

Spelthorne Housing Capacity Study April 2005



Housing Capacity Study

April 2005

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List of Abbreviations

DPD	Development Plan Document
EA	Environment Agency
GIS	Geographical Information System
LDF	Local Development Framework
PPG	Planning Policy Guidance
PPS	Planning Policy Statement
PUOS	Protected Urban Open Space
SA	Sustainability Appraisal

Executive Summary

The purpose of the Spelthorne Housing Capacity Study is to estimate the capacity for further housing in the Borough to 2018, the anticipated end date for Spelthorne's emerging Local Development Framework. This will enable an informed assessment of Spelthorne's ability to meet the Draft South East Plan housing allocation. This study updates and replaces the Council's earlier capacity study carried out in 2003.

The Capacity Study is a technical document and not a statement of Council policy. While the study involves assessing the development potential of sites for housing the inclusion of a site in the study does not constitute a decision by the Council on the acceptability of any particular development on the site.

The study has been carried out within the context of Government guidance and the Common Methodology agreed by Surrey local planning authorities. Scope for development has been assessed within the context of current local and national policy. The base date for this study is 1 April 2005.

The key stages in the assessment process are:

- Identify areas where new housing may be acceptable
- Survey these areas to identify sites that could be developed for housing
- Assess the likely yield of identified sites to obtain a total capacity for surveyed sites
- Separately forecast likely development based on past trends, constrained by current policy
- Consider whether any discount or windfall allowance should be applied to the survey totals taking account of the trend based forecasts
- Adjust the Capacity Study forecasts to take account of trend based forecasts and any allowance for discounts and windfalls.
- Subject large sites to 'market testing' to establish viability of implementation.
- Add outstanding planning permissions at 1 April 2005 likely to be completed after 31 March 2006. This has been done to give a total for housing development to correspond with the start of the Draft South East Plan requirement in 2006 to the end of the emerging Local Development Framework in 2018.

The Capacity Study total, broken down by site size is as follows:

Source of Supply	Net Gain 2005 - 2018
New Build 1 – 9 units (2)	334
New Build 10 + units and < 0.4 ha (2)	333
New Build 10 + units and > 0.4 ha (2)	728
Total New Build	1,395
Conversions to Residential (3)	132
Total new residential	1,527

The results imply an annual rate of development comparable with past trends and an average density of development that is above past trends but broadly comparable with outstanding permissions, which is to be expected due to the impact of Government policy on minimum densities. They imply some reduction in the past rate of development of non-residential land for residential purposes. Overall the results suggest outcomes compatible with current policy.

Adding permissions likely to be completed after 31 March 2006 gives the following picture:

Source of Supply	2005-2018	2006-2018
Outstanding planning permissions (31 March 2005)		
Units under construction (a)	126	-
Units not started (b) (Net)	414	-
Total permissions including units under construction (a+b)	540	540
Less units anticipated to be complete before 1 April 2006 (c)*	-	-133
Residual outstanding units at 1 April 2005 likely to be completed post 31 March 2006 (a+b-c)	-	407
Plus Capacity Study total	1,527	1,527
Overall Total Supply	2,067	1,934

* Since this report was written close to 1 April 2006 a fairly accurate estimate could be made of units likely to be complete by then.

Note: It is anticipated that there would be sites additional to those identified in the capacity study which would have been granted permission between 1 April 2005 and 31 March 2006. The figures do not take any account of these permissions as the base date of this study is 1 April 2005.

The total housing supply identified for the period 2006 – 2018 is 1,934 which exceeds the proposed South East Plan allocation of 1,812 for the same period by 122 units. In terms of units per annum the supply translates to 161 dwellings per annum which is slightly above the 151 dwellings allocated in the Draft South East Plan.

It would, however, be consistent with the South East Plan strategy to allow a degree of leeway between the best estimate of capacity and the final South East Plan provision for the Borough. This would ensure that, if the Capacity Study figure proves to be a slight overestimate, development is still limited to that which can be accommodated in an acceptable way within the existing urban area, as the South East Plan envisages for Spelthorne.

1. Introduction

Purpose of the Study

- 1.1 The purpose of this Housing Capacity Study is to estimate the capacity for further housing in Spelthorne to 2018.
- 1.2 The study will inform the emerging Spelthorne Local Development Framework and enable an informed assessment of Spelthorne's ability to meet the Draft South East Plan housing allocation.

Background and Scope of the Study

- 1.3 The study has been prepared to a base date of 1 April 2005.
- 1.4 References are made to relevant government guidance produced after the 1 April 2005 base date since this report was written in January 2006. Progress with the LDF is also reported up to January 2006.
- 1.5 A capacity study was carried out in 2003 to provide an input to the Surrey Structure Plan review. It provided an informed assessment of capacity for further housing in Spelthorne during the Structure Plan period 2001 - 2016.
- 1.6 Following the last study the Council has commenced preparing its first Local Development Framework (LDF) under the Planning and Compulsory Purchase Act 2004 and has made significant progress. The LDF will replace the Adopted Local Plan of April 2001. It is expected that the LDF will be adopted in 2008 and the plan period will be up to 2018. Therefore this study assesses housing capacity up to 2018.
- 1.7 In preparing the LDF the Council carried out an 'Initial Consultation' in November/December 2004 to identify issues that the plan should address. Following this 'initial' consultation a consultation on 'Spelthorne Development Plan Options for the Future' was carried out in September/October 2005 which included 'Site Specific Options'. Other LDF documents that the Council has consulted on and approved are the Sustainability Appraisal Scoping Report and a Draft Statement of Community Involvement. Progress has also been made in carrying out other background studies to inform the LDF.
- 1.8 At the next stage of consultation on LDF documents, the 'Preferred Options' consultation will be of particular relevance to housing capacity in the Borough. This will include the Council's 'Preferred Options' for Site Specific Proposals. The Council's Local Development Scheme contains detailed programme of LDF preparation.
- 1.9 Spelthorne's LDF would need to conform to the adopted South East Plan unlike the Local Plan which needed to be in conformity with the Surrey Structure Plan. The South East Plan is expected to be adopted in 2007 and run up to 2026.
- 1.10 Until the adoption of the South East Plan the housing allocation in the current Surrey Structure Plan will continue to apply to Spelthorne.
- 1.11 In assessing capacity the study seeks to take account of relevant Government planning policy guidance and statements, existing Spelthorne Borough Local Plan policies, policies in the Surrey Structure Plan, emerging government policies and emerging

policies in the LDF. The intention is to ensure so far as possible that it is prepared in an up to date policy context.

- 1.12 The Capacity Study is a technical document and not a statement of Council policy. While the study involves assessing the development potential of sites for housing the inclusion of a site in the study does not constitute a decision by the Council on the acceptability of any particular development on the site.

Structure of the Report

- 1.13 This report follows the same structure as the 2003 report and provides additional explanation where there has been a change. It is laid out in three parts:
- 1) **Introduction** – describes the study and the policy background.
 - 2) **Methodology** – describes how the capacity assessment was carried out.
 - 3) **Results** – sets out and interprets the results of the assessment, including site specific information in appendices A and B.

Policy Background

- 1.14 The existing Surrey Structure Plan was adopted in 2004 and made provision for a total of 2,580 dwellings in Spelthorne between 2001 and 2016. This provision was based on the results of the 2003 Spelthorne Housing Capacity Study. In policy terms this assessment of housing capacity assists in ensuring maximum contribution is made towards meeting housing needs without infringing important environmental or other policy constraints.
- 1.15 Between 1 April 2001 and 31 March 2005 a total of 1,158 dwellings (net) had been completed in Spelthorne. In addition at 1 April 2005 there were 126 dwellings under construction and outstanding planning permissions for a further 414 dwellings.
- 1.16 The South East Plan when adopted will supersede the Structure Plan. The Draft South East Plan makes an allocation of 151 dwellings per annum for Spelthorne between 2006 and 2026. Spelthorne's LDF will need to ensure that sufficient land is available to meet the requirements of the South East Plan.
- 1.17 The central role of housing capacity studies in planning for future housing provision is stressed in Government planning policy guidance. PPG3 (Housing), in effect when this study was conducted and the report was written, sets out a "plan, monitor and manage" approach to ensure that new homes are provided in the right place and at the right time. It gives priority to reusing previously developed land over the development of greenfield sites. To make the best use of such land the PPG expects that all local planning authorities will undertake urban housing capacity studies to establish the capacity of their areas.
- 1.18 The Government has followed up PPG3 with "Tapping the Potential", a guide to best practice in housing capacity studies. This states that capacity studies are now at the heart of the planning for housing process and form the basis for both the sequential approach and the managed release of sites. "Tapping the Potential" highlights issues involved in capacity studies and acts as a checklist for options and decisions in the capacity assessment process, but it does not prescribe a methodology for the conduct of capacity studies.

