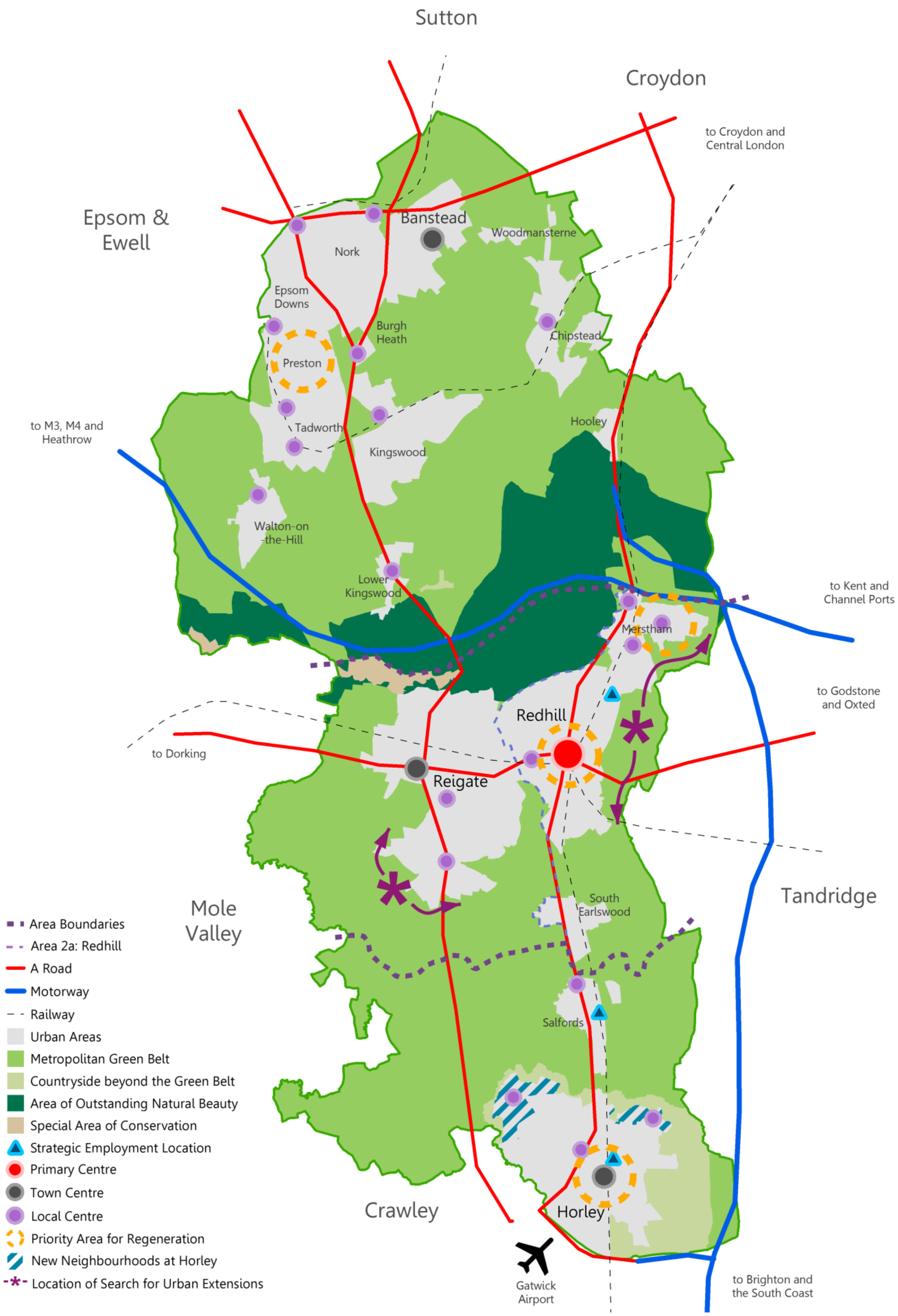
Housing Delivery Monitor

Including Five Year Land Supply
Position at 31 March 2016

Reigate & Banstead
BOROUGH COUNCIL
Banstead | Horley | Redhill | Reigate


Sutton
Croydon
to Croydon and Central London
Epsom & Ewell
Banstead
Woodmansterne
Nork
Epsom Downs
Burgh Heath
Chipstead
Preston
to M3, M4 and Heathrow
Tadworth
Kingswood
Hooley
Walton-on-the-Hill
Lower Kingswood
to Kent and Channel Ports
Merstham
to Godstone and Oxted
Redhill
to Dorking
Reigate
Mole Valley
Tandridge
South Earlswood
Salfords
Crawley
Horley
Gatwick Airport
to Brighton and the South Coast
Area Boundaries
Area 2a: Redhill
A Road
Motorway
Railway
Urban Areas
Metropolitan Green Belt
Countryside beyond the Green Belt
Area of Outstanding Natural Beauty
Special Area of Conservation
Strategic Employment Location
Primary Centre
Town Centre
Local Centre
Priority Area for Regeneration
New Neighbourhoods at Horley
Location of Search for Urban Extensions

Housing Delivery Monitor

Position at End March 2016

Contents

Please Note:

The information contained within this monitor details housing completions and outstanding permissions within Reigate & Banstead during the period 1 April 2015 to 31 March 2016. The housing trajectory and five year land supply is compiled using monitoring data at 31 March 2016 and information obtained from a 2016 update of the Strategic Housing Land Availability Assessment.

While every care has been taken to ensure that the information in this monitor is accurate, the Borough Council accepts no responsibility for any errors or omissions. We would be grateful if our attention was drawn to any inaccuracies so that they might be corrected. Similarly, any suggestions that would make the information more useful would be gratefully received.

Introduction

This monitor provides information on the general housing market and the current amount, type and location of housing commitments and completions in the borough. Its purpose is to:

- Provide data and analysis on the national and local housing market
- Monitor and analyse the characteristics of housing supply including density, location and type of housing and car parking provision against the relevant policies
- Provide the base data for the evaluation of Local Plan and Core Strategy policies
- Set out the borough's housing trajectory and 5 year deliverable land supply position

Future Policy Developments

The Borough Local Plan 2005 is in the process of being replaced by new local planning documents. The Core Strategy detailing how much growth will take place until 2027 and subsequently the overarching strategic approach for delivering new homes in the borough was formally adopted in July 2014. The Development Management Plan containing detailed policies and housing allocations is currently being prepared.

Relevant Emerging Core Strategy Policies and Indicators

Policy	Monitoring Indicator
CS10	% of new residential dwellings built on previously developed land. Target – at least 50%.
CS13	At least 6,900 additional dwellings between 2012 and 2027.
CS14	Type and size of unit completed compared to SHMA recommendations. Appropriate mix of dwellings in line with housing need, site size & characteristic.
CS15	A minimum of 1,500 gross new units of affordable housing between 2012 and 2027. 30% of affordable housing secured on permissions for developments of 15+ net additional units. Financial contribution equivalent to % of affordable housing for developments of 1-9 and 10-14 units.
CS17	% of residential dwellings built within 15 minutes of a public transport stop. Target – at least 80%.

The Core Strategy is available on the Council's web site:

www.reigate-banstead.gov.uk/corestrategy

Geographical Information

The monitor relates to the Borough's four main settlement areas:

- **Area 1 - Banstead**
- **Area 2a - Redhill** – including Merstham and Earlswood & Whitebushes
- **Area 2b - Reigate** – including South Park, Woodhatch and Meadvale
- **Area 3 - Horley** – including Salfords & Sidlow

Key Messages

UK Trends

Halifax report a 10.1% increase in the average house in 2015/16 which compares to a more modest 5.1% increase (2014/15). This significant increase is due to:

- Demand at an all time high: Rightmove reported their busiest month in March 2016
- Increased number of mortgage approvals: the Bank of England reported a significant increase
- Government measures including the introduction of first time buyer ISAs, the introduction of starter homes and improvements to Help to Buy schemes
- Government reforms: In the Autumn Statement the Chancellor introduced a 3% stamp duty surcharge for buy-to-let investors. Nationwide report that this has led to an increased demand for buy-to-let properties before the introduction of the surcharge.

Over the last twelve months, Land Registry data shows all regions to have seen an increase in property prices, the East, South East, London and South West saw the greatest increases.

In terms of transaction volumes, over the last twelve months the Royal Institute for Chartered Surveyors observes the greatest number of transactions in the North East, Wales, Scotland and Northern Ireland.

The Department for Communities and Local Government report a significant 12% increase in the number of properties completed within 2015/16 (139,690 compared to 124,490 in 2014/15) and a modest 2% increase in the number of dwellings under construction (137,740 to 139,680).

Borough Key Messages

- **House Prices:** Land Registry reports that within 2015 average house prices within Reigate & Banstead saw a 10% increase (from £404,000 to £447,000). They note that whilst all types of properties saw an increase, flats saw the greatest increase (15%), followed by semi-detached properties (11%), detached (6%) and terraced (6%).
- **Affordability:** Affordability ratio has worsened from 13.0 to 13.5. This is due to a much larger increase in house prices (£43,000) compared to wages (£1,997).
- **Sales:** Within the last twelve months there has been a 34% fall in the number of transactions (from 2,661 to 1,768).
- **Housing Delivery:** Core Strategy Policy CS13 plans for 6,900 new homes to be delivered between 2012 and 2027, this equates to an annual average of 460 additional dwellings. At least 5,800 of these additional dwellings will come from the existing urban area, whilst the remainder will be from sustainable broad locations set out in Core Strategy Policy CS8.
- **Completions:** Within the last twelve months 535 net additional dwellings were completed, this is an increase from 420 within 2014/15.
- **Previously Developed Land (PDL):** Within the last twelve months 79% of completed properties were built on previously developed land, this is above the 50% target set out in Core Strategy Policy CS10.
- **New Permissions:** Within the past twelve months 103 planning applications were granted planning permission, equating to 664 gross dwellings and 597 net dwellings.

