



Elmbridge
Borough Council
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Local Plan
Elmbridge
NPPF
Exceptional
Circumstances
Case
Strategic
Green
Belt
Law Unique
Amendments
Specific

Elmbridge Local Plan

Exceptional Circumstances Case

September 2016

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Acronyms

AMR	Authority's Monitoring Report
CLG	Community & Local Government
ELR	Employment Land Review
GBBR	Green Belt Boundary Review
HMA	Housing Market Area
IA	Intensification Area
LAA	Land Availability Assessment
LLDC	London Legacy Development Corporation
LPA	Local Planning Authority
MUE	Major Urban Extension
HBF	Home Builders Federation
NHF	National Housing Federation
NPPF	National Planning Policy Framework
OA	Opportunity Area
OAHN	Objectively Assessed Housing Need
ONS	Office for National Statistics
OSRA	Open Space & Recreation Assessment
PPG	Planning Practice Guidance
RSS	Regional Spatial Strategy
SA / SEA	Sustainability Appraisal / Strategic Environmental Assessment
SHMA	Strategic Housing Market Assessment
SPD	Supplementary Planning Document
SUE	Sustainable Urban Extension
VOA	Valuation Office Agency
WMS	Written Ministerial Statement

Contents

	Page
Acronyms	
1. Introduction	1
1.1 Key Issues for the Elmbridge Local Plan	1
1.2 The Purpose of this Paper	1
2. The Green Belt in Elmbridge Borough	3
2.1 History of the Green Belt	3
3. The Elmbridge Local Plan & Review of the Evidence Base	6
3.1 Background	6
3.2 Links with Other Evidence Base Documents	7
4. The Planning & Legal Framework	10
4.1 Planning for Growth & Development	10
4.2 Green Belt Policy	10
4.3 Exceptional Circumstances	12
4.4 Amending the Green Belt boundary through the Local Plan process	15
5. Exceptional Circumstances: Strategic	17
5.1 Making A Compelling Case	17
5.2 Housing Need	17
5.3 House Prices & Affordability Issues	21
5.4 Affordable Housing Need	26
5.5 Starter Homes, Self-Build & Custom Housebuilding	29
5.6 Imbalance in Housing Mix – Delivering a Wide Choice of Homes	34
6. Barriers to the Delivery of a Wide Choice of High Quality Homes	38
6.1 The Consideration of Supply	38
6.2 The Availability of Sites	38
6.3 Changes in Government Policy	44
6.4 Development Economics	46
7. Conclusion & Next Steps	49
7.1 The Demonstration of Exceptional Circumstances	49

7.2	Next Steps	49
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Appendices

1	Daily Hansard (Westminster Hall), 13 May 2014: Column 238WH	51
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Figures

1	The Metropolitan Green Belt	3
2	Green Belt in Elmbridge and Neighbouring Boroughs	5
3	The Creation of a new Green Belt	11
4	Average net flows from London	20
5	CLG Affordability Ratio 1997 – 2014	23
6	Ratio of local authority affordability ratio to England ratio	24
7	The characteristics of land supply within Elmbridge Borough	42

Tables

1	Population, Area and OAHN Data for Elmbridge Borough and other neighbouring authorities	18
2	Weekly gross earnings (full-time) by place of residence and work	19
3	Average net flows of population from London into Elmbridge Borough; neighbouring authorities and other comparators, pre (2001 – 2008) and post (2008 – 2012) recession	19
4	Top 5 least affordable places to become a first-time buyer in England and outside of London	21
5	Top 5 least affordable places to become a first-time buyer in England	22
6	Median Rents (per month) April 2014 – March 2015	23
7	Opportunity Areas and Intensification Areas identified in the London Plan (March 2015) for selected London Boroughs	26
8	Affordable Housing Delivery 2011 – 2015	28
9	Net Annual Affordable Housing Requirements	29
10	Type and number of bedrooms of market homes delivered 2012 – 2016 (gross)	35
11	Type and number of bedrooms of market homes delivered in 2015/16 (gross)	35
12	Existing and Projected Dwelling Size Requirements for the Borough	37
13	Housing Land Supply 2011 – 2026 (Core Strategy)	40
14	Housing Land Supply 2016 – 2035 to meet Objectively Assessed Housing Need	40
15	The size of units requirement in Elmbridge up to 2035	41
16	Local Authorities' Local Plan preparation and Green Belt Reviews / Assessments	44
17	The price paid for new build properties in Elmbridge by type between 01.04.11 and 31.03.16	47

1. Introduction

1.1 Key Issues for the Elmbridge Local Plan

1.1.1 This paper has been prepared as part of the review of the Elmbridge Local Plan and its evidence base. As part of the review, one of the key issues that the Council needs to consider and discuss with its communities and other relevant stakeholders is, 'how much growth and new development can be delivered within the Borough whilst, balancing a number of economic; social; and environmental factors'? This paper is one of a number of thematic evidence base documents that collectively, will seek to answer this question and assist the Council in moving forwards with the preparation of its Local Plan. The information presented should therefore not be read or considered in isolation but, in parallel with the complete series of evidence base documents published by the Council on this issue:

- Strategic Housing Market Assessment (SHMA)¹;
- Land Availability Assessment (LAA) (including detailed Site Assessments)²;
- Alternative Development Options³;
- Green Belt Boundary Review (GBBR)⁴;
- Review of Absolute Constraints⁵; and
- Sustainability Appraisal / Strategic Environmental Assessment (SA/SEA) Scoping Report⁶.

1.1.2 The thematic evidence base documents, including this paper, should also be considered alongside the National Planning Policy Framework (NPPF)⁷; national Planning Practice Guidance (PPG)⁸; and relevant case law and written Ministerial Statements.

1.2 The Purpose of this Paper

1.2.1 Within the suite of thematic evidence base documents, it is the purpose of this particular paper to set out the factors that the Council considers are capable to amounting to "exceptional circumstances" and that it will recommend to an inspector to justify amendments to the Green Belt boundary. Whilst this paper will identify whether the exceptional circumstances required to amend the boundary of the Green Belt in Elmbridge Borough exist, it will be for other evidence base documents and the preparation of the Local Plan through which the decisions regarding the precise boundary will be determined.

¹ Kingston and North East Surrey Strategic Housing Market Assessment (SHMA) (June 2016) – [Elmbridge Borough Council - Evidence and supporting documents](#)

² Elmbridge Borough Council – Land Availability Assessment (LAA) (September 2016) <http://www.elmbridge.gov.uk/planning/sdps/evidence-and-supporting-docs/>

³ Elmbridge Borough Council - Alternative Development Options (September 2016) – <http://www.elmbridge.gov.uk/planning/sdps/evidence-and-supporting-docs/>

⁴ Elmbridge Borough Council - Green Belt Boundary Review (GBBR) (March 2016) – <http://www.elmbridge.gov.uk/planning/sdps/evidence-and-supporting-docs/>

⁵ Elmbridge Borough Council - Review of Absolute Constraints (September 2016) – <http://www.elmbridge.gov.uk/planning/sdps/evidence-and-supporting-docs/>

⁶ Elmbridge Borough Council – Sustainability Appraisal / Strategic Environmental Assessment (SA/SEA) Scoping Report (TBP) – <http://www.elmbridge.gov.uk/planning/sdps/evidence-and-supporting-docs/>

⁷ National Planning Policy Framework (NPPF) (March 2012) - <http://planningguidance.communities.gov.uk/blog/policy/>

⁸ National Planning Practice Guidance (PPG) - <http://planningguidance.communities.gov.uk/blog/guidance/>

1.2.3 Presenting the Council's exceptional circumstances case, the structure of this paper is as follows:

- **The Green Belt in Elmbridge Borough** – this section provides a brief history of Green Belt designation in Elmbridge Borough. Included are maps detailing the current boundary of the Green Belt.
- **The Elmbridge Local Plan & Review of the Evidence Base** – this section sets out the background to the review and the links between the suite of thematic documents prepared by the Council.
- **The Planning & Legal Framework** – this section summaries the planning and legal framework to the Green Belt Boundary Review (GBBR) and the process of formulating an “exceptional circumstances” case.
- **Exceptional Circumstances: Strategic** – this section sets out the strategic factors i.e. Borough wide, that the Council will recommend to the Planning Inspectorate for its consideration as being capable of amounting to exceptional circumstances to justify amending the boundary of the Green Belt as part of its Local Plan.
- **Barriers to the Delivery of a Wide Choice of High Quality Homes** – this section sets out the barriers that exist within Elmbridge Borough and just beyond its' administrative boundary, that prevent the Council from delivering its objectively assessed housing need on land within the existing settlement areas. It also sets out those barriers in achieving the Government's objectives of delivering a wide choice of high quality homes.
- **Conclusion & Next Steps** – this section summaries the Council's position in regard to exceptional circumstances and the next steps in the process of preparing a draft Elmbridge Local Plan.

2. The Green Belt in Elmbridge Borough

2.1 History of the Green Belt

2.1.1 The concept of Green Belt dates back to the origins of the modern British planning system and is frequently credited as one of the most notable achievements of the planning system; halting the outward ‘sprawl’ of London into the countryside. Concern regarding the outward spread of London started to become an issue during the 19th century and in particular, after World War I, with the rapid expansion of the railways suddenly bringing once remote settlements within commuting distance of central London; Elmbridge was no exception.

2.1.2 Due to the proximity of Surrey to London, the County played a particularly important role in the development of the early concept of Green Belt. The Surrey County Council Act 1931 created its pre-cursor; it made provision for the County Council to purchase rural land for quiet enjoyment to form a Countryside Estate, much of which remains in the ownership of the authority today. Subsequently, the Metropolitan Green Belt, first suggested by Raymond Unwin in 1933 as a ‘green girdle’ which was embodied in the Green Belt (London and Home Counties) Act 1938 and Sir Patrick Abercrombie’s Greater London Plan of 1944 (later established nationwide in the Town and Country Planning Act of 1947), curtailed the further unchecked growth of London’s urban area.

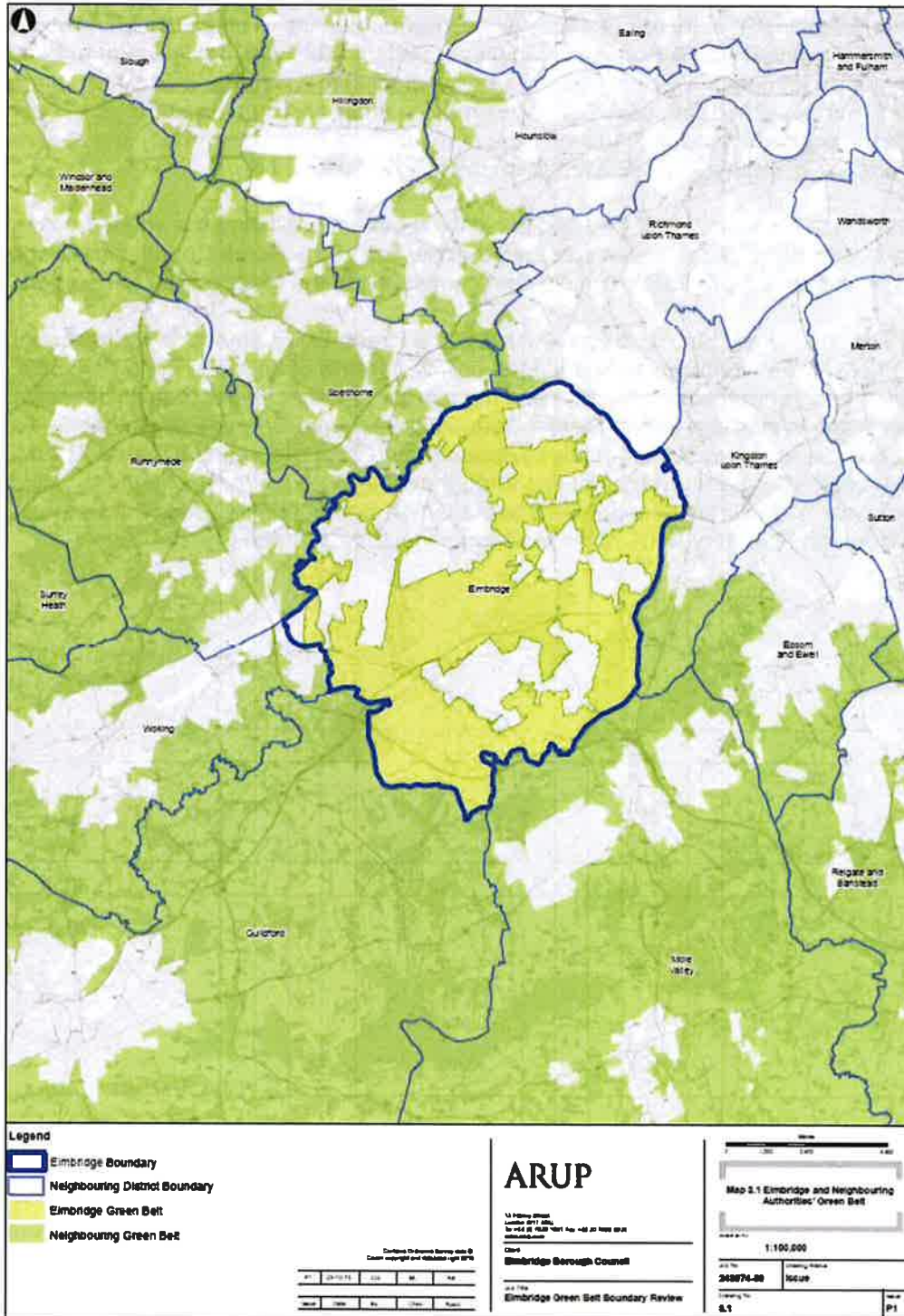
Figure 1 - The Metropolitan Green Belt⁹



⁹ Source – Courtesy of The Telegraph interactive Green Belt map - <http://www.telegraph.co.uk/news/earth/greenpolitics/planning/9708387/Interactive-map-Englands-green-belt.html>

- 2.1.3 This original Green Belt was six to ten miles wide but was subsequently deemed as insufficient to restrict development in the widening commuter belt. Circular 42/55, released by Government in 1955, therefore encouraged local authorities to establish their own Green Belts. Following this, the Surrey Development Plan of 1958 was the first plan to formally designate Metropolitan Green Belt in Surrey, including in Elmbridge. This built upon Circular 50/75, published in 1957, which distinguished the inner and outer boundaries of Green Belts (with Elmbridge located in the inner edge of the Metropolitan Green Belt) and established the importance of defined and detailed permanent boundaries.
- 2.1.4 In 1962, the Minister of Housing and Local Government published the advice booklet titled 'The Green Belts'. The booklet recorded that the last of the Home Counties development plans had been approved in 1959, enabling the completion of the Metropolitan Green Belt.
- 2.1.5 In 1978, the Surrey Structure Plan considered a Green Belt distance of approximately 19-24 km (12-15 miles) sufficient to contain the outward sprawl of London. Following local government reorganisation in 1972 and the merger of Esher Urban District Council with Walton and Weybridge Urban District Council to create the Borough of Elmbridge, the Green Belt boundaries were subsequently reviewed during the preparation of the 1993 Local Plan, which established precise boundaries throughout the Borough for the first time. Since 1993 there have been limited amendments to the Green Belt boundary within the Borough. Within the Borough boundary, 57% of the land is designated as Green Belt (54.9 km²).