- 1.19 In December 2005 after the technical work was carried out for this study the government published Draft PPS3 for consultation. Draft PPS3 proposes replacement of Housing Capacity Studies with Housing Land Availability Assessments. A draft practice guidance on carrying out these assessments had also been published. These draft proposals include identifying a sub-regional market and then carrying out the assessments for the sub-region in collaboration with other local authorities, developers and stakeholders. They also propose an unconstrained supply should first be identified and then it will be for the LDF and Sustainability Appraisal (SA) to appraise the suitability of sites based on constraints. The guidance proposes a different methodology and is still in a draft form. It is therefore considered premature to embark on such a study at this stage.
- 1.20 It is anticipated that the information on housing capacity set out in this study will be updated annually till the examination of the Proposals Development Plan Document (DPD).

2. Methodology

Introduction

- 2.1 This update follows the same general methodology as the 2003 study which is described below. A new element in this update is that the study takes account of the findings of 'market testing' of large sites carried out by consultants Campsies.
- 2.2 The methodology for the 2003 study was developed within the broad framework of the "Common Methodology for the Assessment of Housing Capacity" agreed by the Surrey local planning authorities in May 2002.
- 2.3 The methodology also takes account of Government guidance in "Tapping the Potential". Table 6 shows how the various potential sources of supply listed in that document have been considered in this study and Table 10 shows the yield classified by these sources.

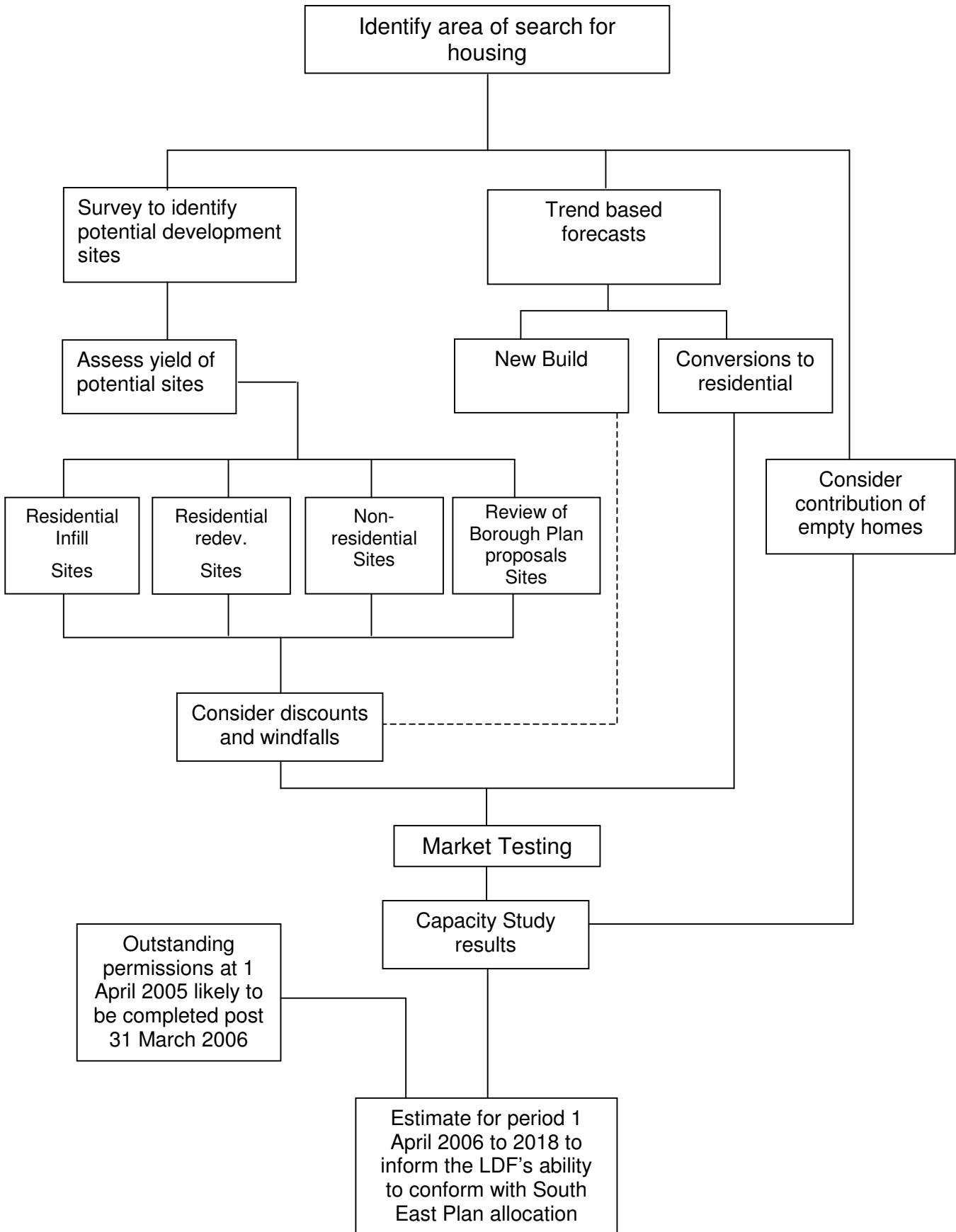
Outline Methodology

- 2.4 The key stages in the assessment process are summarised below and described in more detail in later sections of this report.
 - a) **Identify the area of search for new housing.** The first stage was to identify those parts of the Borough in which new housing may be acceptable. Areas where there are policy or physical constraints that would render new housing unacceptable in the future were ruled out at this stage.
 - b) **Survey the area of search to identify sites that could be developed for housing.** In identifying sites account was taken of whether residential development could take place in an acceptable manner, whether there were any policy objections to residential (particularly relevant where the site was in another use), whether there were potential ownership problems and whether there was known interest in developing the site. Sites with outstanding planning permission were assumed to be developed in accordance with the permission and were not assessed as part of the study.
 - c) **Assess the likely yield.** For each site identified an assessment was made of the number of housing units that could be provided taking account of the character of the area, including other recently completed and permitted development, Borough Plan design and other relevant policies and consideration of any preliminary enquiries for development; all subject to a minimum density requirement. An overall total was calculated with sub divisions by size and type of site.
 - d) **Review of Borough Plan Housing Proposals.** As part of the process of assessing yields a specific reassessment was made of the capacity of Borough Plan proposals which did not have planning permission.
 - e) **Trend Based Forecasts.** Parallel forecasts were made for different types of housing development, taking account of recent trends but constrained by current policy. These forecasts were compared with the survey results and formed the basis for assessing yields for some types of development, particularly conversions to residential where reliable forecasts could not be made from surveys alone.
 - f) **Empty Homes.** Consideration was given to whether an allowance should be made for a reduction in empty homes.

- g) **Discounting and Windfalls.** Consideration was given to whether a discount should be applied to the survey results either in total or for specific types of development, and whether an additional allowance should be made for windfall sites that could not be identified through the survey process.
- h) **Market Testing** The Council commissioned Chartered Surveyors Campsie to test the viability of implementation of large sites above 0.4 hectares based on current and anticipated property market trends. They also provided an overview of the local housing market. Their findings were fed into the 2005 update.
- i) **Relationship to the Draft South East Plan allocation.** The LDF will need to demonstrate sufficient housing provision in conformity with the South East Plan from 2006 to the end of the LDF period in 2018. Therefore to provide an assessment of total development for the period 2006 – 2018 outstanding permissions at 1 April 2005 likely to be completed post 31 March 2006 were added to the capacity assessment.

