



Housing Delivery Test Action Plan

July 2021

Introduction

1. This is an updated action plan produced by Epsom and Ewell Borough Council (EEBC) following the publication of the latest set of national Housing Delivery Test (HDT) results in January 2021. The HDT was introduced in parallel with the revised National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) in 2018 to incentivise higher rates of housing delivery. The results of the test are determined by the number of homes delivered in the previous three years against housing targets.¹ To view previous action plans and to better understand the context of this document please visit the previous two action plans hosted on EEBC's [website](#).²

Housing delivery performance 2019-2020

2. The [Council's Annual Monitoring Report 2019-2020](#)³ included an assessment of the number of homes delivered between 1 April 2019 and 31 March 2020. In total 195 additional dwellings were delivered in this period, an increase of 18% from the previous year. However, it is the third lowest number of homes delivered since 2006 and approximately 36% lower than when the new standard method for calculating housing need and associated amendments were introduced.

¹ The formula has been amended to a reduced requirement this year as a result of the pandemic

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/953304/2020_HDT_technical_note.pdf

² See <https://www.epsom-ewell.gov.uk/residents/planning/planning-policy/epsom-and-ewell-local-plan>

³ https://www.epsom-ewell.gov.uk/sites/default/files/documents/residents/planning/planning-policy/AMR%202019-20%20__V1_FINAL.pdf

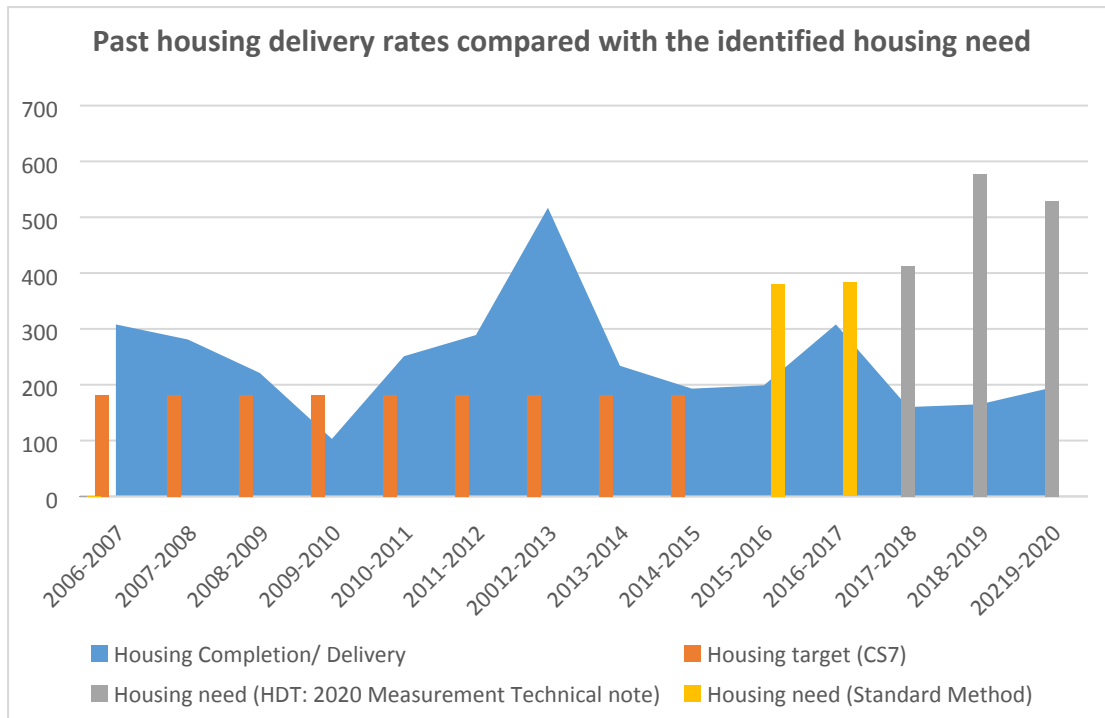


Figure 1: Chart showing housing delivery rates compared with the identified need since 2006.

3. The sites that yielded the most homes included a care home at the former Salesians site⁴, which was completed in February 2020, and remaining units on the former Nescot Agricultural Land site on Reigate Road, Ewell.⁵
4. The majority of homes currently under construction or proposals for homes that had planning permission granted within the monitoring period comprise mainly minor developments (fewer than 10 units). Major sites (above 10 units) included proposals at Mill Road, Kingston Road, Old Malden Road, Chase Road and Alexandra Road.
5. The highest yielding unimplemented permission is Epsom and Ewell High School, where 161 dwellings have been approved with 93 units started.
6. A number of other schemes have been considered or approved in the past year, including approximately 100 apartments at Woodcote Grove, 46 apartments at South Hatch Stables and 29 units at the former police station at Church Street.