Housing Market

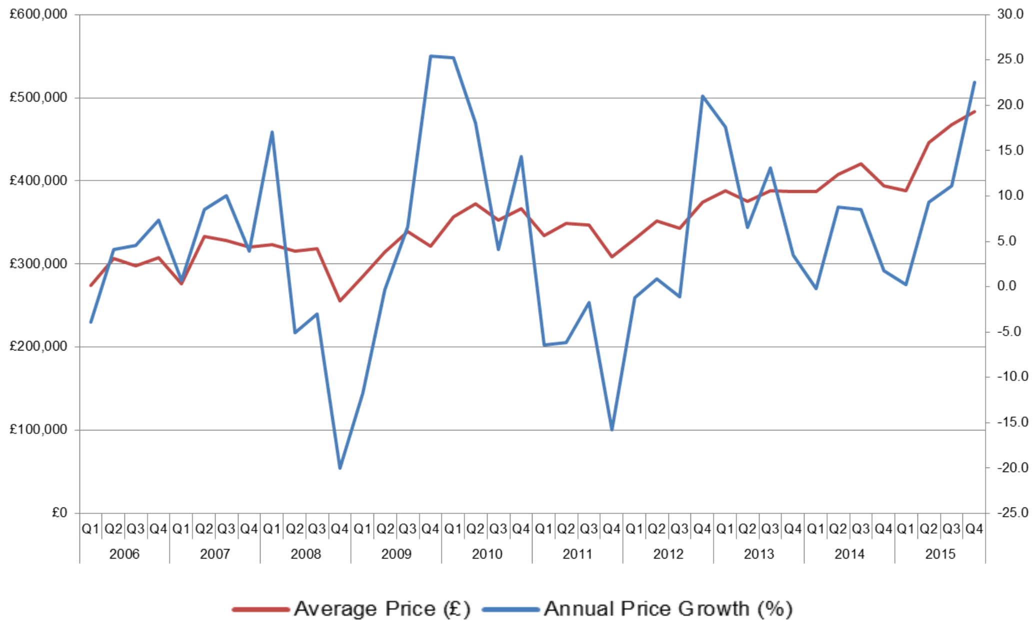
Average House Prices

Average house prices can be particularly sensitive to the mix and type of homes sold, which can be influenced by local housing developments.

Within the last twelve months, Land Registry report that average house prices within the borough have increased from £404,000 to £447,000. This 10% increase is in line with national trends reported by Halifax.

Figure 1 shows that despite an overall increase in the average house price for the borough since 2006 there have been fluctuations, most noticeably a sharp drop in 2008 at the height of the economic recession.

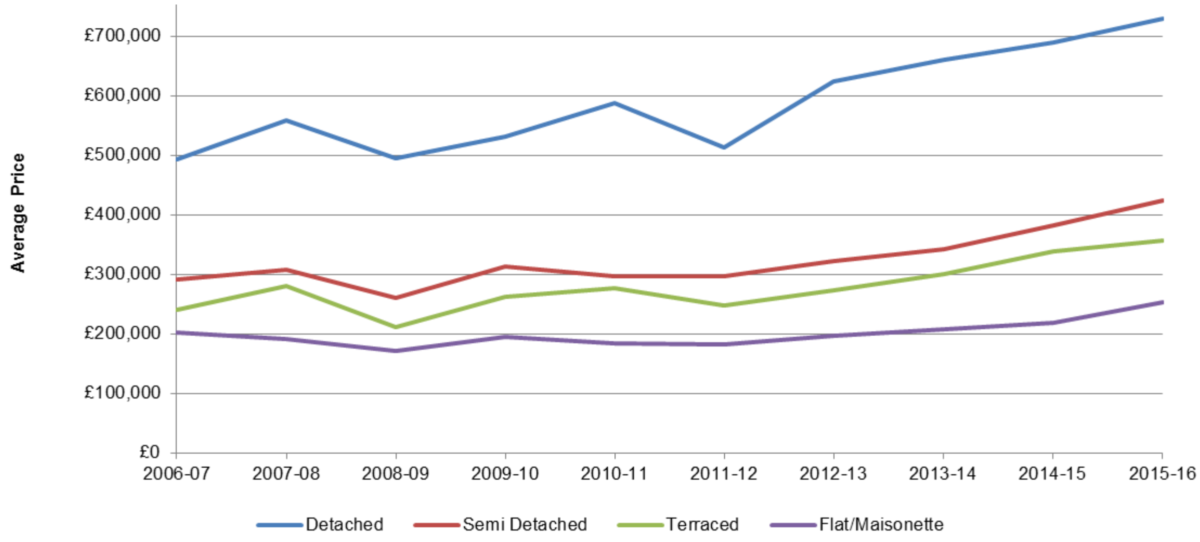
Figure 1 Average House Price 2006-2016



Price Breakdown by Dwelling Type

Figure 2 shows an increase in the average house price for all types of properties within the last twelve months. Flats saw the largest increase (15% to £252,000) followed by semi-detached properties (11% to £423,364). Detached and terraced properties both saw 6% increases (to £730,106 and £356,724).

Figure 2 Dwelling Type Price Trend 2006 – 2015

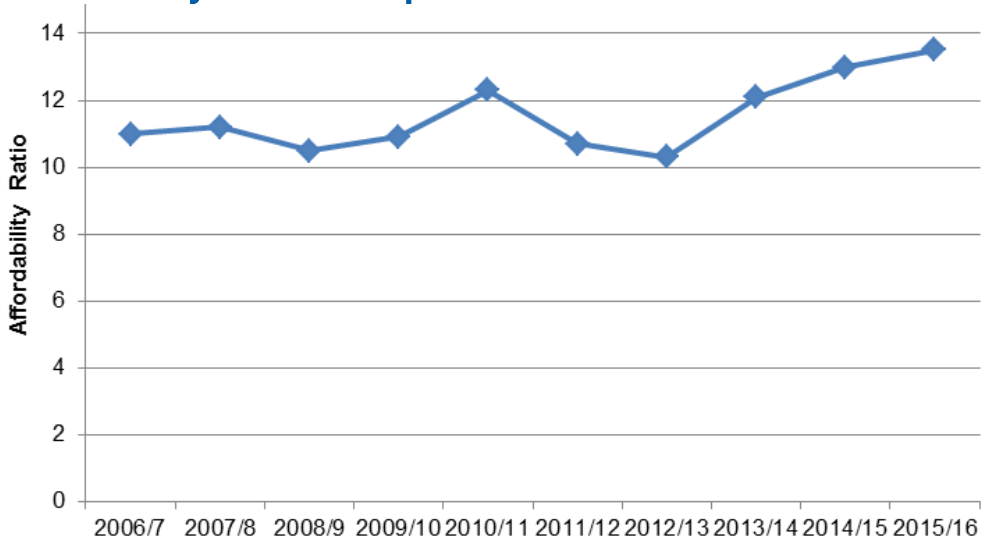


Affordability

Market affordability is recognised as one of the most significant challenges facing the housing market and one that has intensified over the past couple of decades. Specifically within the last twelve months affordability has worsened (13.0 to 13.5).

Figure 3 shows that since 2006 the affordability ratio for Reigate and Banstead has increased from 11.1 to 13.5. Reflecting the wider economic picture between 2009/10 and 2012/13 it fell, but has since started to increase.

Figure 3 Affordability Ratio Comparison 2006 – 2016



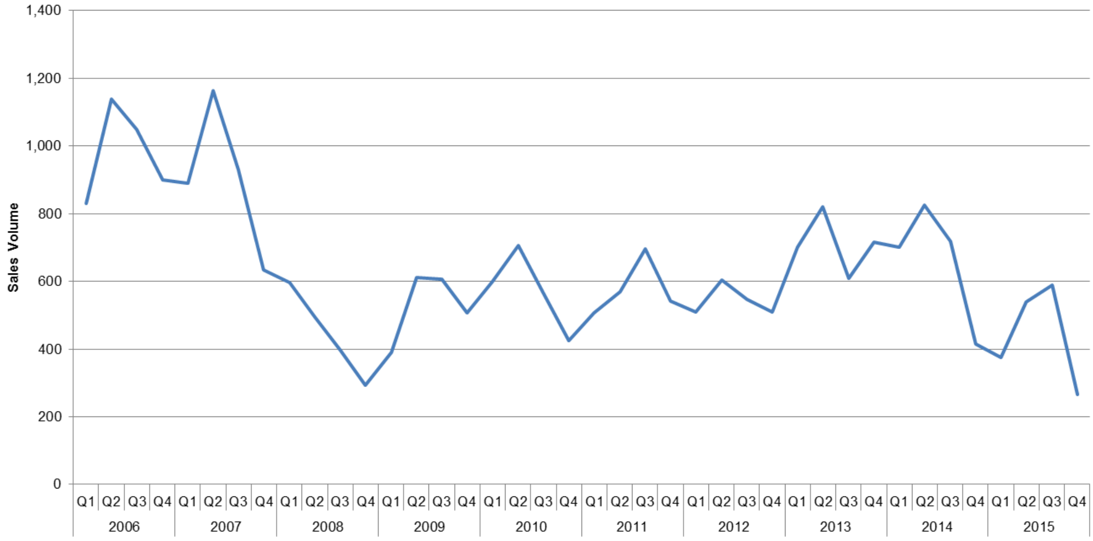
Transaction Volumes

Figure 4 shows fluctuation in the annual transaction volume between 2006 and 2016. In particular it shows a much higher number of transactions between 2006 and 2007 before the financial crisis.