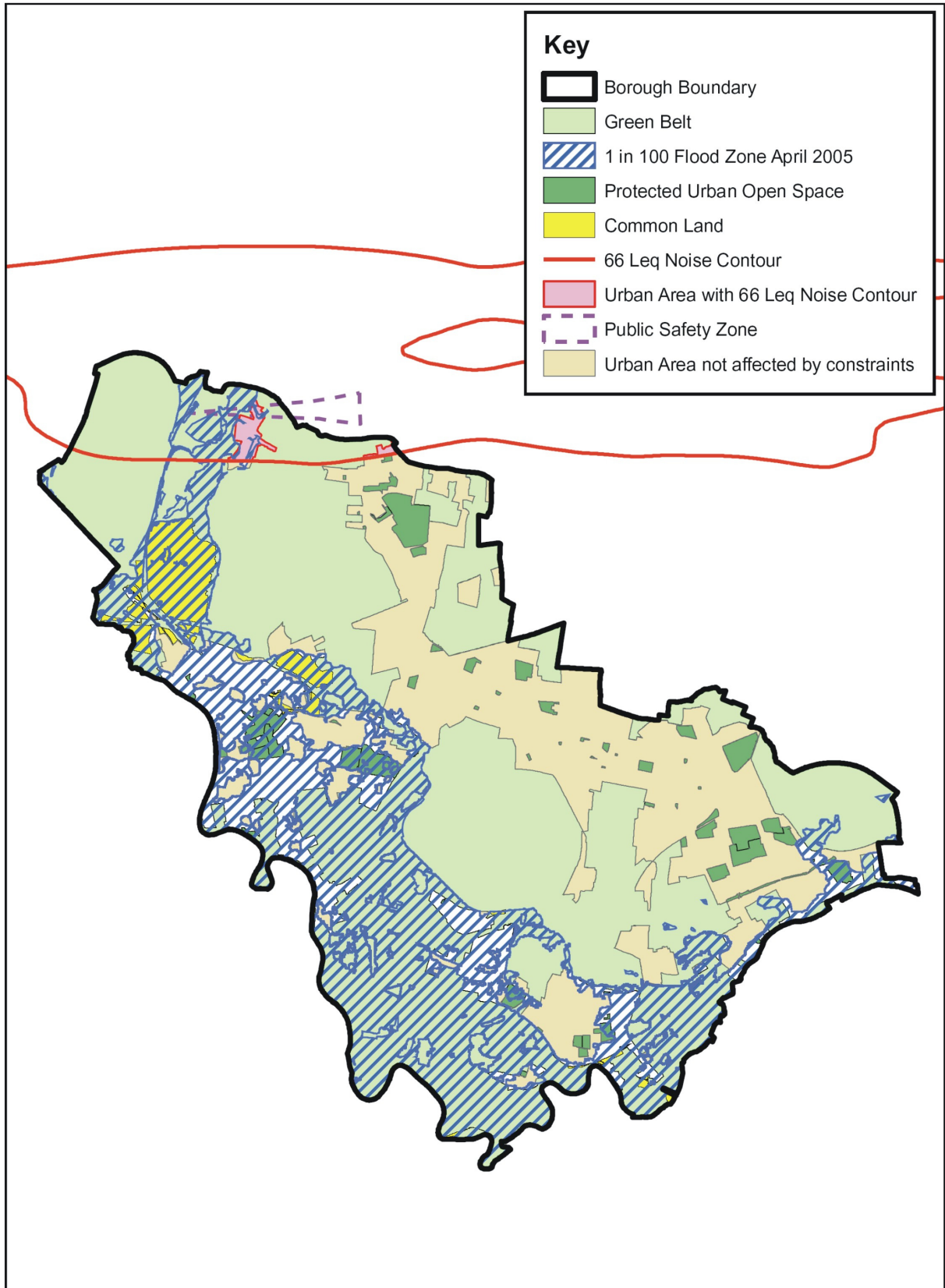
2.5 The methodology is shown diagrammatically in Figure1.

Figure 1 Spelthorne Housing Capacity Study Methodology



Area of search for new housing

- 2.6 The initial stage in the capacity assessment process is to define those parts of the Borough in which new housing may be acceptable. This entails first identifying, and then eliminating, those areas where further housing would not be acceptable. There are significant parts of the Borough, including parts of the urban area, where there is an “in principle” objection to new housing development. Such areas need to be excluded from the search for new housing sites.
- 2.7 The areas excluded from the survey are:
- a) **Land designated as Green Belt.** Government guidance in PPG2 is that Green Belts once established should be permanent and only varied in exceptional circumstances. In addition the Structure Plan recognises the particular importance of the Green Belt in North Surrey in preventing the expansion of London and the coalescence of towns and villages in the area and identifies maintaining the Green Belt as a key aim for this part of the country. There is no reason to assume any land in Spelthorne currently within the Green Belt will be released. The current Green belt boundary has been ‘saved’ and will remain unchanged in the LDF and is therefore used for the purposes of the study. There is a strong presumption against residential development in the Green Belt and there are no Major Developed Sites in Spelthorne’s Green Belt that might have yielded some housing capacity. During the period to 2018 it is possible that a small number of dwellings (including conversion of existing buildings) may be developed, justified by very special circumstances, but they are not likely to make any significant contribution to housing supply. There is no case for including any Green Belt land within the Capacity Study.
 - b) **Sites of National or International Value for Nature Conservation.** Sites of Special Scientific Interest, Special Protection Areas and Ramsar sites are unacceptable for housing on nature conservation grounds, although in practice all such areas in Spelthorne are also excluded on the basis of Green Belt designation.
 - c) **Designated Common Land.** Common Land has statutory protection and it is also safeguarded by Borough Plan policy. Nearly all the Borough’s Common Land is Green Belt but there are some small pockets in the urban area that are excluded from the capacity survey.
 - d) **Areas Liable to Flood.** Large parts of the Borough, including significant parts of the urban area, are liable to flood. Government guidance in PPG25 is that new housing should not be developed in areas liable to flood. Since the last study, the Environment Agency (EA) has replaced their indicative flood plain maps with Flood Zone maps. The EA’s April 2005 Flood Zone map was used to define the flood risk area for this study. The study followed the approach to exclude sites within the 1 in 100 flood risk area. Although the revised flood map resulted in roughly the same gross figure (Table 1) of the Borough in the flood plain, it covered a slightly different geographical area. As a result a few sites identified in 2003 were partially or completely within the April 2005 1 in 100 flood zone, while some other areas previously in the flood plain had no flooding constraint on them. Therefore new areas have been surveyed to identify capacity and sites now within the 1 in 100 risk area have been excluded.



**Plan 1: Spelthorne Housing Capacity Study Area
Policy Constraints**

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Scale - 1:65,000



The exception to the rule to bar sites within the 1 in 100 flood risk areas was to include large sites in the flood risk area where the owners had carried out a flood risk assessment which had subsequently been approved by the EA.

At the time of writing this report the government was consulting on a Draft PPS 25 – Development and Flood Risk. The new guidance will be kept under review for future updates of the study.

- e) **Land designated as Protected Urban Open Space.** Government guidance in PPG17 is that valuable urban open space should be retained. The Borough Plan designates areas of Protected Urban Open Space (PUOS) and Policy BE14 of the Plan safeguards such sites from development. This policy is assumed to continue and areas subject to PUOS designation are therefore excluded from the survey. About 10% of the urban area is subject to this designation but some urban open space is also liable to flood. The net effect is to exclude a further 8% of the urban area from the survey.
- f) **Land within the 66 Leq Aircraft Noise Contour.** Parts of the Borough are affected by aircraft noise from Heathrow. Government guidance is that new housing should not be permitted in areas within (i.e. exceeding) the 66 Leq noise contour. This is reflected in the Borough Plan (Policy BE32 and Appendix 6). These areas are also assumed to offer no capacity for the purposes of this study. The areas affected are Stanwell Moor, part of which is also affected by flooding, and the northern extreme of Stanwell. The Department for Transport update the noise contours and there had been a revision at the time of the 2005 study. The revision resulted in a smaller area affected by the 66 Leq noise contour reflecting government policy for quieter aircrafts. The new area free of noise constraint was surveyed in 2005. About 1.3% of the urban area is affected by this constraint. The net addition to the area excluded from the survey is less than 1%.
- g) **Aircraft Public Safety Zones.** Part of Stanwell Moor lies within a Public Safety Zone, where new housing is ruled out on safety grounds. This area is also excluded on noise grounds.

