



MATTER 5 – HOUSING LAND SUPPLY AND DELIVERY

WED 31 OCT 2018

EXAMINATION OF THE REIGATE AND BANSTEAD DEVELOPMENT MANAGEMENT PLAN

Written statement on behalf of Taylor Wimpey UK Ltd

ISSUE: Whether the approach to the provision of housing justified, positively prepared, effective, deliverable and consistent with national policy and the Core Strategy.

5a) Housing Supply

1. Does the DMP provide sufficient deliverable housing sites to meet the housing requirements of the borough to 2027? Would there be any oversupply? Does it accord with the spatial distribution set out in the CS?

- 1 No. We do not consider the DMP will provide sufficient housing sites to meet the requirement of the Borough to 2027. Moreover, and for reasons expressed in response to question 4, the authority will NOT be able to demonstrate the required 5 year supply of deliverable housing land having regard to the requirement to assess supply in accordance with the revised NPPF. The Plan cannot be said to be sound on this basis and additional flexibility is required through modifications.

2. Does the DMP provide sufficient choice and flexibility of sites to meet current and future housing needs?

- 2 No. As explained in the response to question 4, our assessment of land supply at April 2019 (based upon the trajectory in Annex 1 of the Local Plan) indicates that there will be a deficit of 620 dwellings in the supply. It is essential that this is addressed.
- 3 Our representation to the proposed submission plan indicated that Oakley Farm, Merstham can accommodate approximately 145 dwellings in comparison to the 95 detailed in policy ERM5. To address the identified shortfall in five year supply, it is essential that full use of all sites released from the Green Belt is achieved, as expected in chapter 11 of the NPPF (2018). The reference to the 2018 edition of the NPPF, instead of the 2012 edition (upon which the Plan is being examined pursuant to paragraph 214 of the 2018 NPPF) is explained in the response to question 4.

3. Does the DMP take sufficient account of previously developed/brownfield land, windfall sites, completions and commitments in its proposed housing provision and has it fully assessed and maximised the use of all reasonable and realistic non Green Belt land?

4 No. As detailed in our response to question 2, our representation indicates that Oakley Farm could accommodate 145 dwellings, compared to the 95 detailed in policy ERM5.

4. Would the DMP realistically provide for a five year housing land supply over the plan period? With reference to Table 14 in the Housing Trajectory Position at 30 June 2018, how have the figures for the annualised over/under delivery and the anticipated shortfall in supply from 2024/25 onwards been derived?

5 The DMP will not provide a 5 year supply. The reasons for Taylor Wimpey's view on this is explained below:

6 The Core Strategy (CD16) was adopted on 3rd July 2014. Policy CS13 of this document indicates that the annual requirement for homes in the borough from 2012 until 2027 is for 460 dwellings.

7 Whilst the Submitted DMP is being examined under the 2012 version of the NPPF(as explained in response to question 2), paragraph 212 of the 2018 edition confirms that the policies of the revised version "should be taken into account in dealing with applications from the day of its publication". Consequently, in assessing whether a five year supply of housing land exists in Reigate & Banstead, any planning application must be assessed pursuant to paragraph 73 of the 2018 NPPF. Therefore, it would be illogical to assess the availability of a five year supply for plan making using a different approach to that for planning applications. Consequently, any assessment of five year supply for the submitted Plan (alongside the document's soundness) must therefore also be assessed in line with the 2018 edition.

8 Paragraph 73 of the 2018 NPPF states:

"Strategic policies should include a trajectory illustrating the expected rate of housing delivery over the plan period, and all plans should consider whether it is appropriate to set out the anticipated rate of development for specific sites. Local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their housing requirement set out in adopted strategic policies³⁶, or against their local housing need where the strategic policies are more than five years old."

9 Reigate & Banstead’s housing requirement in their Core Strategy is therefore out of date from 3rd July 2019. The Council’s Local Development Scheme (CD11) does not indicate that a new Local Plan detailing Strategic Policies will be in force by this date and consequently, the Government’s Local Housing Need approach will apply.

10 Since the Council’s next assessment of housing land supply (1st April 2019) will occur shortly before the Core Strategy is more than 5 years old and is likely to occur prior to the adoption of the Submitted Development Management Plan, it is essential that the implications of paragraph 73 for assessing Reigate & Banstead’s Housing Land Supply is undertaken. This is especially important as it will need to include relevant assessment based upon the 2018 NPPF for any application determined from 3rd July 2019.

