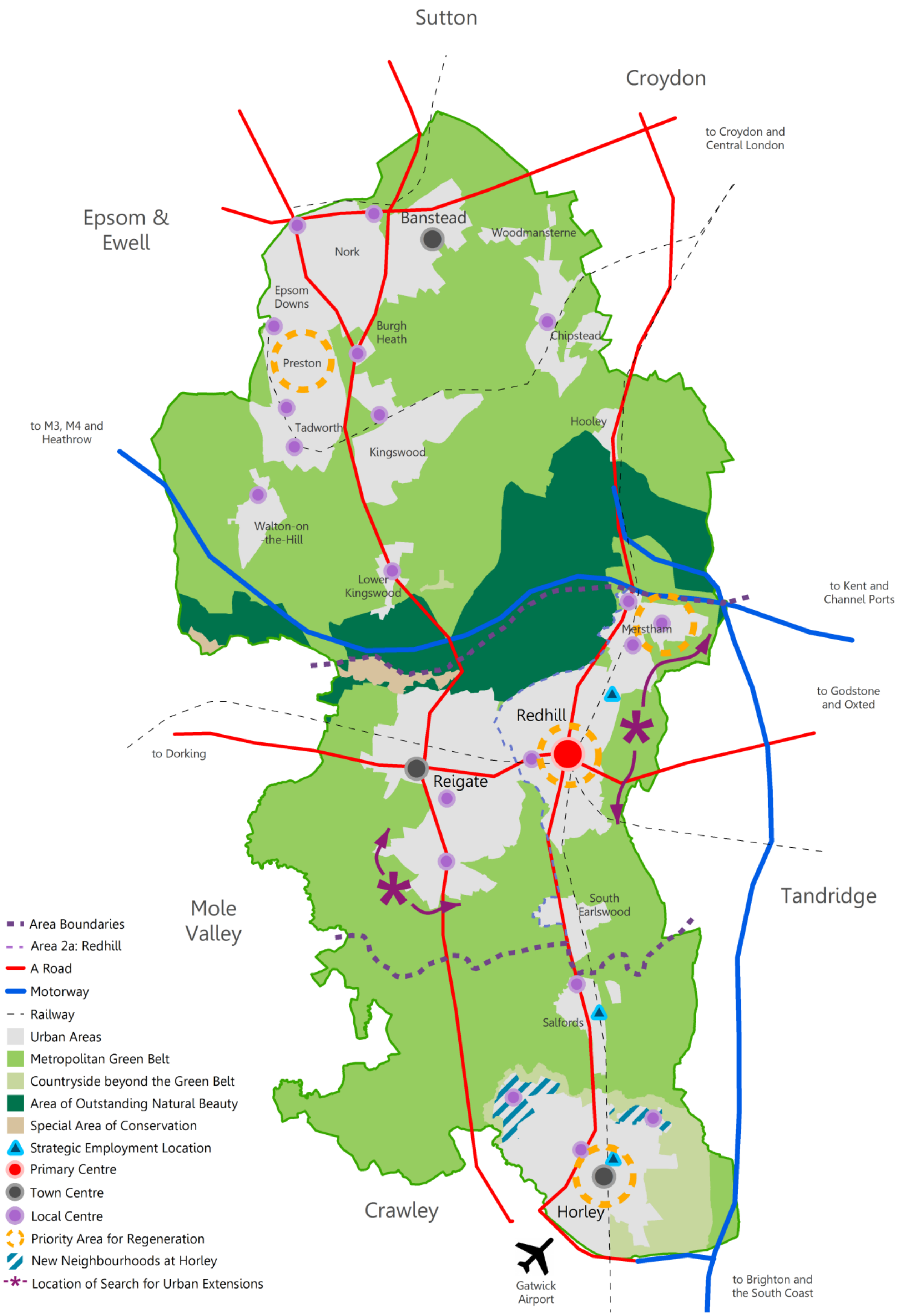
Housing Delivery Monitor

Including Five Year Land Supply
Position at 31 March 2017

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


Sutton
Croydon
to Croydon and Central London
Epsom & Ewell
Banstead
Woodmansterne
Nork
Epsom Downs
Burgh Heath
Preston
Chipstead
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
Tandridge
Mole Valley
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 2017

Contents

Please Note:

The information contained within this monitor details housing completions and outstanding permissions within Reigate & Banstead during the period 1 April 2016 to 31 March 2017. The housing trajectory and five year land supply is compiled using monitoring data at 31 March 2017 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.

Data is continuously reviewed as an on-going process and new information can be discovered that impacts permissions and completions stated in previous Housing Monitoring Reports. To keep our statistics up-to-date and accurate, information reported in previous versions of this monitor will be updated accordingly in the latest Housing Monitor.

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 5 year deliverable land supply position

Future Policy Developments

The Borough Local Plan 2005, including its saved policies, is in the process of being replaced by new local planning documents. The Core Strategy was formally adopted in July 2014; it details how much growth will take place until 2027 and sets out the overarching strategic approach for delivering new homes in the Borough. The Development Management Plan, which is currently being prepared, will contain detailed policies and allocate sites for development across the Borough.

Relevant 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

The Housing Monitoring Report measures the Boroughs performance against the indicators set out in the policies above. Information on housing permissions, completions and projections are included within this monitor to provide an insight on how the Borough is performing against the policies outlined in the Core Strategy and DMP. Reports on CS15 & 17 can be found in the Annual Monitoring Report.

Geographical Information

The monitor presents information on the basis of the Borough's four main settlement areas:

- **Area 1 - The North Downs**
- **Area 2a - Wealden Greensand Ridge- Redhill and Merstham**
- **Area 2b - Wealden Greensand Ridge- Reigate**
- **Area 3 - The Low Weald**

Key Messages

UK Trends

According to analysis of ONS data, the cost of an entry-level* property on average across England and Wales has increased by almost 20% in the last decade, to £140,000. For new properties, the price was nearly £180,000. Those in England who succeeded in making it onto the property ladder in 2016 paid on average more than £198,000.

*The term 'entry level' refers to the price that falls half way between the bottom and the middle house price for a given area.

The number of properties coming on to the UK market fell for the 13th month in a row in March. This contributed to a decline in the average stock levels on estate agents' books, taking them to a new historic low. (Royal Institution of Chartered Surveyors' (RICS) monthly report)

According to the latest Halifax Housing Market Confidence Tracker consumer sentiment on whether house prices will be higher or lower in a year's time has shown a small improvement (+2 points) from a net +42 in October 2016 to +44 March/April 2017. This improvement followed a record fall in October 2016 following the EU referendum result. Nearly six in 10 (58%) of those surveyed expect the average property price to rise in the next 12 months, compared to just one in 10 (14%) who expect prices to fall. However, this compares to a record high of 72% who were anticipating price rises in May 2015. (Halifax House Price Index April 2017)

The Department for Communities and Local Government report a 6% increase in the number of properties completed within 2016/17 (147,960 compared to 139,840 in 2015/16) and a significant 14% increase in the number of dwellings under construction (141,740 to 162,880). (ONS 2017)

Overall, there has been growing demand and relatively limited supply growth. House prices have been increasing, and first time buyers are finding it more difficult to get on the property ladder – while home ownership among younger age groups generally has declined.

Borough Key Messages

- **House Prices:** Land Registry reports that within 2016/17 the average house price transaction within Reigate & Banstead saw a 3.6% increase (from £447,000 to £463,000). All types of properties saw an increase; terraced properties saw the greatest increase (8.5%), followed by semi-detached properties (7.9%), detached (6.5%) and flats (6.4%).
- **Affordability:** The affordability ratio has worsened from 9.94 to 11.69 in Reigate and Banstead. This is due to a 7.2% fall in the median salary compared to a 9% increase in the median house value.
- **Sales:** There has been a 31% increase in the number of transactions within the last twelve months in the borough (1,768 to 2,324).
- **Housing targets:** 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 517 net additional dwellings were completed, this is a decrease from 558 within 2015/16 but remains above the Council's annual average target.
- **Previously Developed Land (PDL):** Within the last twelve months 88% 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 127 planning applications were granted planning permission, equating to 877 gross dwellings and 815 net dwellings.

