



Reigate & Banstead Core Strategy

Housing Context Technical Paper

August 2011

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1. Introduction

1.1. This paper has been produced to accompany the Council's Core Strategy Outstanding Issues consultation (Autumn 2011). It summarises key aspects of the housing evidence base. It does not form part of the consultation but has been prepared as supporting information.

1.2. For more information about the issues covered in this paper, please contact the LDF Policy Team:

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2. The local policy context

2.1. The Core Strategy vision is set out in Box 1.

Box 1: The Core Strategy Vision

Reigate & Banstead will be one of the most desirable and attractive areas in the region. It will be a place where:

- People who live in, work in and visit the Borough enjoy the benefits of a prosperous economy
- Neighbourhoods are renewed, improved and supported by effective service, infrastructure and transport options
- The wellbeing of communities is supported by accessible health, leisure, education and information services
- People take personal responsibility, enjoy active, healthy and diverse lifestyles
- The environment, and green space, is maintained and enhanced for the future.

2.2. The Core Strategy also identifies three overarching themes, more detail about which is provided below.

Valued landscapes and natural environment

2.3. The four main urban areas in the Borough – based around the settlements of Banstead, Reigate, Redhill, and Horley – are surrounded by attractive countryside, much of which is recognised to be of landscape or biodiversity importance. The urban areas also contain important areas of open space. Together, these spaces and the wider countryside form a network of green spaces that are vital to the future health and quality of life of local people. The Core Strategy therefore puts protection and enhancement of valued landscapes, and the the natural environment, at its heart.

Valued townscapes

2.4. The four main towns in the Borough each have distinctive characters, and different capacities to accommodate new development. The Core Strategy recognises this, seeking to make best use of land within the urban areas, directing growth to those areas where it can best bring about positive change, and managing the levels and impacts of growth in the most sensitive locations. It recognises the importance of protecting and enhancing the character of the borough's urban areas and townscapes.

Valued people

- 2.5. Supporting and enhancing the quality of life of local residents is the third overarching theme. Within this theme, regeneration is a key aspect running throughout the Core Strategy and is also reflected in the Council's latest Corporate Plan (2011-15)¹.
- *Redhill* is the main town in the Borough. It has excellent transport links, but does not currently fulfil its potential to be a thriving town centre, a prominent commercial location and a competitive retail destination. The Core Strategy identifies Redhill as the main centre for physical regeneration in the Borough and an Area Action Plan is being developed to guide the regeneration of the town centre.
 - *Horley* town centre serves communities in the south of the Borough. With major new residential development in two new neighbourhoods underway (the North East and North West sectors), it is important that improved facilities and infrastructure are delivered to support and integrate the new communities in the coming years. The town centre should provide high quality commercial, retail, and community facilities to cater for the new population supported by residential development to secure Horley's future vitality and viability.
 - *Preston* is the focus for regeneration in the north of the Borough. Proposals include provision of new homes, improvements to the existing housing stock, the provision of new community facilities and environmental enhancements.
 - *Merstham Estate* has also been identified as a regeneration priority. Physical regeneration proposals in the Estate local centre include provision of new housing, a new community hub and public realm improvements.
- 2.6. Reflecting the vision and key themes outlined above, the Council has agreed a sequence for allocating land and directing new development (set out in Policy CS4). This is outlined in **Box 2**. The Core Strategy emphasises the need to make the most efficient use of previously developed land and buildings whilst respecting the character of urban areas.

Box 2: Sequence for allocating land and directing new development

The Council will allocate land and direct development into locations in the sequence set out below:

1. Priority locations for growth and regeneration (all of equal priority):
 - Redhill Town Centre
 - Horley Town Centre
 - Horley North East and North West sectors
 - Preston Regeneration Area
 - Merstham Regeneration Area
 - Other regeneration areas as identified by the Council and its partners.
2. Built up areas of Redhill, Reigate, Horley and Banstead:
 - (i) Town Centres first, then
 - (ii) Edge of centre locations within walking distance to town centres
3. Other sustainable sites in the existing urban area.
4. Sustainable urban extensions.

3. The national policy context

- 3.1. National policy sets the overarching planning framework which guides development of local planning documents. At the moment, national policy comprises a series of planning policy guidance notes (PPGs) and planning policy statements (PPSs). However, considerable changes are proposed for the national policy framework. This section is

¹ Available at: http://www.reigate-banstead.gov.uk/council_and_democracy/about_the_council/plans_and_policies/corporate_plan/index.asp

therefore written on the basis of the most up to date information (August 2011), however future Government announcements may supersede the information provided here.

The Localism Bill

- 3.2. The Localism Bill was published in December 2010 and is currently being considered by Parliament. It is anticipated that it will receive Royal Assent in November 2011. The Bill covers a wide range of topics, several of which are relevant to the preparation of local planning documents.
- 3.3. Abolition of Regional Strategies: The Localism Bill proposes the abolition of Regional Strategies (RS), which currently form part of the statutory development plan for local authorities. The Court of Appeal recently ruled that, for the time being, it would be unlawful for local authorities preparing development plan documents to have regard to the proposal to abolish the RS. However, in order to ensure that the Reigate & Banstead Core Strategy is robust we need to consider what our housing target might be in the absence of the RS.
- 3.4. Consultation on aspects of the Core Strategy that relate to housing is being carried out to ensure that residents and interested parties have the opportunity to comment on these amendments. If the Regional Strategy remains in place at the time the Core Strategy reaches examination, the Council may be required to demonstrate that the Core Strategy is in general conformity with the RS and how regional policies have been taken into account.
- 3.5. Neighbourhood planning: Another important aspect of the Localism Bill is the introduction of neighbourhood planning and neighbourhood plans. These will give local communities the chance to have a greater say over the design and location of new development in their local area, and the opportunity to promote more development than is set out in the local authority's planning policy documents.