Figure 2 - Green Belt in Elmbridge and Neighbouring Authorities



3. The Elmbridge Local Plan & Review of the Evidence Base

3.1 Background

3.1.1 Recent Elmbridge Local Plans have set out a spatial strategy for concentrating development in existing built-up areas and utilising previously developed land. This has led to the continued protection of the Green Belt with limited changes made since it was established in its current form by Elmbridge Borough Council in its 1993 Local Plan. Whilst this approach remains the most preferable option, this type of land is a finite resource and the Council is under increasing pressure to consider all options available for maximising housing growth to meet identified need, emerging from both within the Borough and the wider Housing Market Area (HMA)¹⁰.

3.1.2 On 1st October 2014, the Council took the decision to 'pause' the preparation of its Local Plan and start a review of the evidence base underpinning the adopted Core Strategy (July 2011)¹¹. This was on the basis that a number of other local authorities' plans were being challenged in light of the NPPF and how the Government's planning framework was being implemented. Concern was being expressed that plans seeking to deliver housing targets adopted prior to the NPPF were out of date including, any of the evidence base prepared prior to March 2012. It was being successfully argued that housing targets adopted prior to the NPPF were not an 'objective assessment of housing need' and that those local authorities were taking insufficient steps to increase housing land supply and delivery.

3.1.3 Whilst Elmbridge Borough Council was in a unique position of having consulted on a local housing target as part of the preparation of its Core Strategy, the evidence and assumptions used in setting that target were all pre-NPPF and prior to the duty to cooperate. The Council also assumed at the time that the Green Belt was 'off-limits' but had no detailed work supporting why this should be the case.

3.1.4 On this basis, it was considered by the Council that it would become increasingly difficult to argue that its housing targets conform to the NPPF. It was considered that both developers and neighbouring authorities would challenge our plans on the fact that they were based on pre-NPPF housing targets and evidence, and therefore do not seek to meet the objectively assessed needs of the Borough and / or the wider HMA.

3.1.5 From the outset it was stated that the Council's review of its Local Plan Evidence Base would lead to one of two possibilities:

- the Council is able to confirm that the housing targets set within the Core Strategy remain appropriate having considered the latest evidence on housing needs; constraints limiting development within the Borough; and working with neighbouring authorities; or

¹⁰ Housing Market Area (HMA) - is a geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work. It might be the case that housing market areas overlap.

¹¹ Elmbridge Core Strategy (July 2011) – <http://www.elmbridge.gov.uk/planning/local-plan/>

- the Council will need to amend its housing targets in light of the most up to date evidence which will require a partial / full review of the Core Strategy and potential new Local Plan.

3.2 Links with Other Evidence Base Documents

3.2.1 As set out in the Introduction, this paper is one of a number of thematic evidence base documents that collectively, will seek to answer the question of ‘how much growth and new development can be delivered within the Borough whilst, balancing a number of economic; social; and environmental factors?’ The information presented in this paper should therefore not be read or considered in isolation but, in parallel with the complete series of evidence base documents published by the Council on this issue:

- Strategic Housing Market Assessment (SHMA)¹²;
- Land Availability Assessment (LAA) (including detailed Site Assessments)¹³;
- Alternative Development Options¹⁴;
- Green Belt Boundary Review (GBBR)¹⁵;
- Review of Absolute Constraints¹⁶; and
- Sustainability Appraisal / Strategic Environmental Assessment (SA/SEA) Scoping Report¹⁷.

3.2.2 Set out below is a summary of the purpose and contents of each of the papers within this series.

Strategic Housing Market Assessment

3.2.3 Prepared for the Kingston and North East Surrey (Elmbridge; Epsom & Ewell; and Mole Valley) HMA¹⁸, the SHMA identifies the objectively assessed housing need, for both market and affordable housing, for the HMA and individual Boroughs and Districts up to the period 2035.

¹² Kingston and North East Surrey Strategic Housing Market Assessment (SHMA) (June 2016) – [Elmbridge Borough Council - Evidence and supporting documents](#)

¹³ Elmbridge Borough Council – Land Availability Assessment (LAA) (September 2016)

<http://www.elmbridge.gov.uk/planning/sdps/evidence-and-supporting-docs/>

¹⁴ Elmbridge Borough Council - Alternative Development Options (September 2016) –

<http://www.elmbridge.gov.uk/planning/sdps/evidence-and-supporting-docs/>

¹⁵ Elmbridge Borough Council - Green Belt Boundary Review (GBBR) (March 2016) –

<http://www.elmbridge.gov.uk/planning/sdps/evidence-and-supporting-docs/>

¹⁶ Elmbridge Borough Council - Review of Absolute Constraints (September 2016) –

<http://www.elmbridge.gov.uk/planning/sdps/evidence-and-supporting-docs/>

¹⁷ Elmbridge Borough Council – Sustainability Appraisal / Strategic Environmental Assessment (SA/SEA)

Scoping Report (TBP) – <http://www.elmbridge.gov.uk/planning/sdps/evidence-and-supporting-docs/>

¹⁸ Housing Market Area (HMA) - is a geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work. It might be the case that housing market areas overlap.

Land Availability Assessment (LAA)

3.2.4 This paper sets out the Council's approach to the assessment of sites across the Borough that have been submitted for its consideration as potential development sites. Following the set methodology, this paper includes the detailed site assessments of all appropriate sites and identifies the number of new homes the Council considers that it can deliver over the next 15 years as set against the existing Local Plan housing target.

Alternative Development Options

3.2.5 In accordance with national guidance, when considering whether to amend the boundary of the Green Belt, the starting point for every local authority is that this decision should only arise after all reasonable and acceptable efforts have been taken to maximise the amount of development within the urban areas. This paper therefore sets out the various delivery opportunities considered by the Council in trying to meet its objectively assessed housing need and that of the wider HMA within the Borough's eight settlement areas, commensurate with ensuring the proper balance between residential, employment and other uses.

3.2.6 This paper utilises information from other evidence base documents including the Employment Land Review (ELR)¹⁹; Retail Assessment²⁰; and Open Space & Recreation Assessment (OSRA)²¹. Also set out is a summary of initial evidence base collection for those authorities within the HMA and with adjoining HMAs, as part of the duty to cooperate, to see how the housing needs of the HMA could be met across the four authorities or within adjoining HMAs given any surplus housing requirement.

3.2.7 This paper also examines the opportunities for increasing residential densities around 'commuter-hubs' and creating new settlements, both suggested by Government in national Guidance and in its consultation on the proposed changes to national planning policy²².

Green Belt Boundary Review (GBBR)

3.2.8 Undertaken for Elmbridge Borough, the Green Belt Boundary Review (GBBR) provides a comprehensive assessment of the extent to which land designated as Green Belt continues to meet the aim and purposes of such land. The Review identifies the strategic and cross boundary impacts in relation to land designated as Green Belt arising from current and future development in neighbouring Boroughs and Districts and, any land within the Borough that no longer meets the aims and purposes of Green Belt which is recommended for further assessment.

Review of Absolute Constraints

¹⁹ Elmbridge Employment Land Review (ELR) (TBP)

²⁰ Elmbridge Retail Assessment (April 2016) – <http://www.elmbridge.gov.uk/planning/sdps/evidence-and-supporting-docs/>

²¹ Elmbridge Open Space & Recreation Assessment (OSRA) (October 2014) – <http://www.elmbridge.gov.uk/planning/sdps/evidence-and-supporting-docs/>

²² DCLG – Consultation on proposed changes to national planning policy (December 2015) – <https://www.gov.uk/government/consultations/national-planning-policy-consultation-on-proposed-changes>

3.2.9 Following the GBBR, this paper identified those areas of the Green Belt that are not affected by 'absolute' constraints and could, subject to the consideration of exceptional circumstances (as set out in this paper), be taken forwards for further detailed assessment as to their ability to support future growth.

Sustainability Appraisal / Strategic Environmental Assessment (SA/SEA) Scoping Report

3.2.10 The process of plan making has always relied on the choices between different options for development and use of land through the planning system. The requirement to produce a Sustainability Appraisal Report for the emerging Local Plan is a legal requirement under the Planning and Compulsory Purchase Act (2004) which seeks to ensure that the decision-making process takes into account the key objectives of sustainable development.

3.2.11 Sustainability Appraisal (SA) is a process undertaken during the preparation of a plan, programme or strategy. The role of the SA is to assess the extent to which the emerging Local Plan will help to achieve the identified objectives that have been framed by a range of International, European, National, Regional, Sub-Regional, County and Local plans; policies; and programmes that are considered to shape its development and implementation. The overall aim of the SA process is to help ensure that the Elmbridge Local Plan makes an effective contribution to the pursuit of sustainable development.

3.2.12 Linked to the SA is the Strategic Environmental Assessment (SEA) which is a systemic process for evaluating the environmental consequences of plans and programmes to ensure that environmental issues are integrated and assessed at the earliest opportunity in the decision-making process. As the guidance explaining this requirement makes clear, SA and SEA are a similar, yet distinct process involving a number of explicit steps. The differences between these processes lie in the fact that SEA focuses solely on environmental effects whereas SA is concerned with the full range of environmental, social and economic considerations. Given the similarities however, it is possible to combine the processes.

3.2.13 The Scoping Report is the first stage in preparing the SA / SEA to inform and support the preparation of the Elmbridge Local Plan. The purpose of the Scoping Report is to:

- Identify the sustainability objectives of other relevant plans, programmes, policies and strategies.
- Collect and collate baseline information and establish a profile of the environmental, social and economic characteristics of Elmbridge Borough.
- Identify sustainability issues and problems within Elmbridge Borough.
- Develop the sustainability appraisal framework (objectives) which will be used to test policy and allocation options in the plan.

3.2.14 The sustainability objectives identified have then been used to inform the methodology for the assessment of individual sites and their development potential.

4. The Planning & Legal Framework

4.1 Planning for Growth & Development

4.1.1 The National Planning Policy Framework (NPPF) (March 2012) sets out the Government's planning policies for England and how these are expected to be applied both during the preparation of a local plan and in the determination of planning applications. At the heart of the NPPF is a presumption in favour of sustainable development. For plan-making this means that:

- “Local planning authorities should positively seek opportunities to meet the development needs of their area;
- Local Plans should meet objectively assessed needs, with sufficient flexibility to adapt to rapid change, unless:
 - Any adverse impact of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in the Framework taken as a whole; or
 - Specific policies in the Framework indicate development should be restricted” (paragraph 14, NPPF).

4.1.2 In regards to housing growth, paragraph 47 of the NPPF expands upon the requirement of the Local Plan to meet ‘objectively assessed need’ and the Government’s aim to significantly boost supply. Using their evidence base, local authorities are directed to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the HMA, as far as consistent with the policies set out in the Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period.

4.1.3 The NPPF contains a number of policies that the Council will need to consider when determining an appropriate level of housing growth for the Borough. Specific to the purpose of this paper, is the consideration of land designated as Green Belt. As set out in the footnote to paragraph 14 of the NPPF; Green Belt is included as a specific policy that indicates that development should be restricted.

4.2 Green Belt Policy

4.2.1 The Government attaches great importance to Green Belts. The fundamental aim of which is to prevent urban sprawl by keeping land permanently open; the essential characteristics of Green Belt are their openness and their permanence (NPPF, paragraph 79). Green Belt serves five purposes:

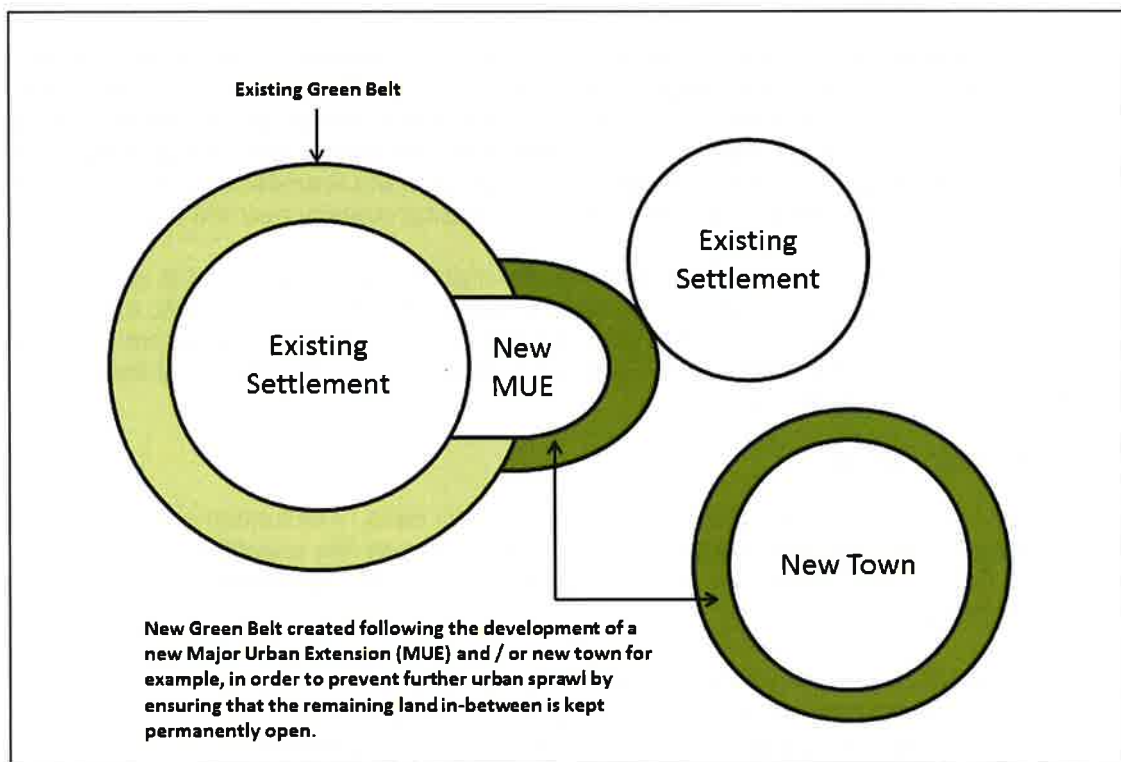
- to check the unrestricted sprawl of large built-up areas;
- to prevent neighbouring towns merging into one another;
- to assist in safeguarding the countryside from encroachment;
- to preserve the setting and special character of historic towns; and
- to assist in urban regeneration, by encouraging the recycling of derelict and other urban land (NPPF, paragraph 80).