Housing Market

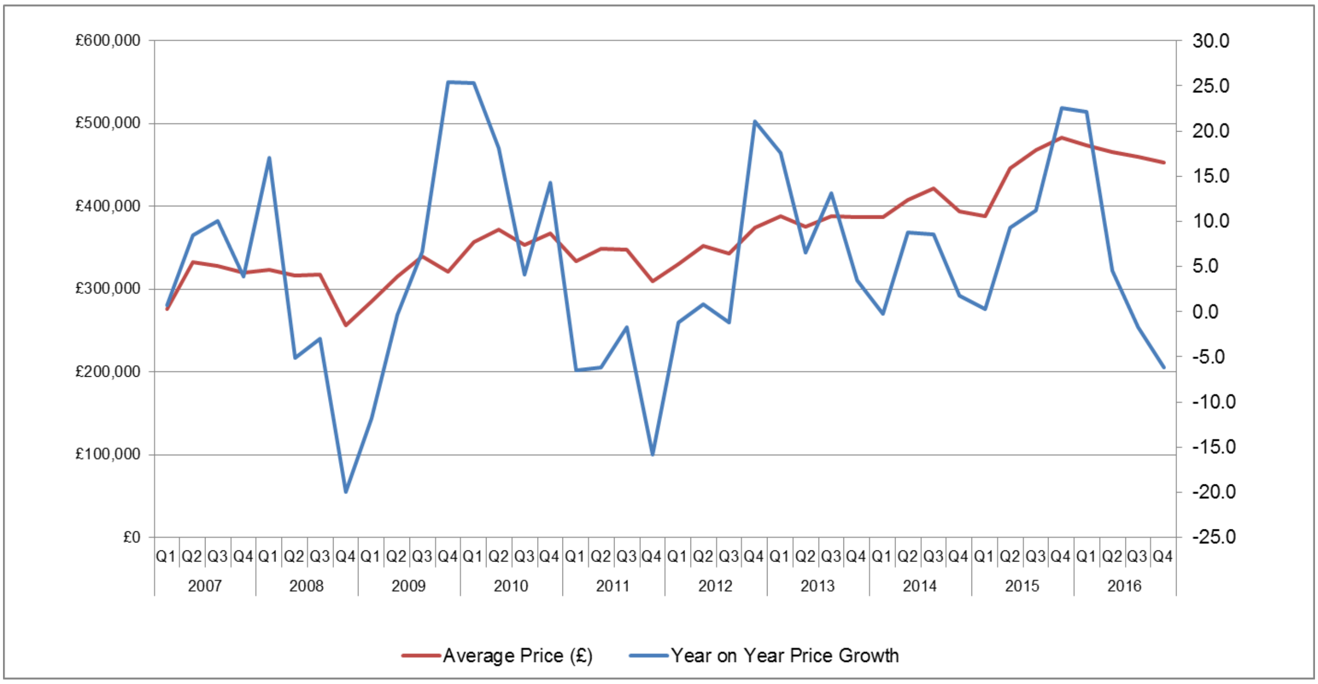
Average House Prices

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, the Land Registry reports that the despite marginal quarterly falls in the average house price; the average annual house price within the borough has increased compared to 2015/16 from £447,000 to £463,000, indicating a 3.6% rise for the Borough. In this monitoring period, house values remained relatively consistent in comparison to recent years. ONS data also confirms that Reigate and Banstead experienced a similar rate of house price growth to the UK which has been recorded at 2.2%.

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.

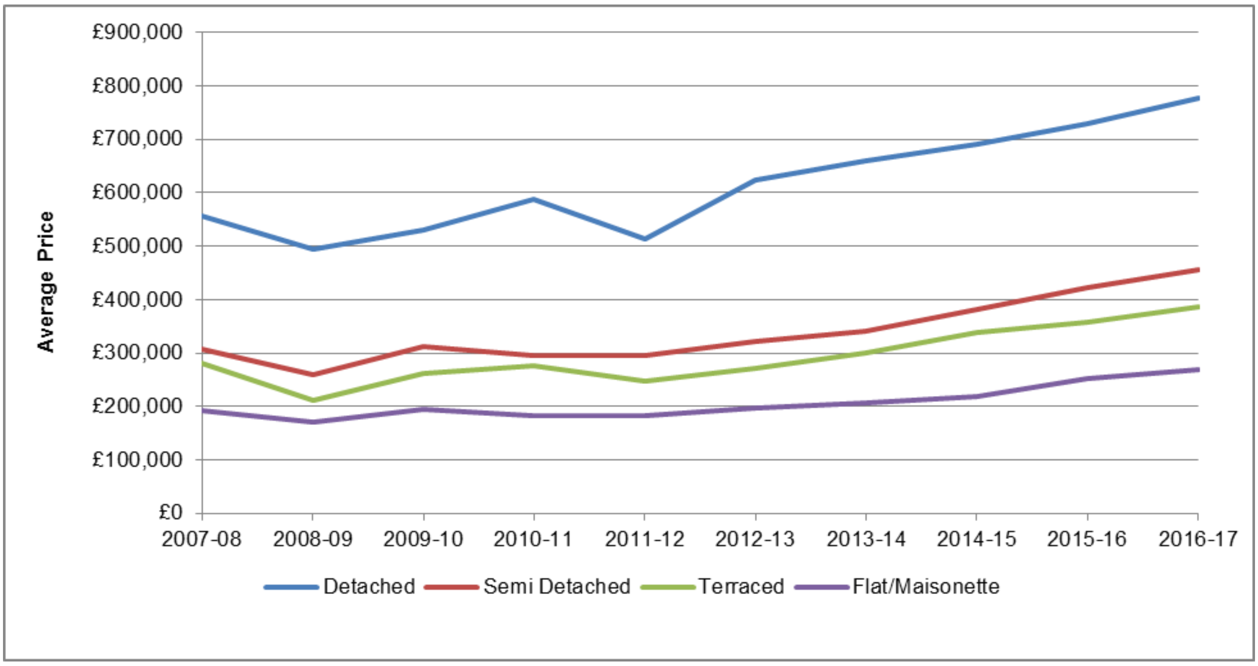
Figure 1 Average House Price 2007-2017 (Land Registry Data)



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. Terraced dwellings saw the largest increase (8.5% to £387,000) followed by semi-detached properties (7.9% to £457,000). Detached properties and flats both saw 6% increases to average prices of £777,000 and £268,000 respectively.

Figure 2 Dwelling Type Price Trend 2007 – 2017 (Land Registry Data)

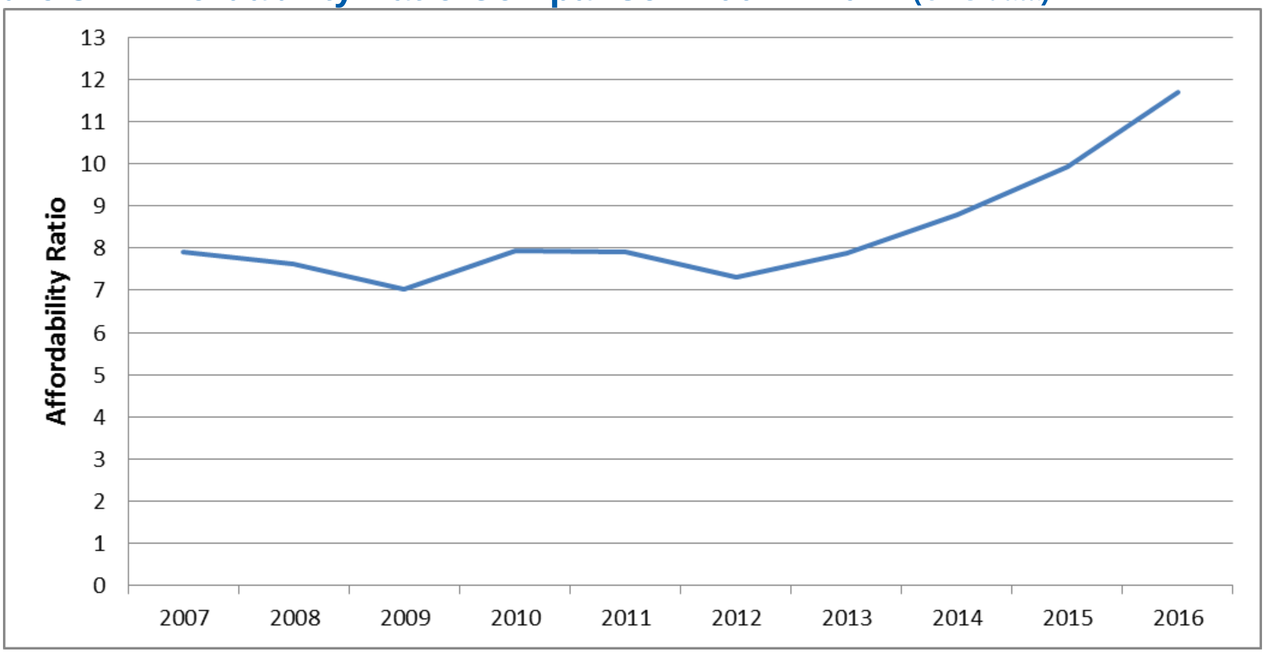


Affordability

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 (9.94 to 11.69).

