



Canterbury LDF Housing Options

Report to

Canterbury City Council

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October 2008



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1. Introduction

- 1.1 Canterbury City Council is preparing its Core Strategy, the main document in the LDF. Work is at an early stage, but the evidence base is already being constructed. The authority has engaged with partners, including the Local Strategic Partnership, and a “Futures Study” has been undertaken with the involvement of local stakeholders and advice from consultants.
- 1.2 A number of scenarios and options for the future development of Canterbury are being considered. However, a central issue for the authority is the need to consider how best to meet the scale of housing provision set out in the Regional Spatial Strategy (RSS) in a sustainable way. The scale of housing provision for Canterbury over the period 2006 to 2026 will be established once the RSS is formally adopted, which is expected later this year. In the lead up to this process, the following figures have been proposed:
 - The draft RSS set out net additional housing provision for Canterbury of 7,200 dwellings for the period 2006-2026
 - The EIP Panel report proposes that this figure is increased by 2,000 dwellings at and around the City of Canterbury. This brings the total net additional housing provision for the plan period to 9,200 dwellings. The increase was proposed on the basis of concerns raised about the need to increase labour supply and potential for economic growth.
 - Following the EIP Panel report, the Secretary of State proposed changes to the plan which suggested an additional 1,000 dwellings, thereby increasing the overall housing provision figure to 10,200 for the plan period.
- 1.3 Although the housing provision figures for Canterbury are not finalised at this stage, in order to inform Canterbury’s Core Strategy, the authority wishes to consider the options for accommodating housing growth of 2,000 additional dwellings in line with the EIP Panel report recommendations. In particular, where it might be located and how this might impact on a range of factors including infrastructure provision, sustainability, planning policies and land take.
- 1.4 A specific consideration is how further development would impact on the timing, location and funding of new or improved junctions on the A2. In this regard, the authority wishes to consider what would be the likely market response to a variety of housing scenarios. For example, how would a concentrated or dispersed approach to housing impact on market appetite, delivery and viability of housing provision?
- 1.5 The purpose of this report is, therefore, to explore the broad implications for 2,000 additional dwellings in order to provide initial advice on some of the key issues and challenges facing the Council in preparing for the Core Strategy Options. In particular, we address issues of deliverability and market opinion.
- 1.6 This document is one of a suite of documents being prepared as part of the LDF evidence base, which includes a Strategic Housing Market Assessment, Strategic Housing Land Availability Assessment, Sustainability Appraisal and Transport Strategy amongst others. Its findings should not be considered in isolation of these other documents. Indeed this work is not intended to form the formal basis of preferred options selection, nor is it intended to be a comprehensive assessment in the sense of a Sustainability Appraisal/Strategic Environmental

Assessment. Rather the intention is to help scope out what the eventual options, appraisal criteria and findings might be.

Approach

- 1.7 Our approach is to consider what the potential options for provision may be against a range of relevant criteria. The potential options we consider are conceptual/hypothetical and are not intended to identify specific sites or locations for delivery. They are as follows:
- Option 1 Infill in City Centre
 - Option 2 Regeneration Zones
 - Option 3 Within Urban area (surrounds of Canterbury CC)
 - Option 4 Adjoining urban area (1 site)
 - Option 5 Adjoining urban area (3 sites)
 - Option 6 Adjoining urban area (10 sites)
 - Option 7 Dispersed across district
 - Option 8 Villages around Canterbury
 - Option 9 Coastal towns - Herne Bay/Whitstable
 - Option 10 New Settlement.
- 1.8 Each of these scenarios is being considered and assessed against the following criteria:
- Housing Density Assumptions
 - Land Take per Scenario
 - Potential Site Locations (City centre, edge of centre, urban, rural, green belt etc)
 - Market Appetite/market considerations
 - Likely phasing of delivery
 - Potential S106 contributions for transport infrastructure
 - Sustainability
 - Public Transport accessibility
 - Impact on provision of affordable housing
 - Fit with policy (RSS and current local policy) and fit with Canterbury Vision
 - Other issues
- 1.9 Section 2 of this report explains the issues that we have considered and, where relevant, the assumptions used under each of the criteria set out above. We have also sought to provide an indication of whether the implications of the options would be positive, neutral or negative for each of the criteria. At this stage this is not intended to identify a preferred option(s) for delivery but simply to allow a relative comparison of the each of the options against each of the criteria.
- 1.10 In Section 3 we set out the implications for each of the options against each of the criteria, followed by a summary of the findings in Section 4.

2. Criteria Assumptions and Background Information

2.1 This section sets out the assumptions and issues we have considered for each of the assessment criteria as follows:

- Housing Density Assumptions
- Land Take
- Potential Site Locations
- Market Considerations
- Likely Phasing of Delivery
- Potential S106 contributions for transport infrastructure
- Sustainability
- Public Transport accessibility
- Impact on provision of affordable housing
- Fit with policy
- Other issues.

Housing Density Assumptions

2.2 To inform our assumptions on likely housing densities for each of the development scenarios, we have analysed information relating to densities as follows:

- Planning policy in relation to residential densities including the RSS EIP Panel Report
- Extant planning permissions for residential development in Canterbury and their relevant permitted densities. We have distinguished between permissions for Canterbury City Centre, Canterbury Urban area, other Urban areas (Herne Bay and Whitstable) and Rural areas as well as small and large sites.

2.3 At a national level PPS3 guides planning authorities to a minimum density of 30 dwellings per hectare (dph). The RSS EIP Panel report states the density of new residential development has averaged 38 dwellings per ha in the South East over the last two years; an increase from 31 dph in 2001/2002. The report considers that a regional density target would serve a useful monitoring function and they support a proposed level of 40dph on the basis that this represents the right degree of challenge at least in the short-term. However, the report also states that an important message within the policy is the encouragement of “higher” housing densities, though also acknowledging that in many rural areas densities below 40 dph may be appropriate.

2.4 In addition to the above, policy HP4 of the Kent Structure Plan states that residential development should “avoid densities below 30 dph; achieve densities above 50 dph in central urban areas and in locations with good public transport accessibility or in conjunction with public transport orientated development; otherwise realise densities of between 30 and 50 dph”. (It should be noted that densities apply to the net area of land for residential use

excluding major distribution roads, primary schools, open spaces serving a wider area, significant landscape buffer strips and other uses).

2.5 Data on housing densities of extant planning permissions for residential development indicate the following:

Dwellings per hectare			
	Average permitted density	Lowest permitted density	Highest permitted density
Canterbury City Centre	216.4	60	600
Canterbury Urban Area	124.7	19.2	800
Other Urban Areas	126.8	<10	500
Rural Areas	45.1	<10	233

2.6 It is important to consider, however, that these extant permissions cover a range of different schemes, for example:

- In rural areas the largest scheme sizes were 21 units at an average density of 52.3 dph. There were also a number of flatted developments following the conversion of buildings. Densities for these schemes varied considerably and averaged 44 dph
- In other urban areas, the largest permitted scheme was for 259 units at a density of 31.6 dph. For schemes of between 50 and 100 units the density averaged 42 dph and for schemes between 10 and 50 units the density averaged 132 dph.
- For Canterbury urban area, the two largest permitted developments were for c260 dwellings each at an average density of 54.4 dph. For schemes of between 100 and 200 dwellings the average density was 95.7 dph. Schemes of less than 100 dwellings varied considerably in terms of densities and averaged 101 dph.
- For Canterbury City Centre the largest permitted scheme was for 444 dwellings at a density of 193 dph. The remaining schemes are largely small infill and flatted developments with densities ranging from 60 dph to 600 dph and averaging 218 dph.

2.7 Analysis of the above information provides both a market and policy perspective and has allowed us to identify realistic assumptions on housing densities that could be applied to the relevant scenario. Inevitably densities will vary from scheme to scheme and will, to some extent, be dependent on the site constraints, nature of the scheme and mix of units (number of habitable rooms etc). To this end we have provided an upper and lower range to reflect the variation that could occur. The lower range is based on minimum requirements according to policy guidance, whilst the upper range is based on analysis of permitted developments.

	Upper Range	Lower Range	Mid Range
Canterbury City Centre	200	50	125
Canterbury Urban Area	100	50	75
Other Urban Areas	100	40	70
Rural Areas (other parts of the District)	50	40	45

- 2.8 Clearly densities will vary according to site specifics, the nature of the proposed scheme and design of the proposals. The densities set out above are highly indicative and designed to enable us to provide some guidance as to possible land take for each of the scenarios. To this end, where relevant, we will assume the mid range density figure for each of the geographical scenarios.
- 2.9 Furthermore, a number of the options we are considering will include the provision of new settlements rather than infill in existing settlements. Large scale Greenfield releases and/or urban extensions may also experience differing levels of densities. Analysis of likely housing densities in such circumstances is made difficult by the typical inclusion of a mix of uses and varying levels of densities across such sites. For example, locations without sufficient public transport links to existing settlements will need a certain size of new development to have the population to sustain new schools, retail, health care and other services. Examples of new settlements and urban extensions range considerably. Listed below are a number of such examples, including some considered as Good Practice by DCLG¹:
- Upton Northampton – Urban expansion area to the south west of Northampton. Planning permission for 1020 homes. Upton Design Code used to increase cooperation with developers and ensure that development parcels would be designed to the same quality and character and fit with the local vernacular architecture. Environmental sustainability at the forefront of development with SUDS schemes and all homes designed to EcoHomes ‘Excellent’ standard.
 - Newcastle Great Park – 485 ha site with 2,500 dwellings and mixed-use development at an average density of 35 per ha
 - Hampton, Peterborough – a new township with 3,600 dwellings in three neighbourhoods and subsequent outline applications permitted for 7,000 dwellings in total. Densities range from 25 to 40 dph within residential neighbourhoods with more urban densities of between 60 and 120 dph
 - Northstowe, Cambridge – 9,500 homes at c45-50 dph
 - Ashford, Cheeseman’s Green/Waterbrook – c4,310 dwellings with density ranging from 70 dph to 43 dph depending on location and proximity to proposed town centre.
- 2.10 On the basis of the above information, we would suggest that an average density of 45 dph is appropriate where scenarios for housing delivery include the possibility of new settlements/ and or greenfield release.

¹ Best Practice in Urban Extensions and New Settlement, TCPA, DCLG 2007

Land Take

- 2.11 The calculation of land-take for each of the scenarios will be determined by the housing density assumption applied to the scenario and will therefore result in an upper and lower figure. It should be noted that figures will be a **minimum (or net figure)** and will not take account of any possible need to provide for amenity space/green space, parking etc associated with residential development. Where possible, we will consider, at a high level, the need to provide for such space under the “other issues” criteria.

Potential Site Locations

- 2.12 Potential site locations have been considered at a high level and based on a desk-top review of available information. At this stage we are not seeking to identify specific sites as this is to be undertaken at a later stage and on the basis of evidence from strategic and local housing market assessments, land availability studies and urban capacity studies. Rather, we are providing a broad indication of potential locations in terms of City Centre, edge of centre, urban area, rural and Greenfield locations.
- 2.13 A key consideration in terms of potential site locations will be site capacity and ability to accommodate the land-take according to our density assumptions. Where possible, we will provide an indication of likely capacity for each scenario.

Market Appetite/Market Considerations

- 2.14 Market appetite for development will be influenced by a range of factors including:
- Occupier demand
 - House prices and land values
 - Planning and political constraints
 - Land assembly and site constraints
 - Infrastructure requirements.
- 2.15 These factors will all have a bearing on the potential residual value of any scheme/option and therefore, the potential to contribute towards any abnormal infrastructure costs.
- 2.16 In view of the current market conditions, there is a need to take a pragmatic and long-term perspective when considering market appetite. To this end, our approach is to consider likely market appetite for scenarios relative to each other as far as is possible.
- 2.17 In order to inform our views on likely market appetite, we have researched information from a variety of sources and covering a range of comparable examples to our development scenarios. We have also drawn on the view of housing developers who are currently and have historically been active in the area.
- 2.18 Inevitably, an element of any data collected will be historical and reflect a period of better market conditions than at present. Nonetheless, such data will be valuable in gaining an understanding of the relative market appetite for different development scenarios.