⁴ 15/00845/FUL

⁵ 17/00429/FUL

Performance against Housing Delivery Test

7. To work out whether the Council is performing under HDT, the Government use the following formula:

$$\text{Housing Delivery Test (\%)} = \frac{\text{Total net homes delivered over three year period}}{\text{Total number of homes required over two year eleven month period}}$$

Figure 2: Housing Delivery Test formula ([Housing Delivery Test: 2020 measurement technical note](#))

8. In response to the restrictions introduced on 23 March 2020 as a result of the Covid-19 pandemic, the formula has been amended this year so that the total number of homes required has been reduced from a period of three years to a two-year eleven month period.⁶
9. The results of the [2020 HDT](#) were published on 19 January 2021 and are summarised for EEBC as follows:

	Number of homes required			Total required 2017- 2020	Total Delivered 2017- 2020	HDT Result 2020
	2017- 2018	2018- 2019	2019- 2020			
Epsom and Ewell	413	577	529	1519	512	34%

Figure 2: Housing Delivery Test 2020 Results (as published by [MHCLG 19 January 2021](#))

10. The results show that EEBC delivered 34% of the housing required in the previous three years. Under the rules of the test, this means that:
- As housing delivery has fallen below 95% EEBC should publish an action plan;
 - As housing delivery has fallen below 85%, EEBC must identify a five-year supply of deliverable sites including an additional 20% buffer (moved forward from later in the plan period).
 - As housing delivery has fallen below 75% the Council must apply the presumption in favour of sustainable when making decisions on planning applications.

⁶ <https://www.gov.uk/government/publications/housing-delivery-test-2020-measurement>

Root cause analysis

11. The first Action Plan produced under the 2018 test provided a baseline “root cause analysis” explaining the causes for the under delivery of housing against the calculated need. These causes included:
 - Complexities associated with different site typologies (e.g. longer lead in times with major sites).
 - Housing market (e.g. rate at which homes are absorbed into the market).
 - Process (from site identification to build out).
 - Infrastructure and Resources.
 - Geography (including constraints).
 - Housing delivery growth trends.
 - Delay in Local Plan production.
 - Insufficient supply of brownfield land.
 - Uncertainty in relation to national planning reform.
 - Brexit.
 - Balancing employment needs with housing in terms of land availability.
12. It is considered that these causes have remained during the 2019-2020 test period. In addition and looking forward to the 2020-2021 test period, the following causes have also been identified as likely to have impacted or will impact housing delivery.

Covid-19 Pandemic

13. There have been three national lockdowns since March 2020 (March-May 2020, Nov- Dec 2020 and Jan-April 2021), as well as a number of local lockdowns and measures in place to restrict movement and physical communication between people. This has included EEBC’s operations. Although the lockdowns were imposed near to the end of the HDT period (31 March 2020) it is likely that the lead up to this period caused disruption (insofar as strategic uncertainty, movement of labour and materials were concerned).
14. Government advice has required that Local Plans continue to make progress and that planning departments adopt new and innovative ways of operating including exploring technologies where appropriate.
15. EEBC have been able to hold virtual meetings including Planning Committee meetings and Licencing and Planning Policy Committee meetings up to 7 May 2021, after which, physical meetings resumed under Covid safety measures.

16. Government has issued [advice](#)⁷ and [Covid-19 planning updates](#)⁸ to encourage innovative approaches to planning decision making. It has also introduced a number of proposals to amend Permitted Development Rights (PDRs) to allow greater flexibility between uses, operating hours and the use of outdoor pavement space for food consumption. Nevertheless, it is anticipated that the impact on housing delivery will still be significant.

Standard method

17. Epsom & Ewell's minimum housing need remains at 579/577 dwellings per annum. There was a minor period of uncertainty regarding this following the launch of a Government consultation entitled '[Changes to the current planning system](#)'⁹ published on 6 August 2020, which proposed a significant uplift to local housing need figures, including EEBC's. However, this was not carried forward.

Planning White Paper

18. The contents of the [Planning for the Future White Paper](#)¹⁰, published on 6 August 2020 is causing uncertainty for councils. This is because of the concern that introducing a new planning system may result in current work becoming outdated quickly. However the consistent message from Government has been that authorities should continue to progress plan-making as any proposed reforms (particularly those that require primary and secondary legislation) will take time to be implemented.

