

Licensing and Planning Policy Committee
24 January 2019

Epsom & Ewell Local Plan: Urban Capacity Study

Head of Service/Contact:	Ruth Ormella, Head of Planning
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	
Annexes/Appendices (attached):	Epsom & Ewell Urban Housing Capacity Study 2018
Other available papers (not attached):	Strategic Housing Land Availability Assessment (June 2017) Strategic Housing Land Availability Assessment (March 2009) The Longmead & Nonsuch Industrial Estates Capacity Study

Report summary

The Urban Housing Capacity Study (UHCS) has been prepared to assess the potential optimal capacity of the Borough's land supply within the urban area and how this can contribute towards meeting the Council's challenging objectively assessed housing need (OAHN).

The conclusion of this study is that the Borough Council is unlikely to deliver the housing need within the urban area during the new Local Plan period.

Recommendation (s)

(1) The Committee notes the contents of the Urban Housing Capacity Study as a technical study and part of the Council's evidence base, which informs the preparation of the new Local Plan.

1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

1.1 The delivery and implementation of the Epsom and Ewell Local Plan contributes towards all of the Council's Key Priorities identified in the Corporate Plan.

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- 1.2 The emerging Local Plan will set out the spatial strategy for the borough and will, amongst other things, outline how the Council will address its objectively assessed housing need (OAHN) through sustainable growth up to 2032. The Urban Housing Capacity Study (UHCS) is an important piece of evidence that will sit alongside other documents that inform the preparation and production of the emerging Local Plan.

2 Background

- 2.1 The National Planning Policy Framework (NPPF) requires local planning authorities to identify land capable of meeting future development needs within the Borough. We are required to identify a sufficient supply of land to meet the OAHN for the Borough, which currently equates to about 579 dwellings per annum based on the government's standard method.
- 2.2 The NPPF requires that the Council have a clear understanding of the land available in the authority area through the preparation of a strategic housing land availability assessment (SHLAA). In the course of identifying sites to meet the housing need, the Council has prepared two SHLAAs, the most recent dated 2017. These have sought to identify potential sources of housing land supply that are genuinely available, deliverable and developable; namely, those most likely to come forward to meet the housing need. As part of this endeavour the Council has prepared the Longmead and Nonsuch Industrial Estates Capacity Study, which came before the Licensing and Planning Policy Committee on 15 November 2018. The UHCS considers the remaining sites in the urban area, and how the redevelopment of these might contribute to the Council's OAHN.

3 The Urban Housing Capacity Study (UHCS)

- 3.1 The UHCS considers the potential developable land supply within the urban area and how this might meet the Council's challenging OAHN. A copy of the UHCS is included under Annex 1.
- 3.2 The UHCS does not duplicate work in the most recent SHLAA, but uses the sites identified in that assessment as a starting point. Additional sites were identified from various sources have also been included in this study.
- 3.3 It is important to note that the UHCS does not replace the SHLAA but is a technical exercise that assesses the potential optimal capacity that can be achieved on sites within the urban area. It is intended to help inform whether the Council needs to consider other options for meeting its OAHN.
- 3.4 In order to assess the optimal capacity that could be achieved on the identified urban sites the UHCS divides the Borough into areas. These are defined on the basis of their accessibility to local services or major transport nodes or corridors and applies density multipliers to obtain initial yields.

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- 3.5 The density multipliers were derived from extensive published research, these are referenced in the study. The multipliers used are considered to be a reasonable starting point whereby further assessments were undertaken. The precise methodology has been set out in the study.
- 3.6 Once the density multipliers had been applied, broad assessments were carried out based on the constraints identified on the individual sites and the initial yields were adjusted to reflect these considerations.
- 3.7 The results of the study conclude that the Council is likely to achieve 49% of its OAHN within its urban area at its optimal level. This suggests that roughly half of OAHN still needs to be met elsewhere. Whilst the capacity figure is not definitive, it is an indicator of the level of new housing that can be met within the urban area. Fundamentally, it demonstrates the Council will need to consider other options to meet its OAHN during the plan period.
- 3.8 The study highlights the various options that the Council can explore in seeking to meet its OAHN. This includes:
 - Considering sites currently in alternate uses being utilised or combined with residential use
 - Considering whether lower impact uses currently within the urban area can be relocated into the Green Belt, so that the existing sites in the urban area can be redeveloped.
 - Considering releasing sites from the Green Belt contribute towards the OAHN
 - Working closely with neighbouring authorities to agree a strategy for meeting the need

It is important to highlight that the Council has a duty to ensure it delivers a spatial strategy that meets the future development needs of the Borough, including housing, economic, infrastructure, and recreational needs. In order to achieve this objective it will have to identify a strategy that strikes a fine balance of all these needs which may include an element of all of the identified options above.