There has been a 34% fall in the number of transactions within the last twelve months in the borough (from 2,661 to 1,768).

Interestingly quarter 4 saw the lowest transaction volume since 2006 (266); nationally the Royal Institute for Chartered Surveyors, the Centre for Economics and Business Research and others report this quarter to be very busy due to the increased demand for buy-to-let properties before the introduction of the 3% surcharge.

Figure 4 Quarterly Sales Volume Trend 2006 – 2016



Summary of Housing Delivery

Figure 5 Summary of Housing Completions

1 April 2015 to 31 March 2016		Area 1 - Banstead Small Sites	Area 1 - Banstead Large Sites	Area 2a - Redhill Small Sites	Area 2a - Redhill Large Sites	Area 2b - Reigate Small Sites	Area 2b - Reigate Large Sites	Area 3 - Horley Small sites	Area 3 - Horley Large Sites	Total
Completions	New Build	103	61	17	66	30	11	23	119	430
	Change of Use	4	0	24	0	23	0	22	74	147
	Conversions	1	0	4	0	1	0	4	0	10
	Total Completions	**108**	**61**	**45**	**66**	**54**	**11**	**49**	**193**	**587**
Losses	Demolitions	19	5	1	4	2	0	4	10	45
	Changes of Use	1	0	1	0	3	0	0	0	5
	No. of Units Before Conversion	0	0	2	0	0	0	0	0	2
	Total Losses	**20**	**5**	**4**	**4**	**5**	**0**	**4**	**10**	**52**
Total Net Gain		**88**	**56**	**41**	**62**	**49**	**11**	**45**	**183**	**535**

1 April 2012 to 31 March 2016 (Plan Period)	Area 1- Banstead	Area 2a – Redhill	Area 2b – Reigate	Area 3 - Horley	Total
Large Site Gross Completions	259	271	112	736	1378
Large Site Losses	25	16	18	14	73
Large Site Net Gain	234	255	94	722	**1305**
Small Site Gross Completions	265	133	152	83	633
Small Site Losses	57	16	3	6	82
Small Site Net Gain	208	117	149	77	**551**
Gross Completions	524	404	264	819	2011
Losses	82	32	21	20	155
Total Net Gain	**442**	**372**	**243**	**799**	**1856**

Delivery Trends

Overall Completion Rates in the last 5 years (2011-2016)

Net completions for 2015/16 stand at 535, this is a 27% increase in the number delivered in the previous financial year (420) and is the highest number recorded since 2009 (836).

This significant increase is in part due to an increase in the number of dwellings completed under office to residential permitted development rights introduced in 2013 (1 dwelling completed in 2013/14, 20 dwellings completed 2014/15 and 152 dwellings completed in 2015/16) and in part reflects the upturn in the economy (i.e. increased number of mortgage approvals etc.).

Figure 6 Net Completion Trend 2011-2016

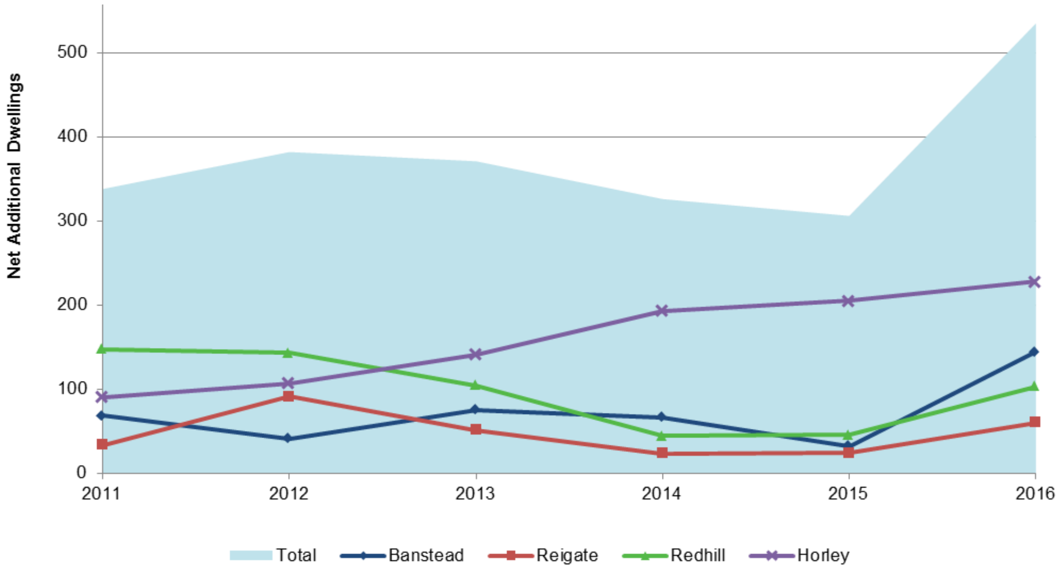
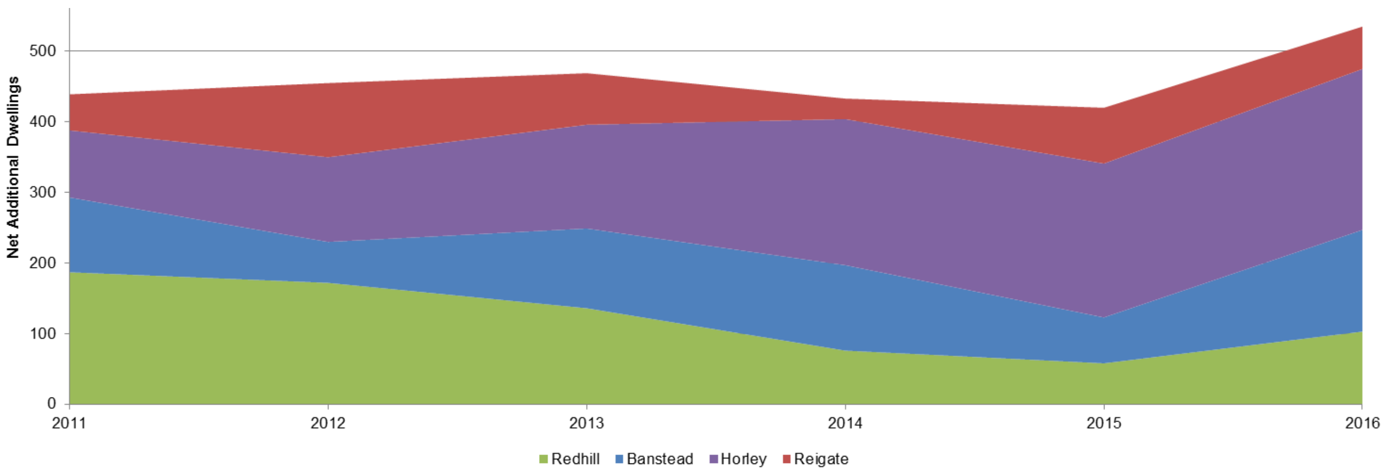


Figure 7 shows the spatial distribution of net additional dwellings since 2011; it shows that the majority of net additional dwellings have been completed within Horley (Area 3) and Redhill (Area 2a) (37% and 27% respectively).

Within the last twelve months, Horley once again had the largest proportion of net completions (43%) predominantly due to the continued development of the North East Sector. This is followed by Banstead (27%), Redhill (19%) and Reigate (11%).

Figure 7 Area Contribution to Total Net Completions 2011 – 2016

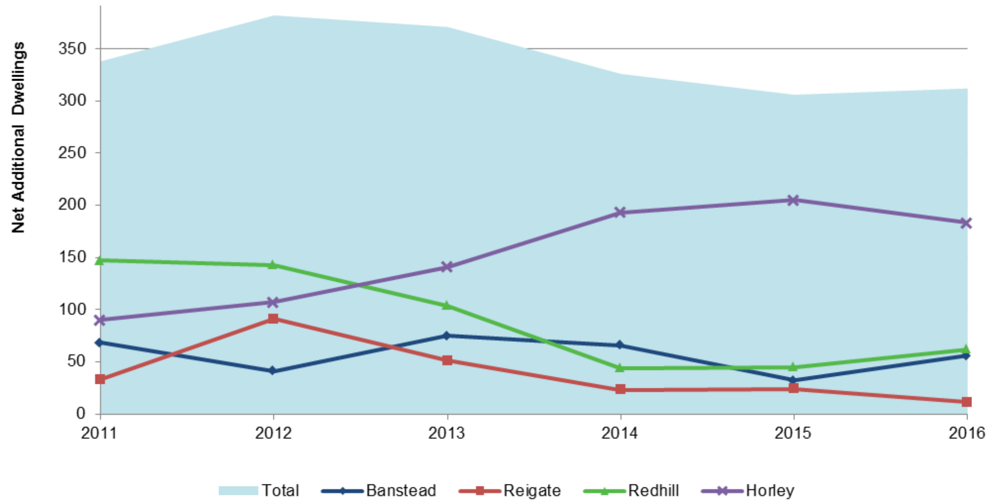


Large Site Completion Rates

Figure 8 shows that since 2011, despite fluctuation in the number of dwellings completed on sites of over 10 units, there has been a general decline in large site completions over the past few years. Within the last twelve months this decline has continued; in 2015/16 58% of completions were on large sites, this compares to 73% in 2014/15.

Within the last twelve months there has been some change to net completions on large sites across the borough's four areas: Banstead (Area 1) has seen the greatest increase (38%), followed by Redhill (9%). Horley has seen a 31% fall and Reigate a 75% fall.

