA update 2026 will inform important policy criteria within the Regulation 19 Local Plan that includes affordable housing, the type tenure and mix of homes including adaptable/accessible standards and the special care dwellings required during the Plan period.

2. Background

2.1 A Housing Market Assessment is an evidential document that primarily seeks to meet the policy requirements of chapter 5 of the National Planning Policy Framework (NPPF) 2024. That chapter sets out that as part of boosting the supply of homes the overall aims should be:

[1] For example: the Local Plan time frame of 15 years as referenced in the HMA is correct plus the approach to identifying the Local Housing need, however there is a minor typo in dates of the plan period as being 2025 to 2040 rather than 2027 to 2042. The revised dates will comply with the requirements of the Local Plan's examination in that Strategic Policies should be forward looking for a minimum of 15 years from adoption of the Plan.

- *to meet the area's identified housing need, including with an appropriate mix of housing types for the local community (NPPF Paragraph 61) and;*

- *Within this context of establishing need, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies. These groups should include (but are not limited to) those who require affordable housing (including Social Rent); families with children; looked after children; older people (including those who require retirement housing, housing with-care and care homes); students; people with disabilities; service families; travellers; people who rent their homes and people wishing to commission or build their own homes. (NPPF paragraph 63).*

2.2 Previous HMAs were undertaken for the Council in 2020 and 2022. The 2022 document was not published at the time due to uncertainties over the Council's housing need approach based on the approach set out in the NPPF 2023 that has now been superseded. For the purposes of the Local Plan's examination, an HMA should be no less than two years old in order to provide a robust evidential approach that sets out reasonable conclusion for the purposes of Local Plan drafting. The HMA provides a snapshot in time in preparing the Local Plan and it uses the Government standard method of calculation of Local Housing Need as the starting point for identifying the needs for types of home.

2.3 The previous HMAs have now become dated due to their age as further versions of the NPPF and accompanying guidance has been published involving a range of matters including the approach to local housing need and affordable housing. The HMA update also reflects the latest housing market situation and utilises the most up to date data available.

2.4 The HMA 2026 update is being presented to members as part of its drafting to offer the opportunity to see the key findings and their implications for the Regulation 19 Local Plan and provide any comments they may have.

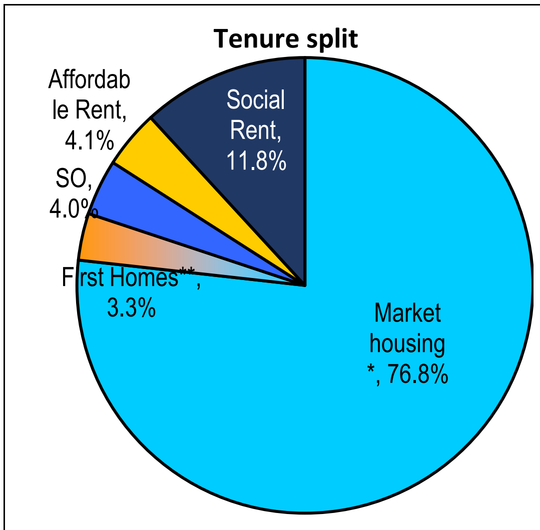
2.5 The findings of the HMA update 2026 will be used to inform matters on two important policies within the Regulation 19 Local Plan. The first is a strategic policy titled "Delivering a wide choice of high quality homes" that focuses on the borough-wide strategic matters of housing types, tenures and mix including adaptable/accessible standards of new homes throughout the plan period. This Policy and the other strategic policies for the Regulation 19 Local Plan are being presented as a separate item at this meeting. The second matter informs and updates the Development Management policy H1 Affordable Homes that was consulted upon as part of the recent Regulation 18 Local Plan consultation.

