

# Elmbridge Local Plan 2037 Examination of the Local Plan

## Matter 2: The approach to housing need

Statement on behalf of Taylor Wimpey

March 2024

**Turley**

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David Murray-Cox  
[David.murray-cox@turley.co.uk](mailto:David.murray-cox@turley.co.uk)

**Client**  
Taylor Wimpey

**Our reference**  
TAYR3017

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# 1. Introduction

- 1.1 This Statement is submitted on behalf of Taylor Wimpey to Stage 2 of the Elmbridge Local Plan Examination and in response to 'Matter 2: the approach to housing need' as set out in the Inspector's 'Schedule of Matters, Issues and Questions for Stage 2 of the Examination' (document ID-005).
- 1.2 This Statement should be read in conjunction with the other Statements submitted on behalf of Taylor Wimpey, and their representations to consultation on the draft Local Plan.
- 1.3 Taylor Wimpey has an interest in, and has actively promoted the land west of Woodstock Lane North, Long Ditton to the emerging Local Plan. The representations submitted to the Regulation 19 draft of the Local Plan included a Vision document which demonstrated how the site could be developed and a Technical Note regarding the site access arrangements and its accessibility.
- 1.4 The land promoted by Taylor Wimpey west of Woodstock Lane North, Long Ditton is currently within the Green Belt. However, at the previous consultation stage<sup>1</sup>, this land was identified (via Options 3 and 5 (including 5a)) as a one of three 'Key Strategic Areas', including an area of retained open space and a 'Potential Development Area to be Master planned'. Figure 1 below shows the 'Key Strategic Area' in question:



<sup>1</sup> The 'Options Consultation' undertaken in 2019

**Figure 1.1: Extract from the 'Options Consultation' undertaken by Elmbridge Borough Council in 2019**

- 1.5 This Statement has been prepared on the basis that the Local Plan is to be examined against the NPPF published in 2021. Unless specifically referred to, any references to the NPPF are to that version.

## 2. Response to 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?**

**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 LNH 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 We do not dispute the Local Housing Need calculation (at the time) to arrive at a figure of 647 dwellings per annum or 9,705 dwellings over the Plan period (although in that regard we also refer to the Inspector's comments and our previous representations about the Plan period). However, since the Plan was submitted in 2023, that is the relevant 'base date' and the Local Housing Need would be 650 dwellings.
- 2.2 In addition, the uncapped housing need figure would equate to 930 dwellings per annum (increased from the 845 uncapped Local Housing Need Figure identified in document HOU001). As we note below, there are extreme issues associated with housing affordability in this authority.
- 2.3 We note that although the Local Housing Need figure is 'capped' the 'uncapped' figure should be taken as reflecting housing needs in the Borough. The 'cap' does not change 'needs' it is employed as the PPG<sup>2</sup> states *"to help ensure that the minimum local housing need figure calculated using the standard method is as deliverable as possible."*
- 2.4 Our concerns arise from a number of considerations for example:
- The fact that the Council's proposed approach will significantly under deliver new homes against that figure (even on any 'best case' assumptions about delivery);
  - That the concern arising from that shortfall are brought into even sharper focus once matters such as availability, deliverability and capacity are taken into consideration;
  - The concern that the level of housing growth being pursued by the Council by considerations such as the need for affordable housing.

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<sup>2</sup> Paragraph: 007 Reference ID: 2a-007-20190220, Revision date: 20 02 2019

- 2.5 The draft Local Plan acknowledges that the borough of Elmbridge is *'one of the most expensive areas in the country to live'*, later describing this as *'a significant issue'* and *'a key priority for the council'*<sup>3</sup>.
- 2.6 The situation has only worsened since the draft Plan was produced, in June 2022. The Office for National Statistics (ONS) was then reporting that median house prices in Elmbridge equated to circa 17.8 years the earnings of local workers, which was indeed amongst the highest in England ranking ninth out of 309 local authorities<sup>4</sup> (or third when excluding London boroughs). The ONS did though release new affordability ratios in March 2023, confirming that house prices in the borough over the year to the prior September equated to some 20.0 years' earnings<sup>5</sup>. This was the fourth highest in the country and made Elmbridge only the fifth authority – and the first outside London – to have ever recorded such a severe imbalance between median house prices and earnings.
- 2.7 The borough particularly stands out for its relative lack of mid-market options. A quarter of all that bought properties in the borough during the last reported year to September 2022 paid no more than £462,000, but over twice as many were required to pay at least £700,000<sup>6</sup>. The gap between these two figures – respectively the lower quartile and median, typically taken as the entry-level and midpoint of the market – was, at some £238,000, the sixth largest in the country and the outright largest when excluding London boroughs. This highlights the scale of the step up from entry-level housing that is already relatively expensive in Elmbridge.
- 2.8 The draft Plan clearly acknowledges the consequences of this worsening issue, admitting that *'too many young people and families are moving out of the borough to have a realistic prospect of owning or renting their own home'*<sup>7</sup>. The subsequent release of data from the 2021 Census starkly illustrates the extent to which this is occurring, confirming that the number of younger residents aged 25 to 39 declined by some 8% during the decade since the 2011 Census. This came despite the overall population growing by some 6% over the same period.
- 2.9 The draft Plan also describes how *'older residents are struggling to affordably downsize'*<sup>8</sup>. The 2021 Census again reaffirms the scale of this issue, confirming that a third (33%) of all households in the borough led by an individual at least 65 years old were living in homes containing at least four bedrooms. This is a higher figure than was recorded in all but two other authorities in England.
- 2.10 The draft Plan also highlights that *'the cost of housing and reliance on people travelling into the borough is...making it difficult for local businesses and valued services to attract and retain employees'*, including *'essential key workers such as teachers and health care providers'*<sup>9</sup>. It proceeds to emphasise that such a reliance on in-commuting

