

Housing Delivery Topic Paper



Introduction

- 1.1 This paper sets out the position on housing delivery and supply in Spelthorne. The main areas covered by this topic paper are:
- Housing need
 - Constraints
 - Urban Capacity
 - Local Plan Strategy and Allocations
 - Housing Trajectory and the Five Year Housing Land Supply
 - Viability
- 1.2 This topic paper explains the development of the Local Plan allocation sites and wider approach to housing delivery. Other housing topics such as the housing needs of different groups or Exceptional Circumstances for Green Belt release are covered in other topic papers.

Policy Context

- 1.3 The National Planning Policy Framework 2021 at paragraph 11b) sets out that “strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas”.
- 1.4 Chapter 5 of the NPPF focuses on delivering a sufficient supply of homes. The NPPF requires that Local Plans aim to meet objectively assessed housing needs and should identify a five-year supply of deliverable housing land and identify sufficient developable land to meet the housing number for years 6-10 and 11-15 of the plan.
- 1.5 National policy does allow for the review of Green Belt boundaries in exceptional circumstances, through the preparation of a Local Plan (paragraph 140).

Evidence Base

- 1.6 The key pieces of evidence base relevant to housing delivery are:
- Strategic Housing Market Assessment (SHMA) 2015
 - Strategic Housing Market Assessment Update 2019
 - Strategic Land Availability Assessment 2022
 - Green Belt Assessment – Stage 1, 2 and 3
 - Housing Trajectory

Objectively Assessed Need

- 1.7 The number of homes required in Spelthorne has been informed by the level of housing need. The Spelthorne Core Strategy and Policies Development Plan Document was adopted in 2009 and had a housing target of 166 homes per annum. Following the introduction of the NPPF and the need to objectively assess housing need, Spelthorne Borough Council produced a joint Strategic Housing Market Assessment with Runnymede Borough Council as the two authorities comprise a housing market area. The SHMA, published in 2015, then assessed Spelthorne’s objectively assessed need as 552-757. The Government then

introduced the standard method for calculating housing need in 2017. Using a base date of 2022, this produces a need figure of 618 homes per annum. As stated in the PPG¹, the standard method includes the application of an affordability adjustment to take account of past under delivery. It is therefore not required to specifically address past under-delivery in preparing the Local Plan.

- 1.8 In calculating the five year housing land supply position, national guidance requires an appropriate buffer to be applied, bringing forward additional sites from later in the plan period. Given the 2022 Housing Delivery Test result in Spelthorne - 69% - it is necessary to apply a 20% buffer to Spelthorne's five year housing land supply target, totalling 3,708 homes over the 5 year period from 2023 - 2028.

Constraints

- 1.9 Spelthorne is impacted by a number of constraints owing to its location and topography. These constraints limit and shape development opportunities and have the ability to influence the overall spatial strategy therefore have been duly considered as part of the assessment process. These include:
- Flood risk – 12% of the borough is within flood zone 3b (functional floodplain) with a further 9% in flood zone 3a.
 - Waterbodies – 22% of the borough is covered by waterbodies (reservoirs, river, open water etc.)
 - Nature designations – 45% of the borough, comprising Sites of International and National Nature Conservation Importance (Special Protection Areas, Ramsar, Special Areas of Conservation, Sites of Special Scientific Interest)
 - Heathrow Airport - Public Safety Zone and Noise contours
 - The Metropolitan Green Belt which covers 65% of the borough
 - River Thames Scheme – broad areas safeguarded
 - Waste and Minerals Sites