Figure 8 Large Site Net Completion Trend 2011 - 2016

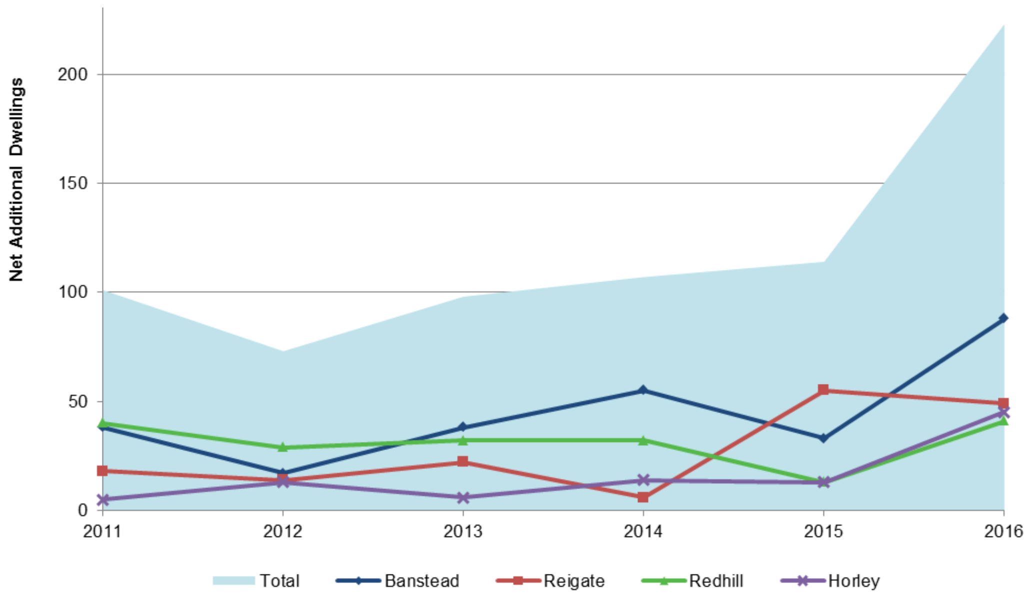


Small Site Completion Rates

Conversely, figure 9 shows that since 2011/12 there has been a significant increase in the number of dwellings completed on sites with less than 10 units (27% in 2014/15 to 42% in 2015/16).

Figure 9 shows Redhill and Horley seeing the greatest increase in the number of dwellings completed on sites of less than 10 units (167% each) followed by Banstead (100%). Reigate conversely saw a 31% fall.

Figure 9 Small Site Net Completion Trend 2011 – 2016



Completion Characteristics

Sources of Supply – Previous Land Use (PDL)

Core Strategy Policy CS10 prioritises the use of PDL in order to promote the efficient and sustainable use of land. 79% of dwellings completed within the last twelve months were built on PDL – this is significantly above the Core Strategy monitoring target of 50%.

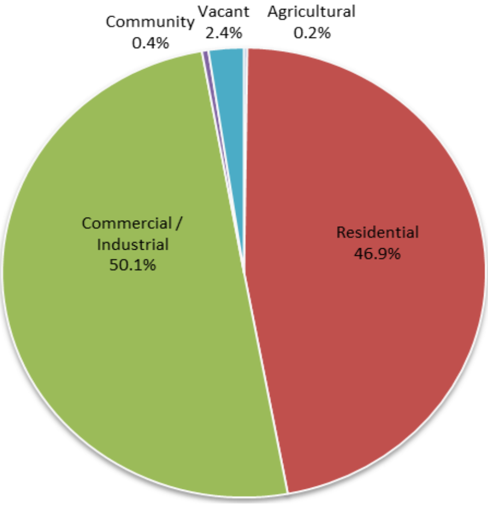
Within the last twelve months there has been an increase in the percentage of dwellings built on PDL (69% to 79%). This increase is in part due to the Horley North East Sector representing a smaller number of completions (11% compared to 24%) and in part due to an increase in the proportion of office to residential developments (5% to 25%).

Figure 10 Previously Developed Land

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Dwellings on PDL	394	429	627	617	614	836	632	425	381	408	216	312	465
% on PDL	96.7	87.6	99.4	98.9	99.4	99.9	83.9	87.1	77.4	80.3	46.7	68.9	79.2

Figure 11 shows over half of the completions on PDL were on previously commercial/ industrial land and a further 47% on previously residential land.

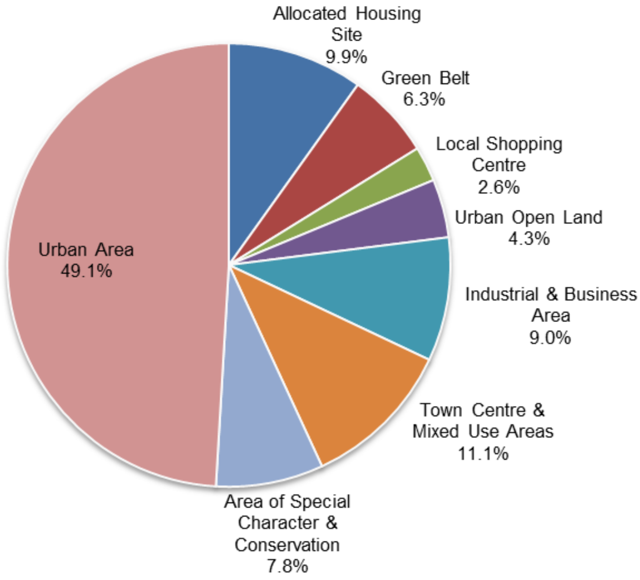
Figure 11 Previous Land Use of Completed Dwellings



Sources of Supply – Designation

Approximately half of the dwellings completed within the last twelve months were on urban sites without any specific designation. This compares to 43% previously. Over the last twelve months there has been a notable fall in the number of dwellings completed on Allocated Housing Sites – this is due to a fall in the number of dwellings completed in the North East Sector (101 to 58).

Figure 12 Designation of Completed Housing Sites



Housing Density

Permitted housing density is affected by factors such as the location of the site, the character of the surrounding area and the size and shape of the site. Core Strategy Policy CS10 says that developments should reflect the local character and levels of accessibility. Detailed approaches will be set out in the DMP.

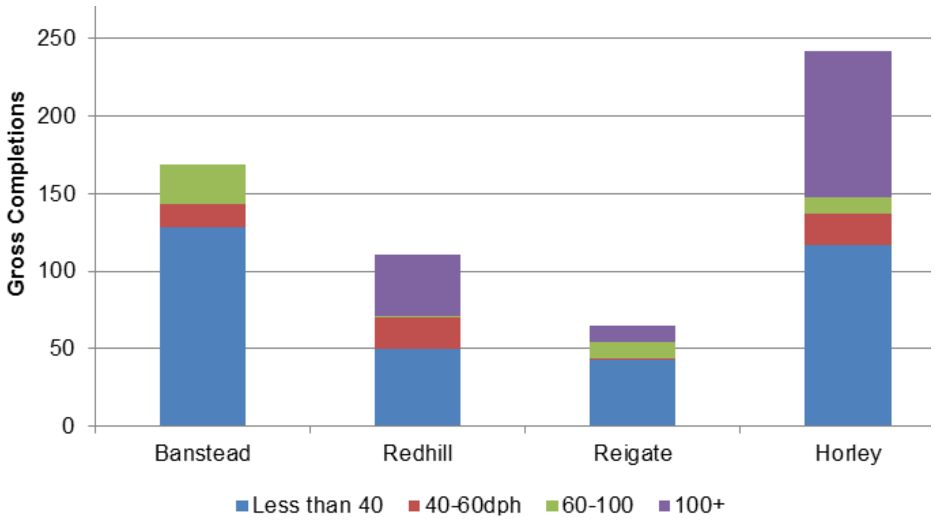
In line with the previous monitoring period, just over half of the dwellings completed were on sites with a density of less than 40dph and a quarter on sites with more than 100dph.

Figure 13 Density of Completions 2015/16

	Less than 40dph	40-60dph	60-100dph	More than 100dph
Number of Units	338	56	48	145
Percentage (%)	57.6%	9.5%	8.2%	24.7%

The density of completions varies by borough area. Whilst all areas have the greatest proportion of completions on sites with a density of less than 40dph, Horley and Redhill also have high proportions on sites with more than 100dph.

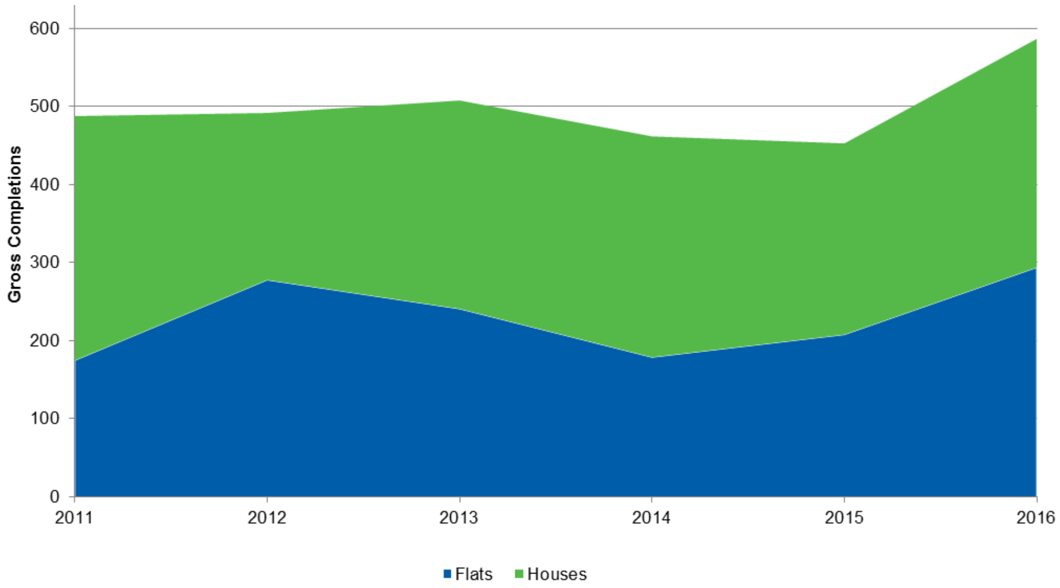
Figure 14 Density of Completions by Borough Area



Dwelling Size & Type

Over the last twelve months there has been an even split in terms of the type of dwelling completed. This compares to 46% flats and 54% houses previously.