Likely Phasing of Delivery

2.19 The likely phasing of delivery is an important consideration in gaining an understanding of the potential timing and scale of S106 contributions that may come forward as a result of developments. Phasing of delivery will be dependent on a number of factors linked to market appetite (occupier demand), site constraints and risks to delivery. In order to inform our assumptions in relation to likely phasing of delivery, we have drawn together information from a range of sources, including a cross-section of examples of past schemes, proposed phasing of pipeline schemes and analysis of KCC's monitoring data in relation to annual housing completions. It should be noted that this data is historical and therefore likely to reflect a period of greater housing market stability than is currently the case.

2.20 Kent CC's monitoring data in relation to dwelling completions for Canterbury indicates an average annual completion rate of 522 units between 2001 and 2007. This compares to an average across the Kent districts of 471 units. A breakdown across districts is shown below.

District	Completion Rate: 2001-2007
Ashford	717
Canterbury City	522
Dartford	510
Dover (inc Aylesham)	335
Gravesham	254
Maidstone	639
Sevenoaks	228
Shepway	409
Swale	644
Thanet	429
Tonbridge and Malling	644
Tunbridge Wells	339

2.21 In Canterbury, there are a number of schemes recently completed with more than 200 dwellings. Delivery rates have varied but tended to be above 100 dpa. Wincheap Farm, a Greenfield site, delivered a total of 306 (55 units in 2004/5; 62 units in 2005/6; 76 units in 2006/7 and 113 units in 2007/8). The Island Road scheme in Hersden (PDL) completed 199 units followed by 24 units. Finally, Thanet Way, a Greenfield site in Eddington, comprised a total of 270 units and was completed over two years, with 265 units in the first year and 5 the following year.

2.22 Data for the last monitoring year indicated that the largest level of delivery on a single site in Canterbury for 2006/07 was 76 units. This was at the aforementioned Wincheap Farm site. There were much higher levels of delivery in 2006/07 within the wider Kent area – the village of Kings Hill near West Malling being the highest with 281 dwellings completed. This included the districts immediately surrounding Canterbury, where the largest level of delivery on single sites in 2006/07 was: 86 dwellings at Brisley Farm and Court Lodge on the south-western edge of Ashford, 96 dwellings to the south of Whitfield village near Dover, 160 dwellings immediately to the north of Kemsley Village in Swale, and 51 dwellings on the Ramsgate Hospital site near the centre of Ramsgate.

- 2.23 Analysis of Canterbury's extant planning permissions data in relation to proposed phasing of developments suggests that for schemes of 200 dwellings plus, an annual build out rate of c100 dwellings is proposed. The average for the other districts within Kent is 117, based on a review of large extant planning permissions. The highest average proposed build out rate is within Thanet (272 dwellings), followed by Sevenoaks (252 dwellings). The lowest are Dover and Maidstone with an annual build out rate of 60 and 61, respectively.
- 2.24 It is generally acknowledged that a single developer may be expected to deliver c100 units per annum. Analysis of the delivery rates of urban extension, whereby more than one developer may be involved, indicates that reasonably high levels of delivery can be achieved. Indeed, there are a number of examples in growth areas with urban expansion that have achieved completion rates in excess of 300 units per annum in response to market demand. These include:
- Northstowe, Cambridge – the Planning Inspector judged that Northstowe was capable of delivering 600 units per annum
 - West Swindon Development Area achieved 800 dwellings per annum over an 11 year period
 - Lower Earley was built out at some 750 completions per annum
 - Bradley Stoke achieved in excess of 600 dwellings per annum.
- 2.25 Clearly these examples are historic and comprise schemes on a larger scale than 2,000 dwellings, but nonetheless indicate what is achievable in areas of occupier demand and with strong political backing.
- 2.26 This information above is considered alongside circumstances specific to each of the scenarios which may influence delivery such as the scale of the site, site constraints (particularly on brownfield sites vs greenfield sites), planning constraints or location/infrastructure constraints etc.

Potential for S106 Contributions for Transport Infrastructure

- 2.27 Canterbury City Council has an adopted Supplementary Planning Document detailing the use of planning obligations for the provision of community infrastructure (adopted in January 2007). This has been used as the basis for assessing the potential for S106 Contributions for Transport Infrastructure. This sets out the following:

Summary of Development Contributions SPD in relation to Transport Infrastructure

Transport is one of four areas considered by the Council to be the most important for seeking developer contributions. Transport contributions are applicable to all housing, employment and education developments on a tariff basis which differentiates between Canterbury City and the rest of the District.

In negotiating on the development contributions set out in the SPD the Council will take into account issues of development viability on individual sites. The Council recognises that full contributions might, in some circumstances, render a development unviable, particularly in relation to some "brownfield" sites. Costs such as those relating to contamination mitigation

will clearly have a bearing on the viability of development, as will issues such as archaeological investigation work or flood risk mitigation.

It is important to note that some of the projects to be funded by development contributions will evidently not be delivered on the basis of individual development contributions. In these circumstances, the Council will hold contributions in a “pool” until such time as there is sufficient funding to implement such projects (which may be as long as 10 to 15 years).

There are two ways of attracting infrastructure contributions through development: a) assess the direct impact of the proposed development on the existing transport infrastructure entering in to a S106 agreement or b) assess the general transport infrastructure requirement over a larger area and the overall impact of new development over the Local Plan period and use a standard tariff to create a transport improvements fund. Both approaches will be used as appropriate. Two sectors are considered: the Canterbury urban area, and the Coastal towns and rural areas.

The total funding required to deliver the Local Transport Plan has been calculated together with the estimate of public sector funding likely to become available. The balance represents the shortfall that will be sought through developers’ contributions.

Where planning applications are received for new developments which will increase the need for and/or benefit from the transport actions proposed for the urban areas of Canterbury, Herne Bay and Whitstable developers will be expected to contribute towards the funding of those actions either by way of a tariff quantified and justified or by way of a negotiated contribution contained within a legally bindings agreement. Similarly such developments in rural areas will contribute towards village traffic plans and/or other actions contained with the Action Plan.

It is the Council’s intention to apply the transport contribution requirement to all sites, regardless of size or ownership.

Proposed tariff for development in Canterbury	£1,000 per one-bed unit; an additional £200 per additional bedroom
Proposed tariff for development in Coastal Towns and rural areas	£400 per one-bed unit; an additional £60 per additional bedroom

- 2.28 The SPD sets out the Integrated Transport programme for Canterbury (strategic schemes) and sums required from S106 agreements. These include A2 junction improvements, A28 corridor improvements and a number of other improvements across the districts.
- 2.29 According to the tariff above, the level of contribution will, in part, be determined by the mix of unit sizes under each scenario (number of bedrooms). The likely mix of unit sizes is not something that we can robustly comment on (in quantitative terms) at this stage and as such we will not be quantifying the potential S106 contributions, but rather commenting on the broad scale of contribution for each scenario in relative terms.
- 2.30 The actual scale of contribution for each of the scenarios we are assessing will be dependent on negotiations on individual sites and on the development viability. The timing of contributions will be dependent on a number of issues including what the costs the

development is likely to be contributing to, phasing of delivery and the type of agreement entered in to.

- 2.31 We understand the City Council may undertake a review of the Developer Contributions SPD on the basis that insufficient funds are being collected. At this stage it is too early to comment on the likely impacts of this review on potential S106 contributions.
- 2.32 As part of the assessment we have commented specifically on the likely potential of each of the scenarios to contribute to higher costs of transport infrastructure than currently accounted for in the adopted SPD.

Sustainability

- 2.33 The sustainability of each of the development scenarios has been assessed at a broad level in terms of the following:
- Potential Sequential Location (based on Kent Structure Plan Policy H2)
 - Status (Brownfield/Greenfield)
 - Access to services and employment opportunities
 - General accessibility (road and public transport).

Public Transport Accessibility

- 2.34 Public transport accessibility is a key consideration in assessing the relative merits of development scenarios for residential provision. There is, to some degree, overlap with issues considered under the sustainability criteria, but here we consider in more detail the potential levels of public transport accessibility by a range of means for each of the scenarios, and the potential need for public transport improvements as a result of the scenario. This is based on a review of existing information in relation to public transport accessibility including the Council's Transport Plan. We understand that transport modelling for the District is currently being undertaken – should any information be forthcoming during the course of this study we will use it where relevant to feed in to our assessment of this criteria.

Impact on Provision of Affordable Housing

- 2.35 As with transport infrastructure contributions, the City Council has an adopted SPD which covers provision of affordable housing. This has been used as the basis for our assessment of the impacts of each of the scenarios on the provision of affordable housing. This can be summarised as follows:

Affordable Housing Provision SPD

An element of affordable homes will be negotiated where residential development is proposed:

- For 15 homes or more; or
- There is potential for ongoing development of 15 or more homes; or
- On any site of 0.5 ha or more.

Developments will usually be expected to be free from grant.

35% of the dwellings on each appropriate development site will be expected to be affordable. The developer will be expected to deliver the affordable housing element without any public subsidy. The developer will therefore need to ensure that the requirement to deliver grant free affordable housing is factored into the land acquisition price.

The target of 35% will not offset the total outstanding level of need, the council will therefore apply negotiations as vigorously as it reasonably can. The affordable housing would usually need to be provided on the development site. However, the council may consider proposals for the affordable housing provision to be made on an alternative site provided by the developer within his/her control and ownership.

Exceptionally the council may consider a commuted payment instead of provision where this would contribute to the objectives of its housing strategy.

The affordability percentage is reiterated within the Developer Contributions Supplementary Planning Document, and broken down into 20% social rented and 15% Intermediate Cost housing. It is stated that there is scope to take into account current site and market conditions.

It is recognised however that there may need to be some variations in these targets around the district to take account of local issues and needs and that smaller developments will have some difficulty in supporting this level of local needs housing.

- 2.36 The above details will be used to inform the assessment of potential contributions towards affordable housing for each of the scenarios.

Fit with Policy (RSS and current Local Policy)

- 2.37 The extent to which each of the development scenarios fits with current policy in relation to housing development is considered at a national, regional and local level drawing on policies set out in PPS3, RSS, the current adopted Canterbury Plan together with the Canterbury Vision. In particular, we draw on policies in relation to location of housing development as these will provide the best means of relatively assessing the sites.
- 2.38 The government's objectives for managing the delivery of housing and residential developments were published as **PPS3: Housing** in November 2006. This places emphasis for housing development to be on previously developed land (with an overall target of 60%)

and in sustainable locations that provides access to infrastructure, key services and employment. It encourages high densities where they will be sustainable and promotes the provision of affordable housing and a mix of housing types (including a provision for family housing), in line with the creation of sustainable communities. There is an added emphasis on the quality of design and integration with the surroundings, as well as minimising environmental impacts.

- 2.39 The **South East Plan** is the relevant Regional Spatial Strategy for South East England. The plan is currently in draft but is likely to be adopted, following an examination in public, later this year (2008). The plan encourages the creative use of opportunities for housing development and promotes mixed use developments where appropriate. However, it warns against the construction of large single-tenure neighbourhoods.
- 2.40 Across the region as a whole, 60% of additional housing is required to be built on brownfield land or through conversions in line with PPS3. All new housing, whether brown or greenfield, needs to be in sustainable locations with adequate planned or functioning infrastructure, services and community provision. They should also be in locations that can be well served by a variety of transport modes, with higher densities possible in and around locations well served by public transport.
- 2.41 The plan states that suburban and rural areas that are in need of renewal should be given particular consideration, with regard to the benefits that could result from housing (re)development.
- 2.42 The South East Plan has recently been through an Examination in Public, with the Inspectors recommending increases to housing provision levels. Following this, housing provision for the region is 32,000 new homes per year between 2006 and 2026. Canterbury's housing figures have been increased from the draft plan figure of 7,200 to 9,200. This increase was proposed on the basis of Canterbury's regional hub status and related good prospect of achieving sustainable travel patterns, the strength of its economy and the potential for future economic growth and the economic viability of its housing market that set it in a good position to benefit from S106 contributions for key infrastructure improvements.
- 2.43 Within the South East Plan, Canterbury falls within the sub-region of East Kent and Ashford. According to the Plan, among the key challenges for the sub-region is to develop Canterbury's role as a historic centre of learning and commerce with strong links between university research and business and promote housing growth to provide balance and sustainable mixed communities.
- 2.44 The spatial strategy for the sub-region primarily promotes growth at Ashford but also promotes further growth at Canterbury in order to support its development as a centre for learning and commerce.
- 2.45 Following the publication of the South East Plan EIP Panel Report, Government Office for South East has proposed further changes for consultation. These changes include a further increase in housing provision of 1,000 homes taking the total requirement for Canterbury to 10,200 up to 2026.