The Plan for Growth

- 3.6. The Plan for Growth was published in March 2011, and outlines Government's plans to overhaul the planning system. It includes a number of proposals, many of which are included in the draft National Planning Policy Framework (see below). The Plan for Growth was accompanied by a ministerial statement from the Minister for Decentralisation, Rt Hon Greg Clark, setting out the expectation that local authorities should press ahead with the preparation of local development plans, be proactive in driving and supporting growth and make every effort to identify and meet the housing, business and other development needs of their areas.

The National Planning Policy Framework

- 3.7. The Government is currently consulting on a new National Planning Policy Framework (NPPF) to replace existing PPSs and PPGs.
- 3.8. A presumption in favour of sustainable development: An important 'thread' running through the draft NPPF is a presumption in favour of sustainable development. This means that local authorities should plan positively for new development to promote and encourage economic prosperity and approve all individual development proposals wherever possible, unless the adverse impacts of allowing development would significantly outweigh the benefits.
- 3.9. Housing: Specifically in relation to housing, the draft NPPF outlines that the Government's key housing objective is to increase significantly the delivery of new homes by increasing the supply of housing, delivering a wide choice of high quality homes, widening opportunities for home ownership and creating sustainable, inclusive and mixed communities. The NPPF states that plans should be prepared on the basis that objectively assessed development needs should be met, unless the adverse impacts of doing so would significantly and demonstrably outweigh the benefits.

Although the draft NPPF also makes it clear that local authorities should seek to protect and enhance the most significant environmental and heritage assets and maintain the Green Belt, to be in line with emerging national policy the Council will need to demonstrate it is taking a proactive approach to accommodating future housing growth.

4. Why do we need to provide new housing?

- 4.1. It is important that the Core Strategy sets a robust basis for delivering housing over the 15 year plan period.
- 4.2. Housing development in the Borough is inevitable, and having a clear policy framework will allow the Council to plan properly for future growth – for example, to ensure that it is located in the most sustainable locations, maximising the quality of life of existing and new residents, and – importantly - that the right infrastructure and services are provided to provide for that growth.
- 4.3. Without a clear policy framework, the Council may lose control over when and where development takes place (for example, developments may end up being allowed at appeal).
- 4.4. Providing new housing requires a number of competing priorities to be balanced.
 - It is important to consider the high level of need for housing in the borough. More homes will be needed in the future to provide for the needs of the local population – as people live longer and household size decreases.
 - It is also important to consider the needs of the economy. To achieve continued economic prosperity, more jobs will need to be created – providing local homes for these workers will help minimise levels of commuting and pressure on our roads and public transport.
 - At the same time, the natural and built environment must be protected from the negative impacts of development, and the quality of life of those living in the borough must be maintained and enhanced.
- 4.5. The rest of this paper considers the housing evidence base and proposed housing trajectory to deliver housing in the borough over the next 15 years.

5. The evidence base

- 5.1. As outlined above, providing new housing requires a number of competing priorities to be balanced. It is important that, in considering housing delivery issues, a range of evidence is taken into account. The Council's Planning Policy Team has been developing the Core Strategy evidence base, and this section summarises the findings of important pieces of housing-related evidence.
- 5.2. The Core Strategy evidence base will continue to be updated as the Core Strategy is finalised prior to submission to the Planning Inspectorate for examination.

Strategic Housing Market Assessment

- 5.3. The East Surrey Strategic Housing Market Assessment (SHMA)² includes an assessment of housing need and demand across the East Surrey area. In 2008, the SHMA concluded that:
 - The need for affordable housing in the Borough was 703 dwellings per annum.

² http://www.reigate-banstead.gov.uk/planning/planning_policies/local_development_framework/ldf_evidence_base/housingevidencebase/index.asp

- Demand for market housing in the Borough was 278 dwellings per annum (this being in addition to the affordable housing need identified).
- 5.4. The SHMA identified that delivery of housing to meet the total outstanding affordable need in East Surrey would be unachievable, however suggested that all possible means of increasing the scale of delivery should be considered. It suggested that consideration should be given to setting affordable housing targets of at least 40% of all suitable sites.
- 5.5. Work in support of the previous draft Core Strategy identified that around 175-180 affordable housing units could be delivered per year³. Further work will be undertaken to update the SHMA and assess the viability of the affordable housing targets within the Core Strategy taking into account recent changes to the way affordable housing is provided and update this policy taking into account the new affordable rent product. However at this stage it is considered unlikely that a policy seeking to deliver a higher percentage of affordable housing through the planning system would be considered robust given the need to take account of financial viability issues and funding streams.

Demographic projections

- 5.6. Demographic projections provide an indication of what the future population might look like based on past trends. They are not an assessment of housing need nor do they take account of future policies that may be introduced by national or local government.
- 5.7. The Government produces its own household projections based on population projections prepared by the Office for National Statistics.
- The latest 2008-based projections indicate that between 2013 and 2028, based on rolling forward migration trends from the past 5 years, there may be an additional 13,000 households in Reigate & Banstead.
 - In reality, the borough is likely to experience lower levels of growth than these latest projections suggest. Housing provision has been 'frontloaded' over the past 5 years as part of the New Growth Points initiative. This is a short term policy initiative and will not continue over the whole plan period - whereas the projections assume in-migration will continue at recent rates.
- 5.8. Balanced migration projections for the borough indicate that there could be an additional 6,600 households in the borough (2011-2026)⁴ – that is, as a result of the relatively high birth rate in the borough, people living longer and declining household sizes.

The needs of the economy

- 5.9. Economic forecasts indicate that on the basis of past economic trends there could be an additional 6830 jobs (full time equivalents) created in the borough between 2011 and 2026⁵, equating to around 450 jobs per year being created.
- 5.10. As with demographic projections, employment forecasts are based on an extrapolation of past employment growth trends. The needs of the economy, and delivering economic prosperity, are not only related to labour supply: ensuring a prosperous economy also means providing the type of environment within which businesses want to locate. For example:
- A recent business survey indicated that they were attracted to the Borough by a range of factors including its accessibility by road and public transport and the quality of premises/estates and the wider environment.
 - Work elsewhere in the country has identified clear economic benefits of high quality green infrastructure, including increased productivity and a healthier, more motivated workforce⁶.

