

Appendix 8

Housing Mix Analysis

1. Context

- 1.1 The National Planning Policy Framework (NPPF) (para 50) identifies that local authorities should plan for a mix of housing and identify the size, type, tenure and range of housing that is required across the borough in order to deliver a wide choice of homes. Further, the Framework directs local authorities to identify a land supply which ensures choice and competition in the market for land.
- 1.2 The SHLAA and trajectory present the situation with regards to absolute housing land provision, it is important to understand whether these land supply sources are capable of meeting the aspirations of the NPPF and Core Strategy Policy CS12: Housing Needs of the Community with regards to delivering an appropriate mix of housing land; and ultimately new homes, to the market.
- 1.3 This paper assesses the potential housing mix that could be achieved through delivery of the specific sites and broad locations identified in the SHLAA.

Housing Mix Recommendations

- 1.4 The 2012 SHMA for Reigate & Banstead provides a broad indication of the housing mix required in the borough for different tenures (see Table 1 below).

Table 1: Recommendations of housing mix

	1 bed	2 bed	3 bed	4 bed
Social/Affordable Rent	75%		25%	
Intermediate	85%		15%	-
Market	40%		60%	

- 1.5 When this is analysed relative to housing provision (i.e. 6,900 dwellings of which 1,500 will be affordable) and the indicative tenure mix suggested in the SHMA, this leads to a **largely balanced overall mix of 49% smaller (1-2 bed) and 51% larger (3-4+ bed).**

2. Analysing SHLAA Provision

- 2.1 In order to understand whether the opportunities identified through the SHLAA are capable of meeting this indicative housing mix, it is necessary to analyse individual sites (including outstanding commitments) and broad locations to identify the potential mix which could be achieved on each. For identified sites, this process has been supported by the discussions held with Development Management Officers when estimating the potential capacity of each site whilst for extant planning permissions the information is extracted from monitoring databases.
- 2.2 The analysis is presented by five year periods to assess whether provision would be balanced across the plan period or whether mix could be skewed with provision of a certain type of units front-loaded or unsatisfied until later in the plan period.

Years 1-5

- 2.3 Sites identified as deliverable within 1-5 years comprise extant planning permissions as well as a number of other specific identified sites and an initial phase of delivery at the allocated Horley North West Sector.

Outstanding commitments

- 2.4 Table 2 below shows the mix which would be provided by the delivery of outstanding planning permissions. This information has been extracted from the Council's monitoring systems. In summary, the delivery of sites with outstanding planning permissions would provide a relatively well balanced mix.

Table 2: Housing mix on current planning permissions

	Small (1 & 2 bed)	Large (3 & 4 bed)
Under Construction	341	456
Unimplemented	329	167
Total	670	623

Identified sites

- 2.5 A total of 17 sites are identified as being deliverable (in full or in part) in years 1-5. Of these, a number are located within the Redhill town centre regeneration area and provision on these sites would be dominated by flatted development given its accessible, central urban location. Development at Horley North West would introduce balance by contributing a large proportion of larger 'family' homes. Table 3 below summarises the mix assumptions made on each individual identified site.

Table 3: Housing mix on identified sites (1-5)

	Small (1 & 2 bed)	Large (3 & 4 bed)	Comments
The Grove, Horley	40		Edge of town centre, close to station, likely to be high density flats
Ship PH, Redhill	12		Small urban site, previous application proposed flats
Iron Horse PH, Merstham	16		Likely to be flats as part of mixed use schemes
Merland Rise Recreation Gd	6	24	Based on most current indication of the intended mix at Merland Rise across the entire site – mix of some flats but predominantly family houses
R/O Social Club, Frenches Rd, Redhill		10	Given surrounding residential environment likely to be development of family houses
Quarryside Business Park, Redhill	40	50	Based on the mix delivered on the adjoining Watercolour development – mix of flats and family houses.
Redhill Ambulance Station, Redhill	15		Small urban site – most likely to be a development of flats
Dorchester Court, Reigate	10		Small urban site – most likely to be a development of flats similar to surroundings

