

Housing Delivery Test Action Plan

September 2022

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1. Introduction

Background

- 1.1 In response to the publication 'Fixing our broken housing market'¹, the Government has demonstrated its commitment to improve the delivery of housing through various programmes. One of these, 'The Housing Delivery Test' (HDT) is an initiative that the Government introduced to measure current delivery and encourage an increase in housing development nationally. It is included as part of the revised National Planning Policy Framework (NPPF) (July 2021)². The HDT is a percentage measurement of the net number of homes delivered against the number of homes required³ by the Government in accordance with set criteria and within the area of the relevant plan-making authorities.
- 1.2 The HDT was introduced in November 2018 by Government and results of the test are published on an annual basis. The consequences of not meeting the HDT are set out in the revised NPPF. All local planning authorities that deliver less than 95% of their housing requirement over the previous three years, are required to produce an Action Plan in line with Paragraph 76 of the NPPF (2021) and in accordance with the guidance set out in National Planning Practice Guidance (NPPG)⁴. As the adopted housing requirement figure for Tandridge District Council is more than five years old, the 'minimum local housing need figure' (defined by Government in the HDT) is applied.
- 1.3 On 14 January 2022 the results of the 2021 HDT were published. Tandridge District Council was identified as having delivered 38%⁵ of the required level and in accordance with the process, must produce an Action Plan and add a 20% buffer onto the Five-Year Housing Land Supply. This is most relevant for the purposes of the Council's current assessment of planning applications through the decision-making process.

Purpose, objectives and status

- 1.4 The purpose of this action plan is to present an update to the previous Housing Delivery Test Action Plan (HDTAP) 2021⁶ and to identify what additional measures the Council will take to improve housing delivery. This HDTAP will analyse the district's housing delivery to date and the resultant Action Plan will act as a material planning consideration in the assessment of planning applications.

¹ [Department for Communities and Local Government, Fixing our broken housing market](#), Introduction, Page 9,

² [National Planning Policy Framework \(NPPF\) \(July 2021\)](#)

³ Where the latest adopted housing requirement figure is less than five years old, the figure will be the lower of the latest adopted housing requirement figure or the minimum annual local housing need figure. Where the adopted housing requirement is more than five years old, the minimum annual local housing need figure will apply.

⁴ [National Planning Practice Guidance \(NPPG\) \(2021\)](#)

⁵ [Housing Delivery Test: 2021 measurement](#)

⁶ [Housing Delivery Test Action Plan \(2021\)](#)

Relationship to other plans/strategies and council activities

1.5 The Action Plan is informed by a range of other existing Council strategies and activities that aim to encourage housing and economic growth. These include:

- **Housing Strategy 2019-2023⁷** – The Housing Strategy sets out the Council’s vision and plans for housing for the next five years. It identifies the challenges the Council faces in its enabling role as a builder of new homes, as a landlord in the context of a growing and ageing population, changing government policies, a high cost housing market and a challenging economic climate.
- **Strategic Plan 2020/21 to 2023/24⁸** - The Strategic Plan is a corporate document which sets out what the Council will deliver for local residents and businesses in the coming months and years. The plan will be continuously reviewed in line with progress made in implementing our corporate improvement plan. An important part of this work is to develop the Council’s new values and behaviours which will inform the way the actions in the Strategic Plan are delivered.
- **An Emerging Local Plan** - The Council, in responding to changed housing needs has issued a regulation 22 draft plan to replace the existing Local Plan. It has been the subject of a Public Examination with the public hearing sessions concluding with the Inspector’s preliminary conclusions and advice published. The inspector highlighted the need for extensive further work, including the ability of the M25 junction 6’s capacity to accommodate growth, and other work to enable the Emerging Local Plan to move forward to adoption by December 2023. In the interim, the Council recognises that the emerging plan will not come forward in sufficient time to address the immediate need for more housing sites. The Council is therefore proposing an Interim Policy Statement for Housing Delivery as part of this HDTAP.

