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**Examination of the Submitted Elmbridge  
Local Plan 2037**

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**STATEMENT FOR:**

**MATTER 2 – THE APPROACH TO HOUSING  
NEED**

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**WRITTEN STATEMENT**

**Prepared by:**

**Woolf Bond Planning Ltd**

**On behalf of:**

**Claygate House Investments Ltd and MJS  
Investments Ltd**

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**March 2024**

**User ID: 41185601**

**WBP Ref: 8094**



**Woolf Bond Planning**  
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## Executive Summary

*Claygate House Investments Ltd and MJS Investments Ltd (“CHI & MJSI”) have a controlling interest in a sustainably located and deliverable omission site (Site Ref: SA-59) that should be allocated for housing in seeking to meet the identified housing need during the plan period.*

*The Plan fails to plan for sufficient housing growth (in terms of the overall housing target in Policies SS3 and HOU1) and does not include sufficient land to meet its needs. Accordingly, additional site allocations should be identified.*

*CHI & MJSI’s objections may be summarised as follows:*

- *The Plan is **not positively prepared** in so far as the proposed strategy for growth will fail to deliver the identified housing need. It should plan for the uncapped need of 860dpa over an 18 year period 2022 to 2040, or at the very least for the capped need of 647dpa over that period.*
- *The Plan is **not justified** having regard to the approach envisaged to maintain a rolling five year supply of housing land and/or in relation to the approach to the allocation of sites for housing, such that it cannot be said to provide the most appropriate strategy when considered against the reasonable alternatives.*
- *The Plan is **not effective** and will fail to provide a five year supply of deliverable housing land on adoption and nor will it deliver the requisite amount of housing during the plan period, when assessed against the objectively assessed housing need.*
- *The Plan is **not consistent with national policy** having regard to the need to ensure housing site allocations will maintain an adequate supply of deliverable housing land.*

*The failure to provide sufficient deliverable site allocations will serve to frustrate attempts to address key factors affecting worsening affordability and denying people the opportunity to own their own home, contrary to Government policy under paragraph 60 of the NPPF which is seeking to significantly boost the supply of housing to address the current housing crisis.*

*Land north of Raleigh Drive, Claygate should be removed from the Green Belt and allocated for at least 60 dwellings (LAA Site Ref: SA-59).*

*The above changes are necessary to ensure the Local Plan satisfies the tests of soundness at paragraph 35 of the NPPF (September 2023)<sup>1</sup>.*

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<sup>1</sup> Paragraph 230 of the ‘new’ NPPF (Dec 2023) states that Local Plans that reach the Regulation 19 stage before 19 March 2024 will be examined under the relevant previous version of the NPPF. As such, the Elmbridge Local Plan is to be examined against the requirements contained in the September 2023 NPPF.

## **CONTEXT AND BACKGROUND**

- 1.1. This Statement has been prepared by Woolf Bond Planning Ltd on behalf of Claygate House Investments Ltd and MJS Investments Ltd (“CHI & MJSI”), and addresses several questions posed for Matter 2 of the Hearing Sessions as set out in the Inspector’s Schedule of Matters, Issues and Question (“MIQs”) (ID-005).
- 1.2. In setting out our response, we continue to rely upon the content of our detailed Regulation 19 representations (“our Representations”) submitted on behalf of CHI & MJSI in response to the Regulation 19 consultation on the Draft Local Plan in July 2022.
- 1.3. As set out at footnote 1 on page 2 above, the Local Plan is being examined for consistency against the September 2023 version of the NPPF. Accordingly, all references to the NPPF in this Statement relate to that version (unless otherwise stated).
- 1.4. Our answers to the questions should be read in the context of our position that insufficient deliverable and developable land has been identified in the submitted Local Plan in order to maintain a rolling 5 year supply of housing land as obligated by paragraph 74 of the NPPF.
- 1.5. The Plan would not be sound without modifications to include:
  - Extending the Plan period to 2040 (thus covering the period 2022 to 2040);
  - Increasing the housing requirement to reflect the uncapped need of 860dpa, or alternatively the capped need of 647dpa;
  - Additional site allocations (within revised settlement boundaries); and
  - Consequential adjustments to Green Belt boundaries.
- 1.6. This Statement amplifies our Representations and references are made to that document where relevant.

**MATTER 2: THE APPROACH TO HOUSING NEED**

**Issue 4: Is the approach to calculating the level of housing need over the Plan period justified, effective and consistent with national policy?**

**Question 1.1: In establishing the amount of housing to be planned for, paragraph 61 of the Framework advises that strategic policies should be informed by a local housing needs (LHN) assessment, conducted using the standard method unless exceptional circumstances justify an alternative approach. The Council has followed this guidance and calculated the [LHN] to be a figure of 647 dpa or 9705 dwellings over the Plan period. Are there any exceptional circumstances which would justify [an] alternative approach?**