Figure 15 Breakdown by Dwelling Type (2011-2016)



However the split varies by borough area. Figure 16 shows Redhill to have the greatest proportion of flat completions and Banstead to have the greatest proportion of house completions. Horley has almost an even split.

Figure 16 Proportion of Houses & Flats by Borough Area

	Flats	Houses
Area 1 – Banstead	55 (32.5%)	114 (67.5%)
Area 2a – Redhill	85 (76.6%)	26 (23.4%)
Area 2b - Reigate	37 (56.9%)	28 (43.1%)
Area 3 - Horley	117 (48.3%)	125 (51.7%)

Figure 17 compares the mix of completions to SHMA 2012 Housing Market Recommendations; it shows that completions again under delivered in terms of larger 3 and 4+ dwellings and over delivered on smaller 1 and 2 bedroomed properties.

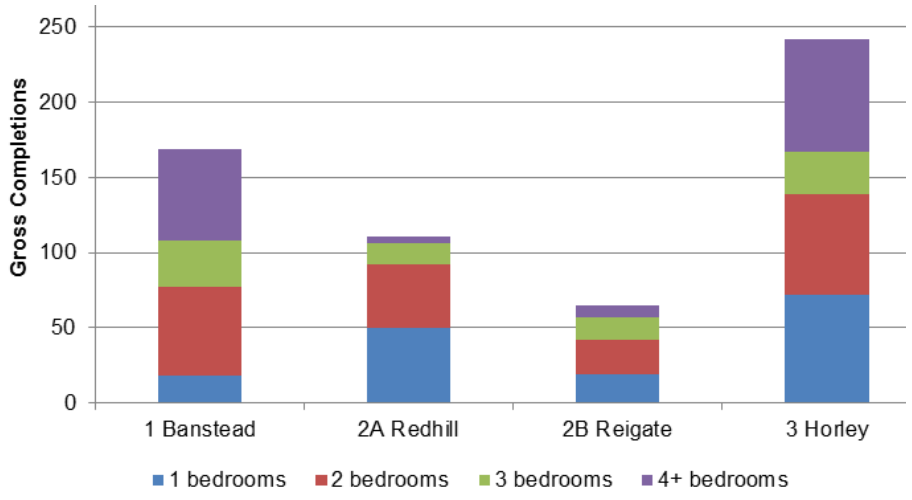
Within the last twelve months there has been an increase in the number of 1 and 2 bedroom completions (52% to 60%) and a decline in the number of 3 and 4 bedroom completions (55% to 40%).

Figure 17 Completions by Size Compared to SHMA Recommendations

<table>
<tr><th></th><th>Completions 2014</th><th>SHMA 2012 Market Housing Recommendation</th></tr>
<tr><td>1 bedroom</td><td>27.1%</td><td rowspan="2">40%</td></tr>
<tr><td>2 bedrooms</td><td>32.5%</td></tr>
<tr><td>3 bedrooms</td><td>15.0%</td><td rowspan="2">60%</td></tr>
<tr><td>4+ bedrooms</td><td>25.4%</td></tr>
</table>

Figure 18 shows variation in the completed dwelling size across the four areas. Specifically, it shows that there are a greater number of completed 1 and 2 bedroomed properties in Redhill and Horley and a greater number of 3 and 4+ bedroomed properties in Banstead and Horley. This trend has remained from last year.

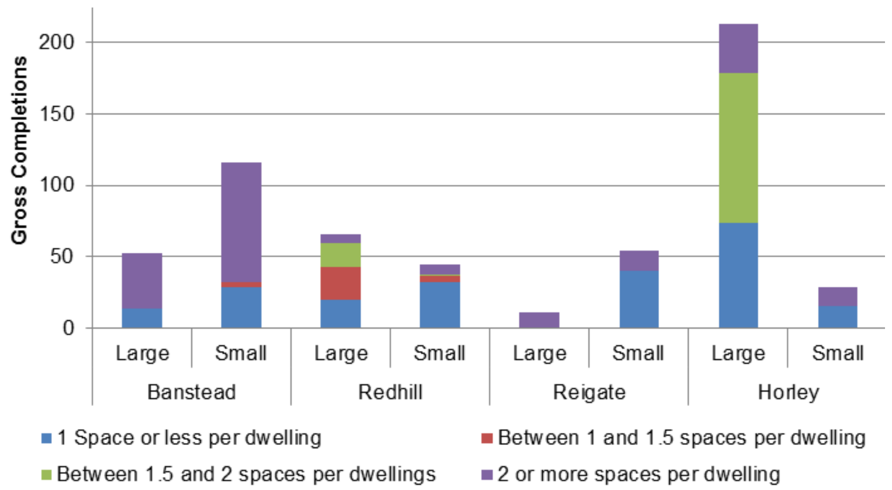
Figure 18 Completed Dwelling Size by Borough Area



Car Parking Standards

Parking space provision varies depending upon the location and level of accessibility of the site. Within this monitoring period, the average number of parking spaces per completed dwelling has fallen from 1.60 to 1.27. This fall is in part due to a greater number of flats being completed, predominantly in town centre locations, which demand less parking (294 flats 2015/16 compared to 208 2014/15).

Figure 19 Average Parking Spaces on Completed Dwellings by Site Size



Affordable Housing

Within this monitoring period 89 affordable units have been completed – 15% of all gross completions. This is below the Core Strategy Monitoring target of 100 dwellings per annum and is a fall from the previous monitoring period (129 units – 28.5% completions). The majority of the affordable completions within the previous monitoring period were on the former Newman House site in Horley (90 units, 70% of the affordable completions).

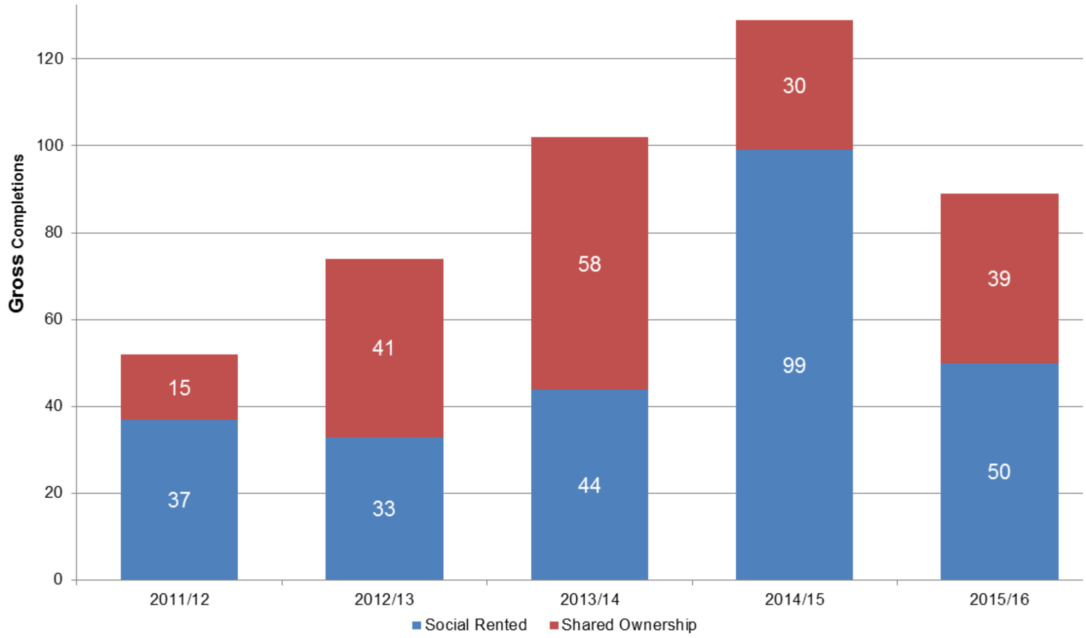
Within the last twelve months there has been an increase in the number of social rented dwellings – 30 to 50.

Figure 20 Affordable Housing Completions Summary

	Gross Completions
Total Units Completed 2015/16	587
Affordable Completions	89
Affordable (%)	**15.2%**
Social Rented	50
Social Rented (%)	**8.5%**

Figure 21 shows that since 2011/12 446 affordable units have been completed (263 social rented and 183 shared ownership). Overall since 2011/12 there has been an increase in the number of affordable completions, however the numbers have fallen slightly within the last twelve months.

Figure 21 Affordable Housing Completions Trend



New Permission Characteristics

Number of New Permissions

Within the last twelve months 103 planning permissions were approved, these have the potential to deliver 597 net dwellings.

Once again the majority of net dwellings permitted were on large sites (68%), this is a fall from 85% in the previous monitoring period (the North West Sector – 1,510 dwellings - was permitted within the previous monitoring period).