Figure 3 shows that since 2007/8 the affordability ratio for Reigate and Banstead has increased from around 7.5 to 11.7. The affordability ratio has seen substantial growth for the last 5 years which forms part of a wider regional issue.

Figure 3 Affordability Ratio Comparison 2007 – 2017 (ONS data)



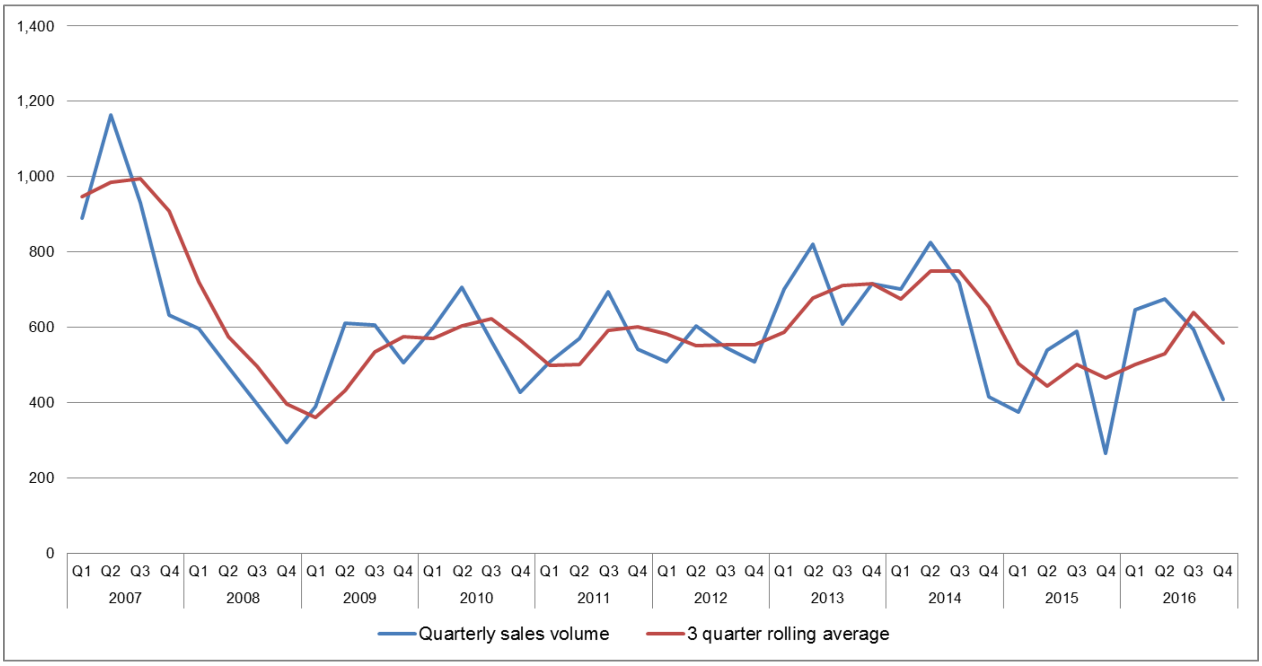
Transaction Volumes

Figure 4 shows fluctuation in the annual transaction volume between 2007 and 2017. In particular it shows a much higher number of transactions in 2007 just before the financial crisis.

The Royal Institute of Chartered Surveyors' (RICS) residential market survey for March 2017 reported that the UK housing market activity remained "relatively subdued". New buyer enquiries and agreed sales remain broadly unchanged since the start of the year.
On the supply side, RICS reported that sales instructions continued to fall in March. They also reported that average estate agents stock levels fell to a new record low, which they report is weighing on sales activity. - UK House Price Index March 2017

Within the Borough there has been a 31% increase in the number of transactions in the last twelve months bucking the national trend (1,768 to 2,324).

Figure 4 Quarterly Sales Volume Trend 2007 – 2017 (Land Registry Data)



Summary of Housing Delivery

Figure 5 Summary of Housing Completions

1 April 2016 to 31 March 2017		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	67	86	4	65	35	52	27	80	416
	Change of Use	8	0	8	64	2	42	8	29	161
	Conversions	4	0	4	0	3	0	2	0	13
	Total Completions	**79**	**86**	**16**	**129**	**40**	**94**	**37**	**109**	**590**
Losses	Demolitions	13	8	0	36	8	0	3	1	69
	Changes of Use	0	0	0	0	0	0	0	0	0
	No. of Units Before Conversion	1	0	1	0	2	0	0	0	4
	Total Losses	**14**	**8**	**1**	**36**	**10**	**0**	**3**	**1**	**73**
Total Net Gain		**65**	**78**	**15**	**93**	**30**	**94**	**34**	**108**	**517**

1 April 2012 to 31 March 2017 (Plan Period)	Area 1- Banstead	Area 2a – Redhill	Area 2b – Reigate	Area 3 - Horley	Total
Large Site Gross Completions	346	402	206	845	1799
Large Site Losses	33	52	18	15	118
Large Site Net Gain	313	350	188	830	**1681**
Small Site Gross Completions	351	166	201	128	846
Small Site Losses	71	17	13	9	110
Small Site Net Gain	280	149	188	119	**736**
Gross Completions	697	568	407	973	2645
Losses	104	69	31	24	228
Total Net Gain	**593**	**499**	**376**	**949**	**2417**

Delivery Trends

Overall Completion Rates in the last 5 years (2012-2017)

Net completions for 2016/17 stand at 517, this is a 7.3% decrease in the number delivered in the previous financial year (558) and exceeds the plan period average of 483 and the annual average target set by the Core Strategy of 460.Completions have remained at an elevated level for another year.

Figure 6 Net Completion Trend 2012-2017

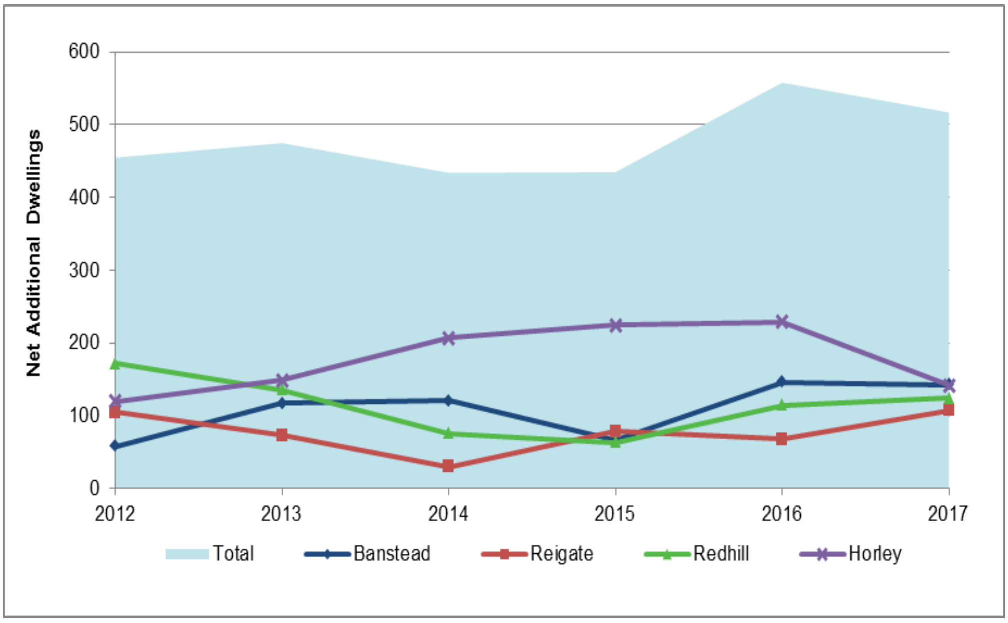
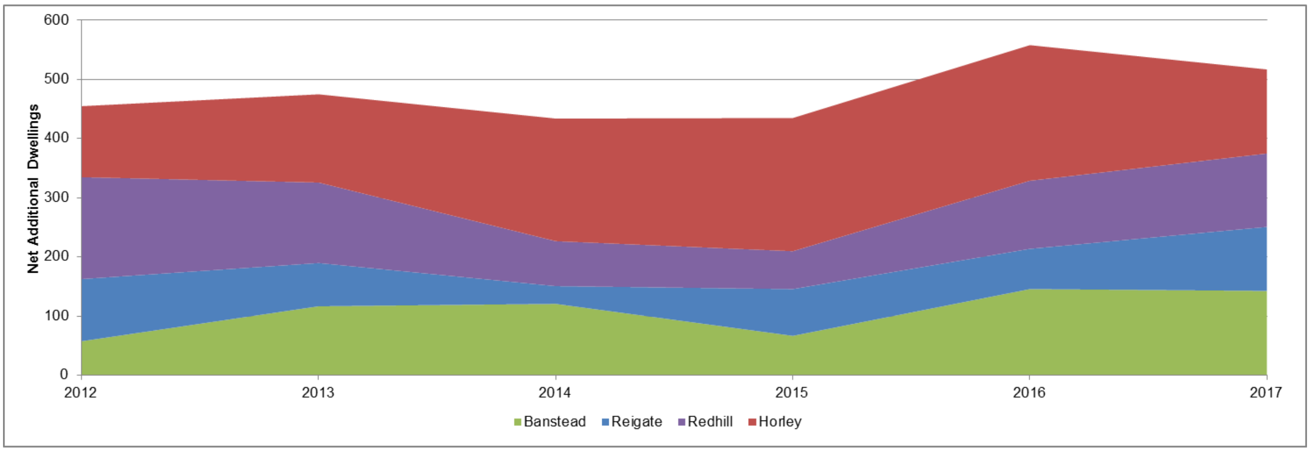


Figure 7 shows the spatial distribution of net additional dwellings since 2012; it shows that the majority of net additional dwellings have been completed within Horley (Area 3) and Banstead (Area 2a).