- 2.46 The current **Canterbury District Local Plan** (adopted in 2006) provides the framework for local housing development and delivery. Its main housing objectives are to:
- Meet the Kent and Medway Structure Plan’s strategic housing requirements for the District
 - Maximise housing development on land that has previously been developed, is derelict or underused (brownfield land) within the urban areas
 - Ensure a range of housing units is provided to meet the needs of the District’s population
 - Increase the amount and variety of housing accommodation in the City and coastal town centres
 - Ensure that new housing development makes adequate provision for necessary physical and social infrastructure
 - Plan, monitor and manage the release of sites for housing development.
- 2.47 One of the main policy tools to achieve these objectives is through a focus on brownfield land. The plan states that development on housing or mixed use sites (as allocated in the adopted Local Plan) will be permitted, as well as for other sites on previously developed land within urban areas where the land is not making a contribution to other aspects of local life.
- 2.48 In terms of the release of housing sites, the plan adopts a managed approach. The release of large sites (5+ dwellings) not identified in the plan will be permitted so long as they:
- Do not prejudice the sustainability and environmental strategy and are acceptable in sequential terms compared with other available sites, or
 - If they meet a quantitative or qualitative need.
- 2.49 In attempting to concentrate new housing development in existing urban areas, housing development in villages on previously developed sites will only be allowed if:
- Does not have an adverse effect on the social and physical infrastructure of the surrounding area
 - Has regard to the local character and historic environment
 - Does not conflict with other local plan objectives
 - A development brief has been prepared in advance of the determination.
- 2.50 The **Canterbury Futures Study** was undertaken by Experian Business Strategies, the Future Foundation and GVA Grimley in order to identify possible outcomes for Canterbury district over the next 20 years. The study assessed the global, national and local trends and influences in order to arrive at a preferred vision for the district, encompassing the views of stakeholders. Three preferred outcomes were identified, these were:
- Canterbury Experience – Canterbury as a “place to visit” with a focus on tourism and leisure strengths and its role as a primary retail centre for much of East Kent. Key challenges to this include increasing average level of expenditure by visitors and differentiating the district from competing centres.

- Knowledge economy – Canterbury as a place to work with a focus on encouraging the development of new enterprises, producing high value-added output and exploiting education strengths and its cultural and heritage assets. Key challenges would include ability to encourage certain types of businesses into the district, attracting a pool of highly skilled labour including by changing perceptions of the districts as a place to live, enhancing transport connections for businesses and providing affordable housing to young professionals
- Green economy – Canterbury as a place to live with a focus on re-evaluating objectives regarding a green economy, building on the districts high quality environment, establishing a higher degree of self-sufficiency and developing specific offers such as eco-tourism. Key challenges would be achieving a consensus in the district on taking a different path from other parts of the region and the need to introduce regulation and guidance on certain types of development

2.51 Some of the key challenges in achieving the three scenarios above relate specifically to housing. Canterbury District is under-represented by people aged between 30 and 60, and consequently, for this vision to be realised, this economic development will need to be accompanied by a growth in housing. Such housing will need to be affordable, of good quality and directed at the working age population in order to attract the relevant workforce needed to drive the economy.

Other Issues

2.52 For each of the development scenarios we will consider the following:

- The potential need for supporting infrastructure e.g. community facilities and amenities
- Impact on potential provision of family housing versus 1 and 2 bedroom flats
- Impact of CTRL, where relevant, on market perception of options.

3. Housing Options

3.1 This section considers the conceptual options for an additional 2,000 homes in Canterbury. Each of the options is assessed in turn against the criteria set out in paragraph 2.1. In order to understand the relative pros and cons of each of the options, we have assigned a basic assessment system to the criteria, as follows:

Positive – the scenario is likely to have a beneficial impact on the criteria or meet expected standards

Neutral – the scenario is likely to have a negligible impact on the criteria

Negative – the scenario is likely to have an unfavourable impact on the criteria and/or not be in accordance with criteria.

3.2 The assessment system is only applied to relevant criteria (e.g. those where we have not made an assumption to inform our assessment); there are:

- Potential market appetite
- Likely phasing of delivery
- Potential S106 contributions
- Sustainability
- Public transport accessibility
- Impact on provision of affordable housing
- Fit with policy.

3.3 The remainder of this section sets out the assessment for each of the scenarios we have considered.

Option 1 – Infill in City Centre

Criteria		Assessment
Housing Density Assumptions	Density assumption is Canterbury City Centre Mid Range 125 dph	
Land Take per Scenario and site	<p>The net land take to accommodate 2,000 new dwellings on the basis of the above density assumption would be c16 ha. This does not include the potential land take needed to provide for any open and amenity space associated with residential development.</p> <p>It is likely this land take could be reduced by applying higher densities across individual sites, particularly on smaller infill/redevelopment sites. This would depend on the availability of sites within the City Centre.</p>	
Potential Site Locations (City Centre, edge of centre, urban, rural, green belt etc	<p>This option requires that all 2,000 dwellings are accommodated within Canterbury City Centre as defined within the adopted Local Plan.</p> <p>A number of sites are allocated in the Local Plan for housing that fall within the City Centre; these include car parks. Both individually and collectively these sites do not have the capacity to accommodate 2,000 new dwellings.</p> <p>Other sites would therefore need to be identified within the City Centre and would involve the redevelopment and/or relocation of existing uses and/or development of green space. The City is constrained for development opportunities by its own boundaries as well as its historic and conservation preservation restrictions. The opportunity for identifying additional sites this is therefore limited.</p> <p>Small infill developments may come forward, as has historically been the case, but are unlikely to yield 2,000 dwellings collectively. Redevelopment sites are limited within the confines of the City; indeed we believe it unlikely there are any potential individual available sites of a size capable of accommodating the estimated land take within the City Centre.</p> <p>To this end we believe it unlikely that this scenario is capable of accommodating 2,000 homes.</p>	
Market considerations	<p>Residential sites in Canterbury City Centre attract marginally stronger values than elsewhere in Canterbury, largely due to the unique ambience of the centre and its historical and cultural offer. Despite these relatively higher land values, there are few sites with capacity to deliver a significant number of new homes as noted above. Market appetite is therefore limited to the scale of development that can realistically be accommodated within the confines of the City.</p> <p>The Tannery (Bellway Homes) is the largest and most recent example of development within the City Centre. Prices achieved in 2007 range from £3,218 per sq m for a 1 bed flat to £2,990 per sq m for a 3 bed house. Current asking prices are approximately the same as at 2007 but units are not selling due to current market conditions, Bellway homes are now using an “open door” scheme to facilitate sales which features a developer loan at 25% of the price.</p> <p>Notwithstanding the current market conditions that are affecting sales of units, other</p>	Neutral

Criteria		Assessment
	<p>issues affecting market appetite in the longer term in Canterbury City Centre are as follows:</p> <ul style="list-style-type: none"> – The introduction of CTRL at Canterbury West is likely to increase occupier demand and consequently increase land values in proximity to this area of the City. – There is a perceived oversupply of flats in and around the Centre. As a consequence, agents report there will be very limited occupier demand in the short to medium term (5-10 years) for flatted developments. – Complex land ownerships and environmental constraints (historic and preservation orders) on individual sites limits redevelopment options within the City Centre and will impact on site assembly costs and therefore potential residual values – Promoting 2,000 new homes in the City Centre could result in a piecemeal and un-coordinated approach to housing delivery due to the likelihood of only small scale/infill sites being available. This could detract from the quality of offer and thus the end sales values that could be achieved. – Parking is a key factor effecting values – schemes with no parking tend to suffer from considerably lower values and there is limited opportunity to provide parking in the City Centre – again this could reduce occupier demand and ultimately sales values. – Large scale residential development in the City Centre could result in too much of the same product coming forward due to limited scope to vary the size and type of dwellings. There is, for example, already an over-supply of flats in Canterbury and limited opportunity/flexibility to meet occupier demand for family housing within the City Centre – The quality of development coming forward and the types of operators attracted to the City Centre market may be limited (because of lack of range of opportunities available) and therefore occupier demand could be dampened by lesser quality products compared to more prestigious developments elsewhere <p>In short, the capacity constraints in terms of availability of sites within the City Centre ultimately effects the product that can be delivered and therefore the sales value and potential residual value. Furthermore, the likely costs of land assembly given the lack of clear/enabled sites will impact on the residual value that can be achieved. In the short to medium term, the current oversupply of flats, lack of opportunity to diversify the offer and limited scope to provide parking reduces the market attractiveness of the City Centre compared to other options and ultimately therefore the values that could be achieved. In the longer term, in the event that the oversupply of flats is reduced, development within the City Centre could potentially achieve premium values relative to the rest of the district but site assembly would still be a key concern.</p>	
Likely phasing of delivery (x units per annum)	The timing of delivery of 2,000 homes in total in the City Centre would depend on whether housing is delivered via small infill or redevelopment sites (or a combination). Individual complexities of each site would have to be accounted for as it is highly unlikely that a single site within the City Centre could deliver 2,000 new homes.	Negative

Criteria		Assessment
	<p>The likelihood of small sites coming forward (rather than large scale housing redevelopment) would have the benefit of being able to respond quickly to the market, as and when demand arises, and would be relatively quick to deliver on an individual site basis because of small site sizes.</p> <p>At the most, we would suggest that 100 units per annum could be delivered but that it is likely to be less than this because of general lack of capacity of available sites.</p> <p>We consider it unlikely that 2,000 units could be delivered in short-medium term (over next 10 years) because of capacity constraints and current over supply of flatted development. Therefore, this would be long-term delivery scenario.</p>	
Potential S106 contributions for transport infrastructure	We believe there would be limited potential to contribute to abnormal infrastructure costs in the short to medium term, but in the longer term this prospect could improve as and when the over-supply of flatted development reduces and the market attractiveness of sites within the City Centre picks up.	Neutral
Sustainability	<p>This scenario would largely involve the re-use of brownfield sites rather than any open space/green field development given the constraints on open space within the City Centre and their current protection from development.</p> <p>The re-use of previously developed land and buildings within a major/principal urban area is considered preferential in the Kent and Medway Structure Plan in terms of the sequential test to be applied to housing provision.</p> <p>Residential development in the City Centre will be well placed to take advantage of the existing provision of services and employment opportunities, the majority of which would be within walking distance and therefore reduce the need for car travel.</p> <p>Accessibility of residential development in the City Centre would benefit from access to the strategic road network (A2) together with a range of public transport means including two mainline railway stations with services to London, a bus network, cycle routes and pedestrianised walkways/footpaths.</p> <p>Sustainability risks include threats to the historic character of the City Centre with new developments and the risk of piecemeal development which is not in keeping with the City Centre. There is also a risk of increased pressure on existing facilities and limited scope within the City Centre to provide additional facilities should they be required.</p> <p>It is also to be noted that there is extensive archaeological remains within the city centre which could influence the delivery of new residential development.</p>	Positive
Public Transport Accessibility	<p>Residential development in the City Centre will be well placed to take advantage of Canterbury's two mainline railway stations (East and West) served by frequent trains to and from London Charing Cross and Victoria and elsewhere in Kent. The City Centre is also served by Stagecoach East Kent bus services from Canterbury Bus Station.</p> <p>CTRL domestic services are scheduled to commence from Canterbury West Station in 2009 which will significant improve the accessibility of the City Centre to and from</p>	Positive

Criteria		Assessment
	London with expected journey times of c1 hour.	
Impact on provision of affordable housing	<p>The Council's SPD on affordable housing provision expects that for sites of 15 dwellings or more (or sites of 0.5 ha or more) 35% will be affordable. On provision of 2,000 homes across the City Centre this could result in the provision of 700 affordable homes.</p> <p>Clearly the precise level will depend on site specific negotiations. Indeed, infill in the City Centre could result in sites of less than 15 homes coming forward, which would reduce the scale of provision of affordable housing. Furthermore, the variety of affordable housing is likely to be limited given the reduced flexibility to provide family housing.</p>	Neutral
Fit with policy (RSS and current local policy) + fit with Canterbury vision	<p>This scenario would fit well with national, regional and local policy in terms of making the best use of previously developed land, in a sustainable location within an urban area with access to infrastructure, key services and employment opportunities.</p> <p>In particular, this scenario would be capable of addressing some of the challenges set out in the Canterbury Futures study in achieving the three identified visions. For example, the provision of residential development within the City Centre could serve to retain and attract young professionals, thus improving the labour pool in the area.</p>	Positive
Other issues (e.g. need for supporting infrastructure)	<p>The potential need for supporting infrastructure is likely to be limited given accessibility to a range of existing services and facilities. School capacity and health care capacity would need to be assessed as part of any development proposals and may necessitate increases in capacity as a result of the additional housing.</p> <p>Although it is not possible to determine the mix of housing that could be provided for, it is likely that much of the provision would be flatted (1 and 2 bedrooms) given the likely scale of sites that could come forward and the need to develop at relatively high density to make the best/most efficient use of sites. Provision of family housing may therefore be limited compared to other development options.</p> <p>The impact of CTRL is likely to increase demand for residential development in the City Centre given the increase in accessibility and the potential to commute to London.</p>	