- 3.9 The Council has commissioned a 'Transformation Masterplan' that will explore some of these approaches in considering how Epsom and Ewell might 'transform' in the future to meet its needs. The outcome of the 'Transformation Masterplan' will also inform the approach the Council takes to meet its development needs in its Local Plan review.

4 Financial and Manpower Implications

- 4.1 The preparation, publication, examination and implementation of our new Local Plan is a high priority which is being resourced through the Planning Policy Team and separate commissions that are required relating to evidence base and technical reports.

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- 4.2 The increasing level of complexity to the local plan process (introduced through the revised NPPF), particularly in relation to the housing delivery test, review of the CIL schedule and strategic viability mean that further resources may be required. Approval from the Strategy & Resources Committee will be sought for the work that needs to be commissioned.
- 4.3 **Chief Finance Officer's comments:** *Additional funding from the 5 percent admin fee element of Community Infrastructure Levy receipts was agreed to fund up to £80,000 in total over two years to support the delivery of the Local Plan. Any request for the use of any additional funding will need to be agreed by the Strategy and Resources Committee.*

5 Legal Implications (including implications for matters relating to equality)

- 5.1 The emerging Local Plan will need to demonstrate that it meets tests of soundness set out in national planning policy, the tests require that plans are a) positively prepared, b) justified, c) effective and d) consistent with national policy. The UHCS forms part of the Council's evidence base that will demonstrate that it meets these tests and is therefore a 'sound' Plan that can be adopted by the Council.
- 5.2 **Monitoring Officer's comments:** *none arising from the contents of this report.*

6 Sustainability Policy and Community Safety Implications

- 6.1 The emerging Local Plan will contribute to towards the delivery of the Council's key priorities to accommodate sustainable development.
- 6.2 The new Local Plan will be subject to a Sustainability Appraisal which will be prepared and published at the appropriate time in the process.

7 Partnerships

- 7.1 The Duty to Cooperate requires Local Planning Authorities to engage with partners and neighbouring authorities on strategic issues, including joint working to determine whether development needs that cannot be met wholly within a particular plan area could be met elsewhere.
- 7.2 The Council is engaging with its neighbours as it seeks to meet its duty and identify whether an appropriate strategy to meet its need can be agreed.

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8 Risk Assessment

- 8.1 The Council's adopted Core Strategy is out of date. It is currently working on a review of the Local Plan in line with the recently updated national planning policy. The revised National Planning Policy Framework NPPF and Planning Practice Guidance PPG, sets out a standard method for calculating the minimum housing need for the Borough and introduces a new Housing Delivery Test (HDT) to encourage delivery. The current OAHN for Epsom and Ewell is 579 dwelling per annum. The Housing Delivery Test will measure the Council's progress on meeting this need, where under-delivery will result in measures being imposed, including the preparation of an action plan to assess the causes of under-delivery and identify actions to increase delivery in future years.
- 8.2 The revised NPPF retains the 'presumption in favour of sustainable development'. This means that for the purposes of decision-taking where local planning authorities cannot demonstrate a five year supply sites or where the Housing Delivery Test indicates that delivery is substantially below (less than 75% but with transition arrangements in place) planning permission for proposals for new housing should be granted unless proposals are for protected areas or assets of particular importance provides a clear reason for refusal (defined in footnote 6 of paragraph 11 d) of the NPPF¹ or where adverse impacts of permitting the proposal would significantly and demonstrably outweigh the benefits of doing so.
- 8.3 By proactively planning for future growth, the Council will be in a stronger position to resist unplanned development proposals that may come forward before the adoption of a new Local Plan.

9 Conclusion and Recommendations

- 9.1 The Committee are asked to note the contents of the UHCS as a technical study that will form part of the Council's evidence base and will inform the Council's emerging Local Plan.

Ward(s) affected: (All Wards);

¹ ...habitats sites (and those sites listed in paragraph 176:Special Protection Areas) [Special Areas of Conservation; listed or proposed Ramsar sites; sites identified, or required, as compensatory measures for adverse effects on habitats sites, potential Special Protection Areas, possible Special Areas of Conservation]. and/or designated as Sites of Special Scientific Interest; land designated as Green Belt, Local Green Space, an Area of Outstanding Natural Beauty, a National Park (or within the Broads Authority) or defined as Heritage Coast; irreplaceable habitats; designated heritage assets (and other heritage assets of archaeological interest referred to in footnote 63); and areas at risk of flooding or coastal change.