However within the last twelve months, levels of completions within the borough's 4 main towns have converged Banstead- 27.7%, Reigate- 20.9%, Redhill- 24.0%, Horley- 27.5%. Horley has gained fewer dwellings in the past year as the Horley North East Sector development responsible for the town's growth in previous years comes to an end. However the proportion of units delivered in Horley is anticipated to increase again as the North West Sector starts to deliver new homes.

Figure 7 Area Contribution to Total Net Completions 2012 – 2017

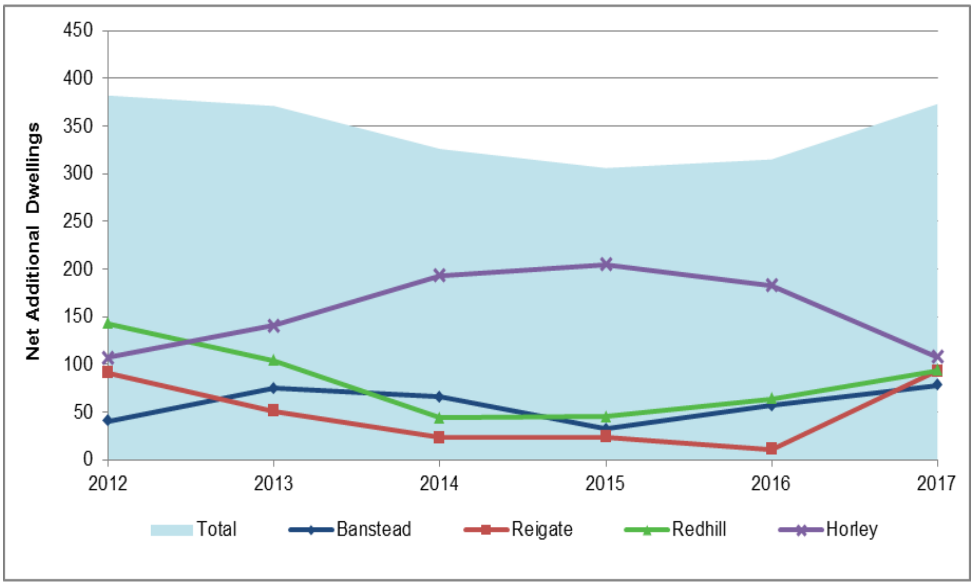


Large Site Completion Rates

Figure 8 shows that since 2012, despite fluctuation in the number of dwellings completed on sites of over 10 units, the latest figures suggest a recovery of large site completions in the last 12 months compared to 2012/13 levels. Large site dwelling completions represented 72.1% of all completions in 2016/17 - an increase on the previous year from 58%.

Within the last twelve months there has been some change to net completions on large sites across the borough's four areas: Reigate has seen the greatest increase followed by Redhill and Banstead. Horley has seen a 41% fall in large site completions, largely due to the completion of the North East Sector Development.

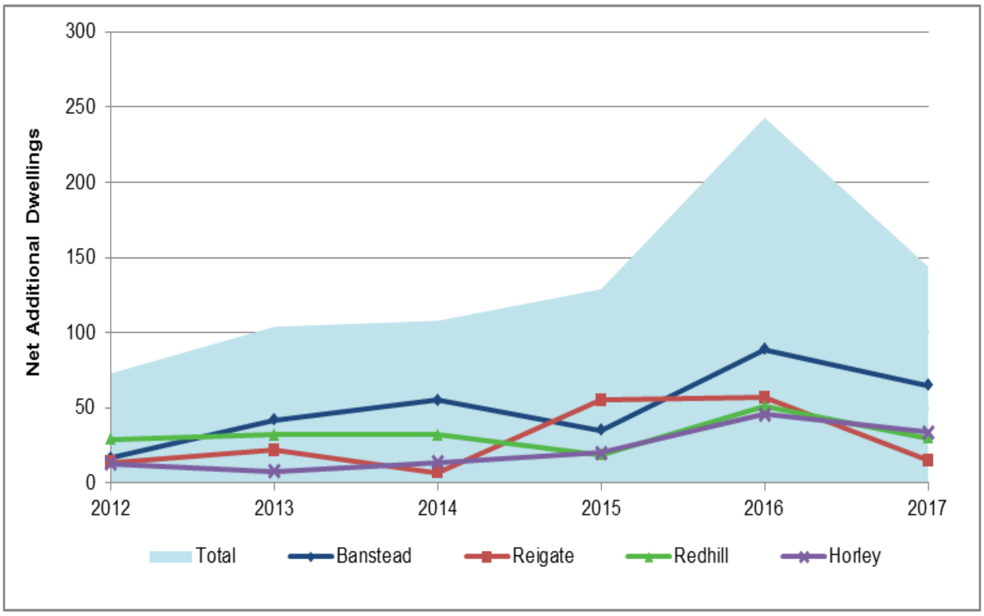
Figure 8 Large Site Net Completion Trend 2012 – 2017



Small Site Completion Rates

Figure 9 shows that within the most recent year there has been a decline in the number of dwellings completed on sites with less than 10 units from 43.5% in 2015/16 to 27.9%. However completions remain above the 5 year average despite all 4 towns experiencing a fall in completion rates.

Figure 9 Small Site Net Completion Trend 2012 – 2017



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. 88% of dwellings completed within the last twelve months were built on PDL – this is significantly above the Core Strategy monitoring target of 50%.

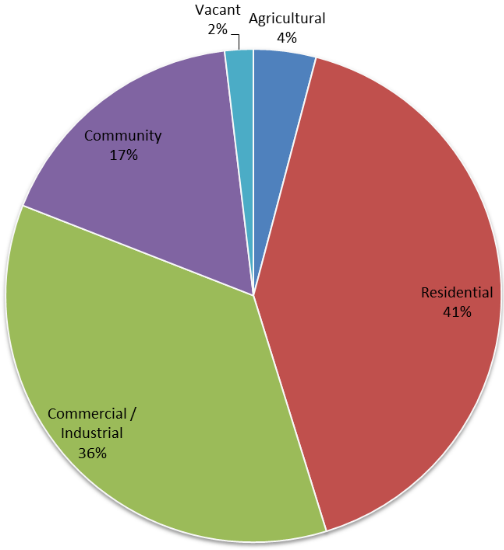
Within the last twelve months there has been an increase in the percentage of dwellings built on PDL (79% to 88%). This increase is in part due to a proportion of office to residential developments (15%) and a declining rate of delivery on the Horley North East Sector Development which was previously green-field land.

Figure 10 Previously Developed Land

	2012	2013	2014	2015	2016	2017
Dwellings on PDL	381	409	217	326	465	520
% on PDL	77.4	80.4	46.8	70.0	79.2	88.1

Figure 11 shows just under half of the completions on PDL were on previously residential land and a further 36% on previously commercial/industrial land.

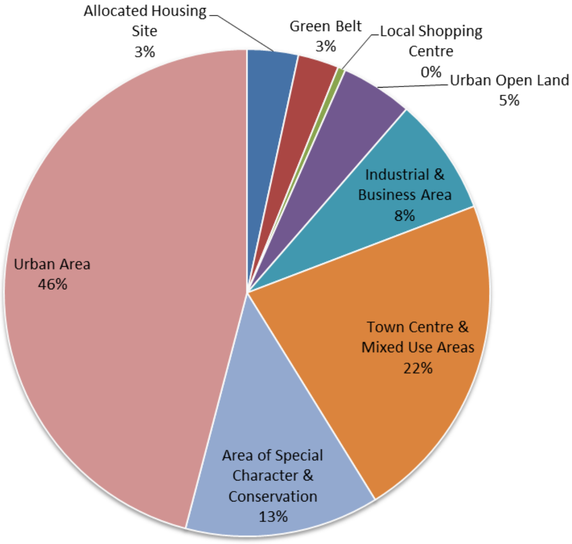
Figure 11 Previous Land Use of Completed Dwellings



Sources of Supply – Designation

Approximately half of the dwellings completed within the last twelve months were on urban sites without any specific designation. 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, as the scheme reaches completion (58 to 5). There has also been a notable increase in Town Centre & Mixed Use Area developments following the completion of 64 flats in Redhill Town Centre.