2.8 There are no urban areas in Spelthorne that are so remote or inaccessible as to justify an “in principle” objection to further housing on grounds of sustainability. Nor are there any existing urban areas where lack of infrastructure or services is so severe as to justify resisting further housing, although there may be a need to improve infrastructure and services in some locations to maintain quality of life.

2.9 Spelthorne has no defined areas of residential character which might be considered for exclusion from the search for potential housing sites. The Borough’s Conservation Areas do have a special character but Conservation Area designation does not rule out the principle of new housing where it would otherwise be acceptable. The special character or individual Conservation Area is taken into account in the assessment of potential sites (see Table 3).

2.10 The practical effect of these exclusions is to limit the survey area, first to the existing urban area of the Borough, and then to those parts of the urban area that are not liable to flood, not designated as Protected Urban Open Space or Common Land or not subject to excessive levels of aircraft noise.

2.11 The impact of these designations on the total quantity and proportion of the urban area potentially available for residential development is shown in Table 1. The remaining survey area amounts to 65.6% of the urban area of the Borough and is shown on Plan 1.

Table 1 Derivation of the Housing Capacity Study Survey Area

	2003 Total (in Hectares)	2003 As % of the Urban Area	2005 Total (in Hectares)	2005 As % of the Urban Area
Area of the Borough	5,118	N/A	5,118	N/A
Total urban area	1,794	100	1,794	100
Constraint: Urban area liable to flood	488	27	477	26.6
Constraint: Protected Urban Open Space	177	10	177	10
Urban area subject to at least one constraint (1)	636	35	617	34.4
Remaining Urban area free of all three constraints (2)	1,165	65	1,177	65.6

Notes:

- 1) Some land is subject to more than one constraint, for example it may be both liable to flood and protected urban open space. Consequently the area subject to at least one constraint is less than the sum of the three constrained areas.
- 2) The area free of constraint is the total urban area minus the area subject to at least one constraint.

Survey of the Borough

- 2.12 The urban area free of all constraints was originally surveyed between December 2002 and March 2003. Due to the changes in the flood plain boundary and in the 66 Leq noise contour, extra surveys were carried out in April – May 2005 to identify capacity in new areas free of these constraints. The surveys were carried out by planning officers from the Council's Planning Policy and Implementation section
- 2.13 For the remaining areas in 2005 a desktop research project using aerial photographs, GIS showing new constraints and information on planning permissions was used to reassess the suitability for inclusion of each site identified in the original study. The 2005 study also updates information on outstanding permissions and capacity sites that have come forward as planning proposals and records completions since 2003. Based upon this information outstanding capacity could be assessed and future forecasts made.
- 2.14 For the original survey in 2003 the urban area was divided into a number of survey areas. Following an initial pilot study the survey process began with an office-based appraisal involving inspection of large-scale maps supported by information on relevant Borough Plan notations, development commitments, current applications and preliminary enquiries. This yielded an initial indication of potential development sites. The whole area was then visited and a full survey carried out "on the ground" to confirm potential sites and identify any that may not have been apparent from the maps. The assessment was completed back in the office and an initial decision made on whether the site should be identified and the capacity that should be assumed. Where sites were subject to developer interest their potential capacity was discussed with members of the Development Control team and, where relevant, with the Head of Development Control and the Head of Planning. To ensure consistency the

preliminary results for each survey area were audited by a second senior team member before they were confirmed. This approach was also followed in the 2005 survey.

- 2.15 Details of each site identified were recorded on a standard form. The information recorded is shown on Table 2 below.

Table 2 Information Recorded on Identified Housing Capacity Sites

Information	Comment (where relevant)
Reference Number	Each site was given a unique reference no.
Survey Area	The Borough was divided into 38 survey areas.
Surveyor	The person who carried out the survey for this site.
Full postal address	
Current site use	
Type of existing building	Relevant if there are existing dwellings on the site.
Proposed residential units on the site.	
Existing residential units on the site.	
Net additional residential units on the site.	Proposed minus existing.
Site Area (Ha)	
Density	
Type of development	Houses or flats or a mixture.
Category of development	Distinguishing infill from redevelopment schemes.
Discussion site	Sites raising more complex issues were discussed by the whole team before a final decision was made.
Notes	This section was used to identify site or locality based factors affecting the scope for development (eg characteristics of adjoining property, trees on the site, access problems). Relevant planning history and current preliminary enquiries or applications were also identified where relevant.

Selecting and assessing sites

- 2.16 The selection and assessment of sites took account of adopted and emerging policies at the local, regional and national level and the Surrey Structure Plan as explained in paragraphs 1.14 – 1.19.
- 2.17 Account was taken of practical factors affecting the likelihood of development, including complexity of ownership, likely viability of existing uses and indications of developer interest.

2.18 The specific criteria applied is set out in Tables 3 and 4 and for clarity of explanation is grouped by sites currently in residential or non-residential use.

Table 3 Factors in the Assessment of Sites in Residential Use

Criterion	Comment
Residential development was acceptable in principle	In accordance with Borough Plan, Structure Plan and PPG3 Guidance to make efficient use of residential land.
A minimum density of 30 dwellings per hectare was required with a minimum of 50 dwellings per hectare in and adjoining town centres (1).	In accordance with PPG3 Guidance.
Higher densities were not ruled out where there was no harm to the character of the area and adjoining properties were not adversely affected.	Consistent with Government guidance on making efficient use of urban land.
Redevelopment for flats was normally acceptable in and adjoining town centres and in other areas where flats were a feature of the street scene.	To respond to the identified need for smaller units where they can be provided in an acceptable way and to make the most efficient use of urban land in accordance with PPG3.
Development schemes should accord with the Council's SPG on the Design of Residential Development. This includes minimum back-to-back and back to flank distances and criteria regarding overlooking and loss of light.	To ensure compliance with adopted minimum standards.
An additional minimum width of 7.5 m was assumed for single dwelling plots.	The Council's SPG has no specific standard for the minimum width of residential plots. The criterion provides some certainty for surveyors. Wider plots may still be ruled out on other considerations.
Regard was had to the scale and character of other development in the locality including recently completed schemes.	To take account of the character of the surrounding area and also what had been permitted more recently.
Trees of amenity value were assumed to be retained.	In accordance with Borough Plan policy on tree protection.
Account was taken of the Council's Parking Standards, allowing for provision below the maximum in areas with good public transport.	The Council's maximum parking standards take account of current Government guidance in PPG13.
Garage courts and communal parking areas were considered for development where there was evidence of under use.	Some garage courts have been redeveloped in recent years. They can be under used particularly where they are poorly related to the properties they are intended to serve.

Criterion	Comment
Where there was developer interest in the form of a preliminary enquiry or current planning application advice was sought from the Development Control case officers on the scale of development likely to be acceptable.	To ensure the study took account of all available information on potential development.
Small sites (less than 0.4 Ha) were normally only considered for development if no more than three ownerships were involved. An exception was where a developer was known to have assembled a large number of plots.	More ownerships add complexity and make development less likely. Small sites with many owners were therefore ruled out from consideration in this study unless there was evidence to suggest a development proposal was being brought forward.
Households selling plots were assumed to want to retain a rear garden at least 15m deep.	This is a stricter criterion than in the Council's Design SPG and is intended to reflect likely owner intentions when they are selling off part of their property.
Redevelopment schemes involving loss of existing housing were only allowed where the number of units created was at least double the number lost. Two for one developments were only allowed where the existing dwelling was relatively small or in poor condition.	Redevelopment schemes need to offer a significant net gain if they are to be sufficiently viable to cover the cost of acquiring existing dwellings.
In Conservation Areas regard was had to the special character of the area, including relevant Enhancement Plans.	In accordance with legislative requirements. Government guidance and Council policy.
Buildings on the Statutory and Local Lists were assumed to remain. Development in the vicinity of listed buildings was assessed in the light of its impact on the character and setting of the building.	In accordance with national and local policy on listed buildings.