Urban Capacity

- 1.10 Paragraph 68 of the NPPF states that “Strategic policy-making authorities should have a clear understanding of the land available in their area through the preparation of a strategic housing land availability assessment. From this, planning policies should identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability”. In order to determine the extent to which housing needs in Spelthorne can be met, the Strategic Land Availability Assessment (SLAA) is produced annually. This assesses potential development sites above 5 units to determine if they are suitable, available and achievable and ultimately whether they can contribute to meeting housing needs.
- 1.11 In determining how many homes Spelthorne may have capacity for within the urban area, a number of exercises have been undertaken as part of the development of the Strategic Land Availability Assessment (SLAA). The SLAA focuses on sites in the urban area and identifies the supply of sites over a 15-year period. When assessing sites, these have been categorised as follows:
- Deliverable: This includes sites of 5+ units that are available now, offer a suitable location for development now, and are achievable. Sites are included if they hold planning permission whereby the development is under construction; have planning permission but construction has not yet commenced; and sites which do not have planning permission

¹ Planning Practice Guidance – Housing and Economic Development Needs Assessments, Reference ID: 2a-011-20190220

but there is evidence to suggest there is a realistic prospect that housing will be delivered on the site within five years.

- **Developable:** These are sites able to accommodate 5 or more net new units and are considered to be in a suitable location for housing development with a reasonable prospect that they will be available and could be viably developed within years 6-15. These sites have a lower degree of certainty attached to them and are not expected to come forward in the next 5 years.
- **Windfalls:** As the SLAA does not consider sites below 5 units, an allowance is made for small sites over the 15 year period. This is based on the average annual completions of sites of four units or less. An allowance is also included for office to residential conversions under the permitted development prior approval regime. The allowance is based on average annual completions with a discount applied to account for the anticipated drop in supply and market activity across the 15 year period.

- 1.12 Sites deemed not suitable for development have been discounted from consideration and recorded as 'deleted sites' where they are unavailable, unsuitable for development, or are below the SLAA site threshold of 5 units. Due to the SLAA being an assessment of sites in the urban area, those sites promoted through the call for sites that are designated Green Belt have been included in the assessment for comprehensiveness but have been deemed unsuitable. These sites have been further considered through the Local Plan site assessment process as it is only through the Local Plan that Green Belt boundaries can be altered (NPPF, paragraph 140).
- 1.13 An assessment of the urban capacity has been undertaken as part of the SLAA process. Officers have reviewed a number of sources of supply to maximise the number of units and have subsequently calculated the extent to which housing needs can be met in the urban area alone.
- 1.14 The sources of supply in the following sections have been considered through the process.

Planning System

- 1.15 Sites under construction and sites with planning consent are deemed to be suitable, available and achievable. Whilst these sites are deemed to have the most certainty attached to them, other sites in the planning system have been further explored through the SLAA process to maximise supply. Sites pending consideration or subject to pre-application discussions have been assessed, in consultation with the Council's Development Management team, to determine if development is acceptable in principle and whether any constraints could be overcome. Landowners have also been engaged to determine if sites could come forward in the next five years, however where there is less certainty attached but constraints could be overcome in the future, sites have been deemed developable and included in years 6-10 or 11-15.
- 1.16 Officers have also reviewed sites that have been subject to expired, withdrawn or refused planning applications and analysed the reasons for their lack of implementation or permission. Where sites may have potential and issues could be resolved through re-design or mitigation, sites have been assessed and added to the developable supply if suitable. In the past questionnaires have been sent to landowners to ascertain whether redevelopment could come forward over the next 15 years.