Figure 12 Designation of Completed Housing Sites



Housing Density

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 requires that developments should reflect the local character and levels of accessibility.

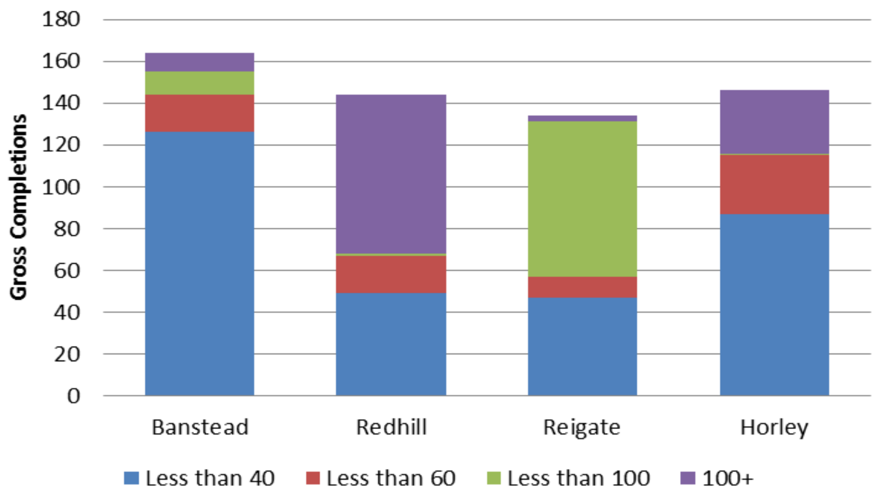
In line with the previous monitoring period, just over half of the dwellings completed were on sites with a density of less than 40dph and a fifth on sites with more than 100dph.

Figure 13 Density of Completions

	Less than 40dph	40-60dph	60-100dph	More than 100dph
Number of Units	309	75	88	118
Percentage (%)	52.6%	12.7%	14.9%	20.1%

The dwelling per hectare values (dph) of completions varies by borough area. All areas have the greatest proportion of completions on sites with a density of less than 40dph except for Reigate where more dwellings were completed in developments with a 60-100dph density. Horley and Redhill also have high proportions on sites with more than 100dph.

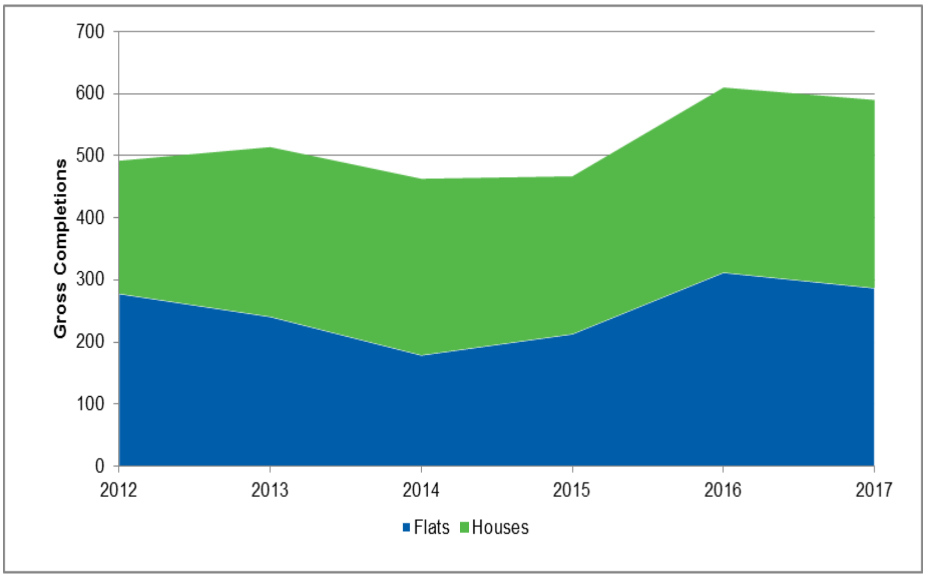
Figure 14 Density of Completions by Borough Area



Dwelling Size & Type

Over the last twelve months there has been an even split in terms of the type of dwelling completed for a second year. This compares to 2015/16 where 51% of completions were flats and 49% houses.

Figure 15 Breakdown by Dwelling Type (2012-2017)



However the split varies by borough area. Figure 16 shows that Reigate and Redhill have the largest proportion of flat completions and Banstead has the greatest proportion of house completions.

Figure 16 Proportion of Houses & Flats by Borough Area

	Flats	Houses
Area 1 – Banstead	28 (19%)	121 (81%)
Area 2a – Redhill	103 (72%)	41 (28%)
Area 2b - Reigate	107 (80%)	26 (20%)
Area 3 – Horley	49 (38%)	80 (62%)

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.

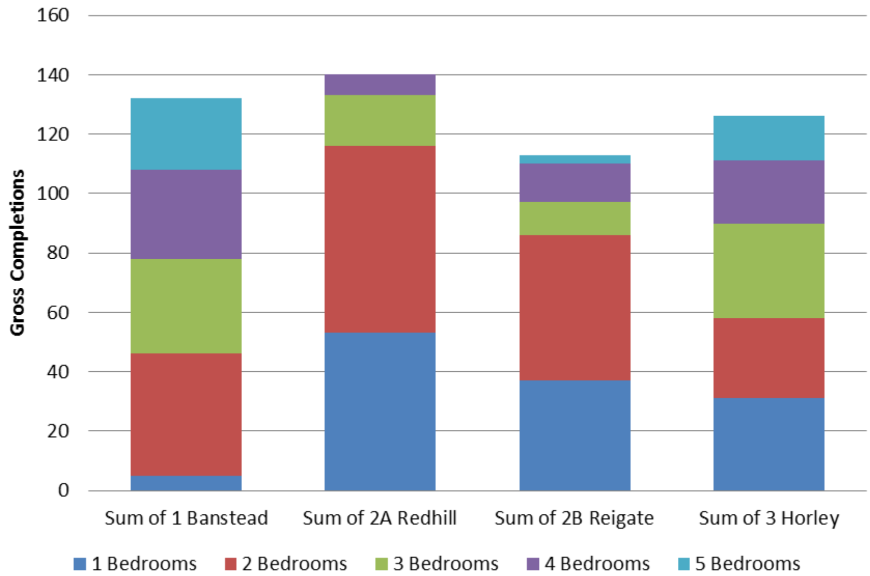
Within the last twelve months 60% of completions were 1 and 2 bedroom dwellings and 40% of completions were 3 and 4+ bedroom dwellings.

Figure 17 Completions by Size Compared to SHMA Recommendations

	Completions 2016/17	SHMA 2012 Market Housing Recommendation
1 bedroom	25%	40%
2 bedrooms	35%	
3 bedrooms	18%	60%
4+ bedrooms	22%	

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 Reigate and a greater number of 3 and 4+ bedroomed properties in Banstead and Horley.