4.2.2 Paragraph 82 of the NPPF states that as the general extent of Green Belt across the country is already established, new Green Belts should only be established in exceptional circumstances. Examples of creating new Green Belt includes when planning for larger scale development such as a new settlement or major urban extensions. The creation of Green Belt may then be required around the new development to ensure that the remaining land in-between is kept permanently open in order to prevent further urban sprawl (see Figure 3).

4.2.3 As set out in the NPPF (paragraph 82), if proposing a new Green Belt, a local planning authority is required to:

- demonstrate why normal planning and development management policies would not be adequate;
- set out whether any major changes in circumstances have made the adoption of this exceptional measure necessary;
- show what the consequences of the proposal would be for sustainable development;
- demonstrate the necessity for the Green Belt and its consistency with Local Plans for adjoining areas; and
- show how the Green Belt would meet the other objectives of the Framework”.

Figure 3: The Creation of a new Green Belt (NPPF, paragraph 82)



4.2.4 As set out in the Council's Alternative Development Options document²³, the delivery of a new settlement or major urban extension to meet the level of development need within the Borough would require a significant amount of land. Given the limited availability of suitable and available land, the provision of either development option would lead to potentially significant detrimental implications on the integrity of the Green Belt and its local and strategic functions. The Council is therefore not proposing to make amendments to the Green Belt to accommodate either development option. The Council is therefore not required to consider the criteria in paragraph 82. Rather, in accordance with paragraph 83 of the NPPF, the Council is seeking to redefine the boundaries to accommodate a lesser scale of development e.g. Sustainable Urban Extensions (SUE).

4.2.5 In regard to redefining Green Belt boundaries, paragraph 83 of the NPPF specifically states that local planning authorities with Green Belts in their area should establish Green Belt boundaries in their Local Plans which set the framework for both Green Belt and settlement policy. Paragraph 83 continues to state that:

"...Once established, Green Belt boundaries should only be altered in exceptional circumstances, through the preparation or review of the Local Plan. At that time, authorities should consider the Green Belt boundaries having regard to their intended permanence in the long term, so that they should be capable of enduring beyond the plan period".

4.2.6 It is therefore the Council's understanding that although the intention that Green Belt land has a degree of permanence, local planning authorities should conduct a review of Green Belt land as part of its Local Plan preparation and consider redefining boundaries which add or take away Green Belt land in order to meet local planning requirements. However, to do this, "exceptional circumstances" must be demonstrated.

4.3 Exceptional Circumstances

4.3.1 The Government has not defined what constitutes "exceptional circumstances" nevertheless, the importance of demonstrating exceptional circumstances was emphasised by Nick Boles MP, then Parliamentary under Secretary of State for Planning, both in correspondence with Sir Michael Pitt, Chief Executive of the Planning Inspectorate²⁴, and in a Parliamentary debate on 13th May 2014 (see Appendix 1). Recent amendments to the Government's PPG have also shed some light on the debate as to whether housing and economic needs override Green Belt policy (see overleaf).

²³ Elmbridge Borough Council – Alternative Development Options document (September 2016) - <http://www.elmbridge.gov.uk/planning/sdps/evidence-and-supporting-docs/>

²⁴ Nick Boles MP, letter to Sir Michael Pitt 'Inspectors' Reports on Local Plans', 3rd March 2015 - https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/286882/140303_Letter_-_Sir_Michael_Pitt.pdf

Do housing and economic needs override constraints on the use of land, such as Green Belt?

The National Planning Policy Framework should be read as a whole: need alone is not the only factor to be considered when drawing up a Local Plan.

The Framework is clear that local planning authorities should, through their Local Plans, meet objectively assessed needs unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in the Framework taken as a whole, or specific policies in the Framework indicate development should be restricted. Such policies include those relating to sites protected under the Birds and Habitats Directives, and/or designated as Sites of Special Scientific Interest; land designated as Green Belt, Local Green Space, an Area of Outstanding Natural Beauty, Heritage Coast or within a National Park or the Broads; designated heritage assets; and locations at risk of flooding or coastal erosion.

The Framework makes clear that, once established, Green Belt boundaries should only be altered in exceptional circumstances, through the preparation or review of the Local Plan.

Paragraph: 045 Reference ID: 3-045-20141006

Do local planning authorities have to meet in full housing needs identified in needs assessments?

Local authorities should prepare a Strategic Housing Market Assessment to assess their full housing needs.

However, assessing need is just the first stage in developing a Local Plan. Once need has been assessed, the local planning authority should prepare a Strategic Housing Land Availability Assessment to establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the plan period, and in so doing take account of any constraints such as Green Belt, which indicate that development should be restricted and which may restrain the ability of an authority to meet its need.

Paragraph: 029 Reference ID: 3-029-20140306

Exceptional Circumstances: Case Law

- 4.3.2 As there is no formal definition or standard set of assessment criteria to demonstrate exceptional circumstances, there has been an increasing amount of case law as local planning authorities attempt to alter the boundaries of the Green Belt, and their justifications for doing so, have become under increasing scrutiny. One of the most established cases is *Gallagher Homes Limited v Solihull Metropolitan Borough Council* [2014]²⁵. The following points were made clear by this decision:

²⁵ England and Wales Court of Appeal Decision - <http://www.bailii.org/ew/cases/EWCA/Civ/2014/1610.html>

- Planning guidance is a material consideration for plan-making and decision-taking. However, it does not have statutory force: the only statutory obligations to have regard to relevant policies.
- The test for redefining a Green Belt boundary has not been changed by the NPPF. It is not arguable that the mere fact that a local authority is drawing up its local plan is itself an exceptional circumstances justifying a boundary change. National guidance has always dealt with revisions of the Green Belt in the context of reviews of local plans (e.g. paragraph 2.7 of PPG2²⁶) and has always required exceptional circumstances to do this.
- A local planning authority must find that exceptional circumstances exist before they make any alteration in a Green Belt boundary, whether it is considering extending or diminishing the Green Belt; and
- Whilst each case is fact-sensitive and the question of whether circumstances are exceptional for these purposes requires an exercise of planning judgement, what is capable of amounting to exceptional circumstances is a matter of law, and a plan-maker may err in law if they fail to adopt a lawful approach to exceptional circumstances. Once Green Belt has been established and approved, it requires more than general planning concepts to justify alterations.

4.3.3 In addition, when considering whether to amend the boundary of the Green Belt, the starting point for every local authority is that this decision should only arise after all reasonable and acceptable efforts have been taken to maximise the amount of development within the urban area. Optimising densities and ensuring that all land is appropriately used must be the first response to growth. This would include a review of employment land and other areas or uses that are protected by planning policies, commensurate with ensuring the proper balance between residential, employment and other uses.

4.3.4 Case law also established that general planning merits cannot be exceptional circumstances: for example, it is not sufficient that the local authority consider that the relevant land would, or would not be, a sustainable location for development, or that they would have drawn the boundary line in a different place had they been starting from scratch. In other words, something must have occurred subsequent to the definition of the Green Belt boundary that justifies a change. The fact that, after the definition of the Green Belt boundary, the local authority or an inspector may form a different view on where the boundary should lie, however cogent that view on planning grounds, that cannot of itself constitute an exceptional circumstance which necessitates and therefore justifies a change.

4.3.5 Should a local authority decides that exceptional circumstances do necessitate a revision to Green Belt boundaries, then they cannot revise the boundaries further than is necessary to meet those exceptional circumstances. For example, if exceptional circumstances have been demonstrated to necessitate the building of, say 50 additional homes per year on Green Belt land, they cannot then release land to allow for the building of 100 homes per year. In

²⁶ Planning Policy Guidance 2: Green Belts (PPG2) (January 1995) - <https://www.planningportal.gov.uk/planning/planningpolicyandlegislation/previousenglishpolicy/ppg2/ps/ppg2>

addition, a local authority will need to ensure that the exceptional circumstances justifying the release of Green Belt land are carried through to fruition when allocating sites for development / granting planning permission. For example, providing sufficient affordable housing provision on-site if a significant need for affordable housing has been successfully demonstrated to justify the release of land designated as Green Belt.

4.3.6 If challenged, the Court can declare the adoption of a plan unlawful and quash it (or parts of it) if the plan-maker has failed to take a lawful approach to exceptional circumstances. This means that it is not enough for a local authority or inspector to assert that exceptional circumstances exist: it is not possible to convert unexceptional circumstances into exceptional circumstances simply by labelling them as such.

4.4 Amending the Green Belt boundary through the Local Plan process

4.4.1 If exceptional circumstances are demonstrated justifying a revision to the Green Belt boundary, a local authority must have regard to the matters set out in paragraphs 84, 85 and 86 of the NPPF when redrawing the boundary. Paragraph 84 of the NPPF states when drawing up or reviewing Green Belt boundaries, local planning authorities should take account of the need to promote sustainable patterns of development. They should consider the consequences for sustainable development of channelling development towards urban areas inside the Green Belt, towards towns and villages inset within the Green Belt or towards locations beyond the outer Green Belt boundary.

4.4.2 When defining boundaries NPPF paragraph 85 states that local planning authorities should:

- ensure consistency with the Local Plan strategy for meeting identified requirements for sustainable development;
- not include land which it is unnecessary to keep permanently open;
- where necessary, identify in their plans areas of 'safeguarded land' between the urban area and the Green Belt, in order to meet longer-term development needs stretching well beyond the plan period;
- make clear that the safeguarded land is not allocated for development at the present time. Planning permission for the permanent development of safeguarded land should only be granted following a Local Plan review which proposes the development;
- satisfy themselves that Green Belt boundaries will not need to be altered at the end of the development plan period; and
- define boundaries clearly, using physical features that are readily recognisable and likely to be permanent.

4.4.3 Furthermore, paragraph 86 of the NPPF states that if it is necessary to prevent development in a village primarily because of the important contribution which the open character of the village makes to the openness of the Green Belt, the village should be included in the Green Belt. If however, the character of the village needs to be protected for other reasons, other



means should be used, such as a conservation area or normal development management policies, and the village should be excluded from the Green Belt.

4.4.4 As set out in the conclusion of this Paper, how the Council addresses paragraphs 84 – 86 of the NPPF will be presented elsewhere as part of its preparation of the Elmbridge Local Plan.

5 Exceptional Circumstances: Strategic

5.1 Making a Compelling Case

5.1.1 Demonstrating exceptional circumstances requires the presentation of a set of factors that come together to override the normal presumption that Green Belt boundaries should endure. There is no formal definition or standard set of assessment criteria; it is for the local planning authority to determine whether it considers exceptional circumstances exist to justify removing land from the Green Belt and to make that recommendation to the Planning Inspectorate. Exceptional circumstances are best demonstrated where a number of factors come together to make a compelling case.

5.1.2 This section sets out the strategic factors i.e. Borough wide, that the Council will recommend to the Planning Inspectorate for its consideration as being capable of amounting to exceptional circumstances to justify amending the boundary of the Green Belt as part of its Local Plan. The primary focus is on:

- Housing Need
- House Prices & Affordability Issues
- Affordable Housing Need
- Starter Homes, Self-Build & Custom Housebuilding
- Imbalance in Housing Mix

5.2 Housing Need

National & Local Planning Policies

5.2.1 National planning policy seeks Local Planning Authorities (LPAs) to boost significantly the supply of housing. Paragraph 47 of the National Planning Policy Framework (NPPF) states that LPAs should use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as consistent with the policies set out in the Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period. As set out in Planning Practice Guidance (PPG) the assessment of housing development needs includes, the Strategic Housing Market Assessment (SHMA).

5.2.2 Adopted in July 2011, Policy CS2 'Housing Provision, Location and Distribution' of the Core Strategy sets out the existing housing requirement. Policy CS2 states that the Council will plan for approximately 3,375 net additional dwellings (225 net dwellings annual average) within the Borough up to 2026. Whilst the Council is in a unique position of having consulted on a local housing target prior to the examination and adoption of the Core Strategy, the evidence and assumptions used in setting the housing requirement in Policy CS2 are pre-NPPF and prior to the duty to co-operate. The Council also assumed at the time that the Green Belt was 'off limits' but had no detailed work supporting why this should be the case. The review of the Local Plan evidence base is therefore largely focused on the objectively assessed housing needs of the Borough and setting a local established housing target.

Future Housing Requirements: 2015 - 2035

5.2.3 As part of the review of the Local Plan Evidence Base, the Council has jointly commissioned a new SHMA for the Kingston & North East Surrey (Elmbridge, Epsom & Ewell, and Mole Valley) HMA. Table 1 sets out the objective assessment of need derived from projected household and economic growth for the period 2015 to 2035, for those local authorities in the HMA. It suggests an objectively assessed need of 40,005 dwellings over the 2015-2035 period, or 2,000 dwellings per annum. Kingston has the largest need (717 per annum), followed by Elmbridge (474), Epsom and Ewell, (418) and Mole Valley (391).

5.2.4 As set out in Table 1, the need for new homes in Elmbridge is not particularly unique; there is a need for new homes across England with figures of up to 250,000 new homes per annum being quoted to keep up with demand²⁷. In comparison to neighbouring authorities, Elmbridge has a 'mid-point' objectively assessed housing need which is generally proportionate of the Borough's size, existing population and the overall sub-urban and semi-rural character.

Local Authority	Population*	Area (km ²)	Objectively Assessed Housing Need	Annualised Need	Period
Elmbridge	132,800	96.3	9,480 ²⁸	474	2015 - 2035
Kingston	170,000	37.25	14,384	717	2015 - 2035
Epsom & Ewell	78,300	34.07	8,352	418	2015 - 2035
Mole Valley	86,200	258.3	7,814	391	2015 - 2035
Guildford	143,000	270.9	13,860	693	2013 - 2035
Reigate & Banstead	143,100	129.1	9,750	650	2012 - 2027
Richmond	193,600	57.41	17,347	913	2014 - 2033
Runnymede	84,600	78.0	10,700	535	2013 - 2035
Spelthorne	98,100	51.16	15,140	757	2013 - 2033
Surrey Heath	87,500	95.1	6,800	340	2011 - 2031
Tandridge	85,400	248.2	9,400	470	2013 - 2033
Waverley	122,900	345.2	10,380	519	2013 - 2033
Woking	99,400	63.6	10,340	517	2013 - 2033

* ONS Population Estimates (2014)

Table 1: Population, Area and OAHN Data for Elmbridge Borough and other neighbouring authorities.

5.2.5 The level of objectively assessed housing need in Elmbridge Borough may not appear to be particularly unique when compared to other local authorities'; with many neighbouring authorities having a greater number of new homes to provide. However, it is perhaps the factors generating the need for new homes in the Borough that make the local authority's circumstances exceptional from its neighbours.

²⁷ KMPG & Shelter, Building the homes we need: A programme for the 2015 Government - <http://thehomesweneed.org.uk/>

²⁸ See para. 5.3.11 regarding a potential trigger for increasing the Council's Objectively Assessed Housing Need.