³ Prior to recent changes in the affordable housing funding regime.

⁴ Cambridge Econometrics/Chelmer. These projections take the 2011 ONS Mid Year Estimates as a baseline.

⁵ Experian 2010

- 5.11. Securing economic prosperity in the Borough will require a range of measures, not only to protect the locational advantages offered by the Borough, but also to promote other ways of increasing productivity (often called 'smart growth'). These are addressed by the Core Strategy policy CS3 on 'Valued People'.
- 5.12. There is a complex pattern of commuting between Reigate & Banstead, London and adjoining boroughs. Some of the projected job growth may be filled by people living in the borough who are currently out of work, some by people who move into the borough to live and work here, and some by people who commute in. Given the complexities of commuting flows, it is difficult (and probably misleading) to try to draw a direct quantifiable link between forecast job increases and the demand for homes in the Borough: choices about where people live and work are rarely based around administrative boundaries. However, providing more choice and opportunity for people in terms of where they live and work, and balancing the provision of homes with the anticipated creation of jobs as far as possible, can have benefits – for example, helping to stabilise or reduce commuting levels thus minimising both congestion and carbon emissions (and resulting in an overall increase in the quality of life).

The need to improve affordability

- 5.13. Government guidance suggests that housing affordability should be a consideration in determining future housing provision levels. Government figures indicate average house prices are nearly 10 times the average income in the borough⁷. To stabilise affordability (let alone improve it) would require extremely high levels of house-building right across the greater south east region⁸. Given the constrained nature of the Borough, providing sufficient housing even to stabilise affordability is therefore unlikely to be a realistic aspiration. However, it will be important to ensure that both affordable housing and (as far as possible) market housing is of a type and size that reflects need and demand.

Community views

- 5.14. Consultation exercises (including workshops) undertaken on the original Core Strategy Issues and Options document (2005/6) provides a useful snapshot of some of the issues that local people consider important. In addition to this:
- The latest Reigate & Banstead Residents' Survey (2008) asked what local people felt were the most important contributors to quality of life
 - The Development Management and Site Allocation DPD issues and options consultation (2010/11) included a section on housing delivery.
- 5.15. The table below summarises some of the views expressed in relation to housing:

Table 1: Summary of views about housing provision

Source	Summary of views
Core Strategy Issues & Options consultation	<ul style="list-style-type: none"> • Need for more affordable housing. • Higher density housing appropriate in town centres but not generally in smaller towns/suburban areas: back gardens are not an appropriate location for new housing. • New housing should be sensitive to character of existing area. • Need to protect open spaces, landscape and greenbelt from development encroachment. • Traffic congestion is a significant problem.
Reigate & Banstead Residents'	<p>Important to quality of life:</p> <ul style="list-style-type: none"> • 33% identified parks and open spaces. • 28% identified access to nature.

⁶ For example, see <http://www.nwda.co.uk/PDF/EconomicValueofGreenInfrastructure.pdf>

⁷ Ratio of median house prices to median earnings, Communities and Local Government 2010.

⁸ For example the previous Government's National Housing and Planning Advice Unit estimated that across the south east housing provision levels of around 58,000dpa would be needed to stabilise affordability (compared to the regionally set housing target at the time of 32,700dpa).

Survey	<ul style="list-style-type: none"> • 25% identified affordable decent housing. • 21% identified level of traffic congestion. • 16% identified job prospects.
DMSA DPD Issues & Options consultation	<ul style="list-style-type: none"> • Importance of providing affordable housing. • Need for family homes. • Sustainable urban extensions should be considered as a back up. • Some back garden development may be appropriate in defined areas. • Densities need to reflect local character. • New infrastructure needed to support new housing development.

5.16. Many of the issues raised through these consultation exercises are relevant to our future policy approach to housing provision. It is clear that both protection of the environment and local character, and the provision of (affordable) housing to meet local needs are important to local people, and that planning policy needs to strike a balance between these objectives.

Strategic Housing Land Availability Assessment

5.17. Reigate & Banstead has a total area of around 12,900 hectares. 3,684 ha (29%) of the Borough is defined as 'urban'. Table 2 shows some of the constraints that exist in the Borough that limit where new development can take place.

Table 2: Constraints in Reigate & Banstead

Policy designation	Area (ha)	% of borough
Green Belt	8,888	69%
Rural surrounds of Horley	341	3%
Surrey Hills Area of Outstanding Natural Beauty	1,549	12%
Area of Great Landscape Value	4,740	37%
Special Area of Conservation	450	3%
Site of Special Scientific Interest	796	6%
Area at risk of flooding from rivers without defence	914	7%
Areas at risk from extent of extreme flooding	1,005	8%

Figures may not sum due to rounding and the overlap of policy designations in parts of the Borough.

5.18. As outlined in section 1, the agreed priority for focusing future development in the borough is on those areas identified as priority areas for growth and regeneration and by making the best use of previously developed land. Urban and brownfield land should therefore be prioritised before considering the development of greenfield sites – but it is also apparent that there is a limit to the amount of development that can be accommodated on previously developed land.

5.19. Through our Strategic Housing Land Availability Assessment (SHLAA)⁹ we have assessed what land may be available for housing development across Reigate & Banstead. Reflecting the overarching spatial strategy, the SHLAA focuses primarily on the previously developed and urban areas of the borough.