11 Given the first year of the 5 year assessment at 1st April 2019 includes when the Local Housing Need approach is implemented, we have taken this into account by assuming this will apply to the calculation from year two onwards. This is notwithstanding the advice in paragraph 20 of the Government’s Guidance entitled “Housing Delivery Test – Measure Rule Book” stating:

‘Where a housing requirement figure becomes older than five years (unless the relevant strategic policies have been reviewed and found not to require updating) during the Housing Delivery Test period, this will be used for the Housing Delivery Test measurement up to the 5th anniversary of its adoption. Where this anniversary is part way through the year, the housing requirement will be apportioned based on the number of days in the year. If the figure has not been reviewed, or requires updating, the remainder of the year and subsequent years, will be based on the *minimum annual local housing need* figure, until a new housing requirement is adopted, as per Table 2’ (our emphasis)

12 This would imply that the Core Strategy requirement can only be included in the assessment for the period 1st April 2019 until 3rd July 2019 (94 days), with the Local Housing Need for the remainder of the five year period until 31st March 2024.

Housing requirement for Reigate & Banstead under Local Housing Need Assessment

13 The 2016 based household projections (published 20th September 2018) indicate that the number of households in Reigate and Banstead will increase from 59,467 (2019) to 64,874 (2029). This is an increase of 5,407 households (an annual average of 540.7). When the 2017

medium affordability ratio of 11.48 is inserted into the standard formula (results in an adjustment factor of 0.4675), the minimum annual requirement is for 793 dwellings ($540.7 \times (1 + 0.4675)$). However, as this results in an increase over the 40% cap associated with household projections, the capped output of the Standard Methodology would result in an annual need for 757 dwellings (540.7×1.4) at 1st April 2019. This is therefore the figure included in the assessment of five years supply for years two to five.

14 The baseline requirement at 1st April 2019 is therefore:

Requirement derived from Core Strategy CS13 for period 1st April 2019 to 31st March 2020 (whilst Plan is still valid for assessing a 5 year supply i.e. until 3rd July 2019) = 460 dwellings

Requirement from Standard Methodology for remaining 4 years of 5 year period i.e. from 1st April 2020 to 31st March 2024) $757 \times 4 = 3,028$

15 Total requirement (excluding buffer) for 5 years period 1st April 2019 until 31st March 2024 = 3,488.

16 When minimum 5% buffer is added, the requirement for 5 year supply at 1st April 2019 increases to **3,662 dwellings**.

17 The housing trajectory in the Updated Housing Trajectory Paper & Annex 7 of the Submitted Plan indicates the following levels of completions are expected in the 5 years from April 2019 to March 2024:

1st April 2019 to 31st March 2020 = 729

1st April 2020 to 31st March 2021 = 805

1st April 2021 to 31st March 2022 = 491

1st April 2022 to 31st March 2023 = 522

1st April 2023 to 31st March 2024 = 495

This is a total of 3,042 dwellings

18 The quantum of housing expected to be delivered in Reigate and Banstead Borough from 1st April 2019 until 31st March 2024 is therefore 620 dwellings short of that required to demonstrate the minimum 5 years supply of housing, when calculated using the Standard Methodology for the four years once the Plan is more than 5 years old (i.e. requirement of 3,662 dwellings less supply of 3,042 dwellings).