Note:

- 1) In accordance with Surrey County Council's Common Methodology for Housing Capacity Studies "Adjoining Town Centres" was assumed to be within 500m of the town centre boundary, although this was not treated as a rigid requirement for smaller centres where the town centre influence extends over a more limited area. The technical work for the study predates the publication of density guidelines in draft PPS3.

Sites in non-residential use

- 2.19 For sites in non-residential use the presumption in favour of residential development does not automatically apply. The first consideration in assessing such sites, therefore, was to establish whether residential development was acceptable in principle. This involved the application of a range of Borough Plan and Structure Plan policies regarding the existing use. In some instances there may be the option of a mixed use development where only part of the site is developed for residential.

- 2.20 In addition to the acceptability of residential there are also viability and ownership issues to consider in determining whether proposals for residential development will actually come forward.
- 2.21 Where a site was considered appropriate for residential development in whole or part, then the factors in Table 3 were relevant to assessing the potential yield. Table 4 sets out the additional factors relevant to the assessment of different types of non-residential site.

Table 4 Additional Factors in the Assessment of Non-Residential Sites

Existing Use	Assessment Issues
Vacant land	Vacant land not designated as Protected Urban Open Space or Common Land (see para 2.7) was considered suitable for residential development unless other policy constraints apply, eg flooding. (All statutory allotments in the Borough are either Protected Urban Open Space or Green Belt and thus already ruled out as unsuitable for residential development).
Commercial Sites (Industry, offices and warehousing)	In accordance with Borough Plan and Structure Plan policy, well located commercial areas where the continuation of the commercial use was environmentally acceptable were not considered suitable for residential. Account was also taken of the technical work on Employment Land study carried out in 2005. Peripheral sites adjoining residential areas particularly where such sites were occupied by older buildings and/or there was evidence of harmful impact on adjoining housing were considered potentially suitable for housing. Small sites in primarily residential areas and industrial estates that are poorly located, particularly where access is through residential areas were considered suitable in principle for residential. To take account of viability and ownership consideration, such sites were excluded where there was evidence of recent investment in the continuation of the commercial use as measured either by the presence of modern (less than 20 years old) buildings or recently refurbished buildings, both of which suggest the existing use is likely to continue. This latter consideration was not applied to commercial sites where there was known developer interest for residential.
Town Centres	Existing shopping floorspace and modern commercial premises were assumed to remain together with other uses that contribute to town centre vitality and viability eg pubs and restaurants. Other commercial sites were considered for residential in the light of Policies EM5 and EM6 of the Borough Plan with the option considered of a mixed development including residential.
Car Parks	Potential capacity from Council-owned car parks was examined in the study. Private non-residential car parks were considered for residential if there appeared to be under-use or there was scope for rationalisation of provision.

Existing Use	Assessment Issues
Social and Community Facilities	These include community halls, health facilities, churches, schools, public services, arts and entertainment and pubs. Borough Plan and Structure Plan policy seek to retain such facilities where they are needed. They were assumed to remain unless there was evidence of duplication of provision (which may be particularly relevant for pubs) or lack of need. Surplus sites were considered for residential. In some instances, for example where sites appeared to be under-used, the possibility of redevelopment or partial redevelopment to provide an element of residential was considered.
Shopping Parades and Individual Shops	Shopping parades were assumed to remain. Individual shops and related uses were considered suitable for residential unless they met a local need (eg convenience shops or post offices) or there was evidence of recent investment suggesting the existing use will continue.

Unimplemented Borough Plan housing proposals

2.22 The 2005 study reviewed unimplemented Borough Plan proposals and concluded that none of them should be deleted. There are three such sites two of which have been implemented in part. These are:

- Proposal P8: 582-604 London Road, Ashford. Original proposed for 30 dwellings. Part of site development for 23 dwellings. Capacity of remainder is reassessed in Appendix B. (increase from 7 to 24)
- Proposal P11: Former Staines West Station goods yard, timber yard and adjoining land, Moor Lane, Staines. Original proposal for 60 dwellings. Part of site developed for 65 dwellings. Capacity of remainder is reassessed in Appendix A (for 30).
- Proposal P12: Depot at 28-44 Feltham Road, Ashford. Original proposal for 23 dwellings. No permission granted. Capacity reassessed in Appendix A. (No change).

In principle the methodology also involved reviewing unimplemented Borough Plan proposals for non-residential development. In practice there proved to be no such proposals that were free of constraints listed in para 2.7 above.

2.23 Outstanding planning permissions were not re-assessed. These were assumed to be implemented as proposed and the capacity assessment excludes sites with outstanding permission.

Trend-based forecasts

2.24 Trend-based forecasts were carried out in parallel with the capacity survey. They helped in understanding how the market has been performing in recent years and offered an alternative approach to assessing future housing development based on the rate of development rather than the availability of land to develop. As such they formed a helpful tool in evaluating the capacity survey results. Their disadvantage is that they take no account of the actual supply of land that could come forward in the future and, if used crudely, do not take account of policy changes which could affect the rate of housing development in future.

2.25 The methodology for trend-based forecasts was as follows:-

- a) **Identify the time period over which the past trend will be established.** A balance has to be struck between the benefits of a long time series, in which peaks and troughs in development rates can be smoothed out to give a reliable average, and the need to avoid going back too far to avoid including developments permitted in circumstances that no longer apply today. Spelthorne has until now used a seven year trend for forecasting the development of small residential sites. This has proved a robust approach balancing a significant time series with keeping reasonably up to date and was adopted as the basis for trend based forecasts for this study. Therefore a **seven year trend** was used for forecasting.
- b) **Eliminate any developments that would not now be permitted.** The forecasts must be based on the application of up to date policy. The baseline established by the past trend needs, therefore, to exclude developments that would now be contrary to policy and could not, therefore be expected to be permitted in the future. In Spelthorne the biggest policy change affecting the principle of residential development is the extension of the flood plain and the tightening of policy within flood plain areas (see para 2.7d for further information). The data on past trends was adjusted to exclude all past housing developments in the flood plain as defined in April 2005.
- c) **Calculate the annual average past rate of development.** Based on past completions adjusted to eliminate developments now unacceptable.
- d) **Looking into the future consider whether any uplift or reduction in the past rate of development is justified.** An uplift could be justified by increasing application of PPG3-based policies on efficient use of housing land, which could result in higher density housing developments and sites coming forward for development that might not have been considered economic in the past. A reduction could be justified if there was evidence that the supply of sites was becoming more limited resulting in fewer sites coming forward in the future. For initial forecasts of new house building it was assumed that past rates would continue with no uplift or reduction.
- e) **Project the trend with any adjustment into the future.** In this instance to 2018.

2.26 Separate forecasts were produced for different sizes of development (0 – 9 dwellings, 10+ dwellings on sites of less than 0.4 ha, and 10+ dwellings on sites over 0.4 ha) and different types of development (residential infill and residential redevelopment both on existing residential sites, and development of non-residential sites).

2.27 A particular issue in the trend-based forecasts and their comparison with the Capacity Survey is the treatment of outstanding planning permissions. These are treated as commitments and excluded from the capacity survey, so for proper comparison they also need to be excluded from the trend forecasts.

2.28 To isolate outstanding permissions an assumption was made that all permissions outstanding on 1 April 2005 would be completed in the next two years and that any development without planning permission at present will not be completed until after the next two years. This assumption is based on analysis of the Council's monitoring information, which shows that on average developments take two years to pass from permission being granted to completion. It is supported by the work of Baker Associates for West Sussex County Council.

2.29 Thus the assumption is that development in the next two years (2005-07) will consist solely of the implementation of outstanding planning permissions. The trend-based forecast is then applied to the eleven years (2007-18) and the capacity survey sites are also assumed to be developed in this period. This is shown in Table 5.