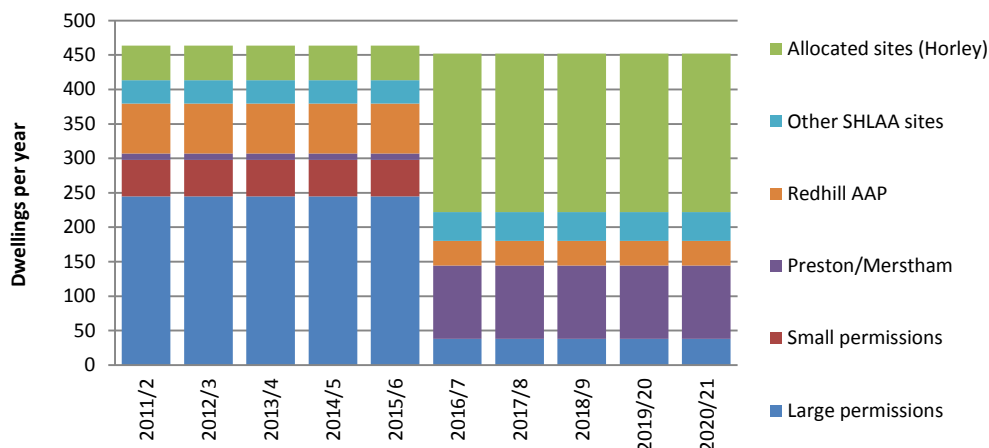
5.20. The SHLAA indicates that about 4,720 dwellings will be delivered on sites that either have planning permission¹⁰ or are available and developable over the plan period (an average of around 300 per year – the 'SHLAA baseline'). Graph 1 below shows the expected phasing of these sites over the first 10 years of the plan period and demonstrates that the Council has a five year supply of specific deliverable sites to meet

⁹ Available at: http://www.reigate-banstead.gov.uk/planning/planning_policies/local_development_framework/ldf_evidence_base/housingevidencebase/index.asp

¹⁰ Small site permissions have been discounted to 62% to reflect past delivery trends. Large site permissions have only been included where the developer/owner has indicated a clear intention to implement the permission.

the balance of the South East Plan housing requirement¹¹ and identified specific and developable sites for years 6-10.

Graph 1: Anticipated housing delivery, 2011-2021



- 5.21. Through the SHLAA process it is not required to identify sufficient specific sites for years 11-15. Emerging Government guidance is clear that local authorities should be proactive about identifying opportunities for development, with the aim of better addressing housing and economic needs. Reflecting this guidance, and the SHLAA process methodology, the Council has also looked at additional sources of housing supply that would enable additional homes to be provided to contribute to meeting local needs.
- 5.22. Through an analysis of 'broad locations' the SHLAA has, therefore, also considered what other sources of housing supply may be available in the latter stages of the Core Strategy. It should be noted that the purpose of this exercise has been to demonstrate how, through identified *sources* of supply (rather than specific locations), the Council can bring forward sufficient additional land for housing. Further work will be needed to identify the precise scale and location of additional housing and determine specific sites.

Residential intensification – trend based

- 5.23. It is often difficult for the Council to predict exactly when and where this type of development will come forward. An analysis of recent trends in planning permissions granted for residential intensification has been carried out to ascertain whether there is the capacity for this type of development to continue into the future. The annual average net delivery of developments between 5 and 24 units (between 2004-05 and 2010-11) has been 105 dwellings per year.
- 5.24. Locations where recent clusters of development/permissions have taken place and where further intensification is considered feasible were identified and characterised, and alternative development scenarios were applied. This exercise indicated that there is sufficient capacity to accommodate trend-based levels of intensification (ie 105dpa) in the remainder of the plan period (beyond 2021).

Residential intensification – accelerated

- 5.25. There may also be the chance to open up opportunities for accelerated levels of residential intensification through identified policy interventions. For the purposes of the broad locations exercise, the SHLAA considers what supply might be released through revising our policy approach to two types of land within the urban area: lower density areas and areas of open space.

¹¹ 10,000 total housing requirement minus 3,138 dwellings already delivered/15 year remainder of plan period = 457 dwellings per annum.

- 5.26. *Lower density areas*: The average housing density across the borough is 20 dwellings per hectare, however there are parts of the borough which are developed at a much lower density than this average. As a proxy for assessing the housing that could be provided in this 'broad location' an analysis has been undertaken of the implications of amending the Council's Residential Areas of Special Character policy to look more favourably on limited provision of flatted development in these areas, subject to appropriate design and parking policies. If this broad location is to be pursued it would require a change in RASC policy through the Development Management Policies DPD.
- 5.27. This exercise has indicated that - should 15% of the largest plots (with a 50% discount applied) across the 7 RASC areas come forward for development at 10dph (ie half the average borough density) – an additional 535 dwellings could be generated.
- 5.28. *Urban open space*: A key policy objective is to make the best use of urban land. There are areas of existing open space in the borough's urban areas that may have some development potential, however this needs to be balanced against the townscape, amenity and biodiversity value of these spaces. There are some undeveloped sites in the urban area that are not currently publically accessible or do not make a positive contribution to the local area – developing part of these sites could have a positive benefit by acting as a mechanism to open the remaining space up for public access or improve its quality.
- 5.29. As a proxy for assessing housing that could be provided in this 'broad location' a desk-based analysis has been undertaken of the implications of reviewing the Council's Urban Open Land (UOL) designation.
- 5.30. This has indicated that 80% of existing UOL sites would not be appropriate for housing development¹². Of the remaining 20% of UOL sites, a number are not currently publically accessible, therefore do not currently fulfil an amenity purpose. Should one quarter of this 20% of UOL sites come forward for development at 30 dwellings per hectare, an additional 180 dwellings could potentially be generated. If this broad location is to be pursued it would require a change in UOL policy through the Development Management Policies DPD, and a more detailed review of the current UOL designation would be required.