5.2.6 The Kingston and North East Surrey SHMA identifies that factors generating growth differ between local authorities. In Kingston, natural increase and international migration are important. Whereas, in Elmbridge, natural change and net internal migration, dominated by outward movement from south and west London, are the main components. In Epsom & Ewell, natural change and migration are also significant and in Mole Valley, there is little natural growth and change is driven mainly by net in migration from within the UK.

5.2.7 In terms of the levels of in-migration and outward movement from south and west London, the geographical position of Elmbridge Borough; on the edge of London with accessible commuting nodes, makes it a sought after location for those seeking a 'country lifestyle' with the ability to access higher earning employment opportunities within the Capital (see Table 2).

	Earnings by Residence	Earnings by Workplace
Elmbridge	£743.60	£625.20
Surrey	£653.90	£596.40
South East	£574.90	£552.10
Great Britain	£529.60	£529.00

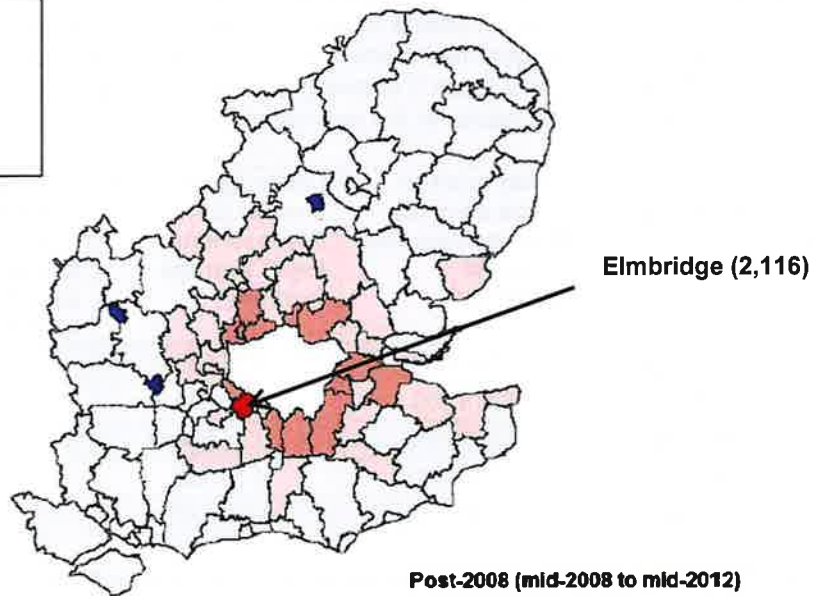
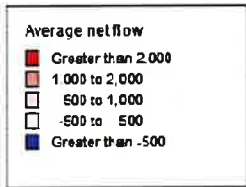
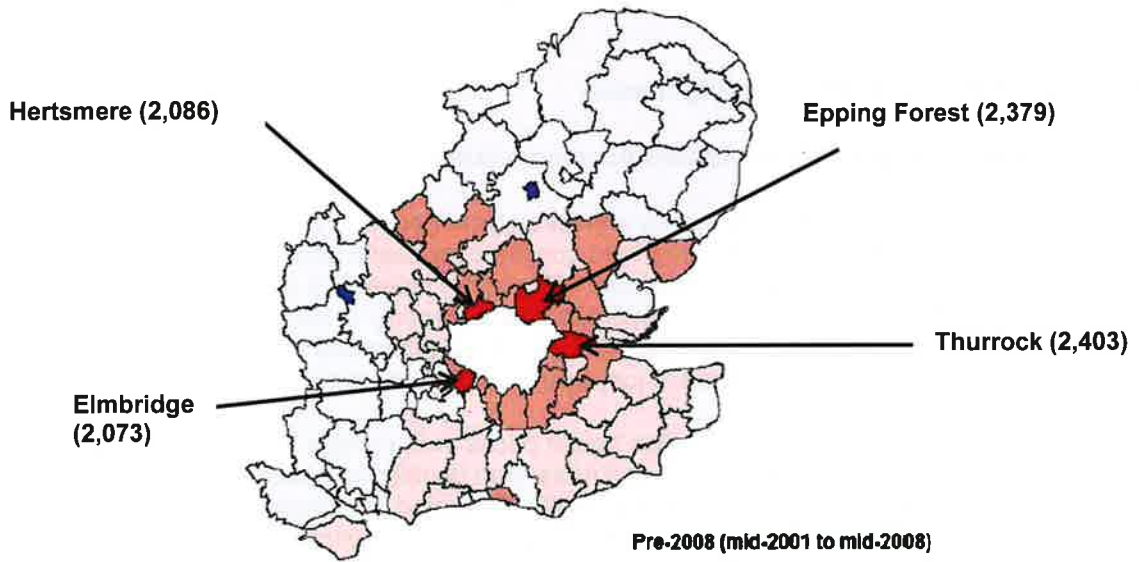
Table 2: Weekly gross earnings (full-time) by place of residence and work
Source: ONS Annual survey of hours and earnings (NOMIS)

5.2.8 ONS data showing net migration flows from London to the East and South East regions, identifies that Elmbridge post-recession (2008), experienced the 4th highest flow of population from London. As shown in Table 3, this was behind Epping Forest; Hertsmere; and Thurrock - all local authorities on the edge of London (see Figure 4).

Local Authority	Av. to mid-2008	Av. post mid-2008
Elmbridge	2,073	2,116
Epsom & Ewell	1,119	970
Guildford	467	101
Mole Valley	663	605
Reigate & Banstead	1,676	1550
Runnymede	409	369
Spelthorne	1,421	1,305
Surrey Heath	391	189
Tandridge	1,373	1,092
Waverley	684	594
Woking	564	557
Epping Forest	2,379	1,908
Hertsmere	2,086	1,797
Thurrock	2,403	1,716

Table 3: Average net flows of population from London into Elmbridge Borough; neighbouring authorities and other comparators, pre (2001-2008) and post (2008-2012) recession. Source: ONS, Internal Migration.

Figure 4: Average net flows from London



5.2.9 Post-recession (mid-2008) however, Elmbridge Borough is the single authority in England that continues to see net in-migration from London of greater than 2,000; setting the Borough aside from all others in terms of its objectively assessed housing need and the key driver of growth.

5.3 House Prices & Affordability Issues

Homeownership & Private Rented Accommodation

5.3.1 The cost of housing in the UK and its impact on local people is a key concern for most local authorities, ranking higher than long-held concerns on health and social care services. Whilst high house prices and subsequent affordability issues are not particularly unique when it comes to the South-East; with most areas now becoming ‘unaffordable’ to the first-time buyer, the region is becoming increasingly polarised with house prices ranging from nearly £700,000 in Elmbridge compared to just over £180,000 in Hastings²⁹.

5.3.2 As set out in the SHMA, 2014 median house prices in Elmbridge were exceptionally high, amongst the highest in the country, and more than double the national average with prices rising steeply in recent years. Over the 2007 – 14 period, the median price in Elmbridge rose by 49% and in Mole Valley and Kingston by over 30%. In Epsom & Ewell prices rose by 27%, slightly below the national average increase of 29%.

5.3.3 According to the National Housing Federation (NHF)³⁰, the average house price in Elmbridge is now in the region of £700,000, making the Borough the most difficult place in the country outside of London to get a step on the ladder where average wages, house prices and limited ability to save for a deposit collide to price out would-be homeowners. As set out in Table 4, in June 2015 lowest quartile incomes were 21.5 times below the lowest quartile house prices in Elmbridge, with Table 5 showing that the Borough was the 4th most difficult place to get onto the property ladder in the entirety of England.

Ranking (Least Affordable)	Local Authority	Lower quartile house price (£) Representing the cheapest properties	Lower quartile net income (£) Representing lower average incomes	Affordability ratios – Lowest quarter of average house prices compared to lowest quarter of average wages (to reflect first time buyers)
1	Elmbridge	£285,000	£13,274	21.5 times
2	Chichester	£215,000	£10,989	19.6
3	Tandridge	£229,475	£11,886	19.3
4	Three Rivers	£250,000	£13,133	19.0
5	Cotswold	£197,500	£10,387	19.0

Table 4: Top 5 least affordable places to become a first-time buyer in England outside of London

²⁹ National Housing Federation – Home Truths 2015/16: The Housing Market in the South East – http://s3-eu-west-1.amazonaws.com/pub.housing.org.uk/Home_Truths_201516_South_East.pdf

³⁰ National Housing Federation – June 2015 Press Release - <http://www.housing.org.uk/press/press-releases/elmbridge-chichester-and-horsham-among-the-most-difficult-places-to-become-/>

Ranking (Least Affordable)	Local Authority	Lower quartile house price (£) Representing the cheapest properties	Lower quartile net income (£) Representing lower average incomes	Affordability ratios – Lowest quarter of average house prices compared to lowest quarter of average wages (to reflect first time buyers)
1	Kensington & Chelsea	£585,000	£19,487	30.0 times
2	Westminster	£475,000	£19,487	24.4
3	Camden	£390,000	£17,842	21.9
4	Elmbridge	£285,000	£13,274	21.5
5	Hammersmith & Fulham	£360,000	£18,232	19.7

Table 5: Top 5 least affordable places to become a first-time buyer in England

- 5.3.4 Whilst average annual mean incomes of Elmbridge residents in 2014 reached £43,503; which is well above the averages for Surrey (£35,838); London (£32,838); the South East (£29,037) and England (£26,499), due to exceptionally high house prices, the average household income required to obtain a mortgage at 80% was £155,853 (80% at 3.5x). This level of average income is double that required across the South East and in England in general (£71,370 and £60,774 respectively) and between £35,000 and £52,000 higher than across Surrey (£103,177) and London (£120,248).
- 5.3.5 For most first-time buyers and even those already established on the housing ladder, opportunities of finding an 'affordable' home within Elmbridge are likely to be limited. In most local authority areas experiencing similar issues, the private rented market can offer a suitable alternative. However, as evidenced in the SHMA average reported rents are high throughout the HMA, with the highest rents reflecting house prices and largely being found in areas within Elmbridge Borough (£1,250 per month).
- 5.3.6 For the period March 2014 – April 2015, rents levels for Elmbridge, the HMA and other comparative areas are set out in Table 6. This data is published by the Valuation Office Agency (VOA) at local authority level. The VOA data excludes rents where the tenant is in receipt of housing benefit and so does not take account of this sector of the market. Table 6 shows that rent levels in Elmbridge Borough are generally comparable to those experienced in the Royal Borough of Kingston upon Thames and London as a whole however, for a 4+bedroom home rent levels are clearly higher in Elmbridge than its counterparts.
- 5.3.7 As part of the Kingston and North East Surrey SHMA, the CLG affordability ratios for local authorities in England covering the period 1997-2013 have been utilised; comparing lower quartile and median sale prices with lower quartile and median earnings³¹. As set out in

³¹ Earnings data is taken from the Annual Survey of Hours and Earnings published by ONS. The survey covers employee jobs excluding self-employed and employees not paid during the survey period. It does not provide estimates of the incomes of people not in employment, nor of household as distinct from individual earnings. The survey is also based on a sample of earnings and estimates are subject to sampling error. The ratio derived from this data is therefore best viewed as a relative rather than an absolute indicator of affordability, enabling examination of changes of overtime and comparisons between areas.

Figure 5, affordability ratios have increased consistently over the 1997 – 2015 period for all the authorities in the HMA, for Surrey, London and the South East. The dip in the ratio in 2007 – 2008 marks the start of the recession; when prices fell relative to incomes. This differs from the picture for England as a whole, where the ratio stabilised after 2007 – 2008. Figure 5 shows that affordability is a serious issue throughout the HMA, but most especially in Elmbridge. The SHMA states that within Elmbridge it is noticeable that ratio have increased in a near straight line since 1997, barely troubled by the 2008 – 2009 downturn.

Median	Letting Type						% change 2014-15
	Room	Studio	1 bed	2 bed	3 bed	4+ bed	
Kingston upon Thames	500	750	995	1,300	1,600	2,200	1,250
Elmbridge	575	695	850	1,195	1,450	3,080	1,250
Epsom and Ewell	460	650	850	1,125	1,500	1,995	1,185
Mole Valley	-	653	790	1,100	1,413	2,500	1,100
Surrey	425	625	800	1,075	1,350	2,250	1,100
South East	390	500	625	780	925	1,500	779
London	525	850	1,155	1,400	1,695	2,500	1,350
England	347	500	525	595	675	1,175	600

Table 6: Median Rents (per month) April 2014 - March 2015. Source: VOA, Private Rental Market Statistics (May 2015)

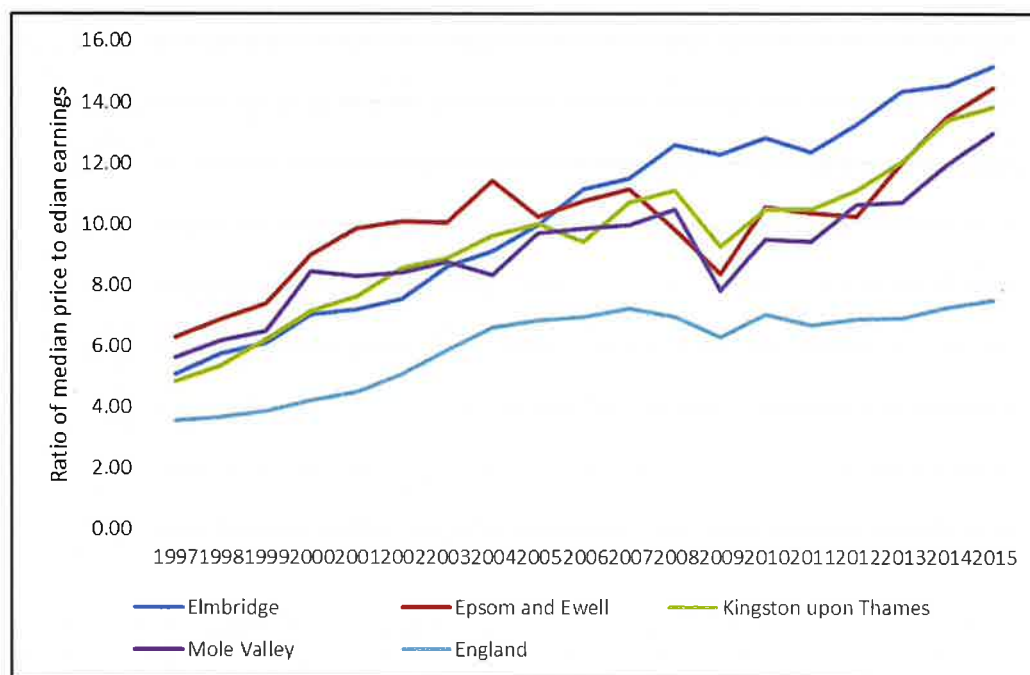


Figure 5: CLG Affordability Ratio 1997 - 2014 (ratio of median sale price to median personal earnings) Source: Kingston & North East Surrey SHMA

- 5.3.8 Figure 6 examines the changing relationship between affordability in the HMA authorities and the national average level of affordability. It takes the annual ratio for each authority and divides it by the relevant annual ratio for England as a whole. Although affordability has worsened generally, in the HMA authorities the affordability ratio is generally lower relative to the national average than it was in the early 2000s, except in Kingston and Elmbridge. In both these areas affordability ratios have surpassed their earlier peak by 2015.
- 5.3.9 Elsewhere the relationship to the national average has remained relatively stable since 2003. In other words except in Kingston and Elmbridge, the increase in affordability problems has matched the national pattern. As regards to Elmbridge, the SHMA states that the Borough's affordability ratios compared to that for England for the 2007 – 2009 period, show that the area was again untroubled by the downturn and recession. This suggests that generally, the local market is not functioning abnormally in comparison to the national market, but clearly markets in many areas (such as Elmbridge) are experiencing problems because of the worsening of affordability. Greater affordability problems nationally undoubtedly stem from a shortfall in housing supply relative to the overall level of demand from investors and owner occupiers. This is recognised by Government in its NPPF objective of increasing supply more generally. For the HMA the evidence reflects the national picture with the exception of Elmbridge, which is seeing abnormally higher problems with regard to affordability.