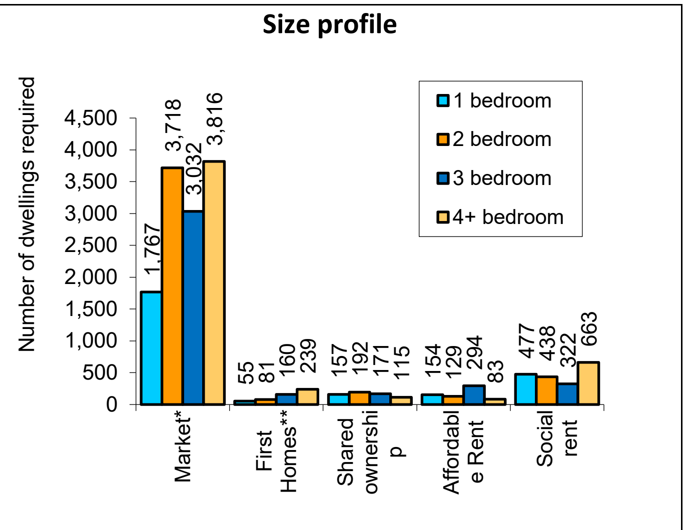
HMA Update 2026 – Key findings

2.6 A concise conclusion and summary of the HMA update 2026 is presented at chapter 8 on page 83 of the document. Members are recommended to read this chapter first and then use the conclusions to direct them to the relevant parts of the HMA. For members' information, figure 8.1 of the HMA is set out below and provides the housing type requirements for all new housing in Swale over the Plan period. A short summary of the key findings from chapter 8 of the HMA has been set out below:

- The affordable housing need during the Local Plan period is 304 dwellings per year or 28.4% of annual planned growth and that a 30% target would be plausible;
- There is an overall requirement for 15.9% of housing to be Affordable Rented/ Social Rented and 7.3% affordable home ownership (of which 4.0% could be Shared Ownership and 3.3% First Homes). This reflects the mix of housing that would best address the needs of the local population;
- Within the affordable rented/social rented requirement as set out, 79% should be social rented and the remainder affordable rented;
- For specialist dwellings for older persons Swale has an evidence need for 928 additional units of Sheltered housing for older people/ retirement housing and 267 additional Extracare units/ supported living housing over the Plan period. It is also identified that an additional 360 Registered Care spaces (nursing and residential care homes) will be required; and,
- It is calculated that adaptable housing M4(2) Category 2 will be required for 5,376 households by 2040 in Swale, of which around 1,123 dwellings should be M4(3b) Category 3 homes - wheelchair adaptable dwellings[2].

[2] Paragraph 008 of the PPG[2] sets out that *'Accessible and adaptable housing enables people to live more independently, while also saving on health and social costs in the future.'* The same paragraph then goes onto clarify that *'accessible and adaptable housing will provide safe and convenient approach routes into and out of the home and outside areas, suitable circulation space and suitable bathroom and kitchens within the home. Wheelchair user dwellings include additional features to meet the needs of occupants who use wheelchairs, or allow for adaptations to meet such needs.'* HMA update 2026 paragraph 7.35





New housing required 2025 to 2040	**By Tenure**	1 bed	2 bed	3 bed	4 bed
Market housing*	**12,334**	1,767	3,718	3,032	3,816
	76.8%	11.0%	23.1%	18.9%	23.8%
First Homes	**535**	55	81	160	239
	3.3%	0.3%	0.5%	1.0%	1.5%
Shared Ownership (SO)	**636**	157	192	171	115
	4.0%	1.0%	1.2%	1.1%	0.7%
Affordable Rent	**661**	154	129	294	83
	4.1%	1.0%	0.8%	1.8%	0.5%
Social Rent	**1,900**	477	438	322	663
	11.8%	3.0%	2.7%	2.0%	4.1%
Total	**16,065**	2,610	4,558	3,980	4,917
	100.0%	16.2%	28.4%	24.8%	30.6%

3. Recommendations

3.1 To note the Housing Market Assessment (HMA) update 2026 and to provide any comments members have on the document and its findings.

4. Alternative Options Considered and Rejected

4.1 The matters in this report concern informing members on the development of the Local Plan evidence base.

4.2 Members could choose not to note the HMA update 2026 draft. However, choosing this option should be rejected as the evidence will provide a robust and updated position for policy drafting and the Local Plan examination in public.

5. Consultation Undertaken or Proposed

5.1 No formal consultation has been undertaken on the Housing Market Assessment update 2026 as it forms part of the evidence base of the Local Plan Review. The Regulation 19 Local Plan will be subject to a period of formal consultation at which point comments will be invited on the Plan, its policies and the supporting evidence base.

6. 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. • Deliver the Housing, Homelessness and Rough Sleeping Strategy 2023 -2027, to meet and build on our statutory obligations to tackle homelessness and improve the standards of homes.
Financial, Resource and Property	The Local Plan work program 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	No implications identified at this stage
Crime and Disorder	No implications identified at this stage.

Environment and Climate/Ecological Emergency	No implications identified at this stage.
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.
Local Government Reorganisation	The current Local Plan timetable expects the Local Plan to be submitted for its Examination in Public and to be adopted before local government reorganisation is expected to be complete.

7. Appendices

Appendix I: Housing Market Assessment update 2026