Publicly owned Assets

Spelthorne-owned Assets

- 1.17 Planning Practice Guidance² sets out that in identifying potential development sites, plan makers should consider all available types of sites and sources of data, including surplus and likely to become surplus public sector land. Accordingly, Spelthorne Borough Council has examined its own stock of assets to determine the potential to contribute to the borough's housing land supply.
- 1.18 Spelthorne Borough Council has invested in a number of assets in recent years to help generate income to fund its local services. The Spelthorne Asset Management Plan 2021 sets out that the focus on investment has now shifted towards property that enables residential development and strategic acquisitions that support local regeneration. As such, Spelthorne has acquired a number of properties across the borough to sit alongside its wider portfolio that includes car parks, community centres, recreation spaces and leisure facilities to name a few.
- 1.19 The Council has assessed and identified development potential in its own landholdings through the SLAA process. Planning officers maintain an open and active dialogue with the Asset Management team in order to engage and input on development opportunities.
- 1.20 Of the urban supply identified in the SLAA, sites owned by Spelthorne Borough Council comprise 22%, signifying the notable contribution of these sites to the wider supply. In order to ensure the right homes are provided to meet the needs of the community, Spelthorne Borough Council has set up Knowle Green Estates Ltd (KGE), a housing company to provide new homes for local residents.
- 1.21 The Council's housing company, KGE, allows the Council to maintain a residential portfolio under its banner to produce a revenue for the borough in the long term, which can be re-invested into local services and also facilitate the provision of a significant number of affordable and key worker homes in perpetuity. The vast majority of KGE homes are let on rents of up to 80% of the equivalent market rent. As a limited company, KGE has the flexibility to offer a wide range of tenancy agreements and can make operational and commercial decisions quickly.
- 1.22 The Council's strong engagement in the housing sector in Spelthorne gives it a degree of control and accountability in the delivery of homes, in a market where external factors are often at play. Many of the planned developments owned by Spelthorne Borough Council are to be 100% let as affordable rent. SBC puts in place specific agreements to ensure that higher proportions of affordable housing can be secured and remain under the Council's management in perpetuity for the community.
- 1.23 The Council's model of Affordable Housing delivery differs from the traditional route of Affordable Housing provision. This is because it largely operates a build to rent model which typically has lower viability attached due to a much lower annual rate of return generated by the build to rent model compared to the traditional build-to-sell model. Build to rent developers don't generate an early profit and aim to make long term income, compared to for-sale development which is sold on relatively quickly following completion. This may therefore affect the viable level of planning requirements such as affordable housing and other planning obligations, particularly when also accounting for mandatory Community Infrastructure Levy (CIL) payments. Accordingly, the Council aims to avoid tying its Affordable Housing to Section 106 agreements as the development then may risk becoming unviable. Alternatively, therefore, legal agreements are put in place between Spelthorne Borough Council and Knowle

² PPG, Housing and Economic land availability assessment, Paragraph: 011 Reference ID: 3-011-20190722

Green Estates to deliver a higher proportion of affordable housing units. These agreements also help to ensure that affordable units remain as so and for rent in perpetuity. As this is not delivered through the traditional planning mechanisms, the delivery of these units are often not captured using traditional planning definitions of 'affordable housing' and are recorded separately.

- 1.24 Since 2018, Spelthorne Borough Council has delivered 93 units to date, with 71 of these affordable rent and 11 key worker units³. The White House and Harper House Hostels which provide temporary accommodation have also been developed by the Council. Pipeline projects for the short term total approximately 500 units with a high proportion of affordable units planned:

Table 1: Spelthorne Borough Council Pipeline Developments

| Development Site | Proposed Units | Status ⁴ |
|---------------------------------|----------------|--------------------------------|
| Victory Place, Ashford | 127 units | Full Planning Permission |
| Thameside House, Staines | 140 units | Planning Application Submitted |
| Oast House, Staines | 182 units | Planning Application Submitted |
| Ashford Car Park, Ashford | 43 units | Scheme in development |
| Benwell House, Phase 2, Sunbury | 35 units | Scheme in development |
| White House, Ashford | 17 units | Scheme in development |
| Staines High Street | 12 units | Scheme in development |

County-owned Assets

- 1.25 Spelthorne Borough Council has actively engaged with Surrey County Council as a major landowner of assets within the borough. Surrey County Council operates a two tier authority in Spelthorne, responsible for a number services including education, health, community and others. Surrey County Council has been undertaking a county-wide review to determine if assets could be managed more efficiently or used differently to generate additional income and generate economic growth⁵. In discussion with Surrey CC, Spelthorne has identified several sites to contribute to its supply from this source. Assets owned by Surrey CC have been assessed and included in the source of supply subject to the current services being accommodated on site as part of a mixed-use scheme where appropriate or relocated off site in a suitable location.