Figure 22 Number of New Units Permitted

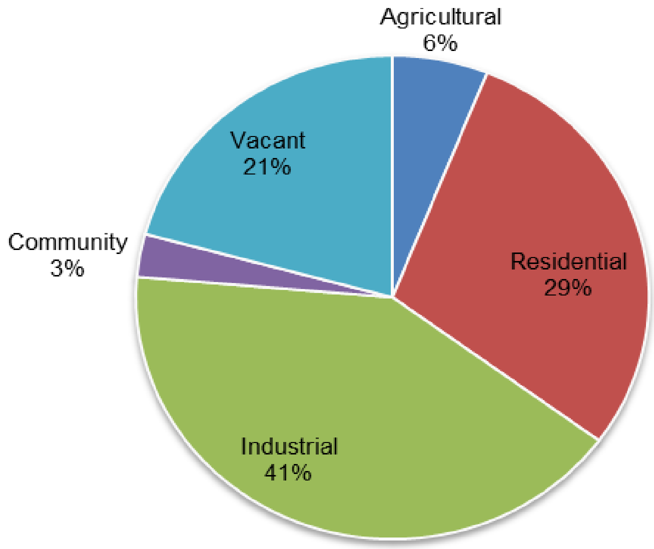
		Area 1 - Banstead	Area 2a - Redhill	Area 2b - Reigate	Area 3 - Horley	TOTAL
Large (10+ units)	Gross	37	218	11	167	**433**
	Net	33	218	-9	163	**405**
Small (1-9 units)	Gross	91	33	49	58	**231**
	Net	72	28	38	54	**192**
All Sites	Gross	**128**	**251**	**60**	**225**	**664**
	Net	**105**	**246**	**29**	**217**	**597**

Source of New Permissions – Previous Land Use

Over 90% of gross dwellings permitted within 2015/16 were on sites that were either industrial (41%), residential (29%) or vacant (21%).

There has been a significant fall in the number of dwellings permitted on agricultural sites (75% to 6%) due to planning permission being granted for 1,510 dwellings on agricultural land as part of the Horley North West Sector development in the previous monitoring period.

Figure 23 Previous Land Use of New Permissions



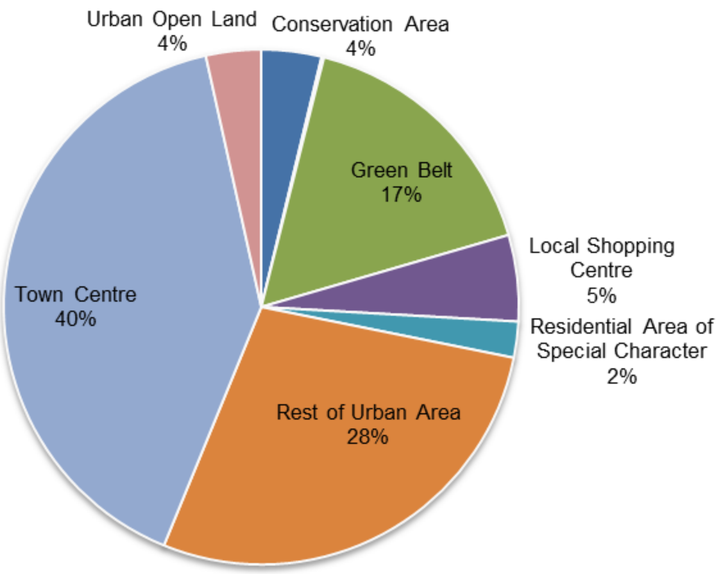
Source of New Permissions – Designation

85% of gross dwellings permitted within the last twelve months were in either the town centres (40%), rest of urban area (28%) or green belt (17%). This compares to three quarters of the dwellings permitted in the previous monitoring period being on allocated housing sites (North West Sector development).

The proportion of dwellings permitted in town centres has increased (6% to 38%). Three large town centre permissions have been approved within this monitoring period: 62 dwellings at 71 Victoria Road, Horley; 64 dwellings at Queensgate, Redhill; and 76 dwellings at the Former Liquid & Envy Site, Redhill.

There has also been a significant increase in the proportion of dwellings permitted in the Green Belt (0.4% to 16.6%): 65 dwellings were permitted as part of the redevelopment of the RNIB site in Redhill.

Figure 24 Designation of New Permissions



Housing Density

Permitted housing density is affected by factors such as the location of the site, the character of the surrounding area and the size and shape of the site. Almost half of the dwellings (gross) permitted within the last twelve months were on sites with a density of more than 100dph. A further third were permitted on sites with a density of less than 40dph.

Figure 25 Density of New Permissions

	Less than 40dph	40-60dph	60-100dph	More than 100dph
Number of Units	238	71	39	316
Percentage (%)	35.8%	10.7%	5.9%	47.6%

Dwelling Type & Size

Just over two-thirds of the dwellings permitted (gross) within the last twelve months were for 1 or 2 bedroomed properties.

This high percentage is in part due to three large permissions (62 units at 71 Victoria Road, Horley; 64 at Queensgate, Redhill; and 76 at Former Liquid & Envy, Redhill) and in part due to a high number of office to residential permitted developments (108 units).

Figure 26 Size & Type of Newly Permitted Dwellings

	Flats	Houses	Total
1 bedroom	207	7	214
2 bedrooms	188	48	236
3 bedrooms	3	71	74
4+ bedrooms	0	140	140
Total	398	266	664

Figure 27 shows that there is a notable variation in type of dwelling permitted by borough area, in particular it shows a greater proportion of flats permitted in Redhill, Reigate and Horley and a greater proportion of houses permitted in Banstead.

Figure 27 Proportion of Newly Permitted Houses and Flats by Borough Area

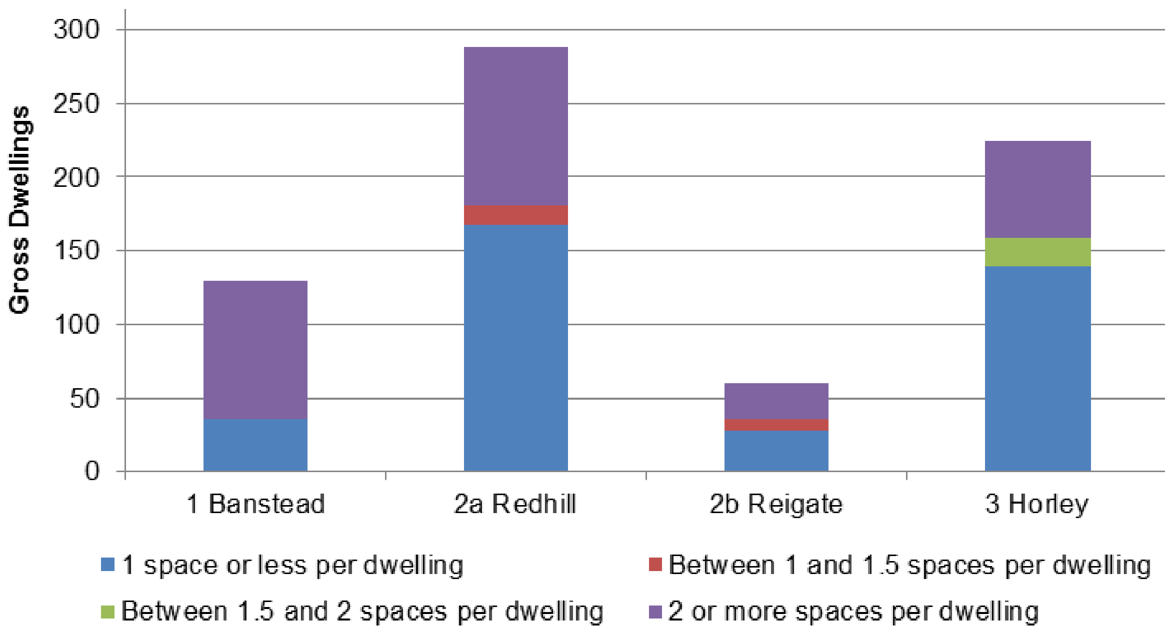
	Flats	Houses
Area 1 – Banstead	45 (35%)	83 (65%)
Area 2a – Redhill	177 (71%)	74 (29%)
Area 2b - Reigate	33 (55%)	27 (45%)
Area 3 - Horley	143 (64%)	82 (36%)

Car Parking Standards

The level of parking provision per dwelling varies across the borough depending upon factors such as location, levels of access to amenities and accessibility to public transport. Within the last twelve months the average number of parking spaces for new permissions was 1.85, a slight increase from 1.52 recorded previously.

Figure 28 shows that Redhill and Horley have the greatest number of developments permitted with one space or less, this is due to a number of flat developments permitted with no parking spaces (such as 64 flats at Queensgate Redhill).

Figure 28 Parking Spaces on Newly Permitted Dwellings by Area



Housing Supply & Delivery Position

Plan Period Performance

Policy CS13 of the recently adopted Core Strategy plans for at least 6,900 dwellings to be completed between 1st April 2012 and 31st March 2027. This equates to an annual average provision of 460 homes per year.

Figure 29 summarises progress made against the Core Strategy housing requirement; it shows that since 1st April 2012 1,857 net dwellings were completed within the borough (equating to an annual average completion of 464 units) leaving an outstanding requirement of 5,043 dwellings over the plan period.

Figure 29 Performance against Core Strategy – 2012 to 2027

Housing requirement	Net completions to date	Average per year	Completed	Residual
6,900	1,857	464	26.9%	5,043

Five Year Land Supply Position

The National Planning Policy Framework (NPPF) requires local planning authorities to identify and update annually a supply of specific deliverable[1] sites sufficient to provide five years worth of housing against their housing requirements. To establish the five year position, the analysis below is based on the findings of the 2016 Strategic Housing Land Availability Assessment Addendum and on-going analysis of identified sites.