- 19 Although the authority’s Housing Trajectory Report (August 2018) indicates that between 2012 and 2018 it over-delivered against its Core Strategy , and the expectations are that this will have continued up until 31st March 2019 (4,649 completions compared to a requirement of 3,220 dwellings arising from the Core Strategy (see annex 7 of Submitted DMP)), paragraph 73 of the 2018 NPPF is clear that **“local authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years’ worth of housing against their housing requirement set out in adopted strategic policies , or against their local housing need where the strategic policies are more than five years old.”** Since the NPPF sets the minimum requirement for assessing a five year supply as the annual target in the strategic policy, there can be no reduction for over provision in the earlier years.
- 20 The exclusion of over-provision when looking at assessments of 5 year supply is consistent with the views of the Inspector in an appeal on land north of Aylesbury Road, Wendover, Buckinghamshire dismissed on 9th October 2017– see paragraphs 118 to 120 of the decision (copy included as Appendix 1) (PINS ref APP/J0405/W/16/3158833).
- 21 The analysis above indicates that in April 2019, Reigate and Banstead Council will not be able to demonstrate a robust 5 year supply since there is a shortfall of 620 dwellings.
- 22 The capacities of the sites allocated are:
- i. SEH4 and NWH2 (40 dwellings each ie. total of 80 dwellings)
 - ii. NWH1(subject to access through the North West sector) – 75 dwellings
 - iii. ERM1 – Hillsbrow, Nutfield Road, Redhill – 100 dwellings
 - iv. SSW6 - Land west of Castle Drive – 10 dwellings
 - v. SSW7 - Hartswood Nursery – 25 dwellings
 - vi. ERM5 - Oakley Farm – 95 dwellings**
 - vii. ERM4 - Land south of Bletchingley Road – 50 dwellings
 - viii. SSW2 - Land at Sandcross Lane – 260 dwellings
 - ix. SSW9 - Dovers Farm – 100 dwellings
 - x. ERM2/3 -Copyhold – 210 dwellings
- 23 The total of the sites in policy MLS1 is therefore **765 dwellings**.
- 24 As there will be a shortfall in five years supply at April 2019 i.e. prior to the likely adoption of the DMP based upon application of paragraph 73 of the revised NPPF, it is essential that all the sites are released before this date to enable the authority to demonstrate it can maintain a five year supply.

- 25 This view of timing of release therefore conflicts with that in paragraph 5.2 of the Council's Phasing of SUE's (SD/45).
- 26 Although the scale of the shortfall indicates that all Policy MLS1 sites need to be released, Taylor Wimpey has concerns over the ability of several sites to provide a boost to delivery within the required five year timescale. This is explained further in our statement on Matter 9.
- 27 Based upon the above assessment of five years supply at 1st April 2019, which necessitates the release of all sites allocated in policy MLS1 of the Submitted Plan, this confirms Taylor Wimpey's view that the Plan is not positively prepared as detailed in our representations. To address the identified shortfall in five year supply (thereby ensuring consistency of the submitted Plan with both the 2012 and 2018 versions of the NPPF), all the reserve sites listed in policy MLS1 must be released prior to the Plan's adoption.

5. Is the Housing Trajectory realistic? Are the assumptions with regard to delivery justified by the available evidence?

- 28 The Housing Trajectory is not considered realistic. Although the Council helpfully provides information on lead in times and the period to implement a permission, there is no detailed breakdown of the annual rate achieved on different sized sites and whether delivery has varied during the development programme. Without this evidence, there is no certainty that the projections of delivery for the various sites are realistic.
- 29 Furthermore, the very significant differences in the authority's completions data going back to 2012 (as shown in Table 1 of the August Housing Trajectory for April 2018) raises concerns regarding the robustness of the Council's Evidence base.
- 30 The changes within Table 1 result in completions figures which differ from the definitive results from the Government's 'Live tables on housing supply – net additional dwellings.' The comparison of table 122 of the Government's definitive results and those of the authority in Table 1 are illustrated below. This indicates that the Government's definitive net additional dwellings in the Borough primarily relates to the data within the 2018 Housing Delivery Monitor.

Year	Number of Dwellings Completed			
	2018 Housing Delivery Monitor	July 2018 Housing Trajectory	Change	Government Table 122
2012/13	469	518	+49	469
2013/14	433	485	+52	436
2014/15	420	488	+68	420
2015/16	535	644	+109	535
2016/17	517	590	+73	517
2017/18	510	573	+63	TBC (November 2018)
Total Number of Dwellings Delivered Since the Beginning of the Core Strategy Plan Period	2,884	3,298	+414	TBC
Dwellings delivered 2012-2017	2,374	2,725	+351	2,377

6. How are windfall sites defined? Is the windfall allowance included in the supply trajectory appropriate having regard to the historic rate of windfall delivery in the borough? Should windfalls be included in the first 2 years of the supply calculation?

31 No further comment on behalf of Taylor Wimpey

7. How have site densities been determined? Are they reasonably accurate? How does the DMP set out the Councils approach to housing density to reflect local circumstances? Is there a need for separate policy guidance on density?