Approach and Methodology

1.6 This Action Plan reviews the work the Council currently undertakes as part of the Authority’s Monitoring Report (AMR) and annually updates the housing land supply position. In addition, it has been prepared taking into account guidance set out nationally in the NPPG and in the context of the historic trends and characteristics of permissions and housing delivery for the District where relevant. Through this regular monitoring the Council has an understanding of the key challenges that face housing delivery in Tandridge. This comes from analysing the historical nature of, and progress on, permissions for housing and identifying general and site-specific delivery challenges.

⁷ [Tandridge Housing Strategy 2019-2023](#)

⁸ [Strategic Plan 2020/21 to 2023/24](#)

- 1.7 The Council has met its housing land requirements in full for the period of the adopted plan which has a further 4 years to run. However, the plan was adopted prior to the Government's push to significantly increasing housing provision. The emerging local plan sought to address the shortfall and significantly increased the housing target for the District. A delay in the local plan process (as described above) has led to a shortfall in the 5-year supply of housing land. Moreover, it has led to a delay in assessing the proportionate supply of housing in the District over the next fifteen years.
- 1.8 The Government methodology for calculating housing needs is a "policy off" approach. It is an unconstrained assessment of the number of homes needed in an area and is the first step in the process of deciding how many homes need to be planned for. It has no regard for key nationally important constraints to development such as Green Belt and AONB that affect this District and locally important infrastructure constraints which the Council has limited ability to resolve. Given the extent of these constraints it is considered unreasonable for the Council to meet its full housing needs as identified using the standard methodology, not least because 94% of the land area of the District is designated as Green Belt. Furthermore, the extent of the Surrey Hills Area of Outstanding Natural Beauty in Tandridge District is under review and, if further extended, will provide additional constraint on our ability to bring land forward for development. In the absence of any consideration of nationally recognised local constraints, the objectively assessed housing need assessment presents an inaccurate view of the realities of housing delivery for Tandridge District.

Action Plan – Key Point: Land is not readily available for development due to national policy constraints.

- 1.9 The Council is concerned to adopt a housing target that is locally appropriate to the constraints of the area. It is also concerned to ensure that growth in its area is plan-led.

Scope of Report

- 1.10 The following matters will be addressed in this Action Plan:
- Housing Delivery Analysis
 - Identification of Root Causes of Current Delivery Position
 - Responses and Action Plan
 - Project Management and Monitoring Arrangements
- 1.11 As this report is an update to the HDT Action plan 2021, its focus will be to update and support our approach to boosting housing supply and delivery.

2. Housing Delivery Analysis

Current Housing Supply Needs and Delivery

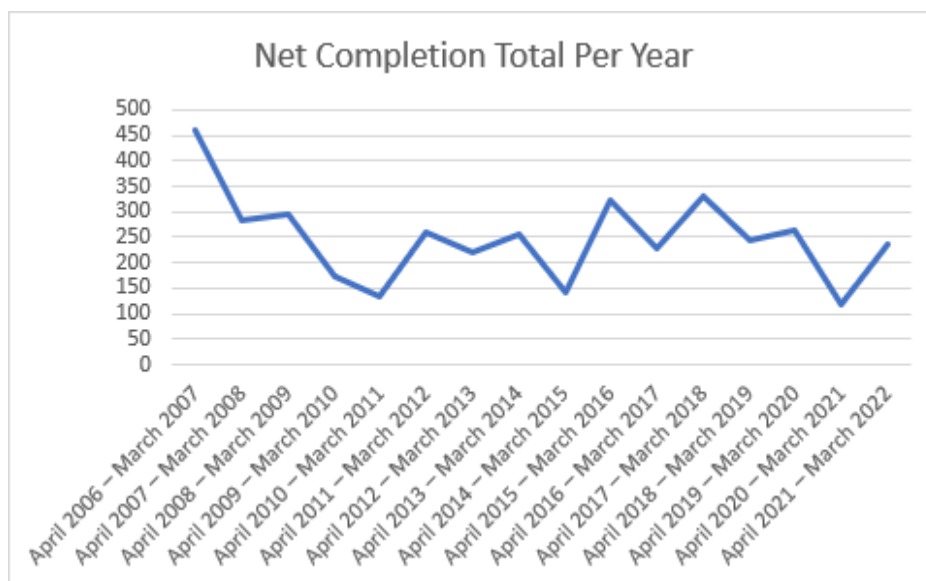
2.1 Housing delivery is monitored in the Council's Authority Monitoring Reports (AMR)⁹. The AMR and housing land supply position has historically been assessed against the policies contained in the Core Strategy (2008), including against the housing requirement of 125 dwellings per year. The Council has consistently met and exceeded the Core Strategy target. Table 1 illustrates the net number of homes that have been delivered since 2006.

