

**Home Builders Federation**  
**Matter 2**

**SPELTHORNE LOCAL PLAN EXAMINATION**  
**STRATEGY AND STRATEGIC POLICIES**

**Main Matter 2 – Spatial Development Strategy (Policy ST2)**

Is the Spatial Development Strategy 2022 - 2037 for the Spelthorne Borough Council justified by appropriate available evidence, having regard to national guidance, and local context?

- Is Spelthorne's spatial strategy and the approach to the distribution of development as set out in Policy ST2 supported by robust and up to date evidence and otherwise soundly based?
- In setting a minimum requirement of 9270 new homes for the plan period 2023 – 2038, does the SLP make adequate provision to meet Spelthorne's housing needs and does the plan clearly set out a delivery trajectory that is achievable?

**Minimum housing requirement**

With regard to minimum requirements the HBF agree with the Council that the minimum number of homes they should be planning for each year is 618 dwellings as calculated using the standard method. However, as set out in our statements to Main Matter 1 the plan period is inconsistent with national policy. The 13 year time period from adoption being suggested by the Council is not justified and must be extended to 2038/39. This will also increase the minimum number of homes the Council must look to deliver from 9,270 to 10,506. ST2 should be amended to reflect this position.

**The Spatial Strategy**

The HBF are concerned that the Council has given limited consideration to a spatial strategy that meets needs in full across a policy compliant plan period with the added potential of addressing some of the unmet housing needs identified in neighbouring areas. Our representations outlined the concern that there appeared to be opportunities to go beyond the minimum requirement but in dismissing the potential to



go beyond this figure on the basis that the option is expected to have negative impacts the Council decided relatively early in the plan making process on a strategy that promotes a specific level of housing need and dismissed opportunities to deliver beyond this level of need.

However, following the publication of the submission local plan the Council have produced an addendum to the SA considering a sixth growth option that would deliver 10,736 homes and undertaken further assessments of the green belt sites discounted by the Council. It should be noted that the Council's consideration of this strategy was based on a housing requirement of 9,270 rather than the 10,506 homes required to meet needs over a policy compliant plan period. Given that one of the key objectives of this local plan is to meet housing needs any consideration of growth option 6, and the exceptional circumstances required to amend Green Belt boundaries, should be in relation to meeting a minimum housing need of 10,506 homes.

It is important to state that the HBF is supportive of the Council's decision to amend Green Belt boundaries to meet identified development needs. We also agree with the Council's conclusions that there are exceptional circumstances present to support the amendment of Green Belt boundaries as set out in TOP003. The approach taken by the Council correctly consider the tests in paragraph 141 of the NPPF prior to considering whether there are exceptional circumstances to support amendments to the Green Belt boundary. The HBF agrees with the Council's conclusions with regard to these tests. The Council have clearly looked to maximise delivery on brownfield land and optimise densities on those opportunities and the duty to co-operate evidence indicates that there are no opportunities in neighbouring areas to meet some of Spelthorne's housing needs. Given this situation it is appropriate for the Council to consider exceptional circumstances for the amendment of Green Belt boundaries.

However, the HBF are of the opinion that the circumstances faced by the Council are sufficient to warrant the allocation of additional sites in order to ensure housing needs over the extended plan period are delivered in full as well as potentially addressing some of the unmet housing needs of neighbouring areas.

Firstly, the identification of further sites in the Green Belt to meet the additional homes required over a policy compliant plan period would fall within the Council's approach to exceptional circumstances. In paragraph 2.3 of TOP003 the Council state that they

are focussed on releasing only those sites required to meet their own needs. We note that appendix A of TOP004 reconsiders those green belt sites that were discounted at the preferred options stage. However, as noted above this was undertaken on the basis of a minimum housing need of 9,270 rather than the 10,506 homes required over a policy complaint plan period. Given that the Council is committed to meeting its own housing needs the assessment should be made with regard to delivering a minimum of 10,506 homes between 2022 and 2039. The HBF do not promote specific sites, however, it would appear from the Council's evidence and the submissions made by others that there may be such opportunities that could contribute to ensuring housing needs are met in full.