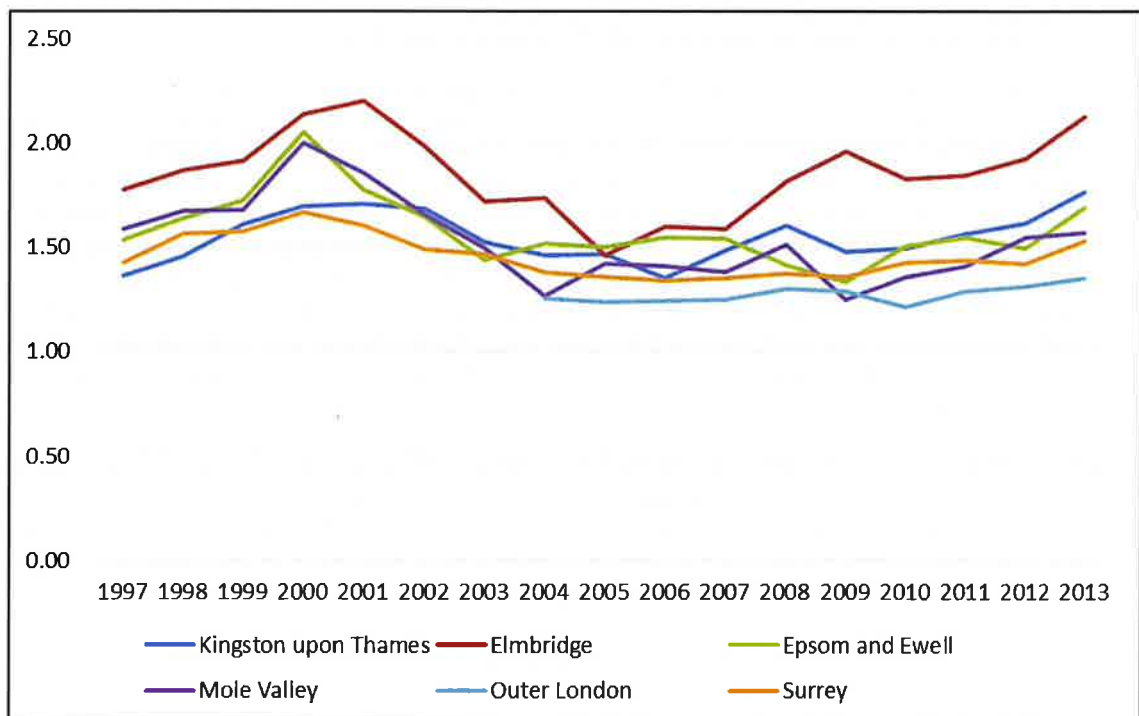


Figure 6: Ratio of local authority affordability ratio to England affordability ratio
Source: Kingston & North East Surrey SHMA

- 5.3.10 As set out, affordability issues are prevalent across the South East and particularly within most parts of Greater London, with many local authorities citing 'affordability' issues as an



exceptional circumstance to justify amendments to existing Green Belt boundaries. However, from the evidence presented above it is clear that high house prices and subsequent affordability issues (despite higher than average earnings) within Elmbridge Borough are the worst in the South East and that the degree of the issue places the Borough in the same position as many London Boroughs; thus making the Borough unique in comparison to its neighbouring authorities to the east, south and west.

- 5.3.11 Affordability issues in Elmbridge Borough are also singled out in the SHMA with the area being the only one where a potential uplift in its objectively assessed housing need is recommended. The SHMA recommends that the authority use as a signal its relationship between incomes / house price affordability ratio and the England ratio to trigger an increase in the objectively assessed housing need figure if a ratio of 2.10 times the England average be reached. At the moment on the 2015 figures, the ratio is 2.03 times the England average. The suggested uplift would be by 10%. Assuming this happens imminently, this would imply a revised 2015 – 2035 objectively assessed housing need of 10,428, and annual average of 521 dwellings.
- 5.3.12 As noted in the SHMA, any uplift per se will not necessarily result in reducing house prices and more affordable housing coming on stream. However, it is strongly recommended that the Council ensures that its policies support additional affordable housing development, and not allow market development to solely benefit from any uplift.
- 5.3.13 Focusing back on a spatial level, Elmbridge Borough only ranks behind the London Boroughs of Kensington & Chelsea; Westminster and Camden in the 'affordability' rankings and yet, Elmbridge Borough Council is seeking to address similar affordability issues in what could be considered to be a more constrained planning context. These three London Boroughs are located within Central London, where growth is not restricted by Green Belt and where the local authorities are planning within a city context where well-designed, high density developments are not generally considered to be out of character with the townscape. Each London Borough has the ability to maximise densities and, as set out in the London Plan, has identified larger scale 'Opportunity Areas' and 'Intensification Areas' in need of regeneration; where improvements in infrastructure and an increase in new homes and employment floorspace can be accommodated (see Table 7).
- 5.3.14 In addition, the London Plan as the Regional Spatial Strategy for the Capital allows for the redistribution of housing need, in terms of how it can be met, across the 33 London Boroughs and the London Legacy Development Corporation (LLDC). Affordability issues can therefore be addressed across larger geographical scales where increases in the provision of new homes can be directed to lower value areas.
- 5.3.15 From the evidence presented it is clear that whilst Elmbridge is a Surrey Borough, it experiences house prices and affordability issues more akin to those found in Central London which are above the national norm.

London Borough	Location	Opportunity Area (OA) or Intensification Area (IA)	Area (Ha)	Indicative Employment Capacity (Jobs)	Minimum New Homes
Camden	Euston	OA	85	7,700-14,100	2,800- 3,800
	King's Cross St. Pancras	OA	53	25,000	1,900
	West Hampstead Interchange	IA	23	2,500	850
	Holborn	IA	13	2,000	200
Kensington & Chelsea	Earls Court & West Kensington	OA	38	9,500	7,500
	Kensal Canalside (Gasworks)	OA	20	2,000	3,500
Westminster	Paddington	OA	38	5,000	1,000
	Tottenham Court Road	OA	19	5,000	500
	Victoria	OA	47	4,000	1,000

Table 7: Opportunity Areas and Intensification Areas identified in the London Plan (March 2015) for selected London Boroughs

5.4 Affordable Housing Need

National & Local Planning Policies

5.4.1 National planning policy (NPPF, paragraph 50) requires local authorities to deliver a wide choice of high quality homes, widening the opportunity for home ownership and creating sustainable, inclusive and mixed communities. Local authorities are required to plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes). Within their local plans, local authorities are to set out the size, type, tenure and range of housing that is required in particular locations, reflecting local demand, and how this is to be delivered. Where a need for affordable housing is identified, local authorities are to set policies for meeting this need on site, unless off-site provision or a financial contribution of broadly equivalent can be robustly justified and the agreed approach contributes to the objective of delivery.

5.4.2 Adopted in July 2011, Policy CS21 'Affordable Housing' of the Core Strategy sets out the existing policy for how the Council intends to deliver at least 1,150 affordable homes between 2011 and 2026. The policy states that the Council will make the provision of affordable housing in accordance with the following, where viable:

- 40% of the gross number of dwellings on sites of 15 dwellings or more;
- 30% of the gross number of dwellings on sites of 6 – 14 dwellings;

- 20% of the gross number of dwellings on sites of 5 dwellings; and
- A financial contribution equivalent to the cost of 20% of the gross number of dwellings on sites of 1 – 4 dwellings.

5.4.3 Policy CS21 continues to state that where development is proposed on greenfield sites, at least 50% of the gross number of dwellings should be affordable on any site of 15 dwellings or more. A target of at least 50% is also applied to public land, regardless of the number of dwellings proposed.

5.4.4 Details setting out how the Council expects the policy to be implemented are included in the Council's adopted Developer Contributions Supplementary Planning Document (SPD) February 2012).

Government Changes to Planning Contributions from Small Sites

A Written Ministerial Statement (WMS) was laid before the House of Commons on 28 November 2014 which, amongst other things, indicated that contributions (such as the provision of affordable housing) should not be sought for developments of 10 units or fewer. Subsequent amendments were made to the Government's on-line Planning Practice Guidance (PPG) and for a period of time, the Council did not seek such contributions from smaller sites.

However, on 31 July 2015 the High Court handed down judgment in *West Berkshire Council v SSCLG [2015]* that challenged the WMS on four grounds including, the consistency with the statutory planning regime and the legality of the consultation process. The judgement found the policy expressed through the WMS to be unlawful and quashed the relevant parts of the PPG.

The Government appealed the decision and on 11 May 2016 the Court of Appeal handed down judgement reversing the High Court order. The Government promptly amended the PPG on 19 May 2016. As such the Council's current Core Strategy Policy (CS21) is now in conflict with the WMS and PPG.

Nevertheless, when formulating the small-site exemption and publishing the WMS and PPG, the Secretary of State was under no obligation to consider all material considerations. In particular, he was not under an obligation to consider the merits of each local circumstance relating to factors such as the local need for affordable housing, the lack of alternative land to meet the affordable housing need, and the consequential effect that housing strategies would be found to be out of date by operation of paragraph 14 and 49 of the NPPF.

As such, it is strictly speaking lawful for the Council to conclude, that notwithstanding the PPG, the weight to afford to Policy CS21 remains significant in light of local circumstances which can similarly be taken in account as a material planning consideration to the PPG, but which were not taken into account in the formulation of the PPG policy.

The Council will therefore consider on a case by case basis whether local circumstances in regard to affordable housing and the nature of the development sites in the Borough are sufficient to warrant the application of Policy CS21 or whether greater weight should be attached to the WMS and PPG.

Delivery: 2011 - 2016

5.4.5 The Council’s Authority Monitoring Report (AMR) examines the implementation of the policies contained within the Elmbridge Local Plan. The last five AMRs (2011/12, 2012/13, 2013/14, 2014/15, and 2015/16) have recorded and analysed the delivery of affordable housing in the Borough against the provisions of Policy CS21. Table 8 presents a summary of the level of affordable housing delivery per annum between 2011 and 2016.

5.4.6 Table 8 shows that between 2011 and 2016, 369 affordable housing units have been provided. As set out above, the Council is seeking to deliver 1,150 affordable homes between 2011 and 2026. Per annum this equates to an annual average of 76 – 77 units per annum. Between 2011 and 2016, the Council has aided the delivery of affordable homes at an annual average of 74; 16 affordable homes behind the target over a five year period (385 affordable homes). Delivery has however, fluctuated with a large proportion of affordable homes being delivered in the period 2011 – 2012 (34% of the total number of affordable homes delivered across the five year period).

AMR Period	Gross Affordable Homes (A)	Total Homes Delivered (Gross) (B)	Proportion of Affordable Homes Delivered
2011 - 12	126	350	36%
2012 - 13	44	299	15%
2013 - 14	48	282	17%
2014 - 15	73	377	19%
2015 - 16	78	321	24%
2011 - 2016	369	1,629	23%

Table 8: Affordable Housing Delivery 2011 - 2016

Future Housing Requirements: 2015 – 2035

5.4.7 As part of its review of the Local Plan Evidence Base, the Council has jointly commissioned a new SHMA for the Kingston and North East Surrey HMA (Elmbridge Borough, Epsom & Ewell Borough, and Mole Valley District). In accordance with the requirements of the NPPF, the SHMA identifies the total amount of affordable housing required to meet the needs of households whom cannot afford to access market housing. It assesses the ability to afford housing across all newly-forming households, not simply the net addition to household numbers, adds in any current backlog, and offsets this against the supply of affordable housing in the current stock to produce an estimate of how much additional affordable housing is needed. As set out in Table 9, affordable housing requirements are broken down into three

sectors: social renting, affordable renting and intermediate housing, based on assumptions about threshold costs, and for each local authority and wider HMA.

5.4.8 Table 9 identifies that the net affordable housing need across the HMA between the period 2015 and 2035 is 31,280 units (1,564 units per annum). For Elmbridge Borough; 6,640 net affordable housing units are required across a 20 year period (332 units per annum). The per annum figure of 322 is 4.2 times the number of affordable units (gross) that has been delivered an average per annum over the past 5 years (2011 – 2016). The 20 year requirement of 6,640 is also nearly 6 times (5.8) the existing target as set out in Policy CS21 of the Core Strategy³².

		Kingston	Elmbridge	Epsom & Ewell	Mole Valley	HMA
Social rented sector	1 Bed	161	63	64	5	292
	2 Beds	243	105	100	56	505
	3 Beds	168	60	57	25	311
	4+ Beds	99	38	39	19	194
	Total	671	267	260	105	1,302
Affordable rented sector	1 Bed	12	-4	2	-22	-12
	2 Beds	31	2	5	-8	30
	3 Beds	22	-1	4	0	25
	4+ Beds	11	12	3	9	35
	Total	76	9	15	-21	79
Intermediate (shared ownership) sector	1 Bed	16	8	1	8	33
	2 Beds	31	23	-9	20	65
	3 Beds	20	15	4	12	52
	4+ Beds	11	10	4	8	33
	Total	79	56	0	49	183
All affordable sector	1 Bed	189	67	67	-9	314
	2 Beds	305	131	96	68	600
	3 Beds	210	74	66	38	388
	4+ Beds	121	60	45	36	262
	Total	825	332	274	132	1,564

Table 9: Net Annual Affordable Housing Requirements
Source: Kingston & North East Surrey SHMA

5.5 Starter Homes, Self-Build & Custom Housebuilding

National Policy

5.5.1 Despite the recent recession, the challenge of accessing the housing market for the first time buyer remains a significant issue across the Country, with the average house price far exceeding the pace of average wage increases. As part of Government's efforts to tackle

³² It should be noted that the existing Affordable Housing target (1,150) as set out in the Core Strategy relates to a 15 year period (2011 – 2026) whereas, the figure from the SHMA relates to a 20 year period (2015 – 2035).