32 The site densities are not considered appropriate. This is demonstrated by the representations submitted by Taylor Wimpey highlighting that Masterplan for Oakley Farm (see our Matter 9 Statement) can accommodate approximately 145 dwellings. This is clearly in excess of the 95 dwellings provided for in policy ERM4.

33 The Masterplan has been informed by a thorough technical appraisal of the characteristics of the site and surrounding area. It provides for approximately 145 dwellings on circa 4.33ha at a net density of approximately 33dph. The remainder of site, extending to circa 3.88ha can provide accessible and landscaped open space as well as a buffer to the M23 to the north.

34 The proposed development parcels also allow for the retention of a number of trees and wooded areas in order to provide for a development in a sylvan setting. It is considered that this approach helps to sensitively assimilate the proposed residential development into the site.

35 The Masterplan also allows for a potential orchard area to the front of the locally listed buildings at Oakley Farm. Research of historical mapping showed the presence of a former orchard in this location and this provides a means of respecting the setting of the locally listed buildings.

8. The Council does not apply a non-implementation rate. Based on the available evidence is one appropriate and if so at what level should it be set?

36 No further comment on behalf of Taylor Wimpey

9. Is the Strategic Housing Market Assessment (SHMA) sufficiently up to date to provide an appropriate robust evidence base?

37 See response to question 4 where Taylor Wimpey highlights role of the Standard Methodology in the 2018 NPPF for assessing 5 years supply in the borough, due to the nearly 5 year period since the Core Strategy was adopted.

5b) Delivery

Policy MLS1 - Phasing of sustainable urban extension sites

1. What evidence is there that this policy is effective, justified and consistent with national policy?

38 See response to question 4 for matters 5a, where Taylor Wimpey highlights concerns over the lack of 5 year supply from April 2019. This reinforces our view that the policy is not effective nor consistent with national policy.

2. How has the order in which sites should come forward been decided? What factors were taken into account?

39 As detailed in our response to question 4 of 5a, Taylor Wimpey's view is that all the MLS1 sites need to be released before 1st April 2019 in order to maintain a 5 year supply (taking account of the Standard Methodology) which will apply to the borough before the summer.

40 Notwithstanding this, as explained further in our written statement on matter 9, the ordering of sites for release whilst reflecting the approach in the Core Strategy (Policy CS6):

- a. Countryside beyond the Green Belt adjoining the urban area of Horley*
- b. East of Redhill and East of Merstham*
- c. South and South West of Reigate.*

41 Taylor Wimpey agree that the ordering should take account of the timing of restoration of the Copyhold Landfill (permission allows this to continue until 31st December 2030 which therefore extends beyond the Plan Period (see decision letter in Appendix 2). This justifies the placing of site ERM2/3 last in list, although given timing of landfill restoration, this raise questions over its ability to address a shortfall in 5 year supply in April 2019, as envisaged by Taylor Wimpey’s response to question 4.

42 Additionally, table 1 of the August 2018 housing trajectory (as at 1st April 2018 base-date) indicates that the committed 1,510 dwellings approved at North West Horley will be delivering 180dpa in the 6 year period 2018 to 2024. It is then expected to deliver the remaining 161 dwellings in 2024/25.

43 On this basis, the additional site allocated under Policy HLS1 can only reasonable be said to contribute towards housing delivery from 2024/25 onwards, assuming delivery continues at the expected rate set out above. This site is therefore also unlikely to address the expected shortfall in five years supply at April 2019.

44 Based upon the exclusion of these two sites from the supply within MLS1, there would not be sufficient land to address the identified shortfall of 620 dwellings (see response to question 4 in 5a and matter 9).

3. With particular reference to part 4 of the Policy, what evidence is there that this is justified? Is it too restrictive? How does this take account of the lead in times for these sites and the need to maintain a 5 year housing land supply.

45 Based upon the responses to the other questions in matter 5a, it is not considered that part 4 of the policy is justified, given the expected deficit in 5 years supply at April 2019 and the lack of deliverable sites within MLS1 to address the shortfall.

4. Is the policy sufficiently flexible? Is it clear how this policy will be implemented?

46 Given Taylor Wimpey’s review of 5 year supply at April 2019, this reinforces our view that the policy is not sufficiently flexible since it is envisaged that all the site would need to be released, to address a 5 year supply requirement, calculated in accordance with the NPPF (2018).