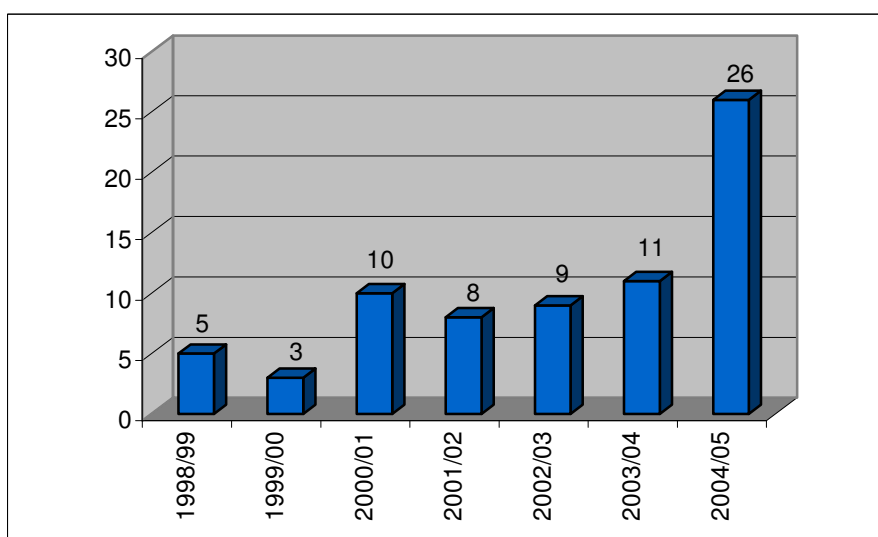
Table 5 Forecast of Housing Supply using Trend-Based Forecasts and Capacity Survey

Year	No. of Years	Capacity Survey	Trend-Based Forecasts
1998/99 – 2004/05	7	Not relevant	Establish past trend
2005/06 – 2006/07	2	Implement Outstanding Permissions	Implement Outstanding Permissions.
2007/08 – 2017/18 (for LDF to meet SE Plan allocation)	11	Develop capacity sites.	Apply trend-based forecast.

2.30 Trend-based forecasts were used as the primary forecasting tool for conversions. The Pilot Study survey showed that the potential supply of buildings, particularly large dwellings and under-used space above shops suitable for conversion, substantially exceeded past trends, indicating that the supply of suitable buildings was unlikely to constrain future supply. Economic factors affecting the viability of conversion were more likely to be a determining consideration. In these circumstances a capacity-based approach to assessing future development is only of limited value.

2.31 A trend-based approach was therefore adopted. In 2003 however an uplift of 50% was assumed to take account of the generally more supportive national and local policy towards residential conversions, the surprisingly low level of completions in the previous seven year period (a combined annual average of just eight dwellings per year) and the lack of constraint on supply. This gave an average of 12 dwellings per annum. In 2005 the previous seven years (Figure 2) average amounts to 10 units per annum. Conversions in 2004-05 are particularly high in comparison to previous years. This supports the view taken before of a rising trend. However it would be premature to consider a further uplift in the conversions figure based on just the previous year's figure. Therefore for this study a cautious estimate of 12 dwellings per year is still taken as the assumption. Future updates will keep this assumption under review.

Figure 2 Residential conversions 1998/99 – 2004/05



Empty Homes

- 2.32 “Tapping the Potential” suggests that empty homes should be considered as a potential source of housing supply. Spelthorne has a lower than average proportion of empty homes (2%). Nevertheless, it is committed through its Housing Strategy to reduce the number of empty homes.
- 2.33 In considering how to treat empty homes in this study regard must be had to the study purpose which is to assist in determining the appropriate provision for new housing development in the Borough. In recognition of this and the already low proportion of empty homes in the Borough no further allowance is therefore made in this study for reducing the proportion of empty homes.

Overview of sources of supply

- 2.34 Table 6 lists the potential sources of housing supply and how they have been assessed in this study.

Table 6 Potential Sources of Housing Supply Assessed in the Capacity Study

Potential Source	Primary Means of Assessment	Reference for Further Details
Residential Infill	Site-based survey.	Table 3
Residential Redevelopment	Site-based survey	Table 3
Redevelopment of non-residential sites	Site-based survey	Table 4
Development of vacant land within the urban area	Site-based survey of land not subject to policy constraint	Table 4
Car Parks	Assessment of potential capacity from Council owned car parks	Table 4
Unimplemented Local Plan proposals	Sites identified from Local Plan. Follow up by site-based survey	Para 2.22

Potential Source	Primary Means of Assessment	Reference for Further Details
Conversion of dwellings into smaller units	Trend-based forecast	Para 2.30 – 2.31
Conversion of non-residential buildings to residential	Trend-based forecast	Para 2.30 – 2.31
Empty homes	Not included	Para 2.32 – 2.33

Discounts and Windfalls

- 2.35 The site survey for the Capacity Study identifies sites that are suitable for residential development in policy terms. The sites identified will not necessarily equate to those that are developed in the period to 2018. It is inherently difficult to identify which sites are likely to be developed before and after the 2018 date. Some sites identified may not be developed before 2018 and some sites may be developed that have not been identified.
- 2.36 A **discount** to allow for non-implementation of some small and medium sites pre 2018 can be justified because not all those who own land where residential development is acceptable in policy terms will bring their land forward for development during the plan period or even at all. While site selection has been subject to criteria to rule out sites where development appears unlikely (eg because of multiple ownerships or viability doubts because of the scale and nature of development on the site) this process does not offer certainty that the remaining sites will all be developed.
- 2.37 For large sites there is greater certainty of implementation during the plan period as most of them are likely to be included as ‘Site Specific Proposals’ in the LDF and therefore will have a clear policy backing to support their coming forward.
- 2.38 A **windfall** allowance to allow for the development of sites that have not been identified can also be justified on two grounds. Firstly, some developers may succeed in assembling sites where, at the time of the survey, development appeared unlikely because of ownership or viability doubts. Secondly, policy grounds that ruled some sites out may be overcome. At this stage it is difficult to quantify how much additional housing might come forward via this route but it must be acknowledged that over the period to 2018 significant development will take place on sites not identified in the study.
- 2.39 A comparison of the survey results with the trend-based forecasts (see 2.24 – 2.31) is a logical starting point for considering what adjustments may be required to the raw survey results. Tables 7 and 8 present the survey figures and trend-based forecasts by site and size and origin of development respectively (conversions are excluded at this stage).

Table 7 Initial Capacity Study Results by Site Size

Size of Development (net gain)	2005 Capacity Study Total	Trend-Based Forecast to 2018	Difference (capacity minus trend)
1-9 dwellings	519	261	258
10 + units and < 0.4ha	333	438	-105
10 + units and > 0.4ha	728	1073	-345
Total	1,580	1,772	-192

Table 8 Initial Capacity Study Results by Development Origin

Origin of Development	2005 Capacity Study Total	Trend-Based Forecast to 2018	Difference (capacity minus trend)
Residential infill (1)	308	198	+110
Residential Redevelopment (2)	318	509	-191
Redevelopment of Commercial site (3)	701		
Redevelopment of other non-residential sites	253	1065	-111
Total	1,580	1,772	-192

Notes:

- 1) Residential infill is development of land in residential use with no units lost.
- 2) Residential redevelopment is development of land in residential use involving loss of one or more dwellings.
- 3) Redevelopment of commercial sites is development involving loss of land or premises in industry, offices or warehousing use.
- 4) Redevelopment of other non-residential sites is development involving loss of land or premises in non-residential use other than industry, offices or warehousing.

- 2.40 The figures show the raw capacity study results substantially exceed past trends for small sites but fall below past trends for other sites.
- 2.41 For small sites there are some grounds for concluding more weight should be given to past trends than capacity study totals. The great majority of small sites identified are in existing residential areas where the decision on whether to bring forward land for development is likely to be more influenced by owners willingness to sell and land value issues than policy issues. Council action to encourage development is also less likely to be successful for smaller sites.
- 2.42 The application of minimum density policies is leading to an increase in the average density of development (see Section 3) and suggests a greater average yield may be likely from individual sites than in the past, particularly those at the larger end of the small sites category. Nevertheless, a substantial uplift on past trends in the overall supply of housing from small sites seems at this stage unlikely.