Option 2 – Regeneration Zones (Wincheap, Canterbury West Station, Kingsmead and Riverside, St Georges to Canterbury East Station)

Criteria		Assessment
Housing Density Assumptions	<p>There is no specific guidance set out in terms of housing densities for the four Regeneration Zones (RZ's). The draft development brief for the Wincheap Regeneration Zone estimated that up to 1,300 units could be accommodated depending on the density, mix and size of units. A development brief prepared for Kingsmead in 2004 but did not set out a quantum or density of residential development. The remaining two RZ's do not currently have development briefs or frameworks.</p> <p>On this basis we have assumed the mid range density figure for Canterbury Urban area of 75 dph across each of the Regeneration Zones. In reality, housing densities are likely to vary across each of the zones and sites within the zones.</p>	
Land Take per Scenario and site	<p>On the basis of a density assumption of 75 dph this would necessitate a net land take of 26.6 ha in total. This does not include the potential land take needed to provide for any open and amenity space associated with residential development.</p> <p>The capacity of each of the RZ's to absorb this level of development will vary given the variable sizes of each of the zones. It is unlikely that any single regeneration zone will be able to accommodate the entire 2,000 dwellings. The largest regeneration zone is Wincheap at c40 ha, compared to Canterbury West, which is the smallest at c6 ha.</p> <p>The Regeneration Zones are proposed as mixed-use sites which will encompass a range of other uses in addition to residential development. This will include open space, retail, leisure and recreation, employment space and education. There is therefore a need to consider the land take associated with these uses in addition to any residential development that could be accommodated on the sites.</p> <p>It is likely that the Wincheap and Kingsmead Regeneration Zones would accommodate the larger proportion of residential development given their larger overall size. However, this would need to be considered in the context of other potential uses required on these sites, development that has already come forward (e.g. at Kingsmead), together with any site constraints which may reduce the development capacity.</p>	
Potential Site Locations (City Centre, edge of centre, urban, rural, green belt etc	<p>The RZ areas lie largely outside of Canterbury City Centre boundary but within the Canterbury Urban area boundary as defined in the Local Plan proposals map. Parts of Kingsmead Regeneration Zone are considered Greenfield because of its river setting. The remaining RZs are brownfield sites.</p> <p>As noted above, it is more likely that Wincheap and Kingsmead regeneration zones could accommodate the larger proportions of residential development.</p>	
Market considerations	<p>Market appetite for residential development on regeneration zones is likely to vary between each one and its relative location and site attributes.</p> <p>The Regeneration Zones and their location in proximity to Canterbury City Centre is an attractive asset. They are well located to benefit from both public transport and strategic</p>	Neutral

Criteria		Assessment
	<p>road links. Furthermore, they offer greater scope to vary the nature of provision than the City Centre for example, and could accommodate car parking, family housing and so on. These factors combined lead us to believe the sale prices could reach premiums.</p> <p>However, infrastructure requirements, land assembly, demolition costs, CPO issues and relocation strategies will all be key factors in determining viability on each of the sites and ultimately the likely residual values. To date this remains largely untested.</p> <p>The Wincheap Regeneration Zone has a selected development partner following the production of a development brief and is the most advanced of the RZs. Progress has recently been put on hold but to date the plans suggested that between 500 and 1,000 dwellings could be delivered on site as part of a mixed-use scheme involving redevelopment of the entire site.</p> <p>The Kingsmead regeneration zone also has a development brief but no selected development partner. Nonetheless, two residential developments schemes on the site have recently been started and/or completed and developers have on the whole responded positively to development opportunities on the site. Kingsbrook Park comprises 184 dwellings on 11.17 acre site, 3+4 bed homes and 1, 2 and 3 bed flats. Some have already been released on to the market and further numbers are due to be released shortly. The site has attracted premium values (higher than the City Centre) because of its location by the river. It is currently not selling well because of market but agents remain positive about its future prospect. Barton Mill is also located on the site and consists of 97 1 and 2 bed apartments and 44 2, 3 and 4 bed apartments. Recent transactions have indicated slightly lower values than both the City Centre and the Kingsbrook Park scheme, but this is likely to be because of current market conditions rather than attractiveness of the scheme in comparison to others.</p> <p>Sites of this nature (RZ's) tend to require a positive drive from the public sector in order to stimulate market interest and move forward. Development opportunities tend to need far greater promotion than more straightforward sites and whilst developers remain positive about the performance of housing in these areas, actual delivery will in part be dependent on a commitment from the public sector which gives a clear direction and sense of purpose to the zones.</p> <p>Canterbury East and Canterbury West regeneration zones for example do not have development briefs and there is currently no proven track record of delivery on these sites. Canterbury West is clearly in advantageous position of benefiting from the impact of CTRL and the associated uplift in values and occupier demand within the vicinity of the station. Canterbury East also benefits from strategic rail connections but the complexities of the site and the scale of redevelopment required is likely to render it a far longer-term prospect in terms of delivery and associated market appetite.</p> <p>In short, the potential residual values that could be achieved will be highly dependent on the individual sites and their relative constraints and enabling costs. Kingsmead regeneration zone is indicative of the premium values that can be achieved. Maximising residual values will in part also be dependent on support from the public sector – for example through reducing the burden of other S106 contributions/affordable housing and</p>	

Criteria		Assessment
	or contribution to the site enabling costs.	
Likely phasing of delivery (x units per annum)	<p>Although Kent and Canterbury own some of the land on the Regeneration Zones, land ownerships are still somewhat dispersed and thus land assembly and possible CPO issues will influence the timing of delivery.</p> <p>Residential development at Kingsmead has indicated a delivery rate as high as 132 units per annum has been achieved. We would suggest that between 100 and 140 units per annum would be reasonable on any of the regeneration zones. It is possible that developments could come forward in tandem across the regeneration zones, in which case the delivery rate for 2,000 homes as a whole would be substantially increased.</p> <p>Overall, we would expect that Kingsmead, Wincheap and Canterbury West offer prospects for residential development in the short to medium term (5 to 10 years) whilst Canterbury East is a longer term prospect and unlikely to deliver on a large scale in the short to medium term.</p>	Neutral
Potential S106 contributions for transport infrastructure	The potential to contribute towards abnormal infrastructure costs will be highly dependent on the costs involved in site specific land assembly. Premium sales values can be achieved but actual residual values will be dependent on a wide range of factors affecting each of the regeneration zones. Potential residual values could be increased if costs could be managed through public sector land assembly initiatives.	Neutral
Sustainability	<p>This scenario would largely involve the re-use of brownfield sites with only limited open space/green field development.</p> <p>The re-use of previously developed land and buildings within a major/principal urban area is considered preferential in the Kent and Medway Structure Plan in terms of the sequential test to be applied to housing provision.</p> <p>Residential development on the Regeneration Zones will be well placed to take advantage of the existing provision of services and employment opportunities within the City Centre, some of which would be within walking distance, and therefore reduce the need for car travel. Furthermore, the proposed mix of uses according to Local Plan policies on each of the zones indicates that any residential development would be supported by a mix of other uses, which could provide further service, amenity and employment opportunities.</p> <p>Accessibility of the Regeneration Zones varies given their locations to the north, east, south and west of the City Centre. Both Canterbury West Station and Canterbury East Station regeneration zones benefit from direct access to main line rail services with frequent connections to London. Canterbury West will see further benefits in 2009 when domestic CTRL services commence. All four Regeneration Zones have access to the Canterbury ring road although congestion can be problematic. The Wincheap Regeneration Zone also benefits from proximity to the A2 although slip road improvements are required.</p> <p>It is also to be noted that there is extensive archaeological remains within the city centre and regeneration zones which could influence the delivery of new residential development.</p>	Positive

Criteria		Assessment
Public Transport Accessibility	<p>As noted above, residential development in the Regeneration Zones will be well placed to take advantage of Canterbury's two mainline railway stations (East and West) served by frequent trains to and from London Charing Cross and Victoria and elsewhere in Kent. The City Centre is also served by Stagecoach East Kent bus services from Canterbury Bus Station with bus stops within walking distance on each of the regeneration zones.</p> <p>Discussions are on-going in terms of the relocation of the Park and Ride scheme at Wincheap, though this could serve to increase the accessibility of this zone.</p>	Positive
Impact on provision of affordable housing	<p>The Council's SPD on affordable housing provision expects that for sites of 15 dwellings or more (or sites of 0.5 ha or more) 35% will be affordable. On provision of 2,000 homes across the Regeneration Zones this could result in the provision of 700 affordable homes.</p> <p>Clearly the precise level of contributions will depend on site specific negotiations. Indeed, the potential constraints to delivery associated with brownfield redevelopment on each of the regeneration zones is likely to be considered in the context of development viability and therefore contributions could be lowered. The Local Plan policy indicates that 30% provision may be more suitable on such sites. This would yield 600 affordable homes.</p>	Positive
Fit with policy (RSS and current local policy) + fit with Canterbury vision	<p>This scenario would fit well with national, regional and local policy in terms of making the best use of previously developed land, in a sustainable location within an urban area with access to infrastructure, key services and employment.</p> <p>This scenario would also be capable of addressing some of the challenges set out in the Canterbury Futures study in achieving the three identified visions. The provision of residential development in proximity to the City Centre is likely help retain and attract young professionals thus improving the labour pool in the area. The re-use of brownfield land and inclusion of development within the urban area will aid the self sufficiency of such development.</p>	Positive
Other issues (e.g. need for supporting infrastructure)	<p>Although the Regeneration Zones are all within proximity of the City Centre, there is likely to be a need for on-site supporting infrastructure including education, community, leisure and retail uses. The scale of this will need to be ascertained according to development briefs for each of the sites. This type of development would be consistent with Local Plan policies in relation to each of the zones which proposed a mix of uses.</p> <p>Although it is not possible to determine the mix of housing that could be provided for, it is likely that provision on the regeneration zones could provide for a variety of sizes of units including both flatted and family housing.</p>	

Option 3 – Within Urban area (surrounds of Canterbury City excluding Regen zones)

Criteria		Assessment
Housing Density Assumptions	Mid-range density assumption for Canterbury urban area of 75 dph	
Land Take per Scenario and site	Minimum net land-take according to the above density assumption would be 26.6 ha. This does not include the potential land take needed to provide for any open and amenity space ancillary to residential development.	
Potential Site Locations (City Centre, edge of centre, urban, rural, green belt etc	<p>There are a small number of allocated sites within the urban area of Canterbury. Excluding those located within any of the four Regeneration Zones the remaining allocated sites are limited and do not collectively have the capacity to accommodate 2,000 new dwellings. Furthermore, many of the allocated sites comprise car parks and may therefore necessitate the relocation of car space capacity elsewhere in the urban area should they come forward. In any case, these sites are required to meet the existing Structure Plan targets for new housing development, which do not include the additional 2,000 dwellings set out in the RSS.</p> <p>There are also a number of mixed use designated sites within the urban area where residential development is considered appropriate in-situ with retail, education, community, employment and leisure uses. All of these sites are located within the City Centre itself or within the Regeneration Zones and are therefore excluded from this option.</p> <p>Density of development within the urban area is already high, particularly within the areas immediately surrounding the City walls. The main re-development opportunities have already been highlighted through the designation of Regeneration Zones. Excluding these areas there are limited further opportunities for redevelopment and use of previously developed land. This position will become clearer following an SHLAA together with findings from the Employment Land Review. There are a number of Greenfield sites which could theoretically accommodate residential development. These include allotments and playing fields. However, the extent to which these sites could accommodate residential development would be dependent on requirements for open space and protection of such sites. Again, the Core Strategy process will establish the extent to which such sites would be suitable for development.</p>	
Market considerations	<p>Developers are largely positive about housing performance in the urban area around Canterbury and sales values indicate only a marginal difference from the City Centre. One of the key benefits of developing outside of the City Centre, from a market perspective is greater scope to provide for a mix of housing and to accommodate car parking and open space to meet occupier demand. Indeed a key determining factor in land values is how prestigious a development is in terms of specification and configuration. A number of developments outside of the City Centre have greater flexibility in this respect.</p> <p>In terms of potential locations, sites on key routes in to and out of the City Centre and in proximity to rail stations (particularly Canterbury West) are favoured by the market. Opportunities to develop in prestigious locations and take advantage of Canterbury's environmental assets, including the river, are also favoured.</p>	Neutral