- 2.1. Paragraph 5.11 of our Representations recognises that the capped Local Housing Need for Elmbridge Borough is 647dpa. However, PPG guidance (to which paragraph 5.5 of our Representations refers) indicates that the application of the 40% cap does not reduce an area's housing need, and that where the minimum annual LHN figure is subject to a cap, consideration can be given to whether a higher level of need could realistically be delivered<sup>2</sup>.
- 2.2. This section of the PPG remains current and the submitted Plan should have a higher housing target, consistent with the uncapped approach detailed in the PPG. Paragraph 5.4 of our Representations calculated the uncapped housing need, based on the median workplace-based affordability ratio for Elmbridge of 17.79, leading to an uncapped housing requirement for the Borough of 860dpa<sup>3</sup>. We consider that the Plan should meet the uncapped need, or at least a figure between this and the 647dpa target derived from the capped calculation of LHN.
- 2.3. Although it is accepted that the Borough's minimum LHN is 647dpa, there should be a higher target to reflect the guidance in the PPG (as the 'cap' does not reduce the 'need') given in particular the acute affordability issues in the area. This would suggest a higher requirement of 860dpa. This emphasises

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<sup>2</sup> Paragraph: 007 Reference ID: 2a-007-20190220

<sup>3</sup> It should be noted that the affordability in Elmbridge has since worsened to 20.04 (which is the worst of any authority in the South East region).

that the capped need of 647dpa is well below the actual need.

- 2.4. Topic Paper 1 (TOP001) (paragraphs 6.27 to 6.30) provides a comparison of the LHN for Elmbridge with other authorities in South East England. It highlights that compared to the household growth projected in 2022 (2014 based projections), it equates to a 1.14% increase.
- 2.5. This is the 20<sup>th</sup> lowest percentage of authorities in the region. As such, we struggle to see the concern as to why this cannot be achieved. The 1.14% increase is far less than required in the 'other' authorities assessed in the Topic Paper.
- 2.6. The PPG is clear<sup>4</sup> that "where an alternative approach to the standard method is used, past under delivery should be taken into account".
- 2.7. Although the Council has delivered sufficient homes compared to the requirements set in the adopted Local Plan, those requirements do not reflect the housing need. Topic Paper 1 (paragraph 5.8) indicates that the Strategic Housing Market Assessment (SHMA) (HOU014 & HOU015) had determined that the Borough's housing need was a minimum of 474dpa (2015-35)<sup>5</sup>.
- 2.8. Following publication of the revised NPPF in July 2018, Topic Paper 1 (paragraph 5.74) indicates that the initial calculation of LHN required the Borough to deliver at least 623 dwellings annually (a 2018 based assessment).
- 2.9. As indicated above, the assessment undertaken from a 2022 based appraisal now calculates the LHN at 647dpa.
- 2.10. Because the Core Strategy was more than five years old in 2017, we consider it appropriate to review the past delivery rates against the SHMA and LHN (from 2018) (based upon the data in Table 5 of Topic Paper 1). This is shown below.

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<sup>4</sup> ID ref 2a-011-20190220.

<sup>5</sup> HOU015, Table 15

**Review of delivery compared to SHMA and 2018 LHN**

Year	Completions	SHMA	Difference from SHMA	2018 LHN	Difference from LHN (2018)
2015/16	240	474	-234		
2016/17	267	474	-207		
2017/18	231	474	-243		
2018/19	353	474	-121	623	-270
2019/20	396	474	-78	623	-227
2020/21	302	474	-172	623	-321
2021/22	771	474	297	623	148
<b>Total</b>	<b>2,560</b>	<b>3,318</b>	<b>-758</b>	<b>2,492</b>	<b>-670</b>

2.11. As can be seen, there has been a cumulative under delivery of homes. This under-delivery is a factor which influences house prices and consequently, the very significant affordability issues, as acknowledged in Topic Paper 1 (paragraph 6.41). As noted above, the PPG requires that any alternative to the standard method must take account of past under delivery. Past under delivery in this case evidences very significant pent up needs (consistent with the concerning affordability issues which lead to the very significant uplift at Step 2 if the standard method is applied).

2.12. For those reasons, we consider that the Plan should meet the full, uncapped needs of 860dpa. Any reduction would need to be carefully justified, and there is no justification for going below the capped figure of 647dpa (2022 based assessment).

2.13. In addition, and for the reasons detailed in our Matter 3 Statement (Question 2.2) and paragraphs 5.33 to 5.42 of our Representations, we consider that in order to accord with the obligations at paragraph 22 of the NPPF, the Plan should look ahead over a minimum 15 year period from the anticipated date of adoption. This means covering the period 2022 to 2040.

**Question 1.2 - Paragraph 61 of the Framework goes on to [state] that in addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for. Has the Council done this?**

2.14. No.

- 2.15. As indicated in paragraphs 5.11 to 5.16 of our Representations, there were clear opportunities for the Council to look to accommodate unmet housing needs of its neighbours.
- 2.16. Paragraph 5.15 of our Representations specifically referenced the significant unmet need mentioned in the Duty to Cooperate Statement arising in neighbouring authorities including Epsom & Ewell and Kingston upon Thames. The Council's failure to make a contribution towards unmet needs of neighbouring authorities is a further illustration that the Plan is unsound.

**Changes sought to the Local Plan**

- 2.17. The following are necessary for the Local Plan to satisfy the tests of soundness at paragraph 35 of the NPPF:
- Extending the Plan period to 2040 (thus covering the period 2022 to 2040);
  - Increasing the housing requirement to 15,480 (860dpa), or at the very least a minimum of 11,646 (647dpa);
  - Additional site allocations (within revised settlement boundaries); and
  - Consequential adjustments to Green Belt boundaries.

SBGR/WBP/7679

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