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<sup>3</sup> Elmbridge Borough Council (June 2022) Regulation 19 Draft Elmbridge Local Plan 2037, paragraphs 2.7 and 6.24

<sup>4</sup> ONS (March 2022) Housing affordability in England and Wales: 2021, Table 5c

<sup>5</sup> ONS (March 2023) Housing affordability in England and Wales: 2022, Table 5c

<sup>6</sup> *Ibid*, Tables 5a and 6a

<sup>7</sup> Elmbridge Borough Council (June 2022) Regulation 19 Draft Elmbridge Local Plan 2037, paragraph 2.7

<sup>8</sup> *Ibid*, paragraph 2.7

<sup>9</sup> *Ibid*, paragraph 2.7

*'places added pressure on the road network impacting on congestion and air quality, the causes of climate change'<sup>10</sup>.*

2.11 Document TOP002 explains:

- *"the borough had the **8th highest average (mean) house prices** across Surrey, London and England in 2019/20."*
- *"In 2019/20, **people would need 18 times their annual workplace-based earning to afford a mortgage on an average priced property** in Elmbridge and in 2021/22, **the exact affordability ratio was 17.78.**"*
- *"In terms of accessing the property market in Elmbridge, lower quartiles of both house prices and earnings in the borough were considered in the statement and results in an affordability ratio of 17 in 2019/20. This evidence makes clear that **opportunities for finding an affordable home in Elmbridge is limited.**"*
- *"the affordability of the private rental sector also confirms that the **rent is beyond most individuals and households' earnings** even with the lower quartiles being tested."*
- The Local Housing Needs Assessment (LHMA) 2020 and its addendum 2021 (HOU004 and HOU005) explains *"that **399 households per annum could not afford to pay market entry threshold cost and therefore, need affordable housing.** After taking account of the supply of affordable housing from relets, the net level of affordable need is estimated at **269 units per annum.**"*
- **771** affordable homes (gross) have been delivered in the Borough over 11 years since 2011/12 (at an average of around **70** per annum)

2.12 Consequently, the level of affordable housing needs as identified in the Council's own evidence is in stark contrast with the levels which have been delivered in previous years.

2.13 In that regard, we also note that the draft Local Plan is based on a brownfield led approach. In our view, it is highly likely that the principle of many of the supported sites would be acceptable regardless of this Local Plan being prepared. The Plan therefore does little than continue the current trends, and fails to significantly boost the supply of housing.

2.14 In our submission, the matters set out above, paint a very clear picture. This is an incredibly unaffordable place to live, where the levels of affordable housing delivered between 2011/12 and 2021/22 are drastically below the level of affordable housing need identified in the Council's evidence, where that evidence demonstrates that even in the private rental sector rent is beyond most individuals and households' earnings. Not only does the Local Plan fail to boost significantly the supply of housing (as per the

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<sup>10</sup> *Ibid*, paragraph 6.26

NPPF), it fundamentally fails to provide a basis upon which these issues can be addressed.

- 2.15 Increasing the housing requirement (and supply) in the Borough is fundamental to helping to address the availability of housing and increase the availability of affordable housing in particular.
- 2.16 At the very least, the Local Plan should seek to meet (as a minimum), the Local Housing Need requirements.

**1.2 Paragraph 61 of the Framework goes on to states 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?**

- 2.17 We do comment on this question.

**1.3 A number of the Statements of Common Ground (SoCG) with neighbouring authorities have raised concerns regarding the intensity of housing need within Elmbridge and its wider housing market area, and the implications of the spatial strategy adopted which may exacerbate unmet need across the areas and place additional pressures on other areas. Is this a legitimate concern and are these concerns supported by evidence?**

- 2.18 Undoubtedly, the draft Local Plan being pursued by Elmbridge Borough Council will exacerbate the issue of unmet housing need across the area, and in the Borough in particular.
- 2.19 It is worth recording that, as these other Statements of Common Ground demonstrate, neighbouring authorities (and those which are close by) are also within the Green Belt and subject to environmental, physical and policy constraints of their own. It is clear that, just as EBC does not intend to accommodate needs from its neighbours, its neighbours are unwilling to accommodate unmet needs from Elmbridge Borough. That means that there will unmet housing needs across a broader area than just this authority.
- 2.20 We note with interest that the SoCG with Spelthorne Borough Council<sup>11</sup> states that *“In any case, Spelthorne does not consider Elmbridge to have evidenced its own position that they are unable to meet their housing need in full and that they do not have exceptional circumstances to release any Green Belt. Elmbridge is the only neighbour who has asked us to assist in meeting their housing need.”*
- 2.21 We agree with that conclusion (that EBC has failed to demonstrate that it is unable to accommodate its housing need in full are that they do not have exceptional circumstances).

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<sup>11</sup> CD022, page 10



**Turley Reading**  
The Pinnacle  
20 Tudor Road  
Reading  
RG1 1NH