Call for sites

- 1.26 In order to boost housing supply, the Council has maintained an open call for sites on its website since the production of the SLAA began. This has helped to identify potential development sites that may not have previously been within the Council's stock of sites. The Council has publicised its call for sites at intervals throughout the preparation of the plan to

³ Knowle Green Estates Annual Report 2021/2022. Available at: <https://www.spelthorne.gov.uk/annualreport>

⁴ As of February 2023

⁵ Surrey County Council Asset and Place Strategy 2019 - 2030

increase attention and boost supply. This has led to the identification of numerous sites and ongoing discussions with landowners.

Urban search

1.27 Planning Practice Guidance⁶ states that plan-makers need to be proactive in identifying as wide range of sites and broad locations as possible. As such, officers have undertaken a search of the urban area to identify sites that may have redevelopment potential or could make a more efficient use of land. Since officers began this exercise, sites have been re-evaluated to determine where higher densities could be accommodated. This has led to increased yields across some sites where local character has allowed.

Windfall Development

1.28 As the SLAA uses a threshold of 5 net units and above, it is considered appropriate to include an allowance for small sites to ensure that a source of delivery is not missed. Small scale windfall sites have consistently formed part of the housing supply for Spelthorne and so the SLAA includes a windfall allowance as these sites continue to provide a reliable source of supply⁷. In order to determine the potential supply of housing through a small sites windfall allowance over the plan period, completions from April 2011 to March 2022 have been analysed. Based on past trends, an annualised average figure for windfall sites has been identified for sites that are capable of delivering fewer than 5 net units.

1.29 It is clear from the data – averaging 41 completions per year - that windfalls have historically made a small but consistent contribution towards the Spelthorne housing land supply. There is no reason to believe that this would not continue, in light of policy contained within the NPPF (paragraph 71), especially with regards to the presumption in favour of sustainable development. It is thus considered that a windfall allowance for small sites should be included in the Spelthorne housing supply.

1.30 Alongside the small site windfall allowance, an allowance is included for dwellings likely to arise from office to residential conversions carried out under the General Permitted Development order (GPDO). This also includes the 2016 amendment to the GPDO referred to as the (General Permitted Development) (England) (Amendment) Order 2016. This allowance is informed by the number of prior notifications completed up to and including March 2022.

1.31 Due to a greater level of certainty associated with sites in the 1-5 year period, an allowance is not included in this portion of the plan period and instead uses permissions to avoid double counting. Office to residential conversions under the GPDO are subject to less control than traditional applications and are less likely to be identified in the latter years of the SLAA as these prior notification sites do not require planning permission and can be approved as permitted development. As such, they are less likely to be identified for housing. Therefore, it is considered that prior notification sites should be considered as part of a separate allowance in years 6-15 when there is less certainty about specific sites.

1.32 In total there have been 516 units completed through the prior approval regime which equates to an average of 65 units per annum since 2014/15. Since the introduction of the regime,

⁶ PPG, Housing and Economic Land Availability Assessment. Paragraph: 010 Reference ID: 3-010-20190722

⁷ Appendix 6, Prior Notifications - Spelthorne Strategic Land Availability Assessment 2022. Available at: https://spelthornelocalplan.info/wp-content/uploads/sby-local-media/Evidence_Base/Housing/HOU010-Strategic-Land-Availability-Assessment-2022.pdf

latent potential has been released with an initial period of 'surge' in activity. It is reasonable to assume that following this initial period of activity, development rates are likely to plateau. If it is assumed that market appetite and stock will decrease over time, it can be deducted that there could be a 50% rate of current completions in years 6-10 and a 25% rate of the current completions in years 11-15. This therefore means that 32 units and 16 units per annum respectively have been applied as windfall in the 6-10 and 11-15 year periods⁸.