'affordability' issues and increase homeownership, it has announced proposed changes to the definition of affordable housing to include Starter Homes. This has been announced alongside a programme for the delivery of 200,000 – 300,000 starter homes over the next 5 years.

- 5.5.2 Starter Homes will be available for first time buyers under the age of 40 and sold at a discount of at least 20% of market price. The Government's announcement and consultation paper (stepping on the ladder: enabling high quality starter homes for the first time buyers – a consultation, 15th December 2014)³³ is now being brought into fruition through its Productivity Plan³⁴ and the subsequent Housing and Planning Act (2016)³⁵; proposed changes to the NPPF (December 2015)³⁶; updates to the PPG³⁷ and the Starter Homes Regulations: Technical Consultation (March 2016)³⁸.
- 5.5.3 There are two key ways that the Government proposes to deliver new Starter Homes through the planning system: 1) through the implementation of an exceptions sites policy and, 2) through a minimum threshold requirement on all reasonably sized housing sites in a similar way to affordable housing. These are dealt with in turn below.

Exceptions sites policy

- 5.5.4 Through changes to the NPPF and PPG (2 March 2015 and 18 March 2015) the Government has set out a Starter Homes exception sites policy. The policy enables applications for the development of Starter Homes on under-used or unviable industrial and commercial land that has not been currently identified for housing. Such sites should be released unless there is significant and compelling evidence to justify why such land should be retained in employment use including an up-to-date needs assessment and trends in land values for different uses. The policy states that planning obligations should be attached to permissions to ensure that homes are offered in accordance with the definition and that resale and letting at open market value is restricted for a 5 year period.
- 5.5.5 In addition, and to support the delivery of Starter Homes, exception sites will not be required to make Section 106 style affordable housing or tariff style contributions. Sites may include a small proportion of market homes where this is essential to secure the required level of discount for the Starter Homes on site. In these cases the market homes will attract S106 or CIL contribution.

³³ CLG – Stepping onto the property ladder (consultation document) -

<https://www.gov.uk/government/consultations/stepping-onto-the-property-ladder>

³⁴ CLG – Productivity Plan (fixing the foundations: creating a more prosperous nation) -

<https://www.gov.uk/government/publications/fixing-the-foundations-creating-a-more-prosperous-nation>

³⁵ Housing & Planning Act 2016 - <http://www.legislation.gov.uk/ukpga/2016/22/contents/enacted>

³⁶ CLG – National Planning Policy: consultation on proposed changes -

<https://www.gov.uk/government/consultations/national-planning-policy-consultation-on-proposed-changes>

³⁷ CLG, Planning Practice Guidance – Planning Obligations, Paragraph: 031 Reference ID: 23b-031-20160519 (updated 19 May 2016)

³⁸ CLG, Starter homes regulations: technical consultation -

<https://www.gov.uk/government/consultations/starter-homes-regulations-technical-consultation>

Threshold requirement

- 5.5.6 The Government's Productivity Plan (July 2015) sets out that Starter Homes would be required on all reasonably sized housing sites with the Housing and Planning Act providing the Secretary of State with the power to achieve this. The Technical Consultation on the Starter Homes Regulations sets out proposed details of the requirement intending to ensure that Starter Homes become a common feature of new residential developments. These include:
- Starter Home requirement applying to sites which meet at least one of the following criteria: 10 units or more or 0.5 or more hectares.
 - Minimum of 20% of all homes on a residential development to be Starter Homes.
- 5.5.7 Alongside the concept of Starter-Homes, self-build and custom housebuilding is a key element of the Government's agenda to increase supply and tackle the housing crisis, as evident by the Government's aspiration to at least double the number of custom and self-built homes by 2020. Subsequently, new legislation has been introduced and guidance has been published to support an increase in self-build and custom housebuilding.

What does 'Self-Build' and 'Custom Housebuilding' mean?

Self-build usually means that you are directly involved in organising the design and construction of your new home. Custom build usually means working with a specialist developer to help you deliver your home. There may be some overlap between the two - for example some custom build developers offer the option of a serviced plot where you can design and build your own home as part of a larger scheme.

- 5.5.8 In terms of delivery, the Self-Build and Custom Housebuilding Act 2015 places a duty on relevant bodies (this includes local planning authorities) to have register of individual and associations of individuals who are seeking to acquire serviced plots of land in the authority's area in order to build houses for those individuals to occupy as homes. Eligibility criteria for entry onto the register is set out by the Government with applicants required to meet each one:
- aged 18 or older;
 - a British citizen, a national of a EEA State other than the United Kingdom, or a national of Switzerland; and
 - seeking (either alone or with others) to acquire a serviced plot of land in the relevant authority's area to build a house to occupy as that individual's sole or main residence.
- 5.5.9 The Government's national PPG states that the register will provide valuable information on the demand for self-build and custom housebuilding and should form a key part of a relevant authority's evidence base of demand for this type of housing. PPG continues that when carrying out their planning, housing, land disposal and regeneration functions, local authorities should use the register to:

(i) Planning

The planning functions of an authority may include both plan-making and decision-taking functions. The registers that relate to their area may be a material consideration in decision-taking. Relevant authorities with plan-making functions should use their evidence on demand for this form of housing from the registers that relate to their area in developing their Local Plan and associated documents.

(ii) Housing

Local housing authorities who are under the duty to have regard to registers that relate to their areas should consider the evidence of demand for self-build and custom housebuilding from the registers when carrying out their housing functions. This includes when preparing their local housing strategies and in developing plans for new housing on land owned by the local housing authority.

(iii) Land disposal

Authorities who are under the duty to have regard to registers that relate to their areas should consider the evidence of demand for self-build and custom housebuilding in their area from the register when developing plans to dispose of land within their ownership.

(iv) Regeneration

When developing plans to regenerate their area, local authorities who are under the duty to have regard to registers that relate to their areas should consider the demand for self-build and custom housebuilding.

Future Housing Requirements 2015 – 2035

- 5.5.10 As the concept of Starter Homes is relatively new and there are substantial details that require secondary legislation in order for the Government's overarching approach to be implemented; the need for this type of housing within the Borough is relatively unknown. The only information the Council has is from the national Starter Homes Register. Managed by the Home Builders Federation (HBF), the Register allows would be first time buyers to record their interest in the scheme. The Government's national PPG then encourages LPAs to use this evidence when developing their Local Plan and associated documents.
- 5.5.11 The Register asks for those submitting their information to state the main areas that they are looking for a home e.g. town, city, county, London Borough. Information provided to the Council from the HBF in April 2016 identified the need for Starter Homes in the Borough's two main settlement areas: Walton-on-Thames and Weybridge as 70 and 58 homes respectively. The HBF also shared the need for Starter Homes registered for across the County as a whole; 1,116 homes.
- 5.5.12 As required by the Self-build and Custom Housebuilding Act 2015, the Council has an on-line register that records the demand for self / custom build in Elmbridge. Established in January 2016, the Council has received 52 applications (as at 19th August 2016).

Current location

5.5.13 Of the 52 expressions of interest, 30 have been submitted from households already living in the Borough. Of the 22 expressions of interest submitted from households living outside of the Borough, these have principally been from those living in neighbouring Surrey authorities e.g. Epsom & Ewell; Guildford; Mole Valley; Spelthorne and Woking and in neighbouring London Boroughs such as Richmond and Kingston-upon-Thames. Other applicants however, are currently living further away including one in East Hampshire and others in the London Boroughs of Brent, Croydon, Hounslow, Merton, Sutton and Wandsworth.

Type of Self-Build / Custom Housebuilding Project

5.5.14 None of the applicants registered have found a site or own a site that they consider would be suitable for residential accommodation. In terms of the type of project the applicants would like to be involved in, the majority (60%) are looking for individual part / full DIY build which can involve a contractor. The remainder are looking for individual contractor custom self-build (entire undertaken by a contractor) (22%) or group led self-build (building your own home as part of a group) (8%). The remaining 10% are undecided.

Size, Type & Tenure

5.5.15 Large properties (4+ bedrooms) dominate the size of property that most applicants are looking to build (31 applicants; 61%). This can be divided between 4-bedroom properties at 18 applicants (35%) and 5-bedroom properties 13 applicants (25%). Whilst the majority of applicants are seeking larger properties, 18 applicants (35%) are seeking to build a 3-bedroom property; this is the same number as those seeking to build a 4-bedroom property. The remaining 3 applicants are seeking to build a 1-bedroom property (1 applicant) and 2-bedroom property (2 applicants).

5.5.16 Of the 52 applicants, 98% are seeking to build a detached property (51 applicants). Only 1 applicant is looking to build a maisonette. 48 applicants are seeking owner occupied accommodation (92%) with the remaining 4 applicants (8%) seeking Shared Ownership accommodation.

5.5.17 Interestingly, it is generally those who are seeking to build a smaller property (1 or 2-bedrooms) who are seeking Shared Ownership accommodation and who are looking to be part of a group led self-build project.

Current Housing Situation

5.5.18 Of the 52 applicants, 58% (30 applicants) are already owner occupiers. The remaining 22 applicants are either privately renting (20 applicants; 38%) or housing association tenants (2 applicants; 4%). Generally, those already living in owner occupied accommodation are seeking to build a large detached property; 23 of the 30 applicants (77%). Those privately renting (20 applicants) are generally seeking to build more modest accommodation. Of the 20 applicants, 14 applicants (70%) are seeking a 2 or 3-bedroom self / custom build whilst only 6 applicants (30%) are seeking a 4 or 5-bedroom self / custom build.

5.6 Imbalance in Housing Mix – Delivering a Wide Choice of Homes

National & Local Planning Policies

5.6.1 National planning policy (NPPF, paragraph 50) requires local authorities to deliver a wide choice of high quality homes, widening the opportunity for home ownership and creating sustainable, inclusive and mixed communities. Local authorities are required to plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes). Within their local plans, local authorities are to set out the size, type, tenure and range of housing that is required in particular locations, reflecting local demand, and how this is to be delivered.

5.6.2 Adopted in July 2011, Policy CS19 'Housing Types and Sizes' of the Core Strategy sets out the existing policy for how the Council intends to secure a range of housing types and sizes on developments across the Borough in order to create inclusive and sustainable communities, reflecting the most up to date SHMA. The policy states that the Council will resist an over concentration of any one type of dwelling if this is considered to have the potential to adversely affect community cohesion.

5.6.3 Policy CS19 was introduced as the supply of new homes within the Borough post 2011 had been predominately in the form of 2-bedroom flats and 4-or more bedroom detached houses. There had also been relatively little provision of new 1-bedroom flats and 3-bedroom market houses. In addition, the 2007/08 East Surrey SHMA³⁹ identified a need for 90% of all new housing developments to deliver 1, 2, and 3-bedroom dwellings in equal proportions in private market housing sectors and only 10% for 4+ bedrooms.

Delivery: 2012 - 2016

5.6.4 The Council's Authority Monitoring Report (AMR) examines the implementation of the policies contained within the Elmbridge Local Plan. The last four AMRs (2012/13, 2013/14, 2014/15, and 2015/16) have recorded the gross number of market dwellings delivered each monitoring year by type and size. Table 10 summarises this information.

5.6.5 Table 10 identifies, 428 market dwellings (38% of the gross number delivered) have been in the form of 4+ bedroom properties. This represents a significant over delivery against the 10% target identified in the Core Strategy. Only for the percentage of 2-bedroom dwellings has the Council met its target (30%). In terms of 1 and 3 bedroom dwellings, there has been a significant under delivery (18% and 14% respectively), in comparison to the Core Strategy target of 30%.

³⁹ East Surrey Strategic Housing Market Assessment (SHMA) 2007/8:
<http://www.elmbridge.gov.uk/planning/policy/evidencebase.htm>

Property	1B	2B	3B	4+Bed	Total
Flats	197	258	26	1	482
Houses	7	82	131	424	644
Total	204	340	157	428	1,126
Proportion	18%	30%	14%	38%	100%

Table 10: Type and number of bedrooms of market homes delivered in 2012-16 (Gross)
Source: Elmbridge Borough Councils' AMRs 2011 - 2016

5.6.6 Table 11 sets out data for the 2015/16 reporting period. The table shows that the provision of 4-bedroom dwellings as a percentage of all gross market dwellings is above the four-year average for 2012 – 2016, and equates to just under half of all dwellings provided during recording period (43%; 109 of the 243 gross units provided). The proportion of 1-bedroom market units delivered in 2015/16 (32%) has also increased against the four year average for the period 2012 – 2016 (18%).

5.6.7 Increases in the annual averages of 1-bedroom and 4-bedroom units in 2015/2016 against the four year averages between 2012 and 2016, have however been compensated by decreases in the provision of 2-bedroom and 3-bedroom units. The number of 2-bedroom properties has declined as a percentage of all gross market dwellings (17%) when compared to the four year average for 2012 – 2016 (30%). The significant under provision of 3-bedroom dwellings also continues with a sharp decline in delivery to only 8% of all gross market units delivered in the period 2015 -16.

Property	1B	2B	3B	4+Bed	Total
Flat	76	35	1	0	112
Terrace	0	1	0	1	2
Semi-Detached	0	4	11	18	33
Detached	1	2	7	86	96
Total	77	42	19	105	243
Proportion	32%	17%	8%	43%	

Table 11: Type and number of bedrooms of market homes delivered in 2015/16 (Gross)
Source: Elmbridge Borough Councils' AMRs 2015/16

Future Housing Requirements: 2015 - 2035

5.6.8 As part of its review of the Local Plan Evidence Base, the Council has jointly commissioned a new SHMA for the Kingston and North East Surrey HMA (Elmbridge Borough, Epsom & Ewell Borough, and Mole Valley District). In accordance with the requirements of the NPPF, the SHMA identifies the existing and projected dwelling size requirements for the Borough. This information is presented in Table 12.

5.6.9 To produce estimates of future dwelling size requirements, existing patterns of occupancy have been broken down by household type, as this provides a more detailed picture than simply profiling the existing size composition of the dwelling stock. Changes in the projected composition of household types in the future can then be taken into account in determining future size requirements. The table shows the breakdown of bedroom requirements in 2015 (that is, existing occupancy patterns), the breakdown in 2035 assuming that current patterns

continue, but taking account of changes in the composition of households, and the difference between these. The table also includes estimates of the dwelling size requirement of the current backlog of households in need, and an allowance for vacant dwellings and second homes.