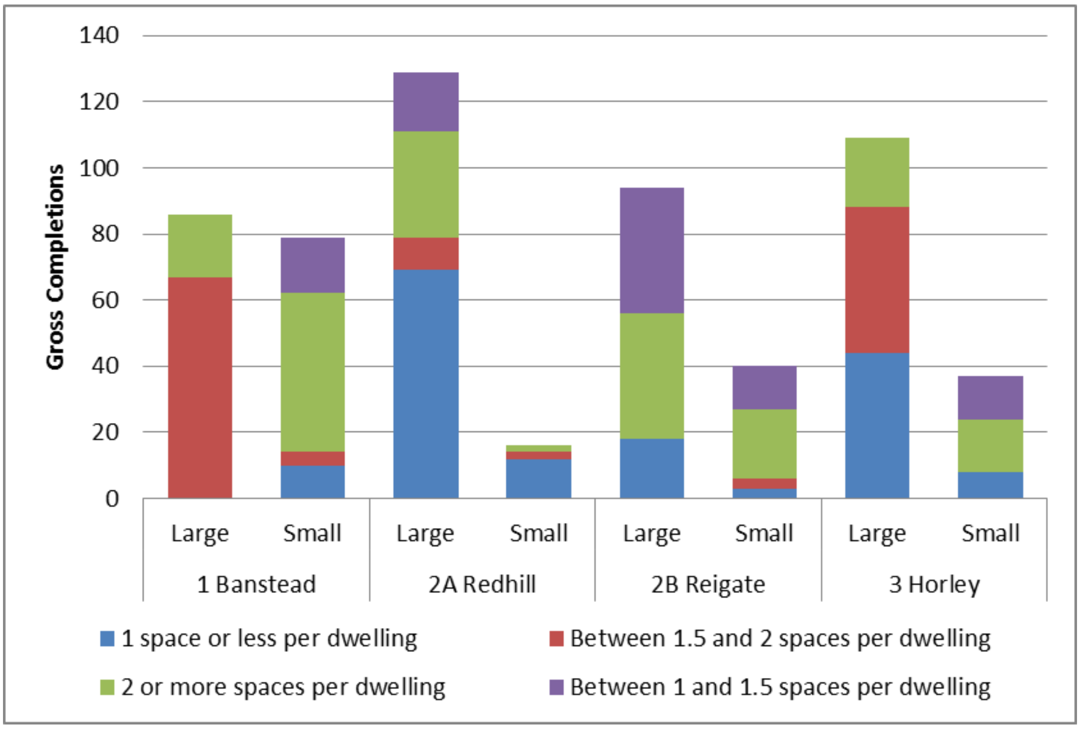
Figure 18 Completed Dwelling Size by Borough Area



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 is 1.42. A marginal increase on the previous year, this is partly due to a few completed schemes in Reigate and Banstead that averaged more than 2 spaces per dwelling. However the annual average remains lower than the historic average due to a greater number of flat completions, predominantly in town centre locations, which demand less parking.

Figure 19 Average Parking Spaces on Completed Dwellings by Site Size



Affordable Housing

Within this monitoring period 90 affordable units have been completed – 15.3% of all gross completions. This is below the Core Strategy Monitoring target of 100 dwellings per annum but is a marginal increase from the previous monitoring period (89 units – 14.6% of gross completions).

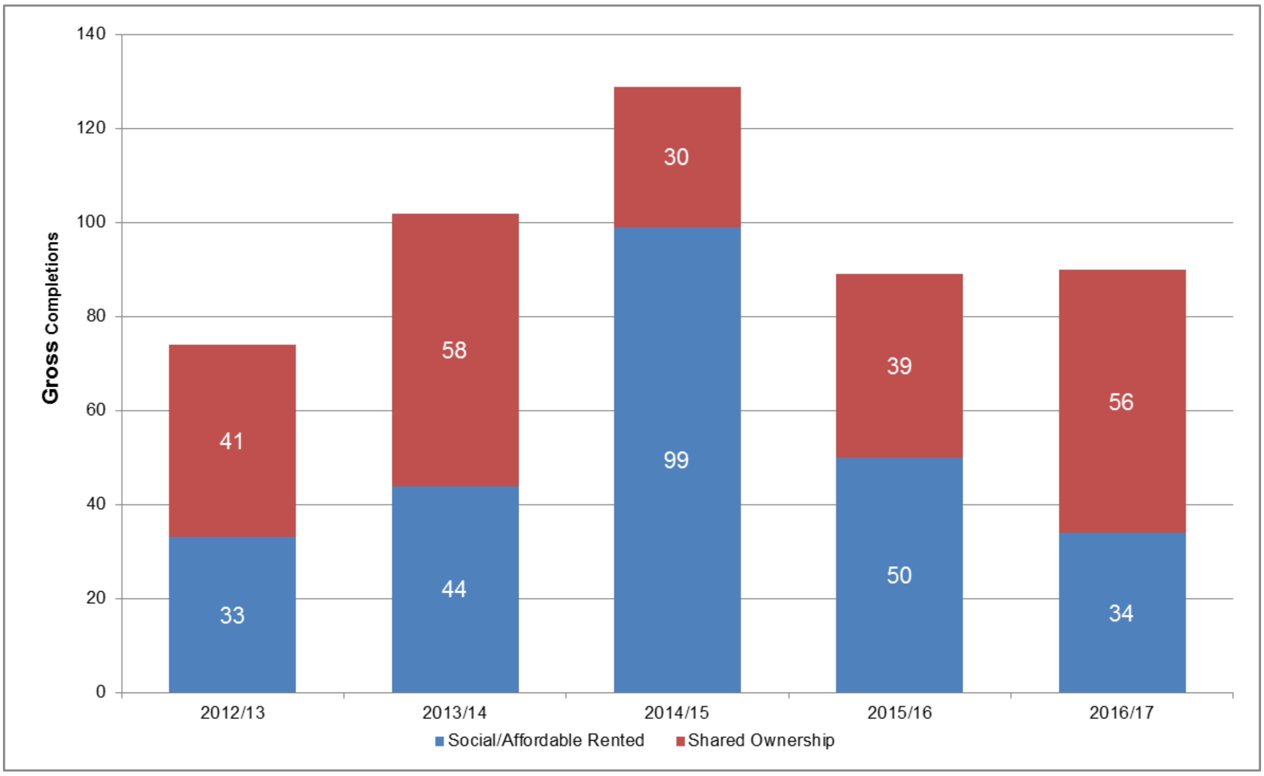
Within the last twelve months there has been a decrease in the number of affordable rented dwellings – 50 to 34, returning to a previous level recorded in 2014.

Figure 20 Affordable Housing Completions Summary

	Gross Completions
Total Units Completed 2015/16	590
Affordable Completions	90
Affordable (%)	**15.3%**
Affordable Rented	34
Affordable Rented (%)	**5.8%**

Figure 21 shows that since 2012/13 484 affordable units have been completed (260 social/affordable rented and 224 shared ownership). Overall since 2012/13 there has been an increase in the average annual number of affordable completions, however the numbers have fallen slightly within the last 2 years.

Figure 21 Affordable Housing Completions Trend



New Permission Characteristics

Number of New Permissions

Within the last twelve months 127 planning permissions were approved, these have the potential to deliver 815 net dwellings.

Once again the majority of net dwellings permitted were on large sites (67.7%), this is consistent with the previous monitoring period. Banstead and Redhill saw the largest proportion of newly permitted net dwellings (30.7% and 29.9% of the borough total respectively).

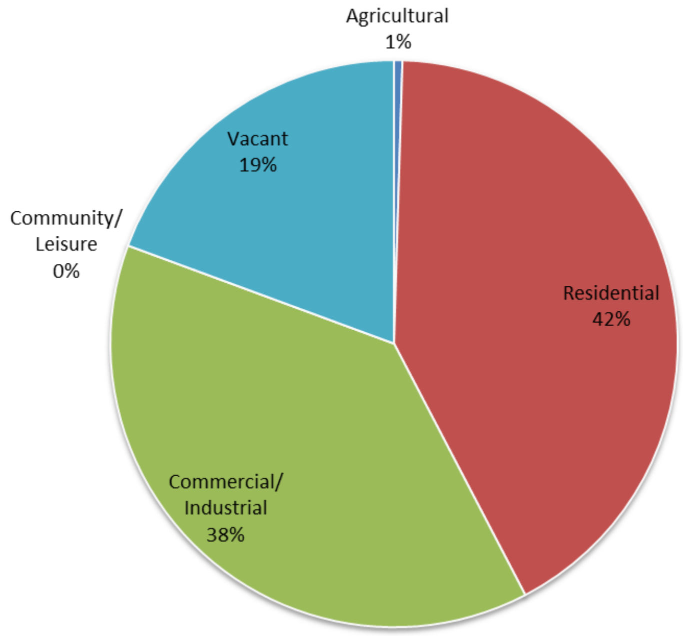
Figure 22 Number of New Units Permitted

		Area 1 - Banstead	Area 2a - Redhill	Area 2b - Reigate	Area 3 - Horley	TOTAL
Large (10+ units)	Gross	180	221	81	91	**573**
	Net	180	204	77	91	**552**
Small (1-9 units)	Gross	89	51	81	83	**304**
	Net	71	40	77	75	**263**
All Sites	Gross	**269**	**272**	**162**	**174**	**877**
	Net	**251**	**244**	**154**	**166**	**815**

Source of New Permissions – Previous Land Use

80% of gross dwellings permitted within 2016/17 were on sites that were either, commercial/industrial (38%) or residential (42%). The high percentage of dwellings permitted on vacant land can be mostly attributed to the approval of the Former De Burgh School planning application for 180 dwellings.