Supporting Housing Delivery and Public Infrastructure

19. The Ministry of Housing, Communities and Local Government (MHCLG) published a consultation on "[Supporting housing delivery and public infrastructure](#)"¹¹ on 3 December 2020, which may have led developers to put plans to submit change of use applications on hold. This is because the consultation proposed a new PDR enabling the change of use from commercial, business and service use (class E) to residential (class C3). The Government published its response and laid regulations on 31 March 2021; the PDR will be effective from 1 August 2021.

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/875045/Chief_Planners_Newsletter_-_March_2020.pdf

⁸ <https://www.gov.uk/guidance/coronavirus-covid-19-planning-update>

⁹ <https://www.gov.uk/government/consultations/changes-to-the-current-planning-system>

¹⁰ <https://www.gov.uk/government/consultations/planning-for-the-future>

¹¹ <https://www.gov.uk/government/consultations/supporting-housing-delivery-and-public-service-infrastructure>

UK withdrawal from the European Union

20. The UK left the EU on 31 January 2020. Whilst the direct impacts on Epsom & Ewell are difficult to quantify, the general uncertainty caused to markets may have had an impact on the housebuilding industry, not least through variations in prices of materials but access to labour as well.

Planning Policy Update

Epsom & Ewell Local Plan

21. The Council housing delivery strategy is underpinned by the existing Development Plan for Epsom & Ewell Borough, which comprises the:
- [Surrey Minerals Plan](#),
 - [Surrey Waste Plan](#),
 - [Core Strategy 2007](#),
 - [Plan E 2011: An Area Action Plan for Epsom Town Centre](#)
 - [Development Management Policies](#) Document (2015).
22. Sitting alongside these are various Supplementary Planning Documents (SPDs) and guidance.
23. The Council is in the process of preparing a new Local Plan, including compiling and producing an up to date [evidence base](#)¹² to inform its strategy and policies.
24. The scale of the housing need has been calculated to be 579/577 per annum. This is significantly higher than previously identified 181 in the existing Core Strategy.
25. The Council's timetable (Local Development Scheme) for the preparation of the Local Plan is available on the Council's [Local Plan webpage](#).¹³ This was last updated in March 2021 and seeks to ensure a clear spatial development strategy is published as soon as possible to ensure development proposals that come forward are considered through a proper plan led approach.
26. The last [public consultation was a Regulation 18 consultation](#)¹⁴, carried out between October-November 2017. A further Regulation 18 consultation is planned before the end of 2021.

¹² <https://www.epsom-ewell.gov.uk/residents/planning/planning-policy/planning-and-supplementary-planning-documents/evidence-base>

¹³ <https://www.epsom-ewell.gov.uk/residents/planning/planning-policy/epsom-and-ewell-local-plan>

¹⁴ <https://www.epsom-ewell.gov.uk/residents/planning/planning-policy/local-plan-issues-and-options-consultation>

Other plans and strategies

27. Whilst the Local Plan will form the key delivery mechanism for future development in the borough it does not stand alone. It sits under the Corporate Plan and alongside other Council strategies. The Council recently adopted a Four Year Plan, which identifies a number of key priorities for the borough in the next four years under five themes:

- Green and Vibrant
- Opportunity and Prosperity
- Cultural and Creative
- Safe and Well
- Smart and Connected.

28. The priorities identified include a priority that progress should be made on housing needs and the implementation of the Local Plan. The full Four Year Plan is available to view [here](#).¹⁵

29. The preparation and implementation of the action plan has been developed collaboratively across the Council, including, Planning, Housing, Property and Regeneration and Health and Wellbeing.

Action Plan Summary of Changes 2020-2021

30. The action plan has 24 action points (APs). The progress against each AP as of July 2021 is described in the right hand column of the table below. This column is colour coded either red (indicating *not started* or *poor progress*), amber (*good progress* but *not complete*) or green (*very good progress* or *complete*). The Action Plan has been reviewed following the publication of the HDT results in January 2021 and updated to reflect progress made since the publication of the last action plan.