Criteria		Assessment
	<p>However, given the capacity issues identified above there are also a number of limiting factors to market appetite. These include a lack of clear/enabled sites which could serve to dampen demand developer interest and/or impinge on residual values.</p> <p>In short, we believe potential residual values could be high but would be subject to the availability of cleared and enabled sites. This is likely to be a limiting factor given the capacity constraints of the urban area.</p>	
Likely phasing of delivery (x units per annum)	<p>On the basis of other examples in the urban area we would suggest c100 units per annum. This would depend on the size and location of schemes and could be higher according to development opportunities that come forward.</p> <p>We consider it unlikely that 2,000 units could be delivered in the urban area in the short term due to a lack of development sites. Infill and piecemeal development could occur over a longer period of time.</p>	Positive
Potential S106 contributions for transport infrastructure	<p>Potential to contribute towards abnormal infrastructure costs will be dependent on the extent to which sites can identified with limited constraints together with the actual capacity to accommodate 2,000 new homes – we consider this to be a limiting factor given the capacity constraints of the urban area.</p>	Neutral
Sustainability	<p>This scenario would be likely to include a combination of both Brownfield and possibly Greenfield sites</p> <p>The re-use of previously developed land and buildings within a major/principal urban area is considered preferential in the Kent and Medway Structure Plan in terms of the sequential test to be applied to housing provision. The allocation of Greenfield sites would be less favourable according to the sequential test, although this could be somewhat countered by their situation within the urban area of Canterbury which would be in accordance with PPS1 and PPS3.</p> <p>Residential development in the urban area could be well placed to take advantage of the existing provision of services and employment opportunities within the City Centre and its immediate surrounds, some of which would be within walking distance, and therefore reduce the need for car travel. However, this would depend on individual sites relative distance from such facilities.</p> <p>Accessibility of residential development within the urban area would clearly depend on the location of each site. Sites to the West and South East of Canterbury would benefit from connections to the strategic road network, notwithstanding the need for junction improvements on the A2. Canterbury West Station and Canterbury East Station are both situated within the urban area of Canterbury together with bus connections. Canterbury West will see further benefits in 2009 when domestic CTRL services commence.</p>	Positive
Public Transport Accessibility	<p>As noted above, accessibility of residential development within the urban area would clearly depend on the location of each site. However, it is likely that residential development in the Urban area of Canterbury will be well placed to take advantage of Canterbury's two mainline railway stations (East and West) served by frequent trains to and from London Charing Cross and Victoria and elsewhere in Kent. The City Centre is also served by Stagecoach East Kent bus services from Canterbury Bus Station.</p>	Positive

Criteria		Assessment
	The capacity of existing public transport infrastructure may need to be considered in light of the scale of development.	
Impact on provision of affordable housing	<p>The Council's SPD on affordable housing provision expects that for sites of 15 dwellings or more (or sites of 0.5 ha or more) 35% will be affordable. On provision of 2,000 homes across the Regeneration Zones this could result in the provision of 700 affordable homes.</p> <p>Clearly the precise level of contributions will depend on site specific negotiations. It would also depend on the size of sites coming forward. Given the capacity constraints in Canterbury's urban area it is possible that a number of smaller scale infill sites may come forward which could fall below the size threshold for contributions.</p>	Positive
Fit with policy (RSS and current local policy) + fit with Canterbury vision	<p>Subject to the need to allocate Greenfield sites, this scenario would fit well with national, regional and local policy in terms of making the best use of previously developed land, in a sustainable location within an urban area with access to infrastructure, key services and employment.</p> <p>In particular, this scenario would be capable of addressing some of the challenges set out in the Canterbury Future study in achieving the three identified visions. The provision of residential development in proximity to the City Centre is likely to attract young professionals thus improving the labour pool in the area.</p>	Positive
Other issues (e.g. need for supporting infrastructure)	<p>Although the sites would be within proximity of the City Centre and therefore able to take advantage of the existing services and facilities, there could be a need for additional supporting infrastructure including education, community, leisure and recreation uses. The scale of this will need to be ascertained through further detailed analysis of the existing capacity of such services and would also be dependent on the scale and location of each site.</p> <p>It is not possible to determine the mix of housing that could be provided for, but we consider it likely that provision could include a variety of sizes and types of units including both flatted and family housing.</p>	

Option 4 – Adjoining Urban Area (1 site)

Criteria		Assessment
Housing Density Assumptions	Mid range Rural areas/other parts of the district density assumption of 45 dph – this is also consistent with urban extension/Greenfield development average densities.	
Land Take per Scenario and site	The associated net land take according to the above density assumption would be 44.5 ha. This does not include the potential land take needed to provide for any open and amenity space ancillary to residential development.	
Potential Site Locations (City Centre, edge of centre, urban, rural, green belt etc	<p>Much of the area surrounding Canterbury urban area is Greenfield and areas of high landscape value, conservation areas or site of special scientific interest. Thus any allocation of sites would need to be sensitive to such issues and prove that such a location is justified according to a sequential test (e.g. no other sites available in the urban area).</p> <p>From a market and delivery perspective, sites with proximity to the strategic road network and routes in and out of Canterbury City Centre would be favourable together with proximity to employment opportunities (planned or current). This would include West and South East of Canterbury.</p>	
Market Considerations	<p>There are limited examples of such development in Canterbury to draw from (except in Coastal areas) but elsewhere in Kent/South East the market responds well to such opportunities on the whole. Current market conditions mean that this scenario is unlikely to be favoured by the market in the short term, but assuming that these conditions stabilise over the plan period there are a number of key factors that will positively impact on the market appetite for this scenario. These are as follows:</p> <ul style="list-style-type: none"> – There would be a greater scope to provide for a broad mix of dwelling sizes and types and therefore to cater for a wider range of occupier demand. This allows developers greater flexibility to respond to market requirements. – Sites would be starting from a lower land value and less likely to have associated constraints (such as contamination, mixed ownerships and redevelopment costs); the potential for land value uplift is therefore greater and thus more appealing to the developer market. In turn, the potential residual value is also likely to be higher although clearly dependent on the infrastructure requirements of the site. – There would be scope to attract bigger market players in this option and therefore development costs could be reduced through the benefits of economies of scale. This will clearly impact on the residual value. – It is likely that three or more developers would be needed to deliver this option in its entirety (a single developer would be highly unlikely to develop the whole site). This would mean that the site could be divided into tranches and would benefit from an agglomeration of industries on one site. – Land values may be low initially but following delivering of any initial phases and associated infrastructure requirements the land values would be likely to rise as the site and location become more established and tested in the market place. – The scale and critical mass of such a scheme would allow potential to design-in 	Positive

Criteria		Assessment
	<p>green credentials as well as some on-site amenity and infrastructure therefore creating a more self-sufficient community and helping to overcome some of the necessary environmental and planning hurdles. This would be a key attraction for potential occupiers who would benefit from on-site amenity.</p> <p>There are also a number of market risks associated with this option. The phasing of delivery needs to be managed very carefully – an oversupply through early release of units on to the market can dampen demand and ultimately land values and result in parts of the site remaining undeveloped. Furthermore, the size of the scheme may generate the need for strategic infrastructure improvements depending on its location. Public sector commitment to this option is therefore likely to be required in order to bring confidence to the developer market.</p> <p>Indeed such schemes require a coordinated and long-term strategy to overcome planning hurdles and local opposition to Greenfield development and schemes of this size. In the short term, the current market and the negative press around Eco-town style developments could dampen market demand for urban extensions. However, historical examples have indicated that in times of a good or stable market both occupier and developer market demand is strong for such opportunities.</p>	
Likely phasing of delivery (x units per annum)	Delivery rates for this option could be relatively high, depending on number of developers on board and associated land parcels – this could result in as much as 300 dpa thus indicating an overall time frame of 7 to 10 years for delivery of 2,000 units as a whole	Positive
Potential S106 contributions for transport infrastructure	<p>The actual scale of contribution will be dependent on negotiations on individual sites regarding the development viability.</p> <p>However, it is also likely there will be requirements for on-site infrastructure and transport related components which may influence the scale of S106 contributions that can be collected for off-site contributions.</p> <p>We consider the potential for contributions towards abnormal infrastructure costs to be good as a result of the likely uplift in land values associated with this option. However, this will of course be dependent to some extent on the on the on-site infrastructure costs associated with enabling the site in the first instance.</p>	Positive
Sustainability	<p>This scenario would be likely to result in Greenfield development. This is not sequentially preferable according to the Kent Structure Plan. However, in the event the LDF process highlights the need for such development, the Structure Plan does note that extensions to major or principal urban areas would be preferable compared to rural settlements.</p> <p>Depending on the location of such a site, residential development as an extension/adjoinment to the urban area could be well placed to take advantage of the existing road and transport infrastructure, although capacity of existing facilities would be a key consideration and would need to be tested in terms of requirements for improvements or additional provision.</p> <p>Trip journeys are likely to be relatively less in a large settlement if it is self contained and in close proximity to employment opportunities. There is also potentially the opportunity to design in green technologies and infrastructure from scratch.</p>	Neutral

Criteria		Assessment
	<p>A scheme of this size would afford the opportunity to include supporting amenity space as well as green credentials thereby helping to minimise journeys and reduce the drain on existing services and facilities. Access to employment opportunities would be a key concern. Scope to include such opportunities within any scheme would clearly be preferable from a sustainability perspective – the critical mass of this option may allow for this and help to engender a mixed use community. Otherwise, identifying sites in locations in close proximity to existing or planned employment opportunities would aid the sustainability of this option.</p> <p>Accessibility again will be dependent on the precise location of such a site. Proximity to the strategic road network is likely to be favourable from both a market and planning perspective but will need to have regard to the Transport modelling exercise that is currently underway. Public transport is more likely to be limited compared to the already defined urban area, particularly access to rail services. However, it is possible that bus networks could be extended or established to serve any such site.</p>	
Public Transport Accessibility	As noted above, accessibility of residential development adjoining the urban area would clearly depend on the location of the site. Development may be well placed to take advantage of existing bus routes (including park and ride schemes) into and out of the City Centre, subject to capacity, but access to the rail network will be limited. If the site is located on main routes into Canterbury then it would also likely benefit from Cycle routes as a sustainable means of transport.	Neutral
Impact on provision of affordable housing	<p>The Council's SPD on affordable housing provision expects that for sites of 15 dwellings or more (or sites of 0.5 ha or more) 35% will be affordable. On provision of 2,000 homes o one site adjoining the urban area this could result in the provision of 700 affordable homes.</p> <p>Clearly the precise level of contributions will depend on site specific negotiations.</p>	Positive
Fit with policy (RSS and current local policy) + fit with Canterbury vision	<p>This scenario would involve the allocation of a Greenfield site which is not preferable in terms of the overall strategic policy direction to make the best use of previously developed land. However, the site would be adjoining an urban area and therefore could benefit from existing transport links which would enhance its sustainability.</p> <p>This would also fit with the policy direction to direct additional growth towards Canterbury Urban area in order to support aspirations for developing the knowledge economy. Subject to the other mixes of uses included within the site, this scenario could also help to provide additional and sustainable employment opportunities. Again, subject to location this scenario could also provide the opportunity to link in with existing planned employment development, including around the University Campus.</p>	Neutral
Other issues (e.g. need for supporting infrastructure)	<p>Although the sites would be within proximity of the Urban area of Canterbury and therefore able to take advantage of the existing services and facilities to some extent, there would be a need for additional supporting infrastructure on-site (and possibly off-site) including education, community, leisure and recreation uses. The scale of this will need to be ascertained through further detailed analysis of the existing capacity of such services and the likely need arising from a development of this scale.</p> <p>The extent to which the site could support on-site amenity and retail is dependent on the critical mass required to support such facilities – it is likely that the mass generated from</p>	