Figure 23 Previous Land Use of New Permissions



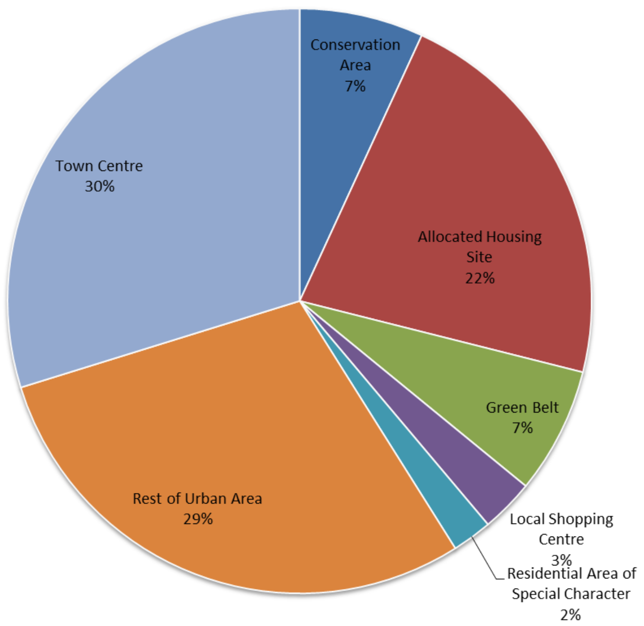
Source of New Permissions – Designation

59% of gross dwellings permitted within the last twelve months were in either the town centres (30%) or the rest of the urban area (29%). This compares to 68% of the dwellings permitted in the previous monitoring period.

The proportion of dwellings permitted in town centres has decreased (38% to 30%) despite a large permission being approved at Marketfield Way Car Park (153 units).

There has also been a significant decrease in the proportion of dwellings permitted in the Green Belt (16.6% to 7%): 65 dwellings were permitted as part of the redevelopment of the RNIB site in Redhill in 2015/16.

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. More than half of the dwellings (gross) permitted within the last twelve months were on sites with a density of less than 40dph. A further fifth were permitted on sites with a density of more than 100dph. Comprehensive data is not always available to produce the below figures, therefore the total number of completed of units in Figure 25 is less than the total expressed throughout the monitor, the Council will be working to improve collection of this data.

Figure 25 Density of New Permissions (dwellings per hectare)

	Less than 40dph	40-60dph	60-100dph	More than 100dph
Number of Units	293	66	46	107
Percentage (%)	57%	13%	9%	21%

Dwelling Type & Size

Just under 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 a large permission (153 dwellings in Marketfield Way Car Park) and in part due to a high number of offices to residential permitted developments (104).

Figure 26 Size & Type of Newly Permitted Dwellings

	Flats	Houses	Total
1 bedroom	220	11	231
2 bedrooms	253	79	332
3 bedrooms	8	153	161
4+ bedrooms	0	153	153
Total	481	396	877

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

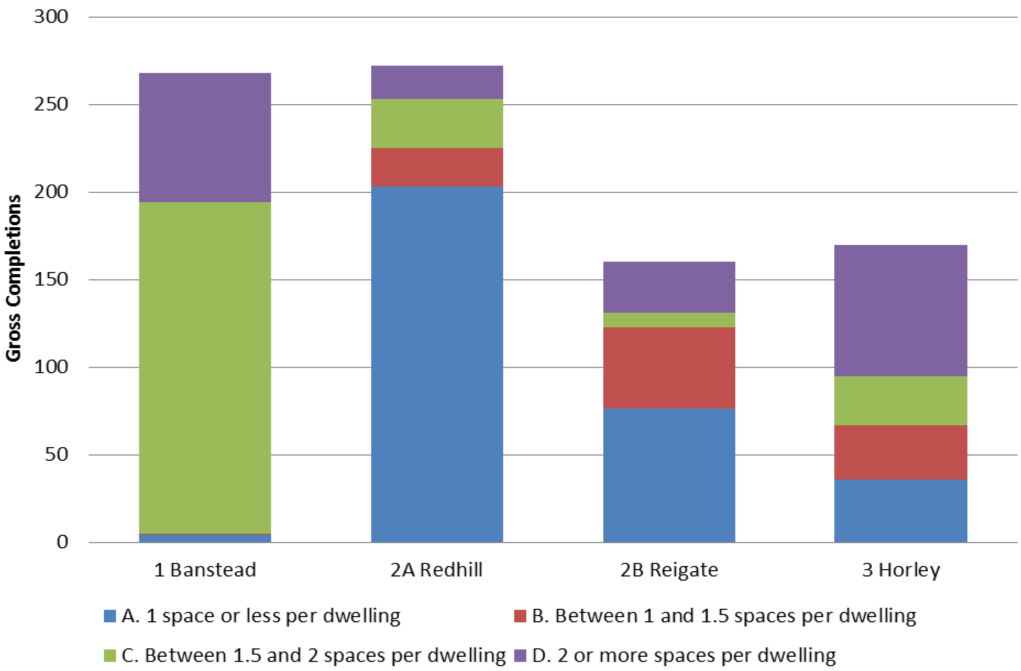
	Flats	Houses
Area 1 – Banstead	53	216
Area 2a – Redhill	217	55
Area 2b - Reigate	125	37
Area 3 - Horley	86	88

Car Parking Standards

The level of parking provision per permitted 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 (for example, 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 2,417 net dwellings were completed within the borough (equating to an annual average completion of 483 units) leaving an outstanding requirement of 4,483 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	2,417	483	35%	4,483

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 requires 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 483 units, with a cumulative oversupply of 117 units. This period includes two years of under delivery (6% and 6%) and three years of over delivery (3%, 12% and 21%).

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 117 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 117 units which has occurred to date in the plan period. This equates to a total 5 year requirement of 2,298 units, equivalent to an annual requirement of 459.6. 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 2017 there are a total of 1,121 outstanding net additional dwellings on sites with planning permission (tables B and C of the Appendix). A total of 154 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 780 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 2022 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 2,135 net additional dwellings.** Of these 1,228 are on sites which are currently under construction and the remaining 907 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 2022 taking account of any phasing plans) is **350 net additional dwellings.**

All of these sites have been assessed by the Council for suitability. 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 dwellings 2013/14, 161 dwellings 2014/15 and 125 dwellings 2015/16, 87 dwellings 2016/17)[3], this compares to 35 dwellings permitted through office to residential conversions/redevelopment in the three years prior to the rights.

Assuming the number of approvals and the current implementation rate continues 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.

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 **2,860 net additional dwellings** over the next five years**.** This represents a 6.22 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	2,135
2)	Sites without planning permission	350
3)	**Specific Deliverable Sites (1+2)**	**2,485**
4)	Windfall allowance	375
5)	**Total Five Year Supply (3+4)**	**2,860**
6)	Core Strategy Annualised Housing Requirement	460
7)	5% Buffer	23
8)	Annualise plan period over/under supply	-23
9)	**Total annual requirement (6+7+8)**	**460**
10)	**Equivalent years supply (5 ÷ 9)**	**6.22**

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	Redhill East	76
14/01075/OUT	Mysydd House, 17 The Close, Horley	Horley East	46
14/00967/OUT	Acacia House, Reigate Hill, Reigate	Reigate Hill	13
15/00556/F	Redstone Hall, 10 Redstone Hill, Redhill, Surrey	Redhill East	13
15/00528/OUT	Site of the former De Burgh School, Chetwode Road, Tadworth	Preston	6
Total Undeliverable			154

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 2017	Gross Dwellings Permitted	Net Dwellings Permitted	Units completed @ 31 March 2017	Total net remaining @ 1 April 2017	Net Deliverable by 31 March 2022
13/02282/OUT	Site of the former De Burgh School, Chetwode Road, Tadworth	Preston	Not Started	180	180	0	180	180
13/01729/OUT	Recreation Ground, Merland Rise, Tadworth, KT20 5JG	Preston	Under Construction	130	130	61	69	69
14/02562/F	RNIB Soundscape, Philanthropic Road, Redhill	Earlswood & Whitebushes	Under Construction	102	102	0	102	102
15/00500/F	Land Parcel at 71 Victoria Road, Horley, Surrey	Horley Central	Under Construction	62	62	0	62	62
14/00317/F	Saxley Court, 121-129 Victoria Road, Horley, RH6 7AS	Horley Central	Under Construction	43	43	0	43	43
14/02124/F	Landens Buildings, Meath Green Lane, Horley, Surrey, RH6 8HZ	Horley West	Under Construction	38	34	0	38	38
14/02647/PP	Consort House, Consort Way, Horley, RH6 7AF	Horley Central	Under Construction	38	38	35	3	3
15/02755/F	Chichester Caravans, 18 Brighton Road, Salfords, Surrey	Salfords & Sidlow	Under Construction	20	20	0	20	20
15/00914/PJP	Fintrax House, 13 Station Road North, Merstham, Surrey, RH1 3ED	Merstham	Under Construction	11	11	0	11	11
14/02551/PJP	Rawlinson House, 7-9 London Road, Redhill, Surrey, RH1 1LY	Redhill West	Under Construction	8	8	6	2	2
15/02148/PAP	First & Second Floors, 39-41 High Street & 2 Lumley Road, Horley, Surrey, RH6 7BN	Horley Central	Under Construction	8	8	0	8	8
14/00498/F	Reigate Heath Garage, 10 & 11 Flanchford Road, Reigate Heath, Reigate, RH2 8AB	Reigate Central	Under Construction	6	4	3	3	3
14/01007/F	Burghside, Brighton Road, Banstead, SM7 1BB	Banstead Village	Under Construction	6	6	0	6	6
15/01255/F	89-91 West Street, Reigate, Surrey, RH2 9DA	Reigate Central	Under Construction	6	4	0	6	6
15/01275/p	Dartel House, 2 Lumley Road, Horley, Surrey, RH6 7JL	Horley Central	Under Construction	6	6	0	6	6