The Council bases its assessment of five year land supply on figures provided in the Core Strategy Policy CS13 which plan for an additional 6,900 dwellings to be completed in the borough between 2012 and 2027, the equivalent of 460 dwellings per annum.

On this basis, the Council considers that the five year requirement, with no account for past delivery or the NPPF buffer is 2,300 (460 x 5) dwellings.

Buffer

The NPPF required local planning authorities to include a buffer within the five year supply. This buffer should be 5%, increased to 20% where there has been a record of persistent under delivery of housing. In this regard, the Council's delivery performance is as follows:

- Since the beginning of the plan period (1 April 2012): average annual delivery of 464 units, with a cumulative oversupply of 17 units. This period includes two years of under delivery (9% and 6%) and two year of over delivery (2% and 16%).
- Over a 10 year period (from 1 April 2006): average annual delivery of 606 units with a cumulative oversupply of 726 units. This period includes six years of over delivery and four years of under delivery. It should be noted that this period covers the recession.

On this basis, the Council is not considered to have a record of persistent under delivery and as such the 5% buffer is therefore applicable to the Council's five year supply calculations.

1 The NPPF states that "To be considered deliverable sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have long term phasing plans."

Past delivery

Since the start of the plan period in 2012, the Council has experienced a cumulative over delivery of housing by 17 units. This past oversupply will be factored into the next 5 years requirement.

Summary of 5 year requirement

Therefore, the overall five year requirement is 2,300 units with an additional buffer of 115 units minus the oversupply of 17 units which has occurred to date in the plan period. This equates to a total 5 year requirement of 2,398 units, equivalent to an annual requirement of 480. These figures will be used to determine whether a five year supply can be demonstrated.

Sources of Deliverable Land Supply

In accordance with the NPPF, the sources of supply which are included within the five year supply comprise:

- Sites with planning permission (outline or full)
- Specific sites without planning permission
- Windfall allowance

Sites with Planning Permission

In line with the NPPF, sites with planning permission should be considered deliverable unless there is evidence that they will not be implemented within five years.

Excluding the North West Sector, as of 1st April 2016 there are a total of 1,338 outstanding net additional dwellings on sites with planning permission (tables B and C of the Appendix). A total of 128 units have been excluded from this figure (table A of the Appendix) to reflect instances where the Council has evidence that sites are unlikely to be implemented (either at all or in their permitted form).

In addition, the North West Sector – which has outline consent for a total of 1,510 homes, reserved matters consent for the first phase and is on-site - is expected to deliver 654 units over the next 5 years. This is based on current quoted delivery rates from major housebuilders (nationally and locally), past delivery trends on the North East Sector and information received from the developers indicating that by 2021 the first phase of 600 units will have been completed and the second phase will be progressing.

Therefore, **the total capacity from sites with planning permission in the five year supply is 1,992 net additional dwellings.** Of these 1,494 are on sites which are currently under construction and the remaining 498 are on sites which have yet to be implemented. Tables B and C of the Appendix provide more detail.

Specific Sites without Planning Permission

Through the SHLAA and plan-making process, the Council has identified a number of specific sites without planning permission which are deliverable within the five year supply. The deliverable capacity on these sites (i.e. those units which will come forward in the five years to 31st March 2021 taking account of any phasing plans) is **406 net additional dwellings.**

All of these sites have been assessed by the Council for suitability. To inform the 2016 SHLAA addendum all landowners or promoters were contacted to ascertain availability and likely timing. They are all deliverable in the context of the definition contained within the NPPF.

Full detail of the sites relied upon in this category are set out in Table D of the Appendix.

Windfall Allowance

The SHLAA practice guidance defines windfalls as, *'those which have not been specifically identified as available in the local plan process. They comprise previously-developed sites which have* *unexpectedly become available. These could include, for example, large sites resulting from, for example, a factory closure or small sites such as a residential conversion or a new flat over a shop'.*

The NPPF allows local planning authorities to include an allowance for windfall sites in the five year supply if there is compelling evidence that such sites consistently become available and will continue to form a reliable source of supply. It is however clear that it should not include development on residential gardens.

It is recognised that windfalls and small sites make a significant contribution to housing supply in the borough[2]. As part of the 2012 SHLAA an assessment of a robust windfall allowance was undertaken. Taking account of sites and broad locations specifically identified through the SHLAA process, the SHLAA calculated a figure of 50 per annum (detailed analysis can be found in Appendix 5 of the SHLAA). As such, **a total windfall allowance of 250 additional dwellings** within the five year supply was considered by the Core Strategy Inspector to be conservative and in line with provisions in the NPPF.

In particular, in determining this windfall allowance, the Council took a conservative approach and all forms of residential intensification, not simply development on garden land, were excluded from the allowance. As a result, and as recognised by the Core Strategy Inspector, the 50 per annum allowance is likely to under-estimate the true level of windfalls which will come forward in the borough and likely to be significantly exceeded in practice.

The analysis in the 2012 SHLAA (and later the 2014 SHLAA) also excluded any additional allowance for the impact of office to residential permitted development rights which had only just been introduced at the time. The Core Strategy Inspector recognised that information available to him suggested that a significant addition to the first five years of windfall supply was likely as a result of the temporary extension to the office to residential permitted development regime. These permitted development rights have now been made permanent, and there is therefore more certainty that they will continue to add to housing supply over the long-term. It is therefore considered appropriate to now make an additional windfall allowance for these types of conversion.

Since the introduction of office to residential permitted development rights in May 2013, a total of 526 dwellings have been permitted through this route (240 2013/14, 161 2014/15 and 125 2015/16)[3], this compares to 35 dwellings permitted through office to residential conversions/redevelopment in the three years prior to the rights. Over half of these schemes have been implemented to date[4].

Assuming the number of approvals follows the current trend[5] and the current implementation rate continues[4], it is anticipated that at least an additional 137 dwellings will be delivered from office to residential developments over the next 5 years (27 per annum). On this basis, **an additional allowance of 125 dwellings** (25 per annum) is included as part of the windfall allowance within the five year supply.

2 For example, see Core Strategy Inspector's Report para 36
3 There has also been a significant increase in office to residential redevelopments approved through full permissions in the time since the rights were introduced however these have not been factored into the windfall calculations.
4 Currently 53% based on approvals since the PD rights were introduced; however, in reality, as none of the prior approvals have lapsed the final implementation rate could be significantly higher.
5 Recognising that the rate of approvals will fall from the initial very high level (currently at a rate of 25% per annum) as immediately available opportunities are used up, reaching a plateau in the long-term

Summary of Five Year Land Supply Position

Figure 30 below sets out the current deliverable land supply in Reigate & Banstead and identifies a total capacity of **2,773 net additional dwellings** over the next five years**.** This represents a 5.78 years supply against the Core Strategy requirement and NPPF 5% buffer.

Figure 30 Summary of Five Year Land Supply

Source		
1)	Sites with planning permission	1,992
2)	Sites without planning permission	406
3)	**Specific Deliverable Sites (1+2)**	**2,398**
4)	Windfall allowance	375
5)	**Total Five Year Supply (3+4)**	**2,773**
6)	Core Strategy Annualised Housing Requirement	460
7)	5% Buffer	23
8)	Annualise plan period over/under supply	-3
9)	**Total annual requirement (6+7+8)**	**480**
10)	**Equivalent years supply (5 ÷ 9)**	**5.78**

Appendix

Table A: Sites with Planning Permission Excluded from 5 Year Land Supply

Application Reference	Site Address	Ward	Total Net Capacity
14/00846/F	Former Liquid & Envy Nightclub, Redhill	RE	76
14/00407/F	4-10 Church Street, Reigate	RC	11
15/00556/F	Redstone Hall, 10 Redstone Hill, Redhill	RE	13
14/00967/OUT	Acacia House, Reigate Hill, Reigate	RH	13
13/01330/F	High Trees Nursing Home, Horsehill, Horley	SS	14
13/00005/F	Chatsworth, 50 West Street, Reigate	RC	1
Total Undeliverable			128

Table B: Large Sites (5+ Units) with Planning Permission in the Five Year Supply (Excl. NW Sector)