Flats above shops/businesses

- 5.31. In certain locations, it may be possible to convert the space above shops to flats. This is in line with emerging Government policy on making the best use of underused or vacant premises.
- 5.32. The Council's monitoring data indicates that in Banstead and Horley Town Centres¹³ there may be potential to generate a maximum of around 56 units; across the Borough Local Plan Local Shopping Centres and Areas for Small Business¹⁴ there may be potential to generate a maximum of around 86 units. It is unlikely that all these units would come forward, so a discount of 40% was applied, resulting in an estimated capacity for this broad location of around 55 units, which could be brought forward with appropriate policy and other intervention from the Council. There may be potential for a higher number of dwellings to be accommodated in this way, given the Government's proposals to relax the planning rules for change of use from office uses to residential.

Sustainable urban extensions

¹² Either being in active use, subject to environmental designation or other legal or policy protection, being wooded areas or otherwise incapable of being developed.

¹³ Potential capacity above shops in the borough's two main town centres - Redhill and Reigate - was not included as this space (mainly offices) makes a positive contribution to the borough's commercial stock within a sustainable town centre location.

¹⁴ Bell St/Bancroft Road ASB was excluded from this analysis as it is characterised by purpose built office accommodate which makes a positive contribution to the commercial stock within the borough. Lower Kingswood LSC was excluded from the analysis as the area does not have the type of buildings which would support residential uses on the upper floors.

- 5.33. The final 'broad location' that has been considered is one or more sustainable urban extensions - that is, sites that adjoin the existing urban area. Across most of the borough, the Green Belt abuts the urban area, and in many places, these areas are also subject to other landscape, environmental or policy constraints. The South East Plan identifies the potential for a small scale Green Belt review around the Redhill-Reigate hub.
- 5.34. For the purposes of the broad locations exercise, therefore, the SHLAA considers the potential for a sustainable urban extension to the south and east of the Redhill-Reigate urban area. The area to the north of Redhill and Reigate falls within the Area of Outstanding Natural Beauty, and is of predominantly hilly topography. It therefore has not been considered for the purposes of this exercise. The exercise undertaken has been based around sites outside the urban area that were put forward in the 2010 'call for sites' (indicating that sites are available for development).
- 5.35. Housing potential has been estimated on the basis of a 60% net developable area and with development at 50 dwellings per hectare: using these assumptions, it is estimated that around 1,330 new homes could be delivered.
- 5.36. It should be noted that this exercise does not constitute any decision by the Council to release Green Belt land or about the exact location of any potential Green Belt release or specific sites. A Green Belt Review will determine if and where any sustainable urban extension would be located. The review will particularly focus on those areas of the Green Belt which:
- Are located adjacent to urban areas.
 - Are within easy access of town centres/services
 - Are of poorer environmental quality and outside the most important or protected landscapes or nature conservation areas
 - Lie outside areas at risk of flooding
 - Do not fulfil an important Green Belt purpose (for example by preventing settlements from merging).

Table 3: Summary of SHLAA broad locations assessment

	<i>Potential capacity (2021-2026)</i>	<i>Potential capacity (2021-2027)</i>
SHLAA 'baseline' figure	142	170
Residential intensification – trend based	525*	630
Residential intensification - accelerated		
<i>Lower density areas</i>	446	535**
<i>Urban open space</i>	150	180**
Flats above shops	42	55**
Sustainable urban extensions	1,108	1,330**
Total	2,413	2,900
Average annual provision	483dpa	483dpa

* annual figure from SHLAA broad locations exercise

** total figure from SHLAA broad locations exercise

Table 4: Summary of SHLAA findings

	2011-2016	2016-2021	2021-2027	
Total dwellings	2,318	2,231	2,900	Total: 7,449
Annual average	464	446	483	Av: 466

- 5.37. The evidence of housing land supply therefore points to a housing range of around 466dpa, based on incorporating housing from a number of 'broad locations' that can generate additional capacity.

Summary

- 5.38. A housing range of 420-500dpa is being put forward for the purposes of consultation, the lower figure approximately equivalent to the SHLAA 'baseline' with an allowance for trend-based urban intensification over the plan period; the upper reflecting the figure in the South East Plan.
- 5.39. The Council has taken a proactive approach to identifying additional sources of housing potential to help contribute towards meeting housing need in the borough; however indications are that it would not be possible to fully meet housing need/demand without considerable urban intensification or greenfield development, which would have negative quality of life and environmental impacts. So whilst the housing range identified does not fully meet the level of housing need identified in the 2008 SHMA we consider it strikes an appropriate balance between the need to provide for the future housing needs of local people, the need to secure economic prosperity across the borough and the need to protect the valued natural and built environments that make Reigate & Banstead an attractive place to live and work with a high quality of life for local residents.