Year	Net Completion Total Per Year	Cumulative Total
April 2006 – March 2007	459	459
April 2007 – March 2008	285	744
April 2008 – March 2009	297	1,041
April 2009 – March 2010	172	1,213
April 2010 – March 2011	132	1,345
April 2011 – March 2012	261	1,606
April 2012 – March 2013	221	1,827
April 2013 – March 2014	256	2,083
April 2014 – March 2015	142	2,225
April 2015 – March 2016	322	2,547
April 2016 – March 2017	228	2,775
April 2017 – March 2018	332	3,107
April 2018 – March 2019	244	3,351
April 2019 – March 2020	262	3,613
April 2020 – March 2021	117	3,730
April 2021 – March 2022	238	3,968

¹ This table has been taken from the AMR (2022)

⁹ [Authority's Monitoring Reports](#)

Figure 1: Net number of dwellings completed



- 2.2 Figure 1 identifies there has been a rise in housing completions this monitoring year in comparison to previous years. The impact of the pandemic last year had caused sites to be delayed or cease altogether. The pandemic, together with other factors such as changing import/export requirements, had widely reported effects on housing delivery such as a national shortage of certain building materials and access to tradespeople and professionals that may have been furloughed. Whilst the effects of these constraints are still being felt, it is positive to see that housing delivery is slowly returning to pre-pandemic levels.
- 2.3 As recorded last year, the pandemic saw a rise in householder applications in comparison to outline and major application schemes. The implications of this on housing delivery figures in future years remain and this will continue to be monitored and reported on in future AMRs.
- 2.4 Although the target has been met in accordance with the Core Strategy, the revised NPPF 2021 and accompanying requirements of the HDT require that adopted housing requirements that are more than five years old are to be measured against the Government assessed 'local minimum housing need' figure. This figure does not have regard to local constraints to development such as those identified consistently through each iteration of the NPPF, including Green Belt. Consequently, Tandridge is judged as underperforming in terms of housing delivery.

Action Plan – Key Point: The Council has consistently met and exceeded delivery targets set out in the adopted plan (the Core Strategy).

- 2.5 Tandridge has a history of housing development on predominantly small sites. The analysis of past completions and current supply identifies that most applications coming forward and being delivered are of under 10 units. These equated to 580 applications out of a total of 641 (90%). For sites accommodating under 10 dwellings, the average site size is 0.42 hectares. Small sites will continue to be a significant contribution to the housing land supply coming forward in Tandridge.
- 2.6 The majority of small sites that are coming through the planning process currently are windfall development and therefore a windfall allowance can be made for future housing supply coming forward. This is confirmed in Table 4 below which shows that a total of 516 residential dwellings have been completed since 2006-2022 at an annual average of 32 units. Although, it should be noted that the total small windfall completions from 2006-2022 is 802 dwellings, which is an annual average of 50 dwellings. However, due to the change of Government definition of windfall, the NPPF¹⁰ is clear that residential back gardens cannot be included within this figure and therefore these have been deducted from the total. Historically, a significant contribution to the housing supply has come from residential garden land and as a consequence what has been delivered is not accurately reflected in official figures.