Overall Urban Supply

- 1.33 The above sources of supply have been combined to form the overall urban land supply position. This is set out in the SLAA 2022 which has a base date of 31 March 2022 and looks forward for a period of 15 years. This identifies a supply of 8,931 units, or 595 homes per annum. Given the Local Housing Need figure for Spelthorne is 618 homes per annum, it is evident that Spelthorne cannot meet its housing needs in the urban area alone.
- 1.34 It should be noted that the Local Plan must demonstrate a five year housing land supply from adoption therefore the housing trajectory that forms part of the draft Local Plan covers a 16 year period, including the current year, and looks ahead 15 years so that the Council can demonstrate its 5 year housing land supply position at all times. This is explored further below from paragraph 1.56.

Local Plan Strategy

- 1.35 The development of the Local Plan strategy has been informed by the urban capacity in Spelthorne and the extent to which the borough can meet its development needs. After reviewing all sources of the supply, the Council determined that it cannot meet its housing needs in full in the urban area alone.
- 1.36 At the Preferred Options Regulation 18 stage of the Local Plan, the Council identified five strategic options with each differing spatially and in size.
- 1.37 The spatial strategy options ranged from:
- a brownfield only approach, which would potentially struggle to meet needs in full without notable character changes to the borough;
 - a high Green Belt release option which could potentially help to meet unmet need of neighbouring authorities;
 - a Staines focus strategy;
 - a combined approach of the above;
 - and a new Kempton Park Garden Village;
- 1.38 The preferred approach was to pursue a mixed strategy with increased densities where character allows and a small amount of Green Belt release, totalling 53 hectares or 1.6%.
- 1.39 Following the consultation, the Council reviewed the representations received and undertook internal urban capacity work to maximise yields further. Officers also engaged with local ward councillors to provide their in-depth local knowledge and ascertain where development could be intensified further on identified sites. This active engagement in the site identification

⁸ Appendix 6, Spelthorne Strategic Land Availability Assessment 2022. Available at: https://spelthornelocalplan.info/wp-content/uploads/sby-local-media/Evidence_Base/Housing/HOU010-Strategic-Land-Availability-Assessment-2022.pdf

process has led to additional sites being detected and added to the Council's deliverable and developable site list in the urban area.

- 1.40 Prior to finalising the spatial strategy Spelthorne also engaged with Duty to Cooperate partners to determine if any authorities could assist with unmet need however no authorities had any spare capacity to help Spelthorne address needs not met in the urban area. This is presented further in the Duty to Cooperate Statement of Compliance⁹.
- 1.41 As a result, Spelthorne Borough Council sought to boost its projected housing yields in the urban area but still concluded it would not be able to meet its own development needs without a small amount of Green Belt release. As such, the following strategy was settled on at the Local Plan Regulation 19 stage:
- Increasing densities in town centres and near transport facilities and other areas where the character can accommodate it and allowing high rise development in areas where the existing character permits and they are of a high-quality design, having regard to the emerging Staines Development Framework.
 - A small amount of dispersed Green Belt release (24.76 hectares or 0.7%) for development where its release would not adversely affect the integrity of the strategic Green Belt. Any consideration of the potential release of Green Belt will have due regard for the sustainability of location and the quantity of previously developed land.
 - Making use of a development framework for Staines but with housing as one of a range of uses that can be accommodated within the town and not favouring residential development over employment, retail and tourism uses.
- 1.42 The justification for the release of Green Belt is explored in detail in the Exceptional Circumstances topic paper however from a housing delivery perspective, it is only through the allocation of sites in the Green Belt that Spelthorne can meet its development needs. Furthermore, a brownfield-only spatial strategy that does not include any Green Belt release would result in an under delivery of 55 units per annum and a housing mix resulting in approximately 98% flats. A spatial strategy that includes the release of Green Belt is considered to better meet the needs of the community and capable of delivering a wider variety of homes.
- 1.43 The spatial strategy therefore seeks to meet Spelthorne's Local Housing Need with an appropriate buffer, reflecting past housing delivery.