- 2.43 Equally, the scale of potential supply revealed by the survey suggests there is no shortage of potential small sites and therefore no grounds for concluding that constraints on supply will lead to a reduction in past trends.
- 2.44 Similar conclusions apply to infill sites which fall exclusively into the small sites category.
- 2.45 In view of these factors a discount to the survey results for small sites is considered justified. In the 2003 study the difference between the capacity study figure and the trend based forecast for residential infill was applied as the discount. This amounted to a reduction of about 36% to the capacity study figure for small sites (1-9 dwellings). For the 2005 update the same proportion is applied as the discount (36% of 519) which reduces the small sites by 185 units. For small sites as a whole this still results in a small uplift on past trends which is considered justified in view of the trend to higher densities.
- 2.46 For large and medium sites there are conflicting factors to consider:

- a) Whether a discount should be applied to allow for non-implementation of some sites.

Medium Sites

While all the sites identified are suitable for residential development in policy terms there is no guarantee, for reasons set out in para 2.35 – 2.36, that all the sites identified will automatically be developed during the Plan period. That would suggest applying a discount to allow for non-implementation of some of the medium sites.

Large Sites

Most of the large sites identified in this study are likely to be included as 'Proposals' in the LDF. Their inclusion in the LDF make their implementation most likely during the LDF period. Therefore applying a discount to large sites does not seem justified.

- b) Whether an additional windfall allowance should be made for unidentified sites. This would allow for developers identifying extra sites and new sites being brought forward.

- 2.47 For medium sites it is considered that any discount for non-implementation would be balanced by additional windfall sites. For large sites past trends suggest sites will come forward at a greater rate than the survey results suggest. Given the degree of certainty attached with the implementation of large sites identified in this study as explained above there is a case for adding a windfall element as any discount is likely to be surpassed by windfall. While this study does not attempt to quantify this windfall element as this is subject to uncertainty, it is however recognised that there could be some additional potential supply of housing through this source. By making no windfall allowance for large sites the study is taking a cautious view of likely capacity from this source.

3. Results

Capacity Study Totals

- 3.1 The results of the capacity study comprise the survey results for potential new development, adjusted to take account of discounts and windfalls, plus the trend based forecast for conversions to residential, adjusted to incorporate an uplift on past trends.
- 3.2 Table 9 summarises the results by site size, table 10 provides a breakdown by development origin and table 11 classifies the results by sources listed in “Tapping the Potential”.
- 3.3 More detailed site specific information on large and medium sites is contained in Appendices 1 and 2 respectively.

Table 9 Capacity Study – Summary of Results by Site Size 2003 and 2005

Source of Supply	Net Gain 2005 - 2018	Net Gain 2003 - 2016 (1)
New Build 1 – 9 units (2)	334	350
New Build 10 + units and < 0.4 ha (2)	333	435
New Build 10 + units and > 0.4 ha (2)	728	396
Total New Build	1,395	1,181
Conversions to Residential (3)	132	132
Total new residential	1,527	1,313

Notes:

- 1) Figures for 2003 have been provided for comparison only.
- 2) Figures for new build are based on the capacity study survey results adjusted to allow for discounts and windfalls. A discount was applied to the 1 – 9 units total to bring the total into line with the trend figure for residential infill sites – a reduction of 185 from capacity figure of 519 for 2005. (For further explanation see para 2.45).
- 3) This includes conversion of existing buildings from non-residential to residential and sub-division of existing dwellings to smaller units. An average of 12 units per year for eleven years is assumed which represents an uplift on the past rate (7 year average, 1998-2005) of 10.29 dwellings per year. (For further explanation see paras 2.30 – 2.31).

Table 10 2005 Capacity Study – Results by Origin of Development

Source of Supply	Net Gain 2005-2018	Net Gain 2003 – 2016 (1)
Residential infill (2)	123	141
Residential redevelopment (3)	318	336
Redevelopment of commercial sites (4)	701	618
Redevelopment of other non-residential sites (5)	253	86
Total new build	1,395	1,181
Conversion from existing residential	38	22
Conversion from non-residential	94	110
Total new residential (new build and conversions)	1,527	1,313

Notes:

- 1) 2003 figures have been provided for comparison only.
- 2) Residential infill is development of land in residential use with no units lost. A discount of 185 has been applied to the survey total to reflect past trends. See para 2.45.
- 3) Residential redevelopment is development of land in residential use involving loss of one or more dwellings.
- 4) Redevelopment of commercial sites is development involving loss of land or premises in industry, offices or warehousing use.
- 5) Redevelopment of other non-residential sites is development involving loss of land or premises in non-residential use other than industry, offices or warehousing.

Table 11 Capacity Study - Results by Development Sources Identified in “Tapping the Potential”

Source of Supply	Net Gain 2005 - 2018
Subdivision of existing housing	38
Flats over shops (1)	-
Empty homes (2)	0
Previously developed vacant and derelict land and buildings (non-housing)	150
Intensification	103
Redevelopment of existing housing	318
Development of car parks (3)	85
Conversion of commercial buildings	94
Review of existing housing allocations (4)	77
Review of other existing allocations (5)	639
Vacant land not previously developed (6)	23
Total	1,527

Notes:

- 1) Figures from this source are included under conversion of commercial buildings, where previous use is commercial.
- 2) Not included in assessment (see para 2.32 – 2.33) for explanation.

- 3) For further discussion of approach to car parks see entry in Table 4. This figure does not include redevelopment of garage courts and car parks within residential areas, which are included under intensification.
- 4) The figure is the revised total yield from unimplemented Borough Plan housing proposals. It represents a net increase of 35 on the existing remaining Borough Plan total.
- 5) The Borough Plan does not allocate land for other existing uses. Employment land needs are met from the redevelopment of existing suitably located commercial sites. The figure given represents the yield of new housing from existing non-residential sites (after exclusion of derelict commercial land and buildings and car parks). The impact on the supply of employment land is discussed in paras 3.10 –3.12 below.
- 6) Only vacant land within existing urban areas was considered for development.

Interpreting the results

- 3.4 The Capacity Study total translates into an annual rate of development of 139 units per year over the eleven years 2007-2018 (this assumes no sites could be completed before 2007 due to the time lag in obtaining planning permission and completing building – see para 2.6.5 for further explanation). This compares with an annual average of 217 units per year in the last seven years, which reduces to 170 units per year if developments in areas now liable to flood are excluded. It must be recognised that the actual rate is inflated due the completion of a particularly large development at Windmill Road, Sunbury along with another large development at Ashford hospital between 2003 – 2005. This level of development is unlikely to be repeated in the foreseeable future. Thus it can be interpreted that the implied rate of development is fairly close to the past rate if the exceptionally large developments of previous years are adjusted.
- 3.5 A comparison can also be made between the average density of capacity study sites and actual densities of development as shown by past trends and outstanding permissions. Table 12 shows the results.
- 3.6 It can be seen that the average density of capacity study sites is greater than the average for the past seven years but is broadly compatible with the average for outstanding permissions. This is to be expected as past developments do not fully reflect current policy guidance on making efficient use of urban land, particularly given that developments will reflect policy guidance at the time they were permitted rather than at the later date when they were implemented.

Table 12 Average Density of Development of Capacity Study Sites Compared with Past Trends and Outstanding Permissions

Type of Development	Average Density in dwellings per hectare (1)
Developments completed in last 7 years	41.9
Outstanding planning permissions	49.8
Capacity study sites	47.6

- 1) Average density is calculated by dividing the total number of gross units by the total area of sites.