Application Reference	Site Address	Ward	Implementation Status @ 1 April 2016	Gross Dwellings Permitted	Net Dwellings Permitted	Units completed @ 31 March 2016	Total net remaining @ 1 April 2016	Net Deliverable by 31 March 2021
14/01307/F	337 Reigate Road, Epsom Downs	N	Under Construction	10	9	0	9	9
13/01729/OUT	Recreation Ground, Merland Rise, Preston	P	Under Construction	130	130	0	130	130
13/00846/F	L/A Longfield Crescent, Tadworth	P	Under Construction	16	16	15	1	1
13/01366/F	The Royal Phoenix, 84 Dorking Road, Tadworth	TW	Under Construction	11	10	0	10	10
13/01338/F	White Lodge, 50 Tadworth Street, Tadworth	TW	Under Construction	11	11	10	1	1
13/01838/F	19 Woodhatch Road, Redhill	EW	Under Construction	18	16	0	16	16
13/01500/F	Land Parcel One, Purbeck Close, Merstham	M	Under Construction	40	6	30	-24	-24
13/02147/OUT	Darby House, 162 Bletchingley Road, Merstham	M	Under Construction	20	20	6	14	14
14/00801/F	Site of the former Iron Horse Public House, 27A Bletchingley Road, Merstham	M	Under Construction	10	10	0	10	10
04/02411/F	L/A Former Holmethorpe Quarry (Watercolour)	RE	Under Construction	551	550	543	7	7
14/00935/F	The Cadet Association, 2 Hooley Lane, Redhill	RE	Under Construction	11	11	6	5	5
13/00802/F	The Frenches Club, The Frenches, Redhill	RE	Under Construction	11	11	0	11	11
14/01076/F	Chatham Court, Lesbourne Road, Reigate	RC	Under Construction	38	38	0	38	38
13/01938/F	Reigate Business Mews, 38 Albert Road North, Reigate	RC	Under Construction	14	14	0	14	14
13/02031/P	Surrey Mirror, Trinity House, 51 Reigate Road, Reigate	RH	Under Construction	18	18	0	18	18
14/00317/F	Saxley Court, 121-129 Victoria Road, Horley	HC	Under Construction	43	43	0	43	43
14/02646/P	Beulah Court, 15 - 19 Albert Road, Horley	HC	Under Construction	33	33	25	8	8
14/02647/P	Consort House, Consort Way, Horley	HC	Under Construction	38	38	35	3	3
13/01421/OUT	Longwood, 121 Smallfield Road, Horley	HE	Under Construction	36	35	34	1	1
04/01778/OUT	L/A Langshott & Lake Lane (Horley NE Sector)	HE	Under Construction	718	718	710	8	8
14/01331/OUT	Knowles House, 35-48 High Street, Redhill	RW	Under Construction	64	64	0	64	64
15/02374/P	Bourne House, 17 Lesbourne Road, Reigate	MSJ	Under Construction	11	11	0	11	11
15/01186/P	Liberty House, Bell Street, Reigate	RC	Under Construction	24	24	0	24	24

15/00500/F	Land Parcel at 71 Victoria Road, Horley	HC	Under Construction	62	62	0	62	62
15/02867/P	Imperial Buildings, 68-70 Victoria Road, Horley	HC	Under Construction	15	15	0	15	15
15/00731/F	Amherst House, 287 Court Lodge Road, Horley	HW	Under Construction	19	19	0	19	19
14/02124/F	Landens Buildings, Meath Green Lane, Horley	HW	Under Construction	38	34	0	34	34
13/01260/CU	Lorimers, 46 High Street, Banstead	BV	Under Construction	8	8	0	8	8
14/01007/F	Burghside, Brighton Road, Banstead	BV	Under Construction	6	6	0	6	6
14/01527/F	4 Sutton Lane, Banstead	BV	Under Construction	5	4	0	4	4
14/00514/F	268-278 Fir Tree Road, Epsom Downs	N	Under Construction	7	6	0	6	6
14/02122/F	49, 51, 53 Yew Tree Bottom Road, Epsom Downs	N	Under Construction	5	3	0	3	3
14/01346/F	129 Nork Way, Banstead	N	Under Construction	8	7	0	7	7
11/00790/OUT	101-105 Horley Road, Redhill	EW	Under Construction	9	6	0	6	6
15/00914/P	Fintrax House, 13 Station Road North, Merstham	M	Under Construction	11	11	0	11	11
11/01133/F	61 Ladbroke Road, Redhill	RE	Under Construction	5	4	0	4	4
14/02551/P	Rawlinson House, 7-9 London Road, Redhill	RW	Under Construction	8	8	1	7	7
05/00257/CU	20 Gloucester Road, Redhill	RW	Under Construction	6	5	0	5	5
14/01188/F	White Post House, Whitepost Hill, Redhill	MSJ	Under Construction	9	7	0	7	7
14/00498/F	Reigate Heath Garage, 10 & 11 Flanchford Road, Reigate	RC	Under Construction	6	4	0	4	4
14/00081/P	Fileturn House, 44 Reigate Hill, Reigate	RH	Under Construction	6	6	0	6	6
13/00447/F	48 Croydon Road, Reigate	RH	Under Construction	8	8	0	8	8
13/01476/F	Bewley Homes Development Site, Oakwood Road, Horley	HC	Under Construction	7	7	0	7	7
15/02148/P	1st & 2nd Floors, 39-41 High Street & 2 Lumley Road, Horley	HC	Under Construction	8	8	0	8	8
15/01275/P	Dartel House, 2 Lumley Road, Horley	HC	Under Construction	6	6	0	6	6
11/00994/F	12 Russells Crescent, Horley	HC	Under Construction	9	7	0	7	7
13/02073/P	South Lodge Court, Ironsbottom, Sidlow	SS	Under Construction	5	0	5	5	5
13/00584/F	Aspect House, 2-4 Monson Road, Redhill	RW	Under Construction	6	6	3	3	3
12/01973/OUT	Land at Haroldslea Drive, Horley	HE	Under construction	50	50	11	39	39
12/01182/F	Horley North East Phase 1B, Orchard Drive, Horley	HE	Under construction	8	8	0	8	8

15/01255/F	89-91 West Street, Reigate	RC	Under construction	6	4	0	4	4
13/02289/OUT	Portland Drive, Merstham	M	Not Implemented	48	6	0	6	6
14/01494/F	Frith Park, Sturts Lane, Walton on the Hill	TW	Not Implemented	37	33	0	33	33
14/02562/F	RNIB Soundscape, Philanthropic Road, Redhill	EW	Not Implemented	65	65	0	65	65
15/00451/F	Chichester Caravans, 18 Brighton Road, Salfords	SS	Not Implemented	20	20	0	20	20
15/00252/F	NRT Electrical & Mechanical, Castle House, Park Road, Banstead	BV	Not Implemented	10	10	0	10	10
15/02725/F	8 Brighton Road, Hooley	CHW	Not Implemented	6	5	0	5	5
14/02561/F	Land Parcel Adjacent to 37 Merrymeet, Woodmansterne	CHW	Not Implemented	5	5	0	5	5
14/01301/F	276-288 Fir Tree Road, Epsom Downs	N	Not Implemented	6	6	0	6	6
14/02352/F	12 Brighton Road, Banstead	N	Not Implemented	9	8	0	8	8
15/00528/OUT	Site of the Former De Burgh School, Chetwode Road, Banstead	P	Not Implemented	6	6	0	6	6
12/00355/OUT	Dower Mower Services, 1 Tattenham Grove, Banstead	TAT	Not Implemented	5	5	0	5	5
14/02247/P	23-27 Endsleigh Road, Merstham	M	Not Implemented	6	6	0	6	6
14/00763/CU	26-28 Station Road, Redhill	RE	Not Implemented	14	14	0	14	14
13/00848/F	Redhill Railway Station, Princess Way, Redhill	RE	Not Implemented	150	150	0	150	150
12/02176/F	21 Clarendon Road, Redhill	RW	Not Implemented	6	6	0	6	6
14/01615/F	2 & 3 Hitherwood Close, Reigate	RW	Not Implemented	5	3	0	3	3
15/01543/F	Group House, 2A Albion Road, Reigate	MSJ	Not Implemented	8	8	0	8	8
15/01372/P	City Space Filestores, Chapel Warehouse, Reigate	MSJ	Not Implemented	5	5	0	5	5
14/02542/F	1 Yattendon Road, Horley	HC	Not Implemented	5	3	0	3	3
Total Net Deliverable on Large Sites (More than 5 Units) with Planning Permission in the Five year Supply (Excl. NW Sector)								**1,095**
04/02120/OUT	Horley North West Sector, Meath Green, Horley	HW	Under construction	1,510	1,510	0	1,510	654
Total Net Deliverable on the Horley North West Sector in the Five Year Supply								**654**

Table C: Summary of Small Sites (Less than 5 Units) with Planning Permission in the Five Year Supply

Implementation Status	Borough Area	Gross Dwellings Permitted	Net Dwellings Permitted	Net Remaining @ 1 April 2016	Net Deliverable by 31 March 2021
Under Construction	Area 1 – Banstead	84	56	47	47
	Area 2a – Redhill	20	18	17	17
	Area 2b- Reigate	29	20	17	17
	Area 3 – Horley	30	28	28	28
Not Implemented	Area 1 – Banstead	87	50	50	50
	Area 2a – Redhill	29	22	22	22
	Area 2b- Reigate	60	39	39	39
	Area 3 – Horley	29	23	23	23
Total Net Deliverable on Small Sites (Less than 5 Units) with Planning Permission in the Five Year Supply					**243**

Table D: Sites without Planning Permission in the Five Year Supply

Site Address	Ward	Total Net Capacity	Net Deliverable in five year supply
The Oakley Centre, Radstock Way, Merstham	M	20	20
Church of the Epiphany, Mansfield Drive, Merstham	M	10	10
Former De Burgh School, Chetwode Road, Preston	P	180	180
Land at Marketfield Way, Redhill	RE	153	153
Town Hall, Castlefield Road, Reigate	RC	23	23
Land at Cromwell Road/ Sincotts Road, Reigate	RW	20	20
Total Net Deliverable on Sites without Planning Permission in the Five Year Supply			**406**

Monitoring Publications

Regular Monitors:

Commercial Development

Contains the amounts, types and location of all commercial commitments i.e. premises with outstanding planning permissions or vacant floorspace (Annual)

Industrial Estates

Contains an analysis of occupational trends in the Borough's nine main Industrial Estates including a schedule of occupiers (Annual)

Local Centres

Provides information on retail provision in the Borough's eighteen local shopping centres (Annual)

Town centres

Provides information on the occupiers, together with vacancies and shop type of all premises within the Borough's four Town and Village Centres (Bi-annual)

Population and Demographic Information

These publications are available on the Council website:

http://www.reigate-banstead.gov.uk

Search for: *"monitors":*

For further information on the content or other planning policy monitoring, please contact:

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