Local Plan Approach: Housing Supply

- 1.44 The Strategic Land Availability Assessment forms the basis of the housing supply position in Spelthorne for the Local Plan. The SLAA 2022 identifies a supply of 8,931 homes per annum¹⁰ and this identifies the land supply position over a 15 year period from a base date of 31 March 2022. As the Local Plan must look ahead over a minimum 15 year period from adoption and strategic policies should identify a 5 year housing land supply position from the intended date of adoption of the plan, it is necessary to start the housing trajectory from the anticipated date of adoption. The Local Development Framework identifies this as being September 2023.

⁹ https://spelthornelocalplan.info/wp-content/uploads/sby-local-media/Core_Documents/CD014-Duty-to-Cooperate-Statement-of-Compliance.pdf

¹⁰ Please note that the SLAA 2022 figures differ slightly to those included in the Draft Local Plan as updates to allowances and permissions have now been taken into account. As the housing land supply position is constantly changing, Spelthorne will review the supply figures on a regular basis.

Components of supply

- 1.45 The Housing Trajectory has therefore been produced to reflect this and starts from September 2023¹¹. A proportion of sites currently under construction are expected to be completed in the year leading up to adoption. This is based on historic build out rates in Spelthorne and the average completion rate of schemes of different sizes. 25% of units are anticipated to be completed prior to adoption (September 2023). The remaining 75% of units are anticipated to be completed in the following two 2 years (2024 and 2025). This is to allow time for dwellings on large sites to be completed and to ensure that regard is had to past performance so that the likely number of completions in the current year is not overestimated.
- 1.46 The next element of supply is sites with planning consent. These sites are deemed to be deliverable in line with the NPPF definition in that they are available now, offer a suitable location for development now and are achievable with a realistic prospect that housing will be delivered on the site within five years.

Allocations

- 1.47 As outlined in paragraph 23 of the NPPF, sufficient sites should be allocated through the Local Plan to deliver the strategic priorities of the area. As such, when deciding which sites to allocate, the Council needs to consider the extent to which a site contributes towards meeting the Local Plan objectives, fulfils the planning strategy and the extent to which they perform a strategic role. Strategic sites are those deemed necessary to the achievement of the Local Plan strategy. As such, what constitutes a 'strategic' site is specific to each local authority and their unique Local Plan and associated objectives.
- 1.48 The site selection methodology¹² was developed to aid the site selection process and assess which sites should be allocated. As it is only through the Local Plan that Green Belt boundaries can be amended, sites identified for development need to be allocated. Green Belt sites have therefore been assessed using a set of specific criteria to determine their suitability and fulfilment of the spatial strategy.
- 1.49 In total, 15 Green Belt sites have been identified for allocation in the Local Plan. In total, these sites have the potential to deliver approximately 873 units. The utilisation of sites in the Green Belt will help to deliver a mix of homes, including family homes with gardens – a typology with limited provision in the urban area alone. Affordable Housing provision is also more viable on greenfield sites, with a 50% proportion tested through the Spelthorne Viability Assessment. The required mix of units is set out in each individual allocation. The required mix of units in the Green Belt release sites (flats and family houses) has been informed by discussions with site promoters and considerations of local character/density to determine what sites could potentially accommodate. Housing mix requirements as set out the SHMA have also been factored into site yields.
- 1.50 Potential urban site allocations were also assessed using the site selection methodology. The site selection process, whilst based on the SLAA, undertook a more in-depth assessment of

¹¹ Housing Trajectory and Five Year Housing Land Supply: Available at: https://spelthornelocalplan.info/wp-content/uploads/sby-local-media/Evidence_Base/Housing/HOU007-Local-Plan-Housing-Trajectory-and-Five-Year-Housing-Land-Supply-Update-October-2022.pdf