Former Court Lodge County Infants, Horley		20	As per outline planning permission – development of family houses
Merstham Library, Merstham	20		Small urban site – given only part of the site is developable most likely to be flats
Redhill Station	155		Highly accessible town centre site – early discussions indicate flats as part of a high density mixed use scheme
Marketfield Way, Redhill	21		Town centre site - mixed use scheme including flats at upper floors
Colebrook Day Centre, Redhill	70	35	Highly accessible edge of centre transition site - most likely a mix favouring flats with some larger houses
Longmead Centre, Redhill	25		Small edge of centre site – flats most likely as either new build or conversion
Former Liquid & Envy Site, Redhill	47		Highly accessible town centre site – planning permission for flats as part of a high density mixed use development
Land at Kingswood Station, Kingswood	15	10	Accessible urban site adjoining rail station – early discussions indicate mix of flats and houses as part of mixed use scheme
Wray Coppice House, Reigate	20		Small site in established residential location - likely to be conversion and extension to form flats
Chatham Court & Linden Court, Reigate	38		Small edge of centre site – early discussions indicate conversion and extension to form flats
Horley North West (part)	52	208	Mix assumed to be similar to North East Sector which is seen as the best mix proxy given its location – predominantly family houses
Total	602	357	

Windfall provision

2.6 The Council's position with regards to windfall allowance is described in Section 7 of the main report and in detail in Appendix 4. In order to establish the mix that could be contributed by the windfall allowance, historic windfall developments between 2005 and 2011 have been analysed. Table 4 below shows that during this period, the mix was dominated by smaller units across all three of the different sources.

Table 4: Housing mix on recent windfall developments

	Smaller (1 & 2 bed)	Larger (3 & 4 bed)
Previously non-residential sites	102 (65%)	54 (35%)
Residential conversions/flats above shops	191 (100%)	0 (0%)
Garage blocks/parking courts	49 (71%)	20 (29%)
Total	342 (82%)	74 (18%)

2.7 Applying these figures to the total windfall allowance for years 1-5 of 250 dwellings (50pa) indicates that this element of supply could generate a mix of 205 smaller and 45 larger dwellings.

Summary

- 2.8 Table 5 below summarises the sources of supply in years 1-5 and identifies the overall mix that could be delivered by these opportunities during the first five years of the plan period.
- 2.9 The analysis indicates that these opportunities could deliver a mix which favours smaller units, potentially delivering more than 130% of that recommended by the SHMA. However, the opportunities could deliver 955 larger dwellings, satisfying around 80% of the provision recommended by the SHMA.

Table 5: Summary of potential housing mix for years 1-5

	Small (1 & 2 bed)	Large (3 & 4 bed)
Extant Commitments	670	623
Deliverable Sites	602	357
Windfall Allowance	205	45
Total	1,477	1,025
Mix	59%	41%

Years 6-10

- 2.10 Opportunities in years 6-10 comprise part delivery of the Horley North East and North West Sectors, a number of additional identified developable sites and a number of urban broad locations.

Outstanding commitments

- 2.11 Delivery at the North East Sector in Horley is programmed to continue into years 6-10 of the trajectory based upon information supplied by the developers. Based on the programme, it is assumed that 168 dwellings could be delivered in years 6-10 and these have been split according to the mix across the whole site. On this basis, this site could deliver 59 smaller units and 109 larger units.

Identified sites

- 2.12 A further 17 sites without planning permission have been identified as developable (in part or in full) within years 6-10. A large part of this provision could be delivered at the North West Sector site in Horley. Table 6 below summarises the mix which could be achieved if the identified sites are delivered.