13/02073/PJ	South Lodge Court, Ironsbottom, Sidlow, RH2 8QG	Salfords & Sidlow	Under Construction	5	5	0	5	5
14/01527/F	4 Sutton Lane, Banstead, Surrey, SM7 3QP	Banstead Village	Under Construction	5	4	0	5	5
16/01066/F	Marketfield Public Car Park, Marketfield Road, Redhill Surrey RH1 1RH	Redhill East	Not Started	153	153	0	153	153
13/02289/OUT	Portland Drive, Merstham, RH1 3HY	Merstham	Not Started	48	6	0	48	48
14/01494/F	Frith Park, Sturts Lane, Walton on the Hill, Surrey, KT20 7NQ	Tadworth & Walton	Not Started	37	33	0	37	37
15/01798/F	126 London Road, 2-10 Claremont Road & 1-11 Ranmore Close, Redhill	Redhill East	Not Started	34	17	0	34	34
16/00043/F	2 Fonthill, 58 Reigate Road, Reigate, Surrey, RH2 0QN	Reigate Central	Not Started	29	29	0	29	29
16/01324/P	Millennium House, 99 Bell Street, Reigate, Surrey, RH2 7AN	Reigate Central	Not Started	16	16	0	16	16
14/00763/CU	26-28 Station Road, Redhill, RH1 1PD	Redhill East	Not Started	14	14	0	14	14
16/01069/P	77-83 Bell Street, Reigate, Surrey, RH2 7AN	Reigate Central	Not Started	13	13	0	13	13
16/02884/PAP	Bourne House, 17 Lesbourne Road, Reigate, Surrey RH2 7JS	Meadvale & St Johns	Not Started	13	13	0	13	13
15/00252/F	NRT Electical & Mechanical, Castle House, Park Road, banstead	Banstead Village	Not Started	10	10	0	10	10
16/00428/F	4-10 Church Street, Reigate	Reigate Central	Not Started	10	6	0	10	10
15/02780/F	88 Epsom Lane North And To The Rear Of 86 & 90 Epsom Lane North Epsom Downs Surrey KT18 5QA	Tattenhams	Not Started	9	8	0	9	9
16/00612/F	Horley Place, 17 Bonehurst Road, Horley, Surrey, RH6 8PP	Salfords & Sidlow	Not Started	9	8	0	9	9
16/01013/F	Courtlands Farm, Park Road,Banstead,Surrey, SM7 3EF	Chipstead, Hooley & Woodmansterne	Not Started	9	9	0	9	9
16/02111/F	5 Claremount Gardens & Land To Rear Of 1 ,3 ,7, 7A ,9, 11, 13 & 15 Claremount Gardens, Epsom Downs, Surrey	Nork	Not Started	9	9	0	9	9

	KT18 5XF							
16/02517/F	Former Kings Barn, Waterhouse Lane, Kingswood Surrey	Kingswood with Burgh Heath	Not Started	9	8	0	9	9
15/01543/F	Group House, 2A Albion Road, Reigate, Surrey, RH2 7JY	Meadvale & St Johns	Not Started	8	8	0	8	8
15/02681/F	Sangers House, Horley	Horley Central	Not Started	8	8	0	8	8
15/02853/F	Exchange House, 229 London Road North, Merstham	Merstham	Not Started	8	6	0	8	8
15/02914/F	Land to the North of Merrywood Park, Reigate, Surrey	Reigate Hill	Not Started	8	8	0	8	8
16/02374/F	Former Denoras Rest, Meath Green Lane, Horley, Surrey	Horley West	Not Started	8	7	0	8	8
16/00688/F	Garage Blocks Arbutus Road Redhill	Meadvale & St Johns	Not Started	7	7	0	7	7
16/01161/F	Former Knights & Sons, 8-10 Bell Street, Reigate	Reigate Central	Not Started	7	7	0	7	7
16/01639/F	Hengest Farm 21A Woodmansterne Lane Woodmansterne Surrey SM7 3EY	Banstead Village	Not Started	7	7	0	7	7
15/02752/F	Stanton Lodge & To The Rear Of 1-7 Shelvers Way, Shelvers Way, Tadworth, Surrey KT20 5QJ	Tadworth & Walton	Not Started	6	5	0	6	6
16/02905/OUT	Units 1 & 2 & Land To Rear Of 8-13 Maple Works, 14A Maple Road, Redhill	Earlswood & Whitebushes	Not Started	6	6	0	6	6
16/01550/P	23-27 Endsleigh Road, Merstham	Merstham	Not Started	6	6	0	6	6
16/01758/F	43-49 High Street,Horley, Surrey RH6 7BN	Horley Central	Not Started	6	6	0	6	6
12/00355/OUT	Downs Mower Services, 1 Tattenham Grove	Tattenhams	Not Started	5	5	0	5	5
14/01615/F	2 & 3 Hitherwood Close, Reigate, Surrey, RH2 0JJ	Redhill West	Not Started	5	3	0	5	5
14/02542/F	1 Yattendon Road, Horley, Surrey, RH6 7BS	Horley Central	Not Started	5	3	0	5	5

15/01372/PAP	City Space Filestores, Chapel Warehouse, 23a Lesbourne Road, Reigate, Surrey, RH2 7JS	Meadvale & St Johns	Not Started	5	5	0	5	5
15/02288/OUT	1 Claremount Road, Redhill	Redhill East	Not Started	5	4	0	5	5
15/02725/F	8 Brighton Road, Hooley, Surrey, CR5 3EB	Chipstead, Hooley & Woodmansterne	Not Started	5	4	0	5	5
16/00007/F	Don Ruffles, 138 Victoria Road, Horley	Horley Central	Not Started	5	5	0	5	5
16/02235/F	34 Limes Avenue, Horley, SurreyRH6 9DG	Horley Central	Not Started	5	5	0	5	5
16/02801/F	31 Blackborough Road, Reigate, Surrey, RH2 7BS	Reigate Central	Not Started	5	5	0	5	5
Total Net Deliverable on Large Sites (More than 5 Units) with Planning Permission in the Five year Supply (Excl. NW Sector)								**1,121**
04/02120/OUT	Horley North West Sector, Meath Green, Horley	HW	Under construction	1,510	1,510	0	1,510	780
Total Net Deliverable on the Horley North West Sector in the Five Year Supply								**780**

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 2017	Net Deliverable by 31 March 2022
Under Construction	Area 1 – Banstead	58	40	28	28
	Area 2a – Redhill	16	12	10	10
	Area 2b- Reigate	19	13	10	10
	Area 3 – Horley	20	16	11	11
Not Implemented	Area 1 – Banstead	87	51	51	51
	Area 2a – Redhill	44	32	32	32
	Area 2b- Reigate	62	50	50	50
	Area 3 – Horley	52	42	42	42
Total Net Deliverable on Small Sites (Less than 5 Units) with Planning Permission in the Five Year Supply					**234**

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

Site Address	Ward	Total Net Capacity	Net Deliverable in five year supply
Former Liquid & Envy Nightclub, Redhill	Redhill East	133	133
Hockley Business Centre	Earlswood & Whitebushes	50	50
High Street Car Park	Horley Central	45	45
Horley Library	Horley Central	36	36
Cromwell Road	Redhill West	24	24
Former Oakley Centre	Merstham	22	22
Kingswood Station	Kingswood & Burgh Heath	18	18
Royal Mail Delivery Office Reigate	Reigate Central	12	12
Church of the Epiphany	Merstham	10	10
Total Net Deliverable on Sites without Planning Permission in the Five Year Supply			**350**

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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