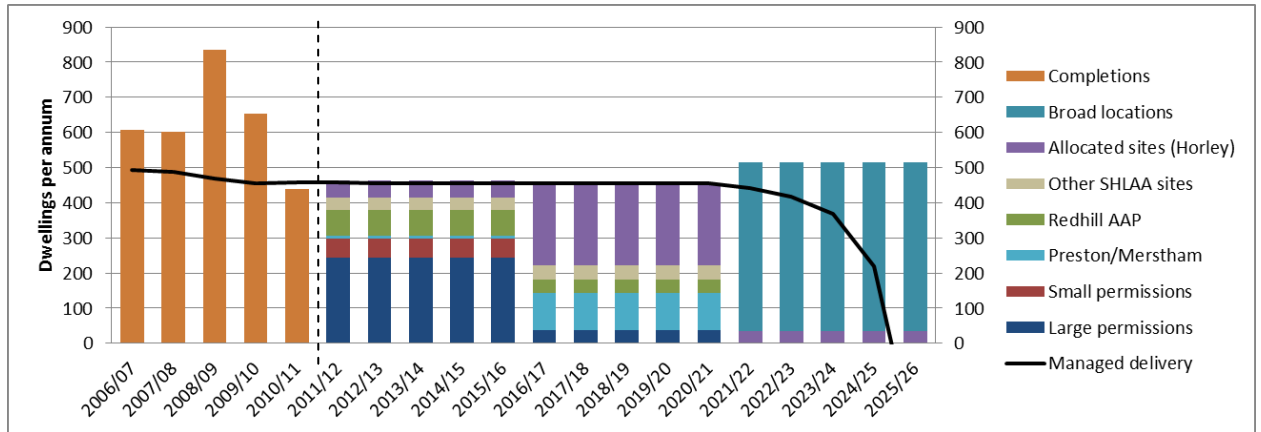
Financial incentives

- 5.40. Financial incentives are not currently a material consideration in the determination of planning applications. However, the Government is proposing through the Localism Bill that in the future financial considerations will be able to be taken into account.
- 5.41. One such financial incentive is the New Homes Bonus, which rewards local authorities that deliver additional homes with a payment per new home that is added to the Council Tax register. This has the potential to raise funds which could be put towards minimising the negative impacts of new growth (for example by helping to fund infrastructure improvements). However, the New Homes Bonus will largely be funded by redistributing a portion of existing Government grants paid to local authorities, meaning that for Reigate & Banstead to 'stay still' in terms of funding for essential services, a reasonable amount of housing will need to be delivered in future years.
- 5.42. Under the housing range outlined above (420-500 dwellings per year), the Council could collect a total of between £40m and £48m between 2011 and 2027 (on the basis of an estimated New Homes Bonus payment of £6000 per new home) which could help secure some of the important infrastructure needed to support new development.
- 5.43. The Council is also able to collect additional development contributions to help fund the provision of infrastructure and services to support new growth. Section 6 of this report provides more information about infrastructure considerations.

6. The housing trajectory

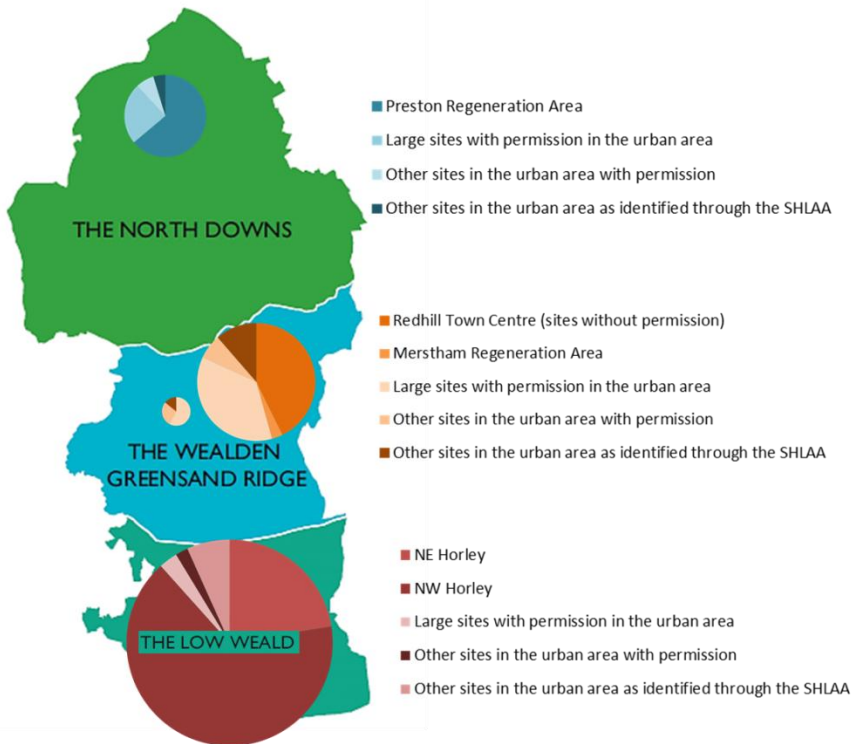
- 6.1. Section 4 introduces the findings of the Strategic Housing Land Availability Assessment. This section presents the Council's Housing Trajectory and demonstrates how growth will be distributed across the borough over the current plan period 2006-2026.
- 6.2. Graph 2 demonstrates the type of sites on which housing will be provided over the next 15 years.

Graph 2: Housing trajectory 2006-2026



6.3. Map 1 demonstrates how new housing will be distributed across the 3 borough areas over the first 10 years of the plan period (2011-2021). The focus in this period will be on making the best use of previously developed land, and on delivering regeneration priorities and new housing in the two Horley sectors.

Map 1: Scale and distribution of new housing 2011-2021



6.4. There is, though, a limit to the amount of development that can be accommodated on previously developed land, and beyond this period, greenfield development sites may need to be identified. It would not be appropriate to identify greenfield sites for development before 2021 as this could compromise regeneration initiatives and our focus on making the best use of previously developed land. Further work is needed to identify how housing delivered through one or more broad locations will be distributed across the borough - at this stage no specific locations or sites have been identified.

7. Sustainability and infrastructure issues

- 7.1. The provision of new housing over the next 15 years, along with other types of development, will have an impact on the way parts of the borough look and feel, and on the infrastructure and services that are needed to serve the population.
- 7.2. The Council has been undertaken two specific areas of work to understand in more detail the implications of new development

Sustainability issues

- 7.3. A Sustainability Appraisal has been undertaken on the document that will be consulted upon in Autumn 2011¹⁵. A further full Sustainability Appraisal report will be prepared to accompany the submission draft Core Strategy in early 2012.
- 7.4. Sustainability testing has also formed an integral part of our assessment of housing evidence. This has included:
 - An assessment of the relative sustainability merit of the 'broad locations' assessed through the SHLAA process.
 - An assessment of the relative sustainability merit of the range of housing provision implied by various different sources of evidence, including the SHMA, demographic projections and the SHLAA.
- 7.5. Annexes 1 and 2 summarise the findings of these sustainability testing exercises.