Secondly, we would argue that the poor affordability and need for affordable housing in the Borough is sufficient justification for going beyond minimum requirements and delivering homes to address unmet needs arising in neighbouring areas. The cost of accommodation in Spelthorne is high. The most recent affordability data published by ONS shows that the median house price to income ratio in Spelthorne is 12.66 and the lower quartile income to house price ratio of 13.42. Both these are higher than the respective regional averages of 11.12 and 11.23 and increasing supply to ensure needs are met is a key element in seeking to ensure these do not escalate further.

The Council recognise that the delivery of affordable housing is a key driver for supporting amendments to the Green Belt, on the basis that such sites have the potential to deliver a greater number of affordable homes. We would agree and given that the Council has struggled to deliver affordable housing in the past this should be a priority. The latest AMR (CD017) shows that average net delivery each year between 2009/10 and 2021/22 was just 56 homes per annum. This is reflective of a spatial strategy that has relied on brownfield sites which has delivered a relatively small percentage of affordable housing in relation to overall housing delivery. Evidence in CD017 shows that since 2015/16 the Council delivered 466 affordable homes, roughly 22% of the 2,036 homes provided over the same period. Given that there is a need for 459 affordable homes to be delivered each year<sup>1</sup> there is clearly a justification to support further amendments to Green Belt boundaries and the allocation of additional sites that will meet needs from other areas as well as deliver a higher percentage of affordable homes in Spelthorne.

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<sup>1</sup> Paragraph 6.29 of the submitted Local Plan.

To conclude the HBF support the Council's decision to amend Green Belt and agree that there are the exceptional circumstances required to support this approach. However, we disagree that the spatial strategy meets housing needs as it is considered over a plan period that does not look ahead more than 15 years from adoption and consider there to be exceptional circumstances to support further amendments to Green Belt boundary to meet needs in full and potentially meet some of the unmet needs of neighbouring areas.

Whilst the Council have belatedly looked to grapple with this matter after the publication of the submission local plan, we remain concerned that the outcome of this assessment was inevitable. The focus has not wavered from the initial assessment that delivering beyond minimum housing needs over a 15 year plan period may result in unsustainable development. As such we would question whether the spatial strategy has been robustly assessed against the reasonable alternatives and consider it to be unjustified.

### ***Housing land supply***

In responding to the question posed in the MIQs as to whether the strategy makes adequate provision to meet Spelthorne's needs it is necessary to consider the surplus or shortfall between the housing requirement and the number of homes expected to be delivered. This goes to the heart of the test of effectiveness which requires plans to be deliverable over the plan period and the need for plans to ensure flexibility in the supply of homes without the need for major revisions when the plan is reviewed.

The Council's position is summarised at paragraph 1.8 of HOU007 and states that over the 15 year plan period the Council will deliver cumulative completions of 9,474, leading to a surplus of 204 homes. The HBF would disagree with this assessment as it examines supply from 2023/24 to 2037/38 and ignores delivery in the first year of the plan period in the submitted plan. As the Council will be aware the local housing needs assessment (LHNA) used as the basis of planning for housing is fixed at the point of submission for a period of two years, with the standard method using the starting point as the year in which the assessment is calculated. In SBC's case the base year for assessment was 2022 and as such the starting point for the plan period of 2022/23 is sound and there is no justification for using 2023/24 as the starting point for the housing trajectory.

Using the latest housing trajectory set out in HOU007 the Council expect 9,125 homes to be delivered over the plan period of 2022/23 to 2036/37 against an overall need of 9,270 homes. This is a 145 home shortfall compared to the 168 home surplus in the trajectory that was published for the regulation 19 consultation. If the plan period is extended to 2037/38 then the shortfall decreases slightly to 123 homes. On the basis of the current supply the plan does not provide an adequate supply of sites to meet housing needs in full. The Council's evidence also means that the table on page 20 of the local plan is incorrect as it states that 9,439 homes will be delivered between 2022 and 2037. This shortfall is concerning and shows how little flexibility there is in the plan to absorb unexpected delays to the delivery of new homes and is an indicator as to why the HBF recommends Council's include a buffer of around 20% above the minimum requirement in their housing land supply.