¹⁵ <https://www.epsom-ewell.gov.uk/council/four-year-plan>

Ref	Action	Commentary	Lead/ Responsible department	Priority	Method of Monitoring Progress	Progress so far
1	Identify opportunities to align the local skills base with the need to build a significant level of housing in the Borough	<p>Align local skill base with the housing need.</p> <p>The new Local Plan will promote local labour agreements to secure employment and skills development as part of schemes</p>	Corporate Planning	Long term	HDT Action Plan	<p>Further investigation needed to consider if there are any interventions that can be introduced by the Council to better align the projected growth with the required skillset e.g.construction skills.</p> <p>The Council will work with the Local Enterprise Partnership on wider research regarding skills and the labour market.</p> <p>Progress remains "red" as opportunities for communication and meeting with relevant partners curtailed partly due to resource pressures and complications with Covid 19. As such, poor progress made.</p>
2	Utilise existing 'Agents and Developer Forums' to promote opportunities in the Borough	Developer Forums could identify issues affecting delivery and could open up new opportunities/ventures to provide more housing, better relationships with the development industry.	Corporate Property and Regeneration Planning	Short/Medium and Long Term	HDT Action Plan	<p>The Council will continue to attend the existing The Epsom Property Network and identify opportunities to work with local agents and developers on growth in the Borough.</p> <p>Update May 2021: Heads of Service have attended Surrey wide developer forum. Has been put on hold during pandemic. Once resumed will continue to attend with a view to raising Epsom's Housing Delivery issues and raise</p>

						question of construction skills gaps. Progress therefore remains “yellow”.
3	Investigate with the Development Management Team what practical measures/mechanism can be introduced to speed up the delivery of development schemes.	Further investigation into whether certain DM processes are delaying delivery and what actions can be taken to speed up the process.	Development Management Planning Policy	Short Term/ Medium Term	HDT Action Plan	Work in progress Progress remains “yellow” as service under continual review.
4	Publish guidance on the pre-application process.	Improving pre-application processes. This will provide more certainty for applicant, through clearer guidance and early engagement with applicants, applicants are aware of the Council'	Development Management	Short/ Medium Term	N/A/	Update May 2021: Guidance has been published. DM team will continue to monitor pre app effectiveness. Progress remains “green” as guidance has been published.

5	Progress the Local Plan in accordance with newly published Local Plan timetable (Local Development Scheme LDS).	Progress on the Local Plan will provide greater certainty for the borough council and developers and ensures that future development is plan led.	Planning Policy	Medium/long term	AMR Service Plan Local Plan Progress HDT Action Plan 2021	Progress being made on compiling the evidence base and preparing a draft plan in line with the revised timetable agreed March 2021. Progress remains “yellow” as no evidence to suggest plan is currently behind schedule.
6	Publish a revised Local Plan timetable (Local Development Scheme LDS)	The Council published a revised timetable for the preparation of the new Local Plan in March 2021.	Planning Policy	Short Term	n/a	Completed. The timetable was revised following the coronavirus pandemic and following proposed planning reforms published on 6 August. Progress from “yellow” to “green” as LDS has been published.
7	‘Call for sites’ request	The Council left the ‘call for sites’ open for ongoing submission of sites for future development. Any sites not submitted can still be submitted as part of the regulation 18 consultation.	Planning Policy	Short Term	n/a	Update May 2021 Initial call for sites exercise completed. Consideration being given to boost number of sites received by developing a targeted call for sites strategy, The webpage for the call for sites is live. Progress level stays “green” as call for sites exercise complete but new sites may still be submitted for appraisal.

8	Assess the potential capacity of sites within the urban area to meet the housing need.	The Council has undertaken various capacity assessments of sites within the urban area and its potential to deliver high density development to support the policy of making efficient use land.	Planning Policy	Short Term	n/a	<p>The Council has undertaken urban capacity studies to review the potential capacity of sites within the urban area. These are published on the ‘Evidence Base’ webpage.</p> <p>The Council has also commissioned a Transformation Masterplan to inform what approach the Council takes to deliver more housing.</p> <p>Status remains “green” though current strategic discussions about future growth may necessitate further updates to capacity studies.</p>
9	Commission Transformation masterplan to look at how the Borough could transform in the future to seek to meet the development need.	The Council has been proactive in investigating how the projected growth can be accommodated in the area, through the commissioning of the Transformation Masterplan. A design based assessment exploring how future growth can be accommodated e.g. different typologies and higher densities	Planning Policy	Short Term/ Medium Term	Progress on the Local Plan	<p>The Council has commissioned the piece of work and it is currently being undertaken.</p> <p>Status remains “yellow” as work currently being undertaken.</p>