Infrastructure issues

- 7.6. It is important that, when planning for future growth, an assessment is made of the infrastructure and services required to support growth and maintain people's quality of life. An Infrastructure Delivery Plan (IDP) is therefore being prepared in support of the Core Strategy. A draft version is being consulted on as part of the Autumn 2011 Outstanding Issues consultation and will be updated regularly.
- 7.7. The IDP sets out:
 - Infrastructure schemes and why they are needed, included schemes to overcome current deficits and to meet the needs new residents.
 - Who is responsible for the scheme, how much it will cost and how it will be funded.
 - When it will need to be provided.
 - Risks to deliver and how these can be overcome.
- 7.8. The main ways that infrastructure will be funded and provided are:
 - By utilities providers, funded by customer revenues
 - By local authorities (RBBC/Surrey CC), funded by monies raised through Council Tax, sale of assets, and grants.
 - By developers, either directly or through financial contributions, currently section 106 payments, and in future to be collected through the Community Infrastructure Levy.
- 7.9. It is clear that there are a number of very important schemes that need to be provided to ensure expectations about service delivery are met, which will be prioritised through close working between the Council and service providers.

8. Risks and risk management

- 8.1. There are risks associated with future housing provision. This section briefly explores those risks and outlines how they can be managed.
- 8.2. Many of the risks associated with future housing provision are highlighted in the 'sustainability issues' summary above. Planning for a housing figure that fully reflects

¹⁵ Available at: http://www.reigate-banstead.gov.uk/planning/planning_policies/local_development_framework/coreexam/index.asp

identified need and demand would place extreme pressure on the natural environment and landscape in the borough. This level of housing applied over the plan period would compromise the quality of life of residents and the attractiveness of the borough, including to businesses and those considering investing here. In addition, if not carefully managed, these extremely high levels of housing growth would result in considerable amounts of pressure on the borough's infrastructure, which is already close to capacity.

- 8.3. Planning for a housing figure based on the capacity of known and suitable sites in the urban area would result in a different set of risks: there would remain a very high level of housing need, and such a low level of housing provision would have a negative impact on the borough's economy. Windfall development would be likely to continue without proper infrastructure planning, putting pressure on already stretched services. Additionally there would be risk of the Core Strategy being found unsound at examination, which could compromise the ability of the Council to plan for or phase development to meet wider aspirations. A balance therefore needs to be struck between providing housing to meet the needs of local people without compromising environmental quality.
- 8.4. The range of housing put forward for consultation has been derived from the evidence available and through sustainability testing. It strikes a balance between the need to provide housing and the responsibilities of the Council to protect the environment and quality of life for residents. In proposing a proactive approach to housing provision in identified 'broad locations' in the longer term, the Council's preferred housing range goes beyond the level anticipated from specific sites within the urban area to help meet local housing needs and the needs of the economy. The sustainability testing has also flagged up how the impacts of new housing can be minimised through policy interventions, ensuring that development is provided in a sustainable way.

Managing housing supply

- 8.5. It is important that the Core Strategy provides the appropriate mechanisms to properly manage housing supply in the borough over the next 15 years.
- 8.6. As outlined above, the focus over the next 10 years will be making the best use of the urban areas within the borough, completing planned development in areas identified for growth (Horley North East and North West Sectors), and focusing on the regeneration of other priority areas.
- 8.7. Regular monitoring of the levels and locations of permissions for new housing and of housing completions will continue to be undertaken by the Council, and the annual housing trajectory will be prepared detailing how the future housing supply will be phased and managed. The monitoring of windfall development (where this is permitted) will be particularly important: whilst the Council is not formally able to factor this into the future housing trajectory, it is likely to make a key contribution to future housing supply in Reigate & Banstead.
- 8.8. Further work will be undertaken by the Council to assess specific site options for development in the longer term. As outlined in Section 4, this work will include consideration of opportunities for sustainable urban extensions (largely Green Belt sites adjoining the urban area in the most sustainable locations).
- 8.9. The Council is clear that sustainable urban extensions will only be allocated for housing should it become clear that there are insufficient sites within the urban area and if windfall developments do not come forward at historic rates. The Core Strategy will include measures to ensure that the release of urban extension sites is properly managed, including trigger points and mechanisms for policy reviews. The work outlined above will ensure the identification of possible sites for sustainable urban extensions, but these will be safeguarded and planning applications coming forward before trigger points are reached will be refused on the grounds of prematurity.

Annex 1: Sustainability assessment of different ‘broad locations’

Broad location	Sustainability testing conclusions
Lower density areas	<p>This broad location would focus development into existing residential areas with existing infrastructure and could help reduce the need to build on greenfield land. If this broad location is chosen, policies should be used to focus accelerated residential intensification in accessible locations.</p> <p>Without policies to manage design and secure appropriate mitigation this broad location could have a negative impact on local character and result in the loss of some open space and greening.</p>
Flats above shops	<p>This broad location could have a positive impact by reducing pressure for development on greenfield land. Flats above shops will have good accessibility to services and facilities, helping to reduce congestion – there will be positive benefits from increased surveillance.</p> <p>There will be a limited supply of this kind of development – measures may need to be retrofitted to increase energy efficiency and minimise noise disturbance.</p>
Urban open space	<p>Building indiscriminately on urban open space may disproportionately impact on the poorest in the borough who have limited access to the countryside or private gardens. It may result in the loss of sites which fulfil green infrastructure functions such as biodiversity, flood mitigation, climate change mitigation, access and sport.</p> <p>However, housing development could be used as a means of opening up parts of currently inaccessible sites for public access in areas where there is a deficit of open space; or to fund improvements to otherwise poor quality spaces.</p> <p>To minimise the potential negative impacts, local assessment should be made of UOLs before they are released for development. Sites should be protected in areas of open space deficit, and should only be released where there is above average provision of open space or private gardens or where partial development of a site would make a positive impact on the quality or quantity of open space in a locality. Sites that fulfil a ‘green corridor’ function should be protected, as should publically owned and accessible sites in areas of relative deprivation. Climate change mitigation measures should be designed into new development.</p>
Sustainable urban extensions	<p>The most accessible locations should be sought and sequential testing will be needed to ensure areas of high environmental value or flood risk are not developed. The scale of development should be given careful consideration to maximise potential for supporting infrastructure and renewable energy provision.</p> <p>Negative impacts may result from the loss of soil quantity and quality. Design measures will be important to minimise disturbance to the landscape, and biodiversity and habitat corridors would need to be protected and/or enhanced.</p> <p>This broad location has benefits in terms of helping provide an increased level of housing and new workers and consumers; however there should be a carefully worded policy to ensure that the focus is initially on making the best use of previously developed land, and that the release of Green Belt is only triggered when the supply of PDL and regeneration opportunities have been exhausted.</p>