The reason for this shortfall appears to be the lower than expected supply in the first year of the plan period that is then seemingly not fully addressed across the remaining years. However, it is not clear which sites have not come forward as expected. At present the Council set out in Tables 4 and 5 HOU007 whether a site will come forward in the first five years, years 6 to 10 or years 11 to 15. This approach does not indicate when in those periods a site is expected to come forward and whether it will be delivered in full within that period. It also means that it is impossible to consider the impact of changes to the annual delivery rates set out in Table 2 as it is not known how each site contributes to supply in each year. The Council must provide annualised trajectories for each site contributing to supply across the plan period to allow for a transparent and robust debate at the hearings.

### ***Five year housing land supply***

The assessment of five year land supply across the plan period included in our representations has been updated to reflect the latest figures provided in table 2 of HOU007 and can be found in the appendix to this statement. The tables in Appendix A show that the five year housing land supply in 2023/24 remains either marginal at 5.22 years<sup>2</sup> using the Liverpool approach to five year land supply or falls below five years to 4.89 years using the Sedgefield method. Given that PPG states at 68-031 that

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<sup>2</sup> The HBF's assessment of the 5yhls using the Liverpool method is lower than the Council's as they do not include the shortfall from the first year of the plan period in their assessment despite PPG stating at paragraph 68-031 that past under supply should be included and be calculated from the base date of the plan.

any shortfall should be addressed within five years it is a concern that the Council do not have a five year land supply at present. Whilst the Council would a five year land supply in 2024/25 based on their delivery expectations it is still relatively marginal and at risk should sites not come forward as expected.

The HBF are therefore concerned that the Council's land supply may be lower than suggested in HOU007. Whilst the HBF does not generally comment on specific sites in a Council's housing trajectory we do have some concerns as to whether all of those sites identified as deliverable will come forward in the first five years. Our first concern relates to some of the larger sites that are currently in public ownership (such as AT3/007, ST3/004 and ST4/026). Whilst the Council state that these have been indicated as being available in the next five years there doesn't appear to be any further evidence presented by the Council as to their deliverability – such as developer interest in those sites. In particular the Council will need to provide further evidence to support the deliverability of the larger allocated sites currently in public ownership. Until these sites have been marketed for sale by the relevant body and there is clear developer interest in bringing them forward, they should not be included in the five year land supply.

Secondly there are some sites where delivery is further complicated due to multiple occupiers (such as ST4/009) or where the existing use must be provided elsewhere (for example AT3/007). Whilst we do not question the availability of these sites and their allocation these matters could impact on the timescale within which these sites come forward and this uncertainty should be recognised in the delivery trajectory. We would suggest they are more likely to come forward in years 6 to 10 than in the first five years of the plan.

Finally, we are concerned that the Council are potentially being overly ambitious in thinking that some of the larger green belt allocations will come forward in totality within the first five years. As we note in our representations such sites can only come forward once the plan is adopted and can take 3 to 4 years from the submission of an application to the first home being delivered. Whilst some homes may come forward in the first five years on larger green belt sites it is likely that the majority will come forward in years 6 to 10.

The HBF would therefore question whether the delivery trajectory set out by the Council in HOU007 resulting from the spatial strategy is achievable. We would recommend that the Council reassesses their delivery expectation as outlined and adjustment the trajectory accordingly. Finally, it will be necessary for the Council to include the updated trajectory in the local plan as required by paragraph 74 of the NPPF.

### ***Conclusion on ST2***

The HBF currently consider policy ST2 to be unsound due to:

- the overall housing requirement being based on an unsound plan period that does not look forward for at least 15 years from the date of adoption;
- the failure to fully consider reasonable alternatives to the proposed strategy that could have addressed some of the unmet needs in neighbouring areas.
- the plan not meeting needs in full over the plan period in the submitted plan or the extended plan period the HBF consider necessary for soundness; and
- limited evidence that all sites considered deliverable will come forward in the first five years of the plan period and that the Council will have a five year land supply on adoption.