¹² https://spelthornelocalplan.info/wp-content/uploads/sby-local-media/Evidence_Base/Site_Selection/SSL001-Site-Selection-Methodology-Update-2022.pdf

sites to determine whether they could be allocated¹³¹⁴. It is acknowledged that urban sites may come forward as ‘windfall’ development – sites not specifically identified in the development plan without allocation, and therefore it is for the Council to determine which of the sites identified as deliverable or developable through the SLAA may also then require allocation. The decision on which sites to allocate was based on the fulfilment of the spatial strategy and also the extent to which sites are strategic in nature, or whether allocation would provide a level of certainty, unlock infrastructure provision or function as part of a wider regeneration scheme, for example. In determining which sites to allocate, the findings of the site selection process were reviewed to determine the value of allocation. Larger strategic sites, publicly owned sites and officer judgement on where sites are of a strategic nature helped to guide the allocation of sites. Overall, the decision on allocation was guided by the extent to which this would help the delivery of development.

- 1.51 Sites that were deemed to be deliverable or developable but did not necessarily require allocation to support delivery were categorised as ‘brownfield tier 2’. These sites act as an alternative to a windfall allowance for sites above 5 units and will be entered onto the brownfield register to help set out the supply of sites in Spelthorne.

Rejected Sites

- 1.52 It is important to note that moving through the spatial strategy options to develop the chosen spatial strategy and towards the identification of allocation sites is an iterative process. Furthermore, the consideration of the balance between benefit and harm depends on the extent to which the OAN is met. Where sites were deemed not to fulfil the spatial strategy, including the criteria for Green Belt release, they were discounted from consideration. The officer site assessments set out in detail the reasons for which sites were taken forward for allocation or omitted.

Viability of Development

- 1.53 The Council has produced a Viability Assessment to support the delivery of allocation sites as part of the new Local Plan. The Viability Assessment weighed up the policy requirements, including affordable housing provision, to determine the financial ‘health’ of the Local Plan. This means that the work looks at the likely strength of the relationship between development values and costs and how this could vary across a range of potential scheme types and sites.
- 1.54 The Viability Assessment has used development typologies as well as a more specific look at potential sites to review how much financial scope there is likely to be for developments in the borough to come forward viably. Owing to its high cost of provision, the affordable housing requirement is a core policy area that typically has a very significant influence on development viability. The reason for this is that affordable housing development costs are similar to those of market sale housing, but affordable homes support a significantly lower revenue level (value) overall. This is a particular issue for Spelthorne due to the high levels of unaffordability in the borough.
- 1.55 Due to the historically low delivery of affordable housing in the borough there is a need to deliver as much affordable housing through the new Local Plan as possible. The Viability Assessment explores the potential for a differential approach to affordable housing

¹³ https://spelthornelocalplan.info/wp-content/uploads/sby-local-media/Evidence_Base/Site_Selection/SSL002-Draft-Local-Plan-Reg-19-Site-Allocations-Officer-Site-Assessments.pdf

¹⁴ https://spelthornelocalplan.info/wp-content/uploads/sby-local-media/Evidence_Base/Site_Selection/SSL003-Draft-Local-Plan-Reg-19-Discounted-Alternative-Site-Allocations-Officer-Site-Assessments.pdf

requirements where the headlines are a lowered expectation (at 30%) to be placed upon PDL (previously developed land i.e., brownfield) sites and an increased requirement of 50% on greenfield – predominantly comprising Green Belt sites identified for release. This is because previously developed land often has potential costs involved in the preparation of land for development. Having tested greenfield sites at 50% affordable housing, the Viability Assessment found that overall this headline figure was supportable. The Planning for Housing Delivery Report¹⁵ finds that given the evidence that PDL sites are considered likely to be in a significantly weaker position to deliver Affordable Homes than greenfield sites, the removal of sites in the Green Belt from the housing land supply is likely to increase the risk of failing to deliver an acceptable number of Affordable Homes.