Table 6: Housing mix on identified sites (6-10)

	Small (1 & 2 bed)	Large (3 & 4 bed)	Comment
High Street Car Park, Horley	45		Highly accessible town centre site – opportunity for high density development most likely incorporating flats
Newman House Site, Horley	120		Highly accessible town centre site – most likely flats as part of a high density mixed use development.
Red House School, Banstead	20		Based on expired planning permission – conversion or redevelopment to form flats
Merland Rise Recreation Gd (Part)	20	80	Based on most current indication of the intended mix at Merland Rise across the entire site – mix of some flats but predominantly family houses
Aggregate Site and Yard, Salfords	40	20	Accessible urban site close to rail station - likely to be a mix of flats and houses
Former De Burgh Site, Preston	70	130	Based on most current indication of the intended mix at Merland Rise across the entire site – mix of some flats but predominantly family houses
Oakley Centre, Merstham	15		Edge of urban area site – most likely to be a conversion of existing locally listed buildings to form flats
Library Site, Horley	35		Edge of town centre site, represents opportunity for high density given recent developments nearby.
Bridge Family Centre, Redhill	15		Edge of town centre site – most likely to be flats given surrounding character
Longfield Crescent, Preston	25	5	Adjacent to Merland Rise site, likely to be a mix favouring flats
Gloucester Road Car Park, Redhill	65		Edge of town centre development – likely to be relatively high density flat development
Royal Mail Sorting Office, Redhill	120		Highly accessible edge of centre site – potential for high density flat development potential mixed use scheme
Royal Mail Delivery Office, Banstead	10		Small town centre site – size constraints mean only flatted development possible
Royal Mail Delivery Office, Horley	10		Small town centre site - likely to be flat development at upper floors of mixed use scheme
Hockley Business Park, Redhill	25	5	Edge of town centre site – potential for mid to high density development but likely to be a mix to respect nearby residential
Bellway House, Merstham	10		Small site – likely to be flatted development
Telephone Exchange & Depot Site, Station Road North, Merstham	50		Accessible urban site - based on previous discussions likely to be flats.
Horley North West (Part)	150	600	Mix assumed to be similar to North East Sector which is seen as the best mix proxy given its location.
Total	845	840	

Broad locations

2.13 In addition to identified sites, the SHLAA identifies a number of potential broad locations considered to have the potential to address the shortfall in identified sites during this time period. In line with the spatial strategy set out in the emerging Core Strategy, urban broad locations have been prioritised for years 6-10. These include:

- **Banstead Town Centre** – given the edge of centre location, higher density development could be achieved and thus smaller units could be likely. However, there are parts of The Horseshoe which could provide larger ‘family’ homes. Therefore it is deemed that this broad location could deliver a mix of 120 smaller units and 50 larger units.
- **Redhill Town Centre** – opportunities for housing development are likely to be high density and predominantly as part of mixed use schemes; favouring smaller units. As such, 200 smaller units could be delivered through this broad location.
- **Urban Open Land** – opportunities for housing are likely to be in established residential areas and need to respect existing character. Lower density development is likely to be favoured. As such, 65 larger units could be delivered through this broad location.

Windfall provision

2.14 As per years 1-5, historic windfalls are used as a proxy to identify the mix that could be delivered through the windfall allowance. Applying these figures to the total windfall allowance during the period indicates that this element of supply could generate a mix of 205 smaller and 45 larger dwellings.

Summary

2.15 Table 7 below summarises the mix that specific sites and potential broad locations could deliver during years 6-10. Due to the number of town centre/edge of centre opportunities which favour higher densities and flat type developments, the mix could be in favour of smaller units. However, balance could be provided by delivery at Horley North West Sector new neighbourhood which is likely provide a significant proportion of larger family units. Overall, there could be a slight overprovision of smaller units at 112% of the SHMA recommendation and a minimal underprovision of larger units at 90% of recommendation.

Table 7: Summary of likely housing mix for years 6-10

	Small (1 & 2 bed)	Large (3 & 4 bed)
Extant Commitments (HNE)	59	109
Developable Sites	845	840
Broad Locations	320	115
Windfall Allowance	205	45
Total	1,429	1,109
Mix	56%	44%

Years 11-15

- 2.16 Opportunities in the final 5 year period of the SHLAA are dominated by the final part of delivery at the North West Sector as well as broad locations both in the urban area and adjoining existing settlements.