Annex 2: Sustainability assessment of different housing levels

Housing evidence	Sustainability testing conclusions
SHLAA baseline (300dpa)	<p><u>Social:</u> Negative in that it fails to meet housing need and may therefore compromise the future health and wellbeing of those currently in inappropriate accommodation or result in continued poverty/social exclusion.</p> <p><u>Economic:</u> Will not be sufficient to accommodate labour force to fill future local jobs, therefore may result in increased in-commuting or compromise the future economic prosperity of the borough.</p> <p><u>Environmental:</u> Likely to have the least impact on biodiversity, landscape and historic environment assets. Would minimise the possibility of pollution and the additional generation of greenhouse gases</p> <p><u>Infrastructure:</u> Likely to place least pressure on infrastructure and services. Development likely to be accommodated within the urban area and should minimise the increase in road travel, however incremental development can make it difficult to secure delivery of new infrastructure</p>
SHLAA baseline + broad locations (420-466)	<p><u>Social:</u> Goes some way towards meeting housing need however will still have a negative impact on those currently in inappropriate accommodation.</p> <p><u>Economic:</u> Will make positive contribution in terms of new homes for the local labour force, and have positive benefits through increased consumer demand. However may lead to some increased in-commuting to the borough, particularly if employment growth is greater than forecast.</p> <p><u>Environmental:</u> May have some negative impact on biodiversity, landscape and historic environment assets: these could be minimised through policy to influence location and design. Likely to result in some additional greenhouse gases being generated, however less than at higher levels of growth.</p> <p><u>Infrastructure:</u> Will have less of an impact on infrastructure than higher levels of growth. Planned larger scale development opportunities may make delivery of new infrastructure and services more viable.</p>
South East Plan (500dpa)	<p><i>Detailed sustainability appraisal was undertaken previously to test the 500dpa. On the basis of previous SHLAA findings, it was undertaken on the basis that 500dpa could be delivered without the release of Green Belt land, however more recent evidence indicates this is unlikely to be possible.</i></p> <p><u>Social:</u> Goes some way further towards meeting housing need however will still have a negative impact on those currently in inappropriate accommodation.</p> <p><u>Economic:</u> Will make positive contribution in terms of new homes for the local labour force, and have positive benefits through increased consumer demand.</p> <p><u>Environmental:</u> May have some negative impact on biodiversity, landscape and historic environment assets: these could be minimised through policy to influence location and design. Likely to result in some additional greenhouse gases being generated, however less than at higher levels of growth.</p> <p><u>Infrastructure:</u> Will have less of an impact on infrastructure than higher levels of growth. Planned larger scale development opportunities may make delivery of new infrastructure and services more viable.</p>
Past completions (625dpa)	<p><i>Sustainability appraisal testing was undertaken previously to test a total of 12,500 dwellings over 20 years (equivalent to 625dpa). On the basis of previous SHLAA findings, it was undertaken on the basis that 625dpa could be delivered without the release of Green Belt land, however more recent evidence indicates this is unlikely to be possible.</i></p> <p><u>Social:</u> Goes further towards meeting housing need however will still have a negative impact on those currently in inappropriate accommodation.</p> <p><u>Economic:</u> Will make positive contribution in terms of new homes for the local labour force and have positive benefits through increased consumer demand.</p> <p><u>Environmental:</u> Likely to have greater negative impact on biodiversity, landscape and historic environment assets than at lower levels of growth although this could be minimised through policy to influence location and design. Likely to result in additional greenhouse gases being generated.</p> <p><u>Infrastructure:</u> Likely to result in increased traffic on the roads and pressure on services. Development at a larger scale may make delivery of new infrastructure and services more viable.</p>
Long term migration	<p><u>Social:</u> Positive benefit as this goes further towards meeting housing need.</p>

trends (775dpa)	<p><u>Economic:</u> positive benefit through increased consumer demand, and providing local labour force, however may result in increased out-commuting.</p> <p><u>Environmental:</u> Likely to have greater negative impact on biodiversity, landscape and historic environment assets than at lower levels of growth although this could be minimised through policy to influence location and design. Likely to result in additional greenhouse gases being generated.</p> <p><u>Infrastructure:</u> Likely to result in increased traffic on the roads and pressure on services. Development at a larger scale may make delivery of new infrastructure and services more viable.</p>
SHMA (940dpa)	<p><u>Social:</u> positive benefit in terms of meeting housing need, and improving the health and well-being – and reducing poverty and social exclusion – amongst those in inappropriate housing.</p> <p><u>Economic:</u> positive benefit through increased consumer demand, and providing local labour force, however may result in increased out-commuting.</p> <p><u>Environmental:</u> Likely to result in increased pressure on biodiversity, landscape and historic environment assets; without appropriate safeguards may result in increased pollution and/or flooding. Likely to result in an overall increase in greenhouse gases, however development at a larger scale may make energy efficiency measures more viable.</p> <p><u>Infrastructure:</u> Likely to result in increased traffic on the roads and pressure on services. Development at a larger scale may make delivery of new infrastructure and services more viable.</p>