¹⁰ NPPF (2019) Paragraph 70

Table 4: Small Site Windfall Completions (sites of 4 and under) between 2006 and 2022			
Year	Total Small Site Windfall Completions	Total Small Site Windfall Completions on Residential Garden Land	Total Small Site Windfall Completions Excluding Residential Garden Land
2006/2007	53	19	34
2007/2008	51	26	25
2008/2009	40	17	23
2009/2010	46	21	25
2010/2011	37	16	21
2011/2012	39	12	27
2012/2013	64	31	33
2013/2014	82	41	41
2014/2015	38	20	18
2015/2016	66	33	33
2016/2017	18	10	8
2017/2018	78	18	60
2018/2019	60	7	53
2019/2020	60	9	51
2020/2021	39	3	36
2021/2022	31	3	28
Average	50	18	32

2.7 Based on the above, it is considered highly likely that this consistent rate of delivery from small windfall sites will continue to play a role in meeting the District's housing requirement. Small sites (of less than 10 dwellings), take on average 820 days (around 27 months) to complete from date of permission. Large sites (of 10 dwellings or more) take on average 921 days (around 30 months). Although there are circumstances where some developments are taking longer to complete due to such things as planning conditions attached to the applications, S106/CIL contributions and issues during construction, on an average basis the data above indicates that the speed of delivery once a site is permitted is not a cause of concern.

Action Plan – Key Point: Speed of delivery in the District does not present an obstacle.

Lapsed Sites

2.8 Through the analysis process, unimplemented (lapsed) planning permissions were identified. From the analysis, 2,141 net units have been completed (delivered) since 2013¹¹. 164 net units permitted have lapsed in this time. The level of lapse against completions is therefore 8%. This is a very small proportion of the total housing permitted. It demonstrates that the majority of permitted sites coming forward are being built out. This reflects a generally high level of housing market viability and also a period of national and local housing market buoyancy. Lapses arise from a few very particular circumstances, such as where a previously unknown issue is discovered on site, or financial collapse of a developer, and there is little the Council can do to reduce this marginal level of lapses.

2.9 Further detail on the net number of units lapsed, broken down by monitoring year, is shown below:

Monitoring Year	Total Net Units Completed (Delivered)	Net Units Lapsed	Percentage Lapsed Within the Year
13/14	256	8	3%
14/15	142	13	9%
15/16	322	26	8%
16/17	228	5	2%
17/18	332	10	3%
18/19	244	12	5%
19/20	262	4	2%
20/21	117	47	40%
21/22	238	39	16%
Total	2,141	164	8%

2.10 In response to the pandemic during the 2020/21 monitoring year, the Government introduced the Business and Planning Act 2020 which temporarily modifies the Town and Country Planning Act 1990 and the Planning (Listed Buildings and Conservation Areas) Act 1990 to enable certain planning permissions and listed building consents in England which have lapsed or are due to lapse during 2020 to be extended¹². This is in recognition of the effect coronavirus has had on the planning system and the construction sector and in particular the delays it has caused to the commencement of new development. This extension will allow the commencement of the planning permissions and listed building consents without the need for a new application.

¹¹ Figure taken from Table 1 above. 2013/14 – 2020/21

¹² [Extension of certain planning permissions: guidance \(updated 22 July 2020\)](#)

2.11 As such, under section 93A of the Town and Country Planning Act 1990, unimplemented planning permissions with time limits for implementation which were due to lapse between 19 August 2020 (when the provisions came into force) and 31 December 2020 are extended to 1 May 2021. These applications will form part of the Council's current supply when calculating the Housing Land Supply.

2.12 Tandridge has 1,052 units on committed sites expected to come forward in the next 5 years. In discussion with applicants, as part of the Council's monitoring functions, where the Council have been notified where sites have complex matters that may hinder delivery at a quicker rate, these sites will continue to be monitored and the position on the timescale until delivery will be updated where necessary. The Council maintains regular contact with the site promoters involved as part of its housing monitoring work.

Action Plan – Key Point: The Council has low levels of lapsed sites and the vast majority of sites permitted are developed.

2.13 In summary, the analysis set out in this section shows that delivery of homes in the District has not previously been an issue. Whilst the Council is not performing against the Government's OAN, this is partly because of the highly constrained nature of the District, particularly with respect to the extent of Green Belt and AONB designation.