Criteria		Assessment
	<p>2,000 homes would be insufficient to support any large scale provision and as such access to and contributions for off-site provision are likely to be necessary.</p> <p>Public transport improvements will also be likely in order to maximise the accessibility and sustainability of this scenario.</p> <p>Although it is not possible to determine the mix of housing that could be provided for, it is likely that this option could provide for a variety of sizes of units including both flatted and family housing.</p>	

Option 5 – Adjoining Urban Area (3 sites)

Criteria		Assessment
Housing Density Assumptions	Mid range Rural areas/other parts of the district density assumption of 45 dph – also consistent with urban extension/Greenfield development average densities.	
Land Take per Scenario and site	We have assumed that the total land take would be split evenly across the three sites and in which case would equate to a minimum net land take of 14.8 ha per site. This does not include the potential land take needed to provide for any open and amenity space ancillary to residential development.	
Potential Site Locations (City Centre, edge of centre, urban, rural, green belt etc)	<p>Much of the area surrounding Canterbury urban area is Greenfield and areas of high landscape value, conservation areas or site of special scientific interest. Thus any allocation of sites would need to be sensitive to such issues and prove that such a location is justified according to a sequential test (e.g. no other sites available in the urban area).</p> <p>From a market and delivery perspective sites with proximity to the strategic road network and routes in and out of Canterbury City Centre would be favourable. This would include West and South East of Canterbury. Potential locations include proximity to each of the three A2 junctions at Harbledown, Wincheap and Bridge, as well as proximity to Canterbury West.</p>	
Market Considerations	<p>The market considerations are largely the same as those noted in Option 4. Occupiers' perceptions of developments will obviously have an impact on the end sale price of units and thus ultimately land values. We believe there to be little difference in attractiveness from an occupier perspective of living in a development of 2,000 homes compared to 500-700 homes. The impact on land values of this option versus option 4 is likely to be marginal. However, there are a number of added considerations with this option as follows:</p> <ul style="list-style-type: none"> – There would be greater scope for a range of development partners to become involved across three sites, which could increase competition, diversity of product as well as economies of scale – The promotion of three sites could allow a phased release of sites which would test occupier demand on the first before committing/commencing with the second and third – this is likely to be seen as beneficial to those developers involved in the second and third sites whereby values may increase off the back of the first site – Infrastructure requirements would be a critical consideration for the market – depending on the precise location, access to community facilities, services, job opportunities and transport would all be required. There may be less scope to incorporate such facilities in to each of the three schemes because of a lack of critical mass and thus connections to existing infrastructure and services become more important. This could prove more attractive to developers as the cost burden of providing on-site infrastructure would be less. – There could be greater opposition to the release of three Greenfield sites, compared to just one and the related planning complexities may be seen as a hindrance 	Positive
Likely phasing of delivery (x units per	A minimum of 100 dpa but this could increase if more than one site is brought forward at any one time	Positive

Criteria		Assessment
annum)	Likely to be a medium to long-term delivery scenario given the potential complexities and phasing of the release of three separate sites.	
Potential S106 contributions for transport infrastructure	<p>However, it is also likely there will be requirements for on-site infrastructure and transport related components which may influence the scale of S106 contributions that can be collected for off-site contributions.</p> <p>We consider the potential for contributions towards abnormal infrastructure costs to be good as a result of the likely uplift in land values associated with this option and likely limited site constraints. However, this will of course be dependent to some extent on the on the on-site infrastructure costs associated with enabling the sites in the first instance.</p>	Positive
Sustainability	<p>This scenario would be likely to result in Greenfield development. This is not sequentially preferable according to the Kent Structure Plan. However, in the event the LDF process highlights the need for such development, the Structure Plan does note that extensions to major or principal urban areas would be preferable compared to rural settlements.</p> <p>Depending on the location of such sites, residential development as extensions/ adjoinments to the urban area could be well placed to take advantage of the existing provision of services and employment opportunities within the urban area, subject to transport connections, though it is highly likely there would be a requirement for additional on-site provision, not least to reduce the need to travel.</p> <p>Accessibility again will be dependent on the precise location of such sites. Proximity to the strategic road network is likely to be favourable from both a market and planning perspective but will need to have regard to the Transport modelling exercise that is currently underway. Public transport is more likely to be limited compared to the already defined urban area, particularly access to rail services. However, it is possible that bus networks could be extended or established to serve any such site.</p>	Neutral
Public Transport Accessibility	As noted above, accessibility of residential development adjoining the urban area would clearly depend on the location of the three sites. Development may be well placed to take advantage of existing bus routes (including park and ride schemes) into and out of the City Centre but access to the rail network will be limited. If the site is located on main routes into Canterbury then it would also likely benefit from Cycle routes as a sustainable means of transport.	Neutral
Impact on provision of affordable housing	<p>The Council's SPD on affordable housing provision expects that for sites of 15 dwellings or more (or sites of 0.5 ha or more) 35% will be affordable. On provision of 2,000 homes across three sites adjoining the urban area this could result in the provision of 700 affordable homes.</p> <p>Clearly the precise level of contributions will depend on site specific negotiations.</p>	Positive
Fit with policy (RSS and current local policy) + fit with Canterbury vision	<p>This scenario would involve the allocation of a Greenfield site which is not preferable in terms of the overall strategic policy direction to make the best use of previously developed land. However, the sites would be adjoining an urban area and there would benefit from existing transport links.</p> <p>This would also fit with the policy direction to direct additional growth towards Canterbury</p>	Neutral

Criteria		Assessment
	<p>Urban area in order to support aspirations for developing the knowledge economy.</p> <p>Subject to other mixes of uses included within the sites, this scenario could also help to provide additional and sustainable employment opportunities. There may also be scope to locate residential development in proximity to existing or planned employment growth.</p>	
Other issues (e.g. need for supporting infrastructure)	<p>Although the sites would be within proximity of the Urban area of Canterbury and therefore able to take advantage of the existing services and facilities to some extent, there would be a need for additional supporting infrastructure on-site (and possibly off-site) including education, community, leisure and recreation uses. The scale of this will need to be ascertained through further detailed analysis of the existing capacity of such services and the likely need arising from a development of this scale.</p> <p>Public transport improvements will also be likely in order to maximise the accessibility and sustainability of this scenario.</p> <p>Although it is not possible to determine the mix of housing that could be provided for, it is likely that provision could provide for a variety of sizes of units including both flatted and family housing.</p>	

Option 6 – Adjoining Urban Area (10 sites)

Criteria		Assessment
Housing Density Assumptions	Mid range Rural areas/other parts of the district density assumption of 45 dph – also consistent with urban extension/Greenfield development average densities.	
Land Take per Scenario and site	Assuming even distribution of housing across each of the site a minimum net land take of 4.4 ha per site would be required on the basis of the above density assumptions. This does not include the potential land take needed to provide for any open and amenity space ancillary to residential development.	
Potential Site Locations (City Centre, edge of centre, urban, rural, green belt etc	<p>Much of the area surrounding Canterbury urban area is Greenfield and areas of high landscape value, conservation areas or site of special scientific interest. Thus any allocation of sites would need to be sensitive to such issues.</p> <p>Clearly the sites could vary in size to accommodate different proportions of the overall figure of 2,000 homes. However, in our view, identifying 10 suitable sites adjoining the urban area would be challenging, (even given their relatively small size), particularly in sustainability and planning terms.</p> <p>From a market and delivery perspective sites with proximity to the strategic road network and routes in and out of Canterbury City Centre would be favourable. This would include West and South East of Canterbury. Potential locations could include proximity to each of the three A2 junctions at Harbledown, Wincheap and Bridge. However, this will need to have regard to the transport modelling exercise that is currently underway.</p>	
Market Considerations	<p>There are a number of attractive market features to providing development on a smaller scale e.g. 200 homes or less. For example, whilst the economies of scale of options 4 and 5 are not likely to come in to play, there would be more scope to benefit from scarcity value from schemes of this size e.g. providing a product that is differentiated from larger scale sites. In this sense, sale prices and ultimately land values could be positively impacted with this option and potentially residual values.</p> <p>However, in our view there are a number of factors that would also limit the market attractiveness of this site. These include:</p> <ul style="list-style-type: none"> – The scale of development on each of the site would be relatively small and therefore likely to lack the critical mass to support necessary infrastructure associated with residential development. Greater reliance would therefore be placed on existing services and facilities in adjoining urban area which would restrict potential locations for development. – In relation to the above issue ,there may also be limited scope to deliver the required environmental standards of development; again because of a lack of critical mass – There is reduced potential to benefit from economies of scale with sites of this size – The planning complexities involved in promoting this number of sites on Greenfield land would be very challenging to overcome – land owners may feel they are in competition to achieve a share of the market demand which could prolong the planning process through objections to possible site locations. 	Neutral

Criteria		Assessment
	<ul style="list-style-type: none"> The reality of identifying 10 suitable sites of equal market attractiveness would be highly unlikely and therefore only the best sites would be likely to come forward resulting in risks to the full scale of delivery that is required 	
Likely phasing of delivery (x units per annum)	Based on past delivery rates we estimate 50 to 100 dpa across each site. Overall delivery of 2,000 units would be dependent on the timing of individual sites coming forward, but likely to be a long-term scenario in line with the need to carefully phase release of Greenfield sites.	Positive
Potential S106 contributions for transport infrastructure	<p>However, it is also likely there will be requirements for on-site infrastructure and transport related components which may influence the scale of S106 contributions that can be collected for off-site contributions.</p> <p>The ability to contribute to abnormal infrastructure costs is questionable. Although in theory this option could result in potentially high residual values it is unlikely to accumulate the values on the same scale as a single site or three sites as the ability to locate and manage the delivery of 10 sites is questionable and there would be less opportunity to benefit from economies of scale on each of the sites.</p>	Neutral
Sustainability	<p>This scenario would be likely to result in Greenfield development in several different locations around the urban area. This is not sequentially preferable according to the Kent Structure Plan. However, in the event the LDF process highlights the need for such development, the Structure Plan does note that extensions to major or principal urban areas would be preferable compared to rural settlements.</p> <p>Depending on the location of such sites, residential development as extensions/ adjoinments to the urban area could be well placed to take advantage of the existing provision of services and employment opportunities within the urban area. However, this option is likely to give rise to more journeys because of the number of sites and reduced scope for self-sufficiency on each site.</p> <p>There would be limited scope to provide on-site supporting infrastructure due to a lack of critical mass across each of the sites - the pressure on existing services and infrastructure in the urban area is therefore likely to be greater.</p> <p>Accessibility again will be dependent on the precise location of such sites. Proximity to the strategic road network is likely to be favourable from both a market and planning perspective but will need to have regard to the transport modelling exercise that is currently underway. Public transport is more likely to be limited compared to the already defined urban area, particularly access to rail services. It is possible that bus networks could be extended or established to serve any such sites. However, it is unlikely that accessibility by road and public transport could be equally as good for each of the 10 sites and there are likely to be more preferable options from a sustainability perspective to delivering 2,000 homes.</p>	Negative
Public Transport Accessibility	As noted above, accessibility of residential development adjoining the urban area would clearly depend on the location of the three sites. Development may be well placed to take advantage of existing bus routes (including park and ride schemes) into and out of the City Centre but access to the rail network will be limited. If sites are located on main routes into Canterbury then they would also likely benefit from Cycle routes as a sustainable means of transport.	Negative