Identified sites

- 2.17 The Horley North West Sector is the only identified site within the final 5 years of the trajectory. The site could deliver a total of 500 dwellings during this period, with an indicative mix of 100 smaller units and 400 larger units.

Broad locations

- 2.18 To address the shortfall in specific sites during years 11-15, the SHLAA identifies housing potential adjoining the urban area in the form of sustainable urban extension(s).
- 2.19 The mix which could be provided by any sustainable urban extension(s) is difficult to accurately estimate. In reality, the Council will have a reasonable degree of control over the type of mix which could be achieved on any greenfield urban extensions and thus could have the scope to not only manage any deficits or overprovision which have occurred in previous periods but also reflect any more contemporary evidence regarding market requirements at that time.
- 2.20 In order to provide some benchmark, the 1,600 dwellings required through sustainable urban extensions, recent comparable 'new communities' across Reigate & Banstead will be used as a proxy for the type mix which could be provided on such sites.
- 2.21 The three main new communities which have recently been completed or are currently being developed within the borough are Watercolour (east of Redhill), Park 25 (east of Redhill) and Horley North East (north of Horley). Across these three developments, the mix (as per latest permissions) amounts to 792 smaller units (48%) and 869 larger units (52%).
- 2.22 Applying this breakdown to the 1,600 units indicates that sustainable urban extensions could deliver 832 larger units and 768 smaller units in the latter part of the plan period.

Windfall provision

- 2.23 As per years 1-5, historic windfalls are used as a proxy to identify the mix that could be delivered through the windfall allowance. Applying these figures to the total windfall allowance during the period indicates that this element of supply could generate a mix of 205 smaller and 45 larger dwellings.

Summary

- 2.24 Table 8 overleaf summarises the potential mix which could be achieved through the delivery of identified sites and potential broad locations identified for years 11-15.

Housing supply in this period is likely to be dominated by development at the Horley North West Sector as well as other sustainable urban extension(s) across the borough and as a result, the mix could favour larger dwellings. However, as previously noted the Council has some degree of control over mix on such sites and therefore scope to manage provision according to need and housing market signals.

- 2.25 Based on the assumptions made, the opportunities identified in this five year period could deliver a slight overprovision of larger properties (110% of SHMA recommendation) with a corresponding underproviding of smaller units (93% of recommendation).

Table 8: Summary of likely housing mix for years 11-15

	Small (1 & 2 bed)	Large (3 & 4 bed)
Developable Sites	100	400
Broad Locations	768	832
Windfall Allowance	205	45
Total	1,073	1,277
Mix	46%	54%

3. Conclusion

- 3.1 The discussion above analyses in some detail the extent to which specific sites and broad locations identified within the SHLAA could be capable of achieving the necessary mix of dwellings identified by the SHMA and required through Policy CS12 in the emerging Core Strategy.
- 3.2 Table 9 below summarises the detailed analysis, combining the three time periods to identify the potential mix which could be achieved across the 15 year plan period of the opportunities identified are delivered. This demonstrates that, across the plan period, the balance of provision from SHLAA opportunities could be in favour of smaller units. However, compared to the SHMA recommended mix (49% smaller: 51% larger), the skew in overall mix would not be significant. Furthermore, the potential scope to control and vary the mix should urban extensions be delivered, and to some degree at the Horley North West Sector, means the Council has the ability to manage provision in order to better align with the SHMA requirements. What this analysis demonstrates is that the degree of intervention that may be needed would not be excessive.

Table 9: Summary of likely housing mix across plan period

	Small (1 & 2 bed)	Large (3 & 4 bed)
Year 1-5	1,477	1,025
Years 6-10	1,429	1,109
Years 11-15	1,073	1,277
Plan Period	3,979	3,411
Mix	54%	46%

- 3.3 Perhaps more importantly, the analysis identifies that within each of the 5 year periods, on the basis of delivering the opportunities and broad locations identified in the SHLAA, there would not be a significant failure to satisfy, or under-provision of any particular segment of the market.