10	Work with adjoining authorities to identify a strategy to meet the housing need in the area (through continuous Duty to Cooperate).	The Council will work with its partners and neighbours to identify how the housing need can be met in the area.	Planning Policy	Short/ Medium and Long Term	Duty to Cooperate Statement Local Plan Statement of Common Ground	<p>Progress is being made on engagement with neighbouring local authorities and relevant stakeholders in line with <i>the duty to cooperate</i>.</p> <p>This engagement is ongoing and will continue throughout the Local Plan preparation process and through regular officer group meetings.</p> <p>Status remains “yellow” as work is ongoing”.</p>
11	Investigate and implement a new planning monitoring system	To improve efficiency in data collection and monitoring of housing delivery, to inform central government as well as improving Local Plan monitoring process (which informs policy making process).	Planning Policy	Short/ Medium Term	Service Plan HDT Action Plan 2020	<p>Being investigated.</p> <p>Status remains “red” as no progress has been made.</p>
12	Publication and implementation of land use policy/guidance	The Council has published a policy statement ‘Making the Efficient Use of Land- Optimising Housing Delivery 2018’ (8 May 2018) in order to ensure residential housing schemes coming forward are making efficient use land.	Planning Policy Development Management	Short/ Medium Term	n/a	<p>Completed</p> <p>Published on website, applicants are signposted to this at pre-app.</p> <p>Status remains “green” as this has been completed.</p>

13	Article 4 Directions on Employment Floorspace	<p>The Council has a number of Article 4 Directions on some of its key employment buildings within the Town Centre. There are 16 Office Building</p> <p>This assists in managing the balance of housing and employment to meet future development needs.</p>	<p>Planning Policy</p> <p>Development Management</p>	Short Term	AMR	<p>The Council has a number of Article 4 (2) directions in place which prevent the exercising of permitted development rights for the conversion of office premises to residential use. Whilst the A4(2) directions were deemed necessary to protect employment space within the town centre, consideration is being given to the impact of the restrictions on housing supply and whether a review of the A4(2) directions is needed.</p> <p>Whilst the Council continues to consider the effect of A4(2) directions on housing supply, no reviews have been carried out. The status has therefore been changed from “green” to “yellow”.</p>
14	Identify briefings/Training for members on the Local Plan and Housing delivery	<p>The briefings will ensure members are informed about the Planning system their role in decision making.</p>	<p>Planning Policy</p> <p>Development Management</p>	Short Term/ Medium Term	HDT Action Plan	<p>A training plan has been developed and implemented following the May 2019 Local Elections.</p> <p>Update May 2021 Members have received training from the Planning Advisory Service and officers.</p> <p>Attention was drawn to the risks of</p>

						<p>making poor decisions- including reference to the NPPF and the presumption in favour of sustainable development, appeals, judicial review and ombudsman.</p> <p>The Planning Service will continue to identify additional areas to ensure members are fully informed: Topics could include the Local Plan process, Housing delivery and Urban design.</p> <p>Status remains “yellow” as further training will be required e.g. after elections.</p>
15	Update and review the Brownfield Land Register	<p>Updated annually. Suitable sites identified through this process will be included for consideration.</p> <p>Joint working between Planning and Property and Regeneration to review opportunities available from Council assets.</p>	<p>Planning Policy</p> <p>Property and Regeneration</p> <p>Housing</p>	Short Term	AMR	<p>Reviewed annually</p> <p>Data is used to inform Local Plan evidence on land supply.</p> <p>Consideration being given to advertise brownfield register through Council communication channels.</p> <p>Status amended from “green” to yellow” as further work to promote Brownfield Land Register may be required following strategic discussion about future direction of growth.</p>
16	Update and review Self-build and Custom build Housing Register	<p>Updated annually. The register helps to inform what the need is within the borough.</p>	<p>Planning Policy</p> <p>Property and Regeneration</p>	Short Term	<p>Plan monitoring</p> <p>AMR</p>	<p>Reviewed annually.</p> <p>Data is used to inform Local Plan evidence on need</p>