Criteria		Assessment
	Public transport is not likely to be as equally accessible on all 10 sites.	
Impact on provision of affordable housing	<p>The Council's SPD on affordable housing provision expects that for sites of 15 dwellings or more (or sites of 0.5 ha or more) 35% will be affordable. On provision of 2,000 homes across the 10 sites could result in the provision of 700 affordable homes.</p> <p>There would be scope within this option to provide a wider range of affordable homes and in different locations which may be beneficial according to the identified need for affordable homes in the district.</p> <p>Clearly the precise level of contributions will depend on site specific negotiations.</p>	Positive
Fit with policy (RSS and current local policy) + fit with Canterbury vision	<p>This scenario would involve the allocation of a Greenfield site which is not preferable in terms of the overall strategic policy direction to make the best use of previously developed land. However, the sites would be adjoining an urban area, which is preferable in the absence of brownfield opportunities.</p> <p>This would also fit with the policy direction to direct additional growth towards Canterbury Urban area in order to support aspirations for developing the knowledge economy.</p>	Neutral
Other issues (e.g. need for supporting infrastructure)	<p>Although the sites would be within proximity of the Urban area of Canterbury and therefore able to take advantage of the existing services and facilities to some extent, it is possible there would be a need for additional supporting infrastructure on-site (and possibly off-site) including education, community, leisure and recreation uses. The scale of this will need to be ascertained through further detailed analysis of the existing capacity of such services and the likely need arising from a development of this scale.</p> <p>It is likely there would be a lack of critical mass on each of the sites to support on-site amenity and as such access to and contributions for off-site provision would be likely required.</p> <p>Public transport improvements will also be likely in order to maximise the accessibility and sustainability of this scenario.</p> <p>Although it is not possible to determine the mix of housing that could be provided for, it is likely that provision could cater for a variety of sizes of units including both flatted and family housing.</p>	

Option 7 – Dispersed Across District

Criteria		Assessment
Housing Density Assumptions	This scenario could include wide range of density assumptions from 45 dph up to 125 dph.	
Land Take per Scenario and site	Minimum net land take would be 16 ha and maximum 44.5	
Potential Site Locations (City Centre, edge of centre, urban, rural, green belt etc)	Potential site locations could vary from City Centre to rural and Greenfield sites. In sequential terms, sites within urban areas would be preferable and this could be accommodated through development in Canterbury, Herne Bay and Whitstable subject to capacity.	
Market Considerations	<p>Market appetite for this scenario is too variable to clarify. However, in general terms, the factors affecting positive market appetite to delivering 2,000 homes in a dispersed manner from a market perspective would be as follows:</p> <ul style="list-style-type: none"> – Flexibility for range and choice of locations to meet a range of occupier demand requirements – Flexibility to provide for range of housing sizes and types, the inclusion of open space, car parking and luxury development as well as more standard provision – Provides the opportunity to react as and when the market favours particular locations or types of development – Market likely to favour locations with existing employment opportunities, infrastructure and access to services e.g. urban areas, which is consistent with policy requirements – Potential to benefit from scarcity values with a range of different products on offer in varying locations <p>Market risks associated with this option include:</p> <ul style="list-style-type: none"> – A likely piecemeal approach to delivery – Cherry picking of best/most favourable sites in market terms rather than sites which are necessarily the most sustainable or beneficial in policy terms – Unpredictable in the timing of delivery and limited ability to control or influence the timing of delivery versus other options 	Positive
Likely phasing of delivery (x units per annum)	Based on Canterbury's past delivery rates for the district as a whole it could be as much as c500 dpa if a number of sites were delivered in tandem	Positive
Potential S106 contributions for transport infrastructure	<p>The largest proportion of contributions is required for improvements to three A2 junctions at Harbledown, Wincheap and Bridge. If sites were dispersed across the district then it would only be those within Canterbury that would contribute to these junction improvements according to the Council's current policy.</p> <p>The potential to contribute to abnormal infrastructure costs would vary depending on the location of each site and individual site constraints. Although contributions could</p>	Neutral

Criteria		Assessment
	<p>potentially be high, the drawback of this option would be the lack of certainty regarding the scale and timing of contributions that could come forward.</p> <p>Furthermore, according to the current SPD, sites that fall outside of Canterbury would be subject to a lower tariff for contributions.</p>	
Sustainability	<p>The sustainability of this scenario is difficult to assess given the huge variability in potential site locations across the District. In sequential terms, sites within urban areas would be preferable and this could be accommodated through development in Canterbury, Herne Bay and Whitstable subject to capacity. Development within rural areas would be less sustainable but may address issues such as housing need and shortages in such locations.</p> <p>Subject to site locations, development may be well placed to take advantage of existing services and facilities. However, this would be dependent on site being located within proximity to existing urban areas.</p> <p>Accessibility will be dependent on individual site locations. This scenario could result in an increase in small trip generation.</p>	Neutral
Public Transport Accessibility	Accessibility will be dependent on individual site locations.	Neutral
Impact on provision of affordable housing	<p>The Council's SPD on affordable housing provision expects that for sites of 15 dwellings or more (or sites of 0.5 ha or more) 35% will be affordable. On provision of 2,000 homes across the district this could result in the provision of 700 affordable homes. Clearly the precise level of contributions will depend on site specific negotiations.</p> <p>The nature of this scenario could result in a number of small sites coming forward which fall below the thresh hold for contributions towards affordable housing.</p>	Positive
Fit with policy (RSS and current local policy) + fit with Canterbury vision	Fit with policy would be subject to sites being located predominantly in urban areas and making use of previously developed land, together with sites being located in areas of planned employment growth.	Neutral
Other issues (e.g. need for supporting infrastructure)	Need for supporting infrastructure would be subject to specific site locations and proximity to existing urban areas. It is likely that development of a dispersed nature would place pressure on existing facilities and infrastructure and that improvements would be required in order to reduce capacity constraints.	

Option 8 – Villages around Canterbury

Criteria		Assessment
Housing Density Assumptions	Mid range rural areas density assumption of 45 dph	
Land Take per Scenario and site	The associated land take of this option would be entirely dependent on the scale of additional housing growth it is intended to provide for.	
Potential Site Locations (City Centre, edge of centre, urban, rural, green belt etc	<p>There are a large number of Villages around Canterbury, of which some of the larger ones include Chartham, Littlebourne, Bridge, Harbeldown, Hackington, Westbere, Hersden, Lower Hardress. A number of these are subject to Conservation policies, special landscape areas and so on.</p> <p>Actual capacity to deliver 2,000 homes within villages around Canterbury is likely to be constrained by environmental issues. For example, maintaining the character of these villages is a key concern, and as such large scale allocations for housing delivery could be considered unfavourable. Minor development and infill development is more likely to be plausible.</p> <p>Villages situated within proximity of the strategic road network would be preferable – these could include those along arterial routes to the West, South East and North East of Canterbury.</p>	
Market Considerations	<p>Property values in villages and small towns outside of Canterbury tend to be lower than values in Canterbury or other urban areas but are clearly subject to unit specification and micro location. In Hersden, property values have historically been considerably lower than both Canterbury and Whitstable/Herne Bay and are likely to remain so for the foreseeable future.</p> <p>A possible benefit of this option from a market perspective would be the potential ability to capitalise on scarcity value e.g. offering a prestigious/luxury product to the market that differentiates itself because of character and setting of the location. However, should the same opportunity be available in more urban location (such as the recently developed riverside schemes at Kingsmead) it is likely that values will be comparatively higher in the latter locations.</p> <p>Clearly potential residual values generated from this option will be dependent on the nature of each site and location and the associated land/site constraints and infrastructure costs.</p>	Neutral
Likely phasing of delivery (x units per annum)	We would suggest that on any one site, up to 100 dwellings per annum could be delivered.	Neutral
Potential S106 contributions for transport infrastructure	<p>In the current SPD, the tariff for rural areas is lower than for development in Canterbury and as such, contribution to abnormal infrastructure costs under this scenario is likely to be lower than for development located within Canterbury.</p> <p>Furthermore, although we are considering this scenario for 2,000 homes we believe the actual scale of housing delivered is likely to be lower than this as a result of the environmental constraints noted above. Therefore, the potential contributions for abnormal infrastructure costs are likely to be lower than for other options.</p>	Negative
Sustainability	This option is less sustainable compared to options which involve development in urban	Negative

Criteria		Assessment
	<p>areas. Development is likely to take place on Greenfield land and would therefore not consistent with the sequential test.</p> <p>Access to services, facilities and amenity would be dependent on the precise location of development. A number of villages around Canterbury do have a local train station and /or local services and employment opportunities. However, access would be limited compared to urban parts of Canterbury,</p> <p>Access via the road network would be variable depending on precise location of developments and public transport accessibility is likely to be minimal but again will be dependent on the precise location.</p>	
Public Transport Accessibility	Public transport access is likely to be limited and largely dependent on bus services. There are however some train stations in villages surrounding Canterbury but clearly accessibility via public transport will be less than in urban areas.	Negative
Impact on provision of affordable housing	<p>The Council's SPD on affordable housing provision expects that for sites of 15 dwellings or more (or sites of 0.5 ha or more) 35% will be affordable.</p> <p>The nature of this scenario could result in a number of small sites coming forward which fall below the thresh hold for contributions towards affordable housing. This is particularly likely given the current thrust of development policy in villages which suggests development of no more than 10 houses would be considered in such locations.</p>	Neutral
Fit with policy (RSS and current local policy) + fit with Canterbury vision	This scenario does not fit with regional and local policy aspirations to concentrate development in existing urban and sustainable locations. Dispersal of housing under this option would limit the opportunities to provide other uses such as employment generating activities because of a lack of critical mass. It would therefore limit the contribution to future economic growth priorities for Canterbury. This option may however help to address the needs of both market and affordable housing within rural areas.	Negative
Other issues (e.g. need for supporting infrastructure)	The need for supporting infrastructure would be dependent on the proximity to existing services and facilities, the nature of each location and the size of scheme in each location. It is unlikely that this scenario could support provision of additional retail or employment opportunities due to a lack of critical mass.	

Option 9 – Herne Bay/Whitstable

- 3.4 N.B. This option has considered residential development both within and adjoining the urban areas of Herne Bay and Whitstable, but it has not been possible to differentiate between these scenarios in market and viability terms. We have therefore combined these scenarios into one option for Herne Bay and Whitstable as a whole.

Criteria		Assessment
Housing Density Assumptions	Density assumption of mid-range “other urban areas” of 70 dwellings per ha	
Land Take per Scenario and site	The associated land take of this option would be entirely dependent on the scale of additional housing growth it is intended to provide for.	
Potential Site Locations (City Centre, edge of centre, urban, rural, green belt etc	Potential site locations could include development within the urban areas or adjoining the urban areas. Capacity to deliver 2,000 new homes will be determined as part of the SHLAA.	
Market Considerations	<p>Both values and sales rates are currently depressed in both towns reflecting the wider national residential market down turn. Notwithstanding the current market conditions the market fundamentals in both towns are positive and prime values are only marginally lower than those of Canterbury City Centre.</p> <p>Historically, Whitstable has performed slightly better than Herne Bay in terms of the residential market and it is anticipated that this will continue in the short to medium term as a result of recent initiatives in Whitstable town.</p> <p>As with Canterbury urban area, residential property values in both towns are heavily dependent on location. Units with sea views attract a premium price – any developments along Island View in Whitstable, for example, would be well received by the market and premium values are reflective of this. The difference in values achieved in the town centres relative to out of town locations is too variable to quantify and values achieved depend largely upon specific locations and quality of developments.</p> <p>In contrast to Canterbury, there is no oversupply of any certain type of residential property in either town which suggests there are opportunities for developers to provide a variety of products taking advantage of opportunities as and when they arise.</p> <p>Residual values in both Herne Bay and Whitstable have the potential to be relatively high as a result of the opportunities to develop in premium locations and to offer a range of product responsive to market demand that is not constrained by oversupply. Actual residual values will be dependent on the precise location of development, the scale of development and the nature of the site (costs involved in enabling development).</p>	Positive
Likely phasing of delivery (x units per annum)	We would suggest up to 100 dwellings per annum could be delivered on any individual site.	Positive
Potential S106 contributions for	According to the current SPD, the tariff for contributions in the coastal towns is lower than for development in Canterbury. Therefore the resulting contributions towards	Neutral

Criteria		Assessment
transport infrastructure	<p>infrastructure costs would be comparatively lower than other scenarios in Canterbury.</p> <p>However, residual values of this option have the potential to be higher than for development in Canterbury and any review of the SPD may therefore result in potentially higher contributions towards abnormal infrastructure costs.</p>	
Sustainability	<p>The sustainability of this option would be dependent on the precise location of sites. Clearly those within the urban area will be more sequentially preferable to those on Greenfield sites. In general both Herne Bay and Whitstable are well connected urban areas with access to employment, retail and community and amenity services. Public transport is good, albeit slightly less accessible than Canterbury.</p>	Positive
Public Transport Accessibility	<p>Both Herne Bay and Whitstable are served by rail links although none directly to Canterbury. The area is also served by a series of bus links.</p>	Positive
Impact on provision of affordable housing	<p>The Council's SPD on affordable housing provision expects that for sites of 15 dwellings or more (or sites of 0.5 ha or more) 35% will be affordable. On provision of 2,000 homes this could result in the provision of 700 affordable homes. Clearly the precise level of contributions will depend on site specific negotiations.</p>	Positive
Fit with policy (RSS and current local policy) + fit with Canterbury vision	<p>Additional growth in Canterbury is predominantly directed towards Canterbury City Centre and surrounds and therefore this option does not fit directly with this policy steer. However, Herne Bay and Whitstable represent sustainable urban locations where further growth in both housing and economic development is acceptable in policy terms.</p>	Neutral
Other issues (e.g. need for supporting infrastructure)	<p>The need for supporting infrastructure will be dependent on the scale of development being proposed on each site and the precise location.</p>	