3. Identification of Root Causes of Current Delivery Position

3.1 This section of the report provides the current context for housing land delivery in the District as follows:

- **Planning Designations** – Notably the extent of Green Belt and other landscape constraints present in the District.
- **Infrastructure Constraints** – Cumulative impact on infrastructure from historic development. In addition, there have been limited contributions to help alleviate and improve existing infrastructure in and across the District. As work of the emerging Local Plan has demonstrated, J6 on the M25 is now almost at capacity and increasing problems at key junctions on the A22 which are operating at capacity at peak times are hampering growth both within the District and in surrounding areas.
- **Public Sector Role** – Historically limited role of the Council to bring forward housing. In recent years, the Council has begun to realise its aspiration to deliver its own homes and is now actively promoting and delivering a council-housebuilding programme.

3.2 The root causes listed above are consistent with the position identified in this current HDTAP September 2022.

4. Responses and Action Plan

- 4.1 The Council's Housing Delivery Test Action Plan is set out below and it responds to the housing delivery analysis in Section 2 and on reflection of the key considerations set out in Section 3.
- 4.2 The Council will take the following actions to enable increased housing delivery and boost supply in the District these are divided into short and medium-term solutions:

Short Term Measures

- **Criteria Based Policy for Housing Site Delivery** – the Council will prepare and adopt (for development management purposes) a criteria-based policy (known as the Interim Policy Statement for Housing Delivery) which will assist in bringing forward land for new housing development in the short term. Those draft allocations in the emerging plan that can be brought forward will be favourably considered as a matter of principle and development opportunities not previously identified will be encouraged that assist the Council in meeting its housing needs and that do not adversely impact on designated areas.
- **Planning Performance Agreements** - The Council will promote the use of PPAs to ensure the prompt consideration of planning applications for new housing and to ensure that specialist consultancy services are at hand to enable the Council to determine applications in a prompt manner
- **Continued Pre-Application Services** – The Council has re-commenced pre-application consultation services as of October 2021 to assist developers in bringing forward suitable sites for housing development and enhance the speed at which applications can be dealt with. The Council will continue to fund this service as part of its objective to encourage further housing development in the District.
- **Commissioning Further Infrastructure Related Works** – The Council has commenced further discussions with National Highways and Surrey County Council regarding J6 of M25. One primary objective is to identify the “tipping point” in terms of housing growth in the District when congestion at the junction will cause severe delays on the rest of the network. The Council is also taking part in a wide ranging A22 corridor study to identify improvements that need to be made to the capacity of junctions to accommodate growth both within and beyond the borders of the District.

Medium Term Measures

Interim Housing Delivery Policy

4.3 The Council has prepared an Interim Policy Statement for Housing Delivery set out at Annex A which will be an important material consideration in the determination of planning applications. This comprises sites that are coming forward on brownfield land and Green Belt sites from the emerging Local Plan which have been through two regulation 18 consultations and a regulation 19 consultation and have been rigorously assessed via the HELAA and Green Belt assessments. The Council will continue to assess planning applications against the adopted Core Strategy (2008) and Local Plan Part 2 – Detailed Policies (2014), unless material considerations indicate otherwise (NPPF Paragraph 47). In addition, proposals will be assessed for consistency with national planning policies as a whole.

- **Diversify Market Opportunities** - On 15 January 2019 members of the Housing Committee adopted the Council's Housing Strategy 2019-2023. Policy HS1 within the Housing Strategy aims to provide a mix of market housing on sites over 10 units in order to readdress the balance of housing types and provide smaller properties.
- **Greater, Direct Public Sector Role** - The Council's Strategic Asset Management team are leading on building and managing the Council's property portfolio and delivering housing development. The Council are keen to look at ways in which they can become more actively involved in land acquisition, general housing delivery and council house building.

5. Project Management and Monitoring Arrangements

- 5.1 The actions summarised above set out the work the Council will aim to undertake within the timescales stated. The Action Plan will be monitored and reviewed by the Strategy Team on an annual basis when the publication of the HDT results is available.