- 5.6.10 For Elmbridge, the future pattern of requirements shows a slight increase in the proportion of smaller (one and two bedroom) units required in 2035, and a slight reduction in the proportion of larger units (three and four bedroom). The largest requirement in 2035 remains however, the same as in 2015; three bedroom units followed by two bedroom units. Interestingly, the data shows that only 1% of new provision to meet Objectively Assessed Housing Need (OAHN) would need to be in the form of four or more bedroom units. In contrast, and similar to existing local planning policy (CS19) and the previous SHMA, 28% and 29% of new provision to meet OAHN would need to be in the form of one and three bedroom units respectively. The largest proportion would be for two bedroom units (42% of OAHN).
- 5.6.11 As set out in the SHMA, the projected dwelling size requirement up to 2035 is a trend projection that could be affected by a number of factors. A worsening affordability position might increase the demand for smaller units. Even with an increase in supply to meet OAHN, affordability could worsen if the number of investors in the market increases, thereby raising the level of competition for housing.

	Household type							Total	Percentage
	One person	Couple without dependent children	Couple or lone parent with dependent children	Other with dependent children	Other multi-adult				
Bedrooms occupied 2015	1	4,346	1,193	233	0	72	5,844	11%	
	2	5,425	3,793	3,050	39	1,105	13,411	25%	
	3	4,863	5,965	7,608	665	3,035	22,137	41%	
	4+	1,487	3,497	4,605	698	2,236	12,524	23%	
	Total	16,122	14,448	15,496	1,403	6,448	53,917	100%	
Required 2035	1	6,826	1,378	271	0	48	8,522	13%	
	2	8,455	4,379	3,872	21	645	17,371	27%	
	3	7,564	6,887	8,405	481	1,574	24,911	39%	
	4+	2,328	4,038	4,711	412	1,109	12,598	20%	
	Total	25,173	16,682	17,258	913	3,375	63,402	100%	
Difference (breakdown of OAN)	1	2,480	185	38	0	-24	2,678	28%	
	2	3,029	587	822	-19	-460	3,959	42%	
	3	2,701	923	797	-184	-1,462	2,774	29%	
	4+	840	541	105	-286	-1,127	74	1%	
	Total	9,051	2,235	1,762	-489	-3,073	9,486	100%	

Table 12: Existing and Projected Dwelling Size Requirements for the Borough
Source: Kingston & North East Surrey SHMA

6 Barriers to the Delivery of a Wide Choice of High Quality Homes

6.1 The Consideration of Supply

6.1.1 As set out in Section 5 of this document, the Council considers there to be a number of strategic factors that could be considered as being capable of amounting to exceptional circumstances. These factors primarily focus on the need and demand for new homes within the Borough and the need to support economic growth. The counterpart to this equation which needs to be considered and presented as part of the Council's exceptional circumstances case is 'supply'.

6.1.2 This section therefore focuses on the supply of land to meet objectively housing assessed need; address affordability issues; and the need for affordable housing etc., and the factors that restrict the delivery of a wide choice of quality homes, such as:

- The Availability of Sites
- Changes in Government Policy
- Development Economics

6.2 The Availability of Sites

Land Supply within the Borough

6.2.1 Government guidance states that local authorities should produce a 'housing and economic land availability assessment' with the purpose of identifying future land supply sufficient to meet the identified need for housing and economic development over the plan period. The principal aim of the assessment is to:

- identify sites and broad locations with potential for development;
- assess their development potential; and
- assess their suitability for development and the likelihood of development coming forward (availability and achievability).

6.2.2 Supporting the preparation of the Elmbridge Local Plan, the Council has produced a Land Availability Assessment (LAA). As set out in Table 13, the LAA shows a total estimated housing land supply between 2011 and 2026 of between 4,285 and 4,463 net units⁴⁰. These figures take into account those sites the Council considers are suitable, available and achievable and which fit with its current Spatial Strategy as set out in Policy CS1 of the Local Plan Core Strategy (July 2011). The housing land supply figure in Table 13 is therefore limited to previously developed land within the built up areas and in accordance with the NPPF a windfall allowance for years 2021 – 2026 and the inclusion of previously developed sites in the Green Belt which are considered appropriate for limited redevelopment. The

⁴⁰ The Council's LAA provides two figures for the total estimated capacity and supply / shortfall figure when measured against the residual housing target. The basis for the two figures is that the Council has applied a non-implementation discount rate (Approach 2). The discount applied to the Approach 2 figures is 3% for planning applications and 10% on opportunity sites across the plan period 2016 - 2026.

Council's current housing requirement as set out in the Core Strategy (Policy CS2) is for 3,375 net additional dwellings (225 net dwellings annual average) within the Borough between 2011 and 2026. Table 13 identifies that the Council is able to meet its current target within its existing spatial strategy without the need to explore alternative development options.

6.2.3 Nevertheless, as set out in Section 5 of this document, the Government is challenging local authorities to meet the objectively assessed needs for market and affordable housing in full as part of the preparation of their Local Plan. The Council's SHMA (2016) identifies that the objectively assessed housing need for the period 2015 – 2035 is 9,480 dwellings. Table 14 identifies that the Council is unable to identify sufficient sites in accordance with its existing Spatial Strategy to meet objectively assessed need. The challenge for the Council is to explore alternative options for meeting the residual housing need of 5,473 – 5,671 new dwellings⁴¹.

6.2.4 In addition, the Council is also challenged with widening opportunities for homes ownership and creating sustainable, inclusive and missed communities. As stated in the NPPF (paragraph 50), local planning authorities should:

- 'plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes;
- Identify the size, type, tenure and range of housing that is required in particular locations; and
- Where they have identified that affordable housing is needed, set policies for meeting this need on site...'

6.2.5 Section 5 of this document sets out some information relating to the size of units required to meet the needs of the population up to 2035 as a percentage and number of the objectively assessed housing need. This information has been reproduced in Table 15 alongside the number and percentage of units delivered in 2015 – 2016. The table identifies that the majority of units provided in the period 2015 – 2016 have been in the form of 1-bedroom and 4-bedroom units (34% and 33% respectively).

⁴¹ As presented in Table 13, the Council's LAA provides two figures for the total estimated capacity and supply / shortfall figure when measured against the residual housing need as set out in the SHMA. The basis for the two figures is that the Council has applied a non-implementation discount rate (Approach 2). The discount applied to the Approach 2 figures is 3% for planning applications and 10% on opportunity sites across the plan period 2016 – 2035.

Approach	Completed Sites April 2011 – March 2016	Under Construction at April 2016	Planning Permissions not yet implemented at April 2016	LAA Opportunity Sites			Small Site Windfall* Allowance 2021-2026 (5yrs)	Total Estimated Capacity	Housing Target 2011 - 2026	Surplus / Shortfall
				Apr 2016- Mar 2021		Apr 2021- Mar 2026				
				1 – 5 Years						
1	1,292	436	761	506	1054	414	4,463	3,375	+1088 (+132%)	
2*	1,292	436	739	455	949	414	4,285	3,375	+910 (+127%)	

Table 13: Housing Land Supply 2011 – 2026 (Core Strategy)
Source: Elmbridge Borough Council Land Availability Assessment (2016)

*Non-implementation discount rates applied (planning permissions 3% discount rate and the 10% discount for opportunities sites)

Approach	Completed Sites April 2015 – March 2016	Under Construction at April 2016	Planning Permissions not yet implemented at April 2016	LAA Opportunity Sites				Small Site Windfall* Allowance 2021 –2035 (14yrs)	Total Estimated Capacity	Objectively Assessed Housing Need (OAHN)	Surplus / Shortfall
				Apr 2016- Mar 2021		Apr 2021- Mar 2026					
				1 – 5 Years		6-10 Years					
1	240	436	761	506	1054	205	805	4,007	9,480	-5,473 (-57%)	
2*	240	436	739	455	949	185	805	3,809	9,480	-5,671 (-59%)	

Table 14: Housing Land Supply 2016 – 2035 to meet Objectively Assessed Housing Need
Source: Elmbridge Borough Council Land Availability Assessment (2016)

*Non-implementation Discount rates applied (planning permissions 3% discount rate and the 10% discount for opportunities site)

6.2.6 Whilst the delivery of smaller units is encouraged, the Table 15 shows that the number of 4-bedroomed units delivered in 2015 – 2016 meets the number of 4-bedroom units required to meet need across the entire SHMA period of 2015 – 2035.

Size	Percentage of OAHN	No. of Units	No. & Percentage of Units Delivered in 2015 - 2016
1	28%	2,654	108 (34%)
2	42%	3,982	82 (25%)
3	29%	2,749	26 (8%)
4	1%	95	105 (33%)
Total	100%	9,480	321

Table 15: The size of units required in Elmbridge up to 2035
Source: Kingston & North East Surrey SHMA and Elmbridge Borough Council AMR 2015-2016

6.2.7 Limiting the Council's ability to deliver a mix of homes is the supply of developable land within the Borough and the character of the area; where higher density development above 3-4 storeys is generally not considered to be in keeping. As large scale areas in need of regeneration do not exist within the Borough, the key sources of land supply is the redevelopment of existing residential properties and building within their curtilage, and the conversion of existing buildings both residential and commercial. Developable land within the Borough is also characterised by small sites providing between 1 and 4 net units as evidenced by the Council's Housing Monitor (see Figure 7).

6.2.8 In addition to the type of land supply available within the Borough restricting the Council's ability to meet its overall objectively assessed need for housing and the size of units required, it also impacts on the Council's ability to deliver Starter Homes and Self-Build and Custom Housebuilding. As set out in paragraph 5.6.6 of this Paper, the Technical Consultation on the Starter Homes Regulations sets out proposed details of the requirement intending to ensure that Starter Homes become a common feature of new residential developments. These include a Starter Home requirement applying to sites which meet at least one of the following criteria: 10 units or more or 0.5 or more hectares. As discussed above, the majority of development opportunities in the Borough occur on smaller sites.

6.2.9 At August 2016, there were approximately 215 outstanding applications with planning permission for circ. 1000 residential units (gross). Of the 215 applications, 203 (94%) were on sites providing 9 or less units. In addition, 205 applications (95%) were on sites of less than 0.5 hectares. Of the 10 sites of 0.5 ha or more, 9 sites are providing on 1 or 2 gross units; therefore difficult to provide 20% as Starter Homes other than by a proportional financial contribution.

6.2.10 In terms of the provision of self-build and custom housebuilding plots again, the Council has limited options for providing such opportunities within the current spatial strategy. The Borough is not characterised by areas in need of regeneration and its own landholdings



are principally in the form of land used for other operational services such as car parks, parks & cemeteries, and community halls etc.

Elmbridge Housing Monitor – February 2016

400 planning applications have planning permission for residential uses totalling 1,366 gross units (1,065 net units). This does not include those sites under construction.

Of the 400 planning applications:

- 184 applications (46%) propose a zero net increase in units; 172 relating to the provision of a new four-bedroom unit (94% of the 184 applications). Where recorded, the average gross internal area of a new four-bedroom unit is 573 sqm (6,168 sqft). On those sites providing a zero increase in units; the average site size is 0.25ha. The total area of land for those applications providing a zero increase in net units is 46.6 hectare (ha). On this area of land, 205 units are being provided; equating to 4.4 dwellings per hectare (dph). If a density of 25, 30 and 40 dph were applied to the 46.6 ha of land, 1,165 units; 1,398 units and 1,864 units could have been provided respectively.
- 173 applications on sites of 1-4 net units are proposed providing a total of 324 gross units (260 net units). Where the bedroom size is recorded, 70 one-bedroom units; 55 two-bedroom; 40 three-bedroom; and 146 four-bedroom units are proposed. In terms of 4-bedroom units this equate to 45% of the total number of gross units proposed on sites of 1-4 net units. On those sites where a site area is recorded, the average site size is 0.13 ha. The total area of land is 22.1 ha, which equates to 14 dph on the basis of the 311 units being provided. If a density of 25, 30 and 40 dph were applied to the 22.1 ha of land, 553 units; 663 units; and 884 units could have been provided respectively.
- 23 applications on sites of 5 – 15 net units are proposed providing a total of 186 gross units (180 net units). Where the bedroom size is recorded, 94 one-bedroom units; 70 two-bedroom; 9 three-bedroom; and 13 four-bedroom units are proposed. On those sites where a site area is recorded, the average site size is 0.12 ha. The total area of land is 2.25 ha, which equates to 83 dph on the basis of the 186 units being provided.
- 10 applications on sites of 16+ net units are proposed providing a total of 641 gross units (639 net units). Where the bedroom size is recorded, 165 one-bedroom units; 269 two-bedroom; 65 three-bedroom; and 73 four-bedroom units are proposed. On those sites where a site area is recorded, the average site size is 6.91ha. The total area of land is 62.2 ha, which equates to 10.3 dph on the basis of the 641 units being provided.

Figure 7: The characteristics of land supply within Elmbridge Borough
Source: Elmbridge Borough Council, Housing Monitor

Land Supply within adjoining Boroughs and Districts

- 6.2.11 As part of a local authority's plan preparation, the Government requires constructive and active engagement with relevant bodies as part of an on-going process to maximise effective working on the preparation of Local Plans in relation to strategic matters. As strategic matters are driven by larger than local issues and the actions of people, businesses and services extend beyond administrative boundaries, the Government's 'duty to cooperate' is considered to be the mechanism by which strategic issues are planned for at local level in the absence of Regional Spatial Strategies (RSS) e.g. the South East Plan.
- 6.2.12 For the purpose of the Government's duty to cooperate, 'strategic matters' relate to sustainable development or the use of land that has or would have a significant impact on at least two planning areas. Strategic matters / priorities are identified in the NPPF (paragraph 156) as including policies to deliver the homes and jobs needed in the area. Paragraph 179 of the NPPF states that joint working on such strategic matters should enable local planning authorities to work together to meet development requirements which cannot wholly be met within their own areas – for instance, because of a lack of physical capacity or because to do so would cause significant harm to the principles and policies of the Framework.
- 6.2.13 As the Council has identified insufficient land within the built-up-areas to meet its objectively assessed housing need, one option available to meet the residual is to work with neighbouring authorities to see if needs can be met outside of the Borough. The starting point would be other local authorities in the HMA (Royal Borough of Kingston upon Thames, Epsom & Ewell and Mole Valley) and then in neighbouring HMAs where there are linkages between our authorities as demonstrated through the SHMA e.g. Guildford, London Borough of Richmond upon Thames and Runnymede.
- 6.2.14 Exploring this point, Table 16 sets out the position of neighbouring local planning authorities in regards to their own attempts to meet their objectively assessed housing needs and that of their respective HMAs, focusing on whether they have also had to undertake a review / assessment of the Green Belt in their areas and whether subsequent plans have sought to amend the Green Belt boundary and allocate sites for development. Table 16 shows that the majority of adjoining and surrounding authorities are undertaking similar reviews and that six local authorities have indicated the need to amend the boundary as part of their Local Plan preparation.
- 6.2.15 The need for other local authorities to assess / review the Green Belt in their areas is not completely surprising given the level of objectively assessed housing need (as set out in Table 1) and the amount of land designated as Green Belt within some authorities. Table 16 shows that across Surrey the percentage of land designated as Green Belt within each borough and districts ranges from 44% - 94% (Woking Borough and Tandridge District respectively). In addition, Surrey as a whole has the highest percentage of land

designated as Green Belt (as a percentage of land within the county) than any other county in England⁴².