Mark Behrendt MRTPI

Planning Manager – Local Plans SE and E

## Appendix A: Five year housing land supply

*Sedgefield – shortfall delivered within five years.*

	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37
<b>Requirement</b>	618	618	618	618	618	618	618	618	618	618	618	618	618	618	618
<b>Cumulative req.</b>	618	1,236	1,854	2,472	3,090	3,708	4,326	4,944	5,562	6,180	6,798	7,416	8,034	8,652	9,270
<b>Delivery</b>	291	798	835	750	791	840	576	637	535	593	567	440	536	528	408
<b>Cumulative del.</b>	291	1,089	1,924	2,674	3,465	4,305	4,881	5,518	6,053	6,646	7,213	7,653	8,189	8,717	9,125
<b>Surplus/deficit</b>	-327	-147	-	-	-	-	-	-	-	-	-	-	-	-	-145
<b>5-year requirement</b>	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090				
<b>add deficit/surplus</b>	3,090	3,417	3,237	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090				
<b>Buffer</b>	618	683	162	155	155	155	155	155	155	155	155				
<b>Total req</b>	3,708	4,100	3,399	3,245	3,245	3,245	3,245	3,245	3,245	3,245	3,245				
<b>Five year supply</b>	3,465	4,014	3,792	3,594	3,379	3,181	2,908	2,772	2,671	2,664	2,479				
<b>Surplus/deficit</b>	-243	-86	393	350	135	-64	-337	-473	-574	-581	-766				
<b>5YHLS</b>	<b>4.67</b>	<b>4.89</b>	<b>5.58</b>	<b>5.54</b>	<b>5.21</b>	<b>4.90</b>	<b>4.48</b>	<b>4.27</b>	<b>4.12</b>	<b>4.11</b>	<b>3.82</b>				





*Liverpool – shortfall delivered across remaining years of the plan period.*

	<b>22/23</b>	<b>23/24</b>	<b>24/25</b>	<b>25/26</b>	<b>26/27</b>	<b>27/28</b>	<b>28/29</b>	<b>29/30</b>	<b>30/31</b>	<b>31/32</b>	<b>32/33</b>	<b>33/34</b>	<b>34/35</b>	<b>35/36</b>	<b>36/37</b>
<b>Requirment</b>	618	618	618	618	618	618	618	618	618	618	618	618	618	618	618
<b>Cumulative req.</b>	618	1,236	1,854	2,472	3,090	3,708	4,326	4,944	5,562	6,180	6,798	7,416	8,034	8,652	9,270
<b>Delivery</b>	291	798	835	750	791	840	576	637	535	593	567	440	536	528	408
<b>Cumulative del.</b>	291	1,089	1,924	2,674	3,465	4,305	4,881	5,518	6,053	6,646	7,213	7,653	8,189	8,717	9,125
<b>Surplus/deficit</b>	-327	-147	70	202	375	597	555	574	491	466	415	237	155	65	-145
<b>5-year requirement</b>	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090	3,090		
<b>add deficit/surplus</b>	3,090	3,207	3,147	3,061	2,998	2,956	2,860	2,859	2,829	2,845	2,831	2,831	2,921		
<b>Buffer</b>	618	641	157	153	150	148	143	143	141	142	142	142	146		
<b>Total req</b>	3,708	3,848	3,304	3,214	3,148	3,104	3,003	3,002	2,971	2,987	2,973	2,972	3,067		
<b>Five year supply</b>	3,465	4,014	3,792	3,594	3,379	3,181	2,908	2,772	2,671	2,664	2,479	2,552	2,753		
<b>Surplus/deficit</b>	-243	166	488	380	231	77	-95	-230	-300	-323	-494	-420	-314		
<b>5YHLS</b>	<b>4.67</b>	<b>5.22</b>	<b>5.74</b>	<b>5.59</b>	<b>5.37</b>	<b>5.12</b>	<b>4.84</b>	<b>4.62</b>	<b>4.50</b>	<b>4.46</b>	<b>4.17</b>	<b>4.29</b>	<b>4.49</b>		