- 5.2 Information relevant to the Action Plan will be collected from a range of sources such as the AMR, IDP, Housing Topic Paper, Housing Strategy, Strategic Plan, and any other relevant documents.

Annex A Interim Policy Statement for Housing Delivery

This is an interim Policy Statement for Housing Delivery providing a consistent approach for Development Management for the determination of housing applications in Tandridge District going forward and will include consideration of the matters set out below.

The primacy of the protection of the Green Belt, Surrey Hills Area of Outstanding Natural Beauty (AONB) and the High Weald AONB, candidate areas for AONB status will be the key planning consideration in determining planning applications under this interim Policy.

Infrastructure constraints, such as local, strategic and national route highway capacity constraints and foul or surface water drainage constraints, will be key planning consideration in determining planning applications under this interim Policy.

Applications will be invited to come forward that meet the following criteria and are in accordance with the Council's development plan and with the National Planning Policy Framework (NPPF) and with national planning guidance:

- i) Provide for the re-development of previously developed land in the urban areas and the Green Belt;*
 - ii) Housing sites included in the emerging Local Plan where the Examiner did not raise concerns (see Appendix A);*
 - iii) Sites allocated for housing development in adopted Neighbourhood Plans which will make a contribution to the overall delivery of housing in the District;*
 - v) Provide for the release of infill or re-development sites in settlements washed over by the Green Belt where this would not conflict with maintaining the openness of the Green Belt;*
 - vi) Constitute enabling development (for charitable development or heritage asset conservation purposes) (See Appendix B);*
 - vii) Housing development meeting a recognised local community need or realising local community aspirations including affordable housing and the bringing forward of rural exception schemes in appropriate locations;*
 - viii) Sites that deliver flood mitigation measures for already identified areas of the District at serious risk of flooding;*
- and any such sites identified according to the above criteria must be deliverable and viable, having regard to the provision of any necessary on-site and off-site infrastructure, affordable housing requirements and payment of the Community Infrastructure Levy.*

All development proposals will be expected to comply with the requirements of the NPPF and the policies of adopted development plan, that is the Core Strategy (15th October 2008), Tandridge Local Plan Part 2: Detailed Policies 2014-2029 (July 2014), all adopted Neighbourhood Plans and Supplementary Planning Guidance where relevant.

Planning permission will only be granted for a limited period of 2 years to ensure the rapid development of the sites.

When considering planning applications for residential development on a specific site, the cumulative impact of development (and particularly wider highway capacity and safety considerations) will need to be taken into account.

Applications should be accompanied by Master Plans setting out how the site will be developed, the location of infrastructure, how the site will function, its visual appearance, how it relates to the surrounding area, and the adjacent transport network including roads, footways, cycleways and bridleways.

Tandridge District has a recognised deficit of infrastructure. Special consideration will be given to the development of sites that overcome existing infrastructure deficits.

Where the proposed development would create the need to provide additional or improved off-site infrastructure, funding or a programme of delivery should be agreed with the relevant infrastructure providers to ensure that these improvements are provided at the time they are needed.

Off-site infrastructure requirements essential to allowing the development to proceed will be expected to be included in a Grampian Condition or Section 106 Agreement or other legal agreement as appropriate.

An ecological impact assessment should be undertaken and appropriate measures identified and implemented accordingly to mitigate any potential adverse impacts of the development on biodiversity and to secure biodiversity net gain.

Appendix A - Examples of possible sites:

The emerging Local Plan process identified a number of large sites (75+ units) that could potentially be brought forward where the Examiner did not raise concerns. These sites have been rigorously assessed via the HELAA process and Green Belt assessments. They have also been through two Regulation 18 consultations, one Regulation 19 consultation as well as site specific Examination hearings.

Appendix B – Enabling Development in the context of this Interim Policy Statement for Housing Delivery:

Enabling development means allowing development to take place that would not normally be granted permission because it is contrary to development plan policy (and possibly national planning policy) but which enables the delivery of a development which provides exceptional and significant public benefit.

REASONED JUSTIFICATION

To seek to maintain the delivery of new housing in Tandridge District Council recognising the significant planning and other constraints the District is subject to.