- 6.2.16 As part of Duty to Cooperate obligations the Council will formally write to the adjoining and neighbouring local authorities to enquire as whether they have the ability to accommodate residual housing need. However, in light of the outcomes set out in Table 16, it is highly improbable that surplus land will be identified and that a positive response will be received.

Local Planning Authority	Percentage of the Borough designated Green Belt	Green Belt Boundary Assessment / Review	Proposals to amend the Green Belt Boundary
Epsom & Ewell	46%	Undertaking	No Current Proposals
Guildford	89%	Yes	Yes
Mole Valley	76%	Yes	No Current Proposals
Reigate & Banstead	69%	Yes	Yes
Runnymede	79%	Yes	Yes
Spelthorne	65%	Undertaking	No Current Proposals
Surrey Heath	44%	No	No Current Proposals
Tandridge	94%	Yes	Yes
Waverley	61%	Yes	Yes
Woking	63%	Yes	Yes
London Borough of Richmond	2%	No	No Current Proposals
Royal Borough of Kingston upon Thames	17%	No	No Current Proposals

Table 16: Local Authorities' Local Plan preparation and Green Belt Reviews / Assessments.

6.3 Changes in Government Policy

- 6.3.1 One of the key challenges that the local authority faces in regard to housing is affordability and the need for more affordable homes. The NPPF clearly establishes that the Government's principal aim in relation to house building is to deliver a wide choice of high quality homes and boost significantly the supply of housing. Furthermore, the Government in recent years has also leaned more towards homeownership and introduced more ways for individuals and households to get the first step on the property ladder e.g. the introduction of Starter Homes and the broadening of the definition of 'affordable housing' to include this type of housing. Nevertheless, the key challenge in terms of affordable housing and providing for the prevailing local need is the delivery of social rented accommodation. As explained below, the Council is concerned that recent Government changes to the planning system are impeding its ability to deliver this type of accommodation.

⁴² CLG Local Authority Green Belt Statistics for England: 2014 to 2015 - <https://www.gov.uk/government/statistics/local-authority-green-belt-statistics-for-england-2014-to-2015>

Starter Homes

6.3.2 In terms of the impact that the introduction of Starter-Homes could have on the delivery of more traditional types of affordable housing, the SHMA acknowledges this widespread concern. Specific issues identified in the SHMA include the possibility that the 20% requirement will swallow up all or most of the affordable homes requirements in many authorities' schemes; that they will act to inflate market prices in lower priced areas; and most fundamentally, that they will have no impact on addressing the shortage of truly affordable rented housing available to those outside the home-ownership market: indeed, they will be detrimental to this aim.

Small Site Exemption Policy

6.3.3 As set out on pages 27 and 28 of this document, the Government has recently introduced through a Written Ministerial Statement⁴³ (WMS) and amendments to its PPG, an exemption to the provision of affordable housing and tariff style planning obligations (Section 106 planning obligations) from developments of 10 units or less, and which have a maximum gross floorspace of no more than 1000sqm.

6.3.4 The Council's current approach to the provision of affordable housing is set out in Policy CS21 of the Core Strategy. It establishes that the Council will seek contributions for affordable housing on all development where there is a net increase in housing. The level of contributions is varied according to the number of dwellings being proposed in the application. At June 2016, the policy had supported the delivery of 373 affordable homes through on-site delivery and supported off-site delivery from financial contributions totalling £6.89m.

6.3.5 Whilst the Government considers that small sites are being disproportionately burdened by certain planning obligations, the Council has a clear need for more affordable homes. In addition, the majority of its housing delivery is provided on small sites of less than 10 units. Since the adoption of the Core Strategy 919 units have been delivered on sites of less than 10 units and where there has been a net increase in housing. This equates to 50% of the total net amount homes built during that period (2011 – 2016). In terms of the type of site coming forward in the Borough, 388 development sites are of 10 units or fewer (where there is a net increase in housing). This is 91% of all current applications given permission. In addition, in 2015/16 over half of all permissions were under 10 units and under 1000sqm.

6.3.6 Following the Government's WMS and changes to the PPG, the Council's current Core Strategy Policy (CS21) is now in conflict with both of these documents. The consequences of the WMS and PPG for the Borough, is that without the ability to collect affordable housing contributions on small sites the Council will limit its capacity to support the delivery of affordable units in the Borough either through on site provision or the use of affordable housing contributions.

⁴³ Written Ministerial Statement of 28 November 2014 - <http://www.publications.parliament.uk/pa/cm201415/cmhansrd/cm141128/wmstext/141128m0001.htm#14112842000008>

6.3.7 In light of the significant need for affordable housing within the Borough, the Council has therefore taken the decision to continue to consider Policy CS21 as part of the decision making process for any relevant application. Any decision will consider the merits of local circumstances relating to factors such as:

- the local need for affordable housing;
- the lack of alternative land to meet the affordable housing need; and
- the consequential effect that housing strategies would be found out of date by operation of paragraph 14 and 49 of the NPPF are also a material consideration and, need to be balanced against the consideration of the WMS and PPG.

6.3.8 The Council therefore intends to consider on a case by case basis whether these circumstances are sufficient to warrant the application of Policy CS21 or whether greater weight should be attached to the WMS and PPG. Whilst several planning appeal decisions were found against the Council, this approach has recently been upheld by a Planning Inspector (planning application 2015/3640, 26 The Avenue, Claygate) when, having considered the Council's evidence determined that *"whilst the WMS carries considerable weight, I do not consider it outweighs the development plan in this instance given the acute and substantial need for affordable housing in the Borough and the importance of delivery through small sites towards this"*.

6.3.9 Given the conflicting decisions, and the fact that appeal decisions do not set legal precedent, the Council cannot, with any certainty at this time, state whether it will be able to secure contributions from smaller sites in the future. However, from the evidence above it is clear that small sites form a significant proportion of development in the Borough and contribute significantly to the provision of affordable housing. The Government's WMS and PPG therefore have the potential to significantly undermine the Council's ability to tackle affordable housing issues within the Borough and help those most in need.

6.4 Development Economics

6.4.1 Financial viability has become an increasingly important consideration in the planning system; both in the formation of Local Plans and in the determination of planning application. The NPPF emphasises deliverability and the provision of competitive returns to willing land owners and developers to enable sustainable development to come forward.

6.4.2 As set out in the previous sections of this paper, there is an imbalance in the type and size of new homes being provided with an increasing trend towards larger (4+ bedroom) properties. Whilst at the outset developers of larger scheme do not usually try to settle the precise mix of housing types that they intend to build across the entire site, but adjust it over time to suit changing perceptions of local demand, given the strong market in Elmbridge and historically high values of this type of property, they are clearly favoured.

6.4.3 Between 1st April 2011 and 31st March 2016, 851 new build properties are recorded as being sold on the Land Registry's Price Paid Data Base in Elmbridge. Table 17 sets out the price paid for each type of property broken down by the average and the lowest, highest, and median price paid.

6.4.4 Whilst in the five year period (2011 – 2016) there have been a number of smaller properties (flats & terraced houses) sold at prices considerably above the average and median price, Table 17 shows the general trend of a detached property selling at 5 – 6 times more than a flat and nearly 3 times that of a terraced property (based on median price paid data). In addition to this, the economics of constructing larger blocks of flats has more in common with the economics of constructing an office block than larger or estate housing. The great advantage is that you can achieve a high density and once you pass a certain threshold in terms of value per square metre, this invariably leads to higher land values than might be obtainable from a conventional housing scheme. But in many areas the relationship is not arithmetically straightforward and, with more associated risks, developers lean towards building larger residential properties with higher profit margins, as evidenced in Table 17 and the number of larger properties being constructed.

Property Type	No. Sold	Average Price Paid	Lowest Price Paid	Median Price Paid	Highest Price Paid
Flat	364	£378,251	£48,625	£250,000	£1.91m
Terrace	189	£567,674	£190,800	£498,000	£2.15m
Semi-Detached	142	£769,806	£250,500	£421,270	£2.7m
Detached	156	£1.63m	£355,000	£1.4m	£7.85m

Table 17: The price paid for new build properties in Elmbridge by type between 01.04.11 and 31.03.16

Source: Land Registry Office, Price Paid Data

6.4.5 As set out below, there is a fine viability balance when providing flatted-development, which together with the strong market for detached properties, tends to sway developers towards larger housing schemes:

- The need for common spaces such as hallways, stairs, lifts, communal storage space e.g. the collection of waste, increases costs but reduces saleable floor area.
- Unlike estate housing, a block of flats is difficult to phase. Usually, full payment is not received until people move in and this normally follows completion of the construction of the whole block. People are reluctant to buy 'off plan' if they can avoid it and it is difficult to convince people to live on a construction site. From a developers point of view this makes the cash flow from blocks of flats much less attractive than from a conventional scheme where homes can be sold earlier and can have a negative impact on the annual return on their capital invested.
- Buildings of three stories or under can be built relatively inexpensively with load bearing brickwork or simple timber frames. However, once you start building much higher than that the structure gets more complicated. In addition tall and slender buildings suffer from a relatively low ratio of saleable floor space and a high ratio of external building envelope in relation to the total area of the building.
- Higher densities complicate parking provision. Good surface car parking only costs around £1,500 per space but providing it undermines the point of higher density development. Undercroft parking can cost £5,000 a space or more and underground

parking can easily cost more than four times that, especially if it needs to be mechanically ventilated.

- Finally, there are issues with mixing affordable housing into blocks of flats. Different size standards can complicate floor plans and mixed tenure also makes it more difficult to create the kind of cachet that allows the developer to add value to a development through exclusivity.

6.4.6 In summary, very high densities only translate directly into higher land values where the flats can be sold for relatively high prices.

7 Conclusion & Next Steps

7.1 The Demonstration of Exceptional Circumstances

7.1.1 The purpose of this paper is to set out the factors that the Council will recommend to the Planning Inspector which it considers are capable of amounting to “exceptional circumstances” that, would justify any amendments to the Green Belt boundary, as part of the preparation and examination of the Elmbridge Local Plan.

7.1.2 As set out in Section 5 of this paper, these are considered to be:

- Housing Need;
- House Prices & Affordability Issues;
- Affordable Housing Need;
- Starter Homes, Self-Build & Custom Housebuilding; and
- Imbalance in Housing Mix.

7.1.3 These factors are then balanced against the Council's inability to meet development needs within the urban areas due to the lack of available sites within the Borough, Housing Market Area (HMA) and other neighbouring Boroughs and Districts; recent changes in Government Policy; and the development economics of the housing industry (Section 6 of this paper).

7.2 Next Steps

7.2.1 This paper will be published alongside the first stage in the Council's preparation of a new Local Plan; the consultation on the Strategic Options (December 2016). As part of the consultation the Council will be asking whether:

- The suggested exceptional circumstances are sufficient to support the amendment of the Green Belt boundary?
- That the three key strategic areas identified are appropriate for removal from the Green Belt?
- There are sites within any of the three key strategic areas that could be considered for future development?
- Other areas of land should be removed from the Green Belt including those that are moderately or strongly performing?

9.1.2 Moving forwards, the responses to this consultation will help shape the Council's vision for the Borough including the Spatial Strategy that provides the overview of the type, amount and location of future development that is likely to take place within the Borough up to 2035. If appropriate, and where necessary in response to the consultation responses, the Council may need to revisit its exceptional circumstances case alongside the consideration of other development options suggested. This could include for example, other Local Areas (parcels) submitted for potential development. The Council will also need to revisit this work and the consideration of Local Areas on the basis of the GBBR which identifies:

- a number moderately or strongly performing Local Areas (parcels) where there is clear scope for sub-division to identify weakly performing sub-areas.
- non-Green Belt Areas which could be considered for inclusion in the Green Belt.
- anomalous boundaries which should be amended to ensure the Green Belt boundary is both readily recognisable and likely to be permanent, in line with national policy.

9.1.4 In accordance with the NPPF (para. 86) the Council will also need to consider whether amendments are required to the boundaries of its villages. Paragraph 86 states that if it is necessary to prevent development in a village primarily because of the important contribution which the open character of the village makes to the openness of the Green Belt, the village should be included in the Green Belt. If however, the character of the village needs to be protected for other reasons, other means should be used, such as conservation area or normal development management policies, and the village should be excluded from the Green Belt.

9.1.5 As set out in Section 4, it is the purpose of this Paper to identify whether exceptional circumstance exist to justify any amendments to the boundary of the Green Belt in Elmbridge Borough. However, it will be for other evidence base documents, where appropriate, and through the preparation of the Local Plan itself that decisions regarding the precise boundary will be determined. This will include the consideration of the matters set out in paragraphs 84, 85 and 86 of the NPPF.

Appendix 1 – Daily Hansard (Westminster Hall), 13 May 2014: Column 238WH

Local Plans - 4.31 pm

<http://www.publications.parliament.uk/pa/cm201314/cmhansrd/cm140513/halltext/140513h0002.htm>

The Parliamentary Under-Secretary of State for Communities and Local Government (Nick Boles):

The green belt and the protection of green-belt land are of enormous importance to the Government. That is why the national planning policy framework has repeated in very clear terms the very high levels of protection that apply to green-belt land. I can state clearly that there has never been a time when the protections of green-belt land have been clearer or more explicit in national policy than now.

To return to green-belt protections, the national planning policy framework is clear on the importance of those protections, the permanence of green-belt land and its role in preserving the openness of the countryside and in preventing settlements from merging.

Nick Boles: This Government's policy is clear: we want to achieve locally arrived at, co-operative solutions to difficult problems, rather than having top-down Government imposition of solutions or one authority being able to ride roughshod over another. Everyone in our communities has a right to a voice, but that does not mean that any of us can entirely abdicate responsibility for difficult decisions, such as fulfilling the housing needs of future generations. We all deserve to have our voices heard and we all deserve to be part of that solution. We are keen to ensure that, so far as possible, the future development needs of our country are met without threatening the protection of the green belt, of grade 1 agricultural land and of our most beautiful countryside with other designations.

That said, it has always been the case - there is no change in this - that local authorities can revise their green-belt boundaries through a local plan process involving intense consultation with local people. There are a number of communities around the country that are doing just that. It is painful and difficult, and it is right that it happens through an intensely transparent, open and democratic process that takes into account all the opinions expressed by all the different communities affected.

When it does that exercise, the local authority has to pass a very high test: it has to be able to demonstrate that exceptional circumstances justify taking a particular site out of the green belt or redrawing a green-belt boundary, perhaps to swap land currently in the green belt for land that is not, but is of greater environmental importance. Those are the kinds of arguments that local authorities need to bring forward and the kinds of evidence they need to provide to satisfy a planning inspector that any such proposal is reasonable.

I do not criticise any council that is going down that road, because it is right that it, as the duly-elected local authority, should be able to. The local authority must, however, go openly and transparently into that process with evidence and after a great deal of consultation.