Option 10 New Settlement

Criteria		Assessment
Housing Density Assumptions	Mid range Rural areas/other parts of the district density assumption of 45 dph – this is also consistent with urban extension/Greenfield development average densities	
Land Take per Scenario and site	The associated net land take according to the above density assumption would be 44.5 ha. This does not include the potential land take needed to provide for any open space and amenity space ancillary to residential development	
Potential Site Locations (City Centre, edge of centre, urban, rural, green belt etc)	<p>Outside of the urban areas of Canterbury, Herne Bay and Whitstable much of the remainder of the local authority areas if Greenfield and areas of high landscape value, conservation areas or sites of special scientific interest. Thus any allocation of a site for a new settlement would need to be sensitive to such issues.</p> <p>From a market and delivery perspective, as with options 4, 5 and 6, a site with proximity to the strategic road network and routes in and out of existing urban areas would be favourable.</p>	
Market Considerations	Market considerations are similar to those of option 4. However, depending on the location/site there would be greater pressure to include a broader mix of uses within the scheme including education, community, retail, leisure and employment uses in order that the scheme is a new settlement in its own right. Requirements to provide this broader mix of uses will ultimately impact on the overall viability of the scheme. Some non-residential uses may serve to increase values/drive values, such as retail. Whilst other uses, such as education and community uses, may be more of a cost and therefore reduce margins of profit on cost. An important consideration of this option is whether 2,000 homes would provide sufficient critical mass to incorporate the necessary infrastructure to ensure it is a settlement in its own right.	Neutral
Likely phasing of delivery (x units per annum)	As with option 4, delivery rates for this option could be relatively high, depending on number of developers on board and associated land parcels. This would result in as much as 300 dpa thus indicating an overall timeframe of 7-10 years for delivery of 2,000 units as a whole.	Positive
Potential S106 contributions for transport infrastructure	<p>The actual scale of contribution will be dependent on negotiations on individual sites regarding the development viability.</p> <p>In the current SPD, the tariff for rural areas is lower than for development in Canterbury and as such, contribution to abnormal infrastructure costs under this scenario is likely to be lower than for development located within Canterbury.</p> <p>It is also likely there will be requirements for on-site infrastructure and transport related components which may influence the scale of S106 contributions that can be collected for off-site contributions.</p> <p>We consider the potential for contributions towards abnormal infrastructure costs to be good as a result of the likely uplift in land values associated with this option. However, this will of course be dependent to some extent on the on the on-site infrastructure costs associated with enabling the site in the first instance and the need to provide a broader mix of uses in order to create a sustainable new settlement. The costs of this provision may counter to some extent the benefits of any potential uplift in values. Furthermore, the current SPD sets a lower tariff for developments outside of Canterbury so the scale of contributions from this option will be subject to any potential revisions to this</p>	Neutral

Criteria		Assessment
	document.	
Sustainability	<p>This scenario would be likely to result in Greenfield development. This is not sequentially preferable according to the Kent Structure Plan and is less favourable than option 4 (extension to urban area).</p> <p>As with Option 4, trip journeys could be limited in new settlement if it is self contained and includes, or is in close proximity to employment opportunities. Access to employment opportunities would be a key concern and scope to include such opportunities would be preferable from a sustainability perspective.</p> <p>Accessibility will be dependent on the precise location of such a site. Proximity to the strategic road network is likely to be favourable from both a market and planning perspective. Public transport is likely to be limited compared to urban areas, particularly access to rail services. However, it is possible that bus networks could be extended or established to serve any such site.</p>	Negative
Public Transport Accessibility	Public transport accessibility will depend on the location of the site and the ability to extent existing bus networks or sustain a new facility.	Neutral
Impact on provision of affordable housing	<p>The Council's SPD on affordable housing provision expects that for a site of 15 dwellings or more (sites of 0.5 ha or more) 35% will be affordable. On provision of 2,000 homes on a new settlement this could result in the provision of 700 affordable homes.</p> <p>Clearly the precise level of contributions will depend on site specific negotiations.</p>	Positive
Fit with policy (RSS and current local policy) + fit with Canterbury vision	<p>This scenario would involve the allocation of a Greenfield site which is not preferable in terms of the overall strategic policy direction to make the best use of previously developed land.</p> <p>As with Option 4, subject to the other mix of uses included within the site, this scenario could also help to provide additional and sustainable employment opportunities thereby helping to achieve some of the aspirations in relation to the Canterbury Future's Study.</p>	Neutral
Other issues (e.g. need for supporting infrastructure)	<p>With this option there would be a need for on-site supporting infrastructure in order to create a mixed use sustainable settlement. This would be likely to include education, community, leisure and recreation and retail and employment opportunities. The scale of this would need to be ascertained through further detailed analysis of the existing capacity of such services and the likely need arising from a development of this scale.</p> <p>Public transport provision would be required to maximise the accessibility and sustainability of this scenario.</p> <p>Although it is not possible to determine the mix of housing that could be provided for, it is likely that this option could provide for a variety of sizes of units including both flatted and family housing.</p>	

- 3.5 In addition to considering each of the conceptual scenarios for the delivery of 2,000 additional homes, we have also considered growth beyond 2,000 additional homes in the context of the above options.
- 3.6 We believe a number of the options would not be suitable in terms of delivering growth beyond 2,000 dwellings because of capacity, site and/or sustainability constraints. These include the following:
- Option 1 Canterbury City Centre
 - Option 2 Regeneration Zones
 - Option 3 Within Canterbury Urban Area
 - Option 8 Villages around Canterbury.
- 3.7 In terms of the remaining options we have assessed, it is probable that these would have the capacity to accommodate dwellings beyond 2,000 and therefore could contribute to meeting any additional housing targets set by the RSS once adopted or indeed requirements for dwelling provision beyond the RSS period.
- 3.8 There are a number of general impacts of accommodating additional growth that will be common to each of the remaining options. These are summarised below:
- Depending on site(s) location there would be greater pressure on existing road networks and infrastructure as well as local amenity, services and facilities – this may impact on the sustainability of delivering a higher number of homes unless suitable mitigation measures can be sought. In particular the pressure on the existing road network may be affected by additional dwelling provision – the extent of this will be determined through the Transport modelling exercise that is currently underway for the district
 - There would be greater pressure on the need for on-site infrastructure to support the additional dwellings. Although individual or larger sites may benefit from economies of scale, the need for strategic infrastructure as well as supporting services (soft infrastructure) such as education and community uses to serve a larger population may impact on costs and ultimately economic viability
 - For options which involve single or large sites, there could be greater scope for including a broader mix of uses on site (including retail for example) with the additional population to support these services. Depending on these uses and the market appetite at any given time, this could help to drive values higher and thus enhance potential economic viability
 - For options which involve single or large sites, the phasing of delivery would need to be managed very carefully to avoid any over supply/flooding of the market
 - The delivery period would vary depending on the number of dwellings, but also on the Option. For example, Options which involve a single or large site(s) would be likely to have a longer delivery period than Option 7, which is dispersed across the district and would mean that a number of sites could come forward at the same time.
- 3.9 For any single site (new settlement/urban extension), we consider that c5,000 units is the minimum size whereby economies of scale for providing strategic infrastructure, particularly sustainable items, can be achieved. This is consistent with the minimum size threshold of an



eco-town. Below 5,000 units, it is less likely there will be sufficient critical mass to attract interest from a commercial company willing to invest in such infrastructure. Furthermore, it is highly likely that a scheme of this size will require significant public sector backing and support in order to demonstrate to the private sector there is demand and need for housing on this scale. This may require public sector funding to ensure the necessary strategic infrastructure can be delivered.



4. Summary Assessment and Conclusions

4.1 The table below provides a summary of the assessments of each of the development options against the relevant criteria.

	Market Considerations	Phasing/Delivery	Potential S106 contributions for transport	Sustainability	Public Transport Accessibility	Affordable Housing Provision	Fit with Policy
Option 1 Canterbury City Centre	Neutral	Negative	Neutral	Positive	Positive	Neutral	Positive
Option 2 Canterbury Regeneration Zones	Neutral	Neutral	Neutral	Positive	Positive	Positive	Positive
Option 3 Canterbury Urban area	Neutral	Positive	Neutral	Positive	Positive	Positive	Positive
Option 4 Adjoining Urban Area (1 site)	Positive	Positive	Positive	Neutral	Neutral	Positive	Neutral
Option 5 Adjoining Urban Area (3 sites)	Positive	Positive	Positive	Neutral	Neutral	Positive	Neutral
Option 6 Adjoining Urban Area (10 sites)	Neutral	Positive	Neutral	Negative	Negative	Positive	Neutral
Option 7 Dispersed across District	Positive	Positive	Neutral	Neutral	Neutral	Positive	Neutral
Option 8 Villages around Canterbury	Neutral	Neutral	Negative	Negative	Negative	Neutral	Negative
Option 9 Herne Bay and Whitstable	Positive	Positive	Neutral	Positive	Positive	Positive	Neutral
Option 10 New Settlement	Neutral	Positive	Neutral	Negative	Neutral	Positive	Neutral

- 4.2 It is clear that each of the options has relative pros and cons according to each of the criteria and there is no single option that clearly stands out above others as making the most positive contribution to all criteria. Thus, whilst this exercise was not intended to formally identify a preferred option for going forward, (this is will be completed through the formal evidenced based approach to preparing LDF documents) it has raised a number of issues and challenges for consideration that will help to shape and inform the process of identifying development options for the plan period.
- 4.3 Of particular importance in undertaking this work has been considering the market implications for each of the options, essentially to understand the likely contribution that each option could make to abnormal infrastructure costs in Canterbury. Importantly, this part of the exercise has avoided placing too much emphasis on current market conditions on the basis that the Council's plan period is likely to extent in to a period where the market may see a return to more stable conditions. To this end, each of the options has been assessed relatively to one another.
- 4.4 The reasoning behind our assessment of market considerations is set out in detail in the preceding section for each option. In summary, those options that we consider likely to have the potential to generate relatively higher residual values² and therefore potentially higher contributions to abnormal infrastructure costs are as follows:
- **Option 4 – Adjoining Urban Area (1 site)** – on the basis of potential uplift in land values, benefits from economies of scale, minimal site constraints/costs and ability to cater for broader range of occupier demand
 - **Option 5 – Adjoining Urban Area (3 sites)** – as above
 - **Option 9 – Herne Bay and Whitstable** – potential to generate premium residential values in this area and benefit from the coastal setting may generate higher residual values although this would clearly be dependent on specific sites that are identified and their relative constraints.
 - **Option 10 – New Settlement** – on the basis of potential uplift in land values, benefits from economies of scale, minimal site constraints/costs and ability to cater for broader range of occupier demand – this, however, would be dependent on whether there is sufficient critical mass to ensure that the necessary infrastructure can support the settlement
- 4.5 In addition, we consider that Option 7 may also have the potential to contribute to abnormal infrastructure costs on the basis of having the flexibility to cater for a broad range of occupier demand, and to favour sites in line with market demand. However, this would clearly depend on the location and nature of sites.
- 4.6 In the absence of undertaking detailed financial modelling work for each option, it is not possible to determine with any robustness which of these options is most likely to create higher residual values. Each will be dependent on a number of site specific factors, such as site constraints, site enabling costs and infrastructure requirements that would require a

² It should be noted that this exercise has not involved any financial viability modelling.



detailed understanding and analysis before the economic viability could be accurately determined.

- 4.7 We therefore suggest that the above options are considered alongside other criteria, including fit with sustainability objectives and policy objectives, together with evidence from forthcoming research, such as the SHLAA and Housing Market Assessment and of particular importance the transport modelling that is underway. Indeed, it may be that a combination of options would prove more favourable once all criteria have been considered against a further detailed evidence base.