		Joint working between Planning and Property and Regeneration to review whether there are opportunities available from Council assets.	Housing			<p>Consideration being given to advertise Custom and Self Build Register through Council communication channels.</p> <p>Status changed from “green” to “yellow” as further work to promote register may be required following strategic discussion about future direction of growth.</p>
17	Review of the CIL charging schedule	The CIL charging schedule will be updated to reflect the significant growth projected to occur in the future to ensure sufficient contributions are being sought towards infrastructure.	<p>Planning Policy</p> <p>Development Management</p>	Short Term/ Medium Term	<p>CIL</p> <p>AMR</p> <p>HDT Action Plan</p>	<p>A review of the CIL rates is being undertaken in parallel with the emerging Local Plan. A viability assessment has been commissioned. The conclusions of this will inform the review of the CIL.</p> <p>Status remains “yellow” as work not yet completed.</p>
18	Update the Council's Asset Management Plan	The Council will review its own assets in order to create opportunities for future development.	Property and Regeneration	Short/ Medium and Long Term	<p>Service Plan</p> <p>HDT Action Plan</p>	<p>Update 2021</p> <p>The updated Asset Management Plan for 2020-30 was approved in July 2020.</p> <p>The officer-led Property and Regeneration Board was formed to manage the Council’s land/property assets, prioritising delivery of the Council’s strategies and key priorities, including deliver of new housing.</p> <p>Status remains “yellow”. Although the management plan has been completed, it will need to be continually updated.</p>

19	The creation of a Property and Regeneration Board to manage Council's assets to meet future development needs within the Borough	The Council will review its own assets in order to create opportunities and facilitate future development.	Property and Regeneration	Short/ Medium and Long Term	Service Plans HDT Action Plan	<p>The Property and Regeneration Board comprising senior management team, meets regularly to consider potential development opportunities on Council owned land.</p> <p>Status remains "yellow" as discussions over Council owned land is ongoing.</p>
20	Create a Housing Delivery Working Group to monitor and manage the progress being made on the housing delivery action plan	<p>Officers from various departments to monitor the delivery of actions in the HDT Action Plan.</p> <p>The involvement of all departments will ensure coordinated action to deliver the HDT action plan that aligns with the various priorities of the Council.</p>	<p>Property and Regeneration</p> <p>Housing</p> <p>Planning Policy</p> <p>Development Management</p>	Short/Medium and Long Term	n/a	<p>Officers will continue to monitor progress on actions to assist in increased housing delivery.</p> <p>Status changed from "green" to "yellow" as, whilst the group has been established, it has not been meeting regularly due to the Covid-19 pandemic and senior staff vacancies.</p>

21	<p>Identify and finalise key infrastructure requirements and priorities to support future growth.</p>	<p>Investment attracts investment. Investment toward infrastructure can unlock housing potential.</p> <p>Information on future infrastructure requirements will inform where there are funding shortfalls and where the Council should seek to obtain additional funding.</p>	<p>Property and Regeneration</p> <p>Housing</p> <p>Planning Policy</p> <p>Development Management</p> <p>Economic Development (Future 40 team)</p>	<p>Short/Medium and Long Term</p>	<p>HDT Action Plan</p>	<p>The Council has a draft Infrastructure Development Plan that will help to identify where there are potential gaps in funding.</p> <p>This will be the starting point to identify where additional funding could be made available.</p> <p>Status remains “yellow” as progress is ongoing.</p>
22	<p>Commission an assessment of the car parks within the borough to consider level of use and whether there are potential opportunities available for more efficient use of land.</p> <p>Prepare a Car Park Strategy to identify the any spare land capacity to deliver additional housing.</p>	<p>It is considered important that all car parking should be assessed to understand whether there are any opportunities available to potentially to meet some of the housing need.</p>	<p>Property and Regeneration</p> <p>Planning Policy</p>	<p>Short Term/ Medium Term</p>	<p>HDT Action Plan</p>	<p>Investigations into feasibility of doing a study ongoing.</p> <p>Status upgraded from “red” to “yellow”. Internal discussions have progressed with next steps including whether there is budget in the planning policy team to undertake this study.</p>

23	Engage with other public bodies	The Council will engage with other public bodies to explore opportunities for joint working to bring forward sites for development.	Property and Regeneration Planning Policy	Short/Medium	Local Plan HDT Action Plan	Early engagement with Surrey County Council and Utility companies, regarding their land/ property assets that may be surplus to requirements. Status remains at “yellow” though little progress made.
24	Investigate further whether CPOs (Compulsory Purchase Orders) should be considered as a measure on stalled housing sites	At present the Council has an Empty Property Strategy that identifies CPO as a potential solution.	Corporate	Long term	HDT Action Plan	Action point still under consideration. Status remains “red” as little progress made.

Action Plan 2021

Monitoring and Review

31. The Actions will be closely monitored through a number of monitoring mechanisms including the Local Development Scheme (LDS), Annual Monitoring Report (AMR), Service Plans and the Action Plan itself. The relevant departments will be responsible for implementing the identified actions.