- 1.56 It is anticipated that with the increased level of affordable housing required on greenfield sites and as set out in Policy H2: Affordable Housing, the delivery of this provision can be expected to increase over the course of the Local Plan period.

Housing Trajectory

- 1.57 The housing trajectory has subsequently been developed to project the anticipated delivery of development of sites across the plan period. To meet the housing requirement (as calculated using the standard method) the Council has assessed how much housing supply is needed to meet this need, over the 15 year plan period. The housing trajectory sets out the anticipated rate of development in Spelthorne based on sites under construction, with planning permission, identified sites and windfall allowance. Against a requirement of 9,270 across the 15 year period, it is anticipated that there will be completions totalling 9,474 or an average delivery rate of 632 homes per annum. This includes a 5% under delivery discount to account for unimplemented schemes.
- 1.58 Given that Spelthorne's Local Housing Need figure of 618 is significantly higher than the previously adopted core strategy figure of 166 dwellings per annum, the delivery of housing has historically fallen below the LHN, with the requirement only met once since the introduction of the standard method. The reason for this is primarily a result of the constraints present in Spelthorne limiting the availability of suitable land i.e. Green Belt, flood risk, reservoirs, biodiversity designations. The Submission Local Plan, having considered all opportunities for brownfield development sites, has determined it necessary to release 0.7% of Green Belt to increase housing supply, provide a wider mix of homes and also provide opportunities for community benefit. These sites are not going to contribute to meeting housing need until they are allocated in an adopted plan. As such, the Council will be unable to demonstrate a five year housing land supply until the plan is adopted.
- 1.59 The aim of the new Local Plan and its allocations is to significantly boost the supply of housing in Spelthorne and improve the consistency with which housing needs are met.
- 1.60 Over the first five years of the plan, the delivery of homes is anticipated to be 4,014 units. This is against a requirement of 3,708 units (618 x 5) + 20% buffer). The Council's Housing Trajectory and Five Year Housing Land Supply Statement¹⁶ provides evidence to support the anticipated delivery of sites in the first five years of the plan. Whilst actual delivery is anticipated to be uneven over the full 15 year plan period, the Council anticipates being able to maintain a five year housing land supply. This is bolstered by the expected delivery of 644 units from the Green Belt release sites, without which the Council would not be able to meet its housing needs in full. As the housing delivery position is constantly changing, the housing

¹⁵ https://spelthornelocalplan.info/wp-content/uploads/sby-local-media/Evidence_Base/Housing/HOU001-Planning-and-Housing-Delivery-Report.pdf

¹⁶ https://spelthornelocalplan.info/wp-content/uploads/sby-local-media/Evidence_Base/Housing/HOU007-Local-Plan-Housing-Trajectory-and-Five-Year-Housing-Land-Supply-Update-October-2022.pdf

supply position will be reviewed on a regular basis and the Strategic Land Availability Assessment will be updated annually to review the land supply position, as well as identifying opportunities to proactively boost housing supply.

- 1.61 The housing trajectory and identification of allocations has partly been informed by the Planning for Housing Delivery report undertaken by GL Hearn on behalf of Spelthorne BC. This report considered the potential risks to Spelthorne BC of excluding Green Belt sites from housing allocations in the emerging Local Plan. The study considered build out rates – both historic and from a wider study – to measure the anticipated delivery of the housing trajectory. Whilst the study identifies that the build out rates used in the original trajectory may potentially include a modest over-estimation of the build out rates, the sites in the five year housing land supply have been re-visited, landowners have been contacted and evidence examined to explore the likelihood of delivery within the anticipated timeframe. This has subsequently been fed into the updated trajectory to help boost the accuracy of delivery rates. As such, the Council feels that the delivery timeframes included in the trajectory are based on evidence and informed judgements in order to evaluate the delivery of sites.