- 3.7 It is also possible to examine the implications of the Capacity Study assumptions for the average size of new dwellings. The Council's recent amendment to Policy H5 of the Borough Plan sets a target of 80% of new dwellings to be two bedroom or less. This is in response to the Borough-wide Housing Needs Assessment, which showed a need for a greater proportion of small dwellings. The approach of the Capacity Study was to seek opportunities for smaller units where they could be provided in an acceptable way but not to aim for a specific proportion of small units.
- 3.8 The approach adopted in the study was to assess whether sites would be suitable for flats or houses or a combination. While there were no specific assumptions about bedroom size all flats can be expected to be two bedroom or less.
- 3.9 The results show a split of 73% flats to 27% houses. Assuming all flats are two bedroom or less and a proportion of houses are two bedroom or less then the average size of development would appear to be consistent with the Council's policy on dwelling size.
- 3.10 The Capacity Study assumes the redevelopment of some non-residential sites for residential purposes. It is relevant to consider whether such redevelopment has any implications for the supply of land for non-residential uses.
- 3.11 In considering the issue it should be noted:
- 1) Detailed criteria were established for the assessment of sites in non-residential use based on the continuing application of Borough Plan policies. These included the retention of well-located employment land and the retention of activities that provided necessary services for the local community. (See table 4 for detailed criteria).
 - 2) The Capacity Study results show a reduction in the rate of housing development from non-residential sites compared with past trends (a net gain of 954 units compared with a trend rate of 1065 units to 2018 – see table 8). Given that the Capacity Study assumes a higher density of development than past trends the fall in the rate of land transferred from non-residential to residential use is greater than the figures based on housing units suggest.
 - 3) The majority of non-residential sites identified in the Capacity Study are currently in commercial use (701 out of 1065 units, or 66%).
- 3.12 In summary, the commercial floorspace lost by developing all the 2005 capacity study sites in commercial use to residential would approximately be 47,000 sq m or 5.6% of the Borough's total employment floorspace. The details of the loss of commercial premises implied by the study results can be seen in the Economic and Employment Study report.
- 3.13 The implications can also be examined in terms of land use change. Table 13 shows the principal existing non-residential land uses in the Borough and the extent to which they would be affected if all the Capacity Study sites are developed.

Table 13 Implications of the Capacity Study for Land Use Change in Urban Areas

Existing Lane Use (1)	Total Area (ha)	Implied loss due to Capacity Study (ha) (2)	% loss due to Capacity Study
Hospitals	5.3	0	0
Nursing Homes	1.1	0	0
Education Buildings	33.4	0	0
Churches	2.4	0	0
Community Buildings	2.1	0	0
Civic Uses	1.8	0	0
Industrial Estates	59.5	3.48	5.8
Other Industrial Areas	19.7	2.77	14.1
Retail	19.4	0	0
Business Parks and Offices	18.2	1.13	6.2
Pubs, Clubs, Hotels & Cinemas	1.1	0	0
Garage Services	0.6	0	0
Yards and Depots	3.2	1.17	36.6
Built Leisure Facilities	1.3	0	0
Car Parks	4.9	0	0
Railway Land and Buildings	1.6	0	0
Open Space	23.0	0	0
Playing Fields	58.7	0	0
Allotments	5.3	0	0
Public Utilities (3)	2.2	1.57	71.4
Total	264.8	10.12	3.8

Note:

- 1) Existing land use data is based on information from Surrey County Council and relates only to sites of 0.4ha or more.
- 2) Losses due to the Capacity Study are only included where they affect sites of 0.4 ha or more.
- 3) This involves the loss of one site (Riverside Works, Fordbridge Road, Sunbury) identified as surplus to requirements (see Appendix A for explanation)

3.14 The only significant impact is on employment land but even here the great majority of existing land, including all the large industrial estates, are unaffected, confirming the conclusion from the floorspace data that the impact is low.

3.15 Overall, while the Capacity Study assumes the transfer of some land from employment to residential use, the following conclusions can be drawn:

- Site assessment has been conducted within the context of current policy and suitably located land has been retained.
- The rate of loss of employment land to residential represents a reduction in past trends.
- The impact on the overall stock of employment land is low.

Relationship to the draft South East Plan Provision for Spelthorne

- 3.16 The South East Plan is likely to be adopted in 2006 and was in a draft form at the time this report was written. The Draft South East Plan allocates 151 dwellings per annum for Spelthorne during the South East Plan period to 2026. Spelthorne's LDF however, when adopted will have an end date of 2018. Therefore to accord with the South East Plan, capacity for 1,812 dwellings needs to be identified in the LDF between 2006 – 2018.
- 3.17 To relate the Capacity Study findings to the Draft South East Plan total it is necessary to add in permissions likely to be outstanding on 1 April 2006 as these are excluded from the Capacity Study. Adding these to the capacity figure gives a total supply of 1,934 dwellings between 2006 – 2018. This translates to 161 dwellings per annum. These calculations are shown in Table 14.

Table 14 Forecast Housing Development to 2018, the end date of the emerging LDF

Source of Supply	2005-2018	2006-2018
Outstanding planning permissions (31 March 2005)		
Units under construction (a)	126	-
Units not started (b) (Net)	414	-
Total permissions including units under construction (a+b)	540	540
Less units anticipated to be complete before 1 April 2006 (c)*	-	-133
Residual outstanding units at 1 April 2005 likely to be completed post 31 March 2006 (a+b-c)	-	407
Plus Capacity Study total	1,527	1,527
Overall Total Supply	2,067	1,934

* Since this report was written close to 1 April 2006 a fairly accurate estimate could be made of units likely to be complete by then.

Note: It is anticipated that there would be sites additional to those identified in the capacity study which would have been granted permission between 1 April 2005 and 31 March 2006. The figures do not take any account of these permissions as the base date of this study is 1 April 2005.

- 3.18 The results assume that all outstanding planning permissions will be implemented. This is considered to be a reasonable assumption in view of the following considerations:
- Past records show that permissions are almost always implemented and if not are kept alive by renewals.

- b) The current profitability of residential development provides a major incentive to implement permissions.
 - c) The positive policy approach towards residential development suggests that, if permissions do need to be renewed, applications for renewal are very unlikely to be refused permission.
- 3.19 The forecast supply of 1,934 units represents a best estimate of total development to 2018. The strategy of the South East Plan for Spelthorne is that residential provision should be limited to the capacity that can be accommodated in an acceptable way within the existing urban area. It is intended to ensure that a contribution is made to meeting housing needs without infringing key policy constraints.
- 3.20 The capacity identified in this study is constrained by policy considerations and local environmental acceptability and is therefore consistent with the South East Plan approach.
- 3.21 It would, however, be consistent with the South East Plan strategy to allow a degree of leeway between the best estimate of capacity and the final South East Plan provision for the Borough. The Capacity Study forecasts a supply of 161 dwellings per annum which is slightly above the South East Plan allocation. This would ensure that, if the Capacity Study figure proves to be a slight overestimate development is still limited to that which can be accommodated in an acceptable way within the existing urban area, as the Plan envisages.

Relationship to the Structure Plan Provision for Spelthorne

- 3.22 The Structure Plan period runs from 2001 – 2016. When adopted the South East Plan will supersede the Structure Plan.
- 3.23 Due in part to the completion of a particularly large development at Windmill Road and another large development at Ashford Hospital since 2001 about 40% of the Structure Plan requirement has already been built. At 31 March 2005 there were 540 dwellings in the pipeline. While this level of development is unlikely to be repeated in the foreseeable future, in terms of Structure Plan housing allocation for the period 2007 – 2016 (assuming the next two years will consist solely of implementation of outstanding permissions), this translates to a requirement to identify capacity for 98 dwellings per annum. These figures are explained in Table 15.

Table 15 Forecast Housing Development during the during the Surrey Structure Plan Period (2001 – 2016)

Source of Supply	2001-2016
Structure Plan requirement 2001 – 2016 (a)	2,580
Completions (1 April 2001 – 31 March 2005)	1,158
Outstanding planning permissions (31 March 2005)	
Sites under construction	126
Sites not started	414
Total Completions and Permissions (b)	1,700
Outstanding requirement between 2007 – 2016 (1) (a – b)	878
Dwellings per annum between 2007 - 2016	98

Note:

- 1) Assuming the next two years will consist solely of implementation of outstanding permissions
- 3.24 Excluding existing permissions the capacity study total is 1,527 dwellings over the period 2007 – 2018, equivalent to 139 dwellings per annum. This is significantly above the rate necessary to meet the Structure Plan requirement.

