The South East Plan

The Future of Housing in Surrey

Surrey Housing Potential Study

September 2005

Prepared jointly by Surrey Local Authorities

Surrey Housing Potential Study June 2003

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Executive Summary

- The Surrey Housing Potential Study provides a strategic assessment of the likely supply of housing in the County in the period 2006-2026.

- The Study has been carried out jointly, and agreed, as a technical assessment of potential, by Surrey County Council's Planning and Countryside Service and officers of the 11 Borough and District planning authorities in Surrey.

- The Study has been undertaken to inform the district distribution of the housing requirement for Surrey set out in Table C3 of Part 1 of the South East Plan prepared by SEERA and handed to the Government Office for the South East in July 2005.

- Although the Study reflects the impact of current and emerging planning practice it does not provide any analysis of the impact of the anticipated levels of housing development upon the quality of life in Surrey's towns.

- This technical assessment is based upon a consistent county-wide approach and it follows, in general terms, Government guidance, set out in "Tapping the Potential" and SEERA guidance in "Assessing Urban Housing Potential - A Good Practice Guide". The Study also reflects the principles of PPG3 in relation to issues such as the density, previous use and location of housing development. The detailed methodology is taken from the earlier 2003 Surrey Housing Capacity Study that was developed with the aid of independent consultants and endorsed by the Surrey Structure Plan EiP Panel in 2004.

- The Study updates the June 2003 Surrey Housing Capacity Study, using revised figures for committed housing development and revised assumptions for unidentified housing potential, taking on board more recent evidence and policy guidance, including January 2005 revisions to PPG3.

- The results of the Study are presented, at borough and district level, in Tables 1 and 2. The results can be summarised, at County level, as follows:

Dwellings completed April 2001 - March 2005	11,630
Estimated Completions April 2005 – March 2006	3,202
Identified Supply 2006-2016	13,334
Unidentified Supply 2006-2016	16,818
Unidentified Supply 2016-2026	16,397
Total Supply	**46,549**

- The estimated supply does not include the potential arising from housing reserve sites identified in local plans for longer-term housing requirements, that are not already committed for development. These excluded sites are almost all greenfield sites, often on the periphery of the urban area.

Table 1 **Surrey Housing Potential: Sources of Housing Land Supply (2006-2016)**

Sources of Housing Land Supply at 1 April 2006 to 31 March 2016 (Number of Dwellings)

District	**A1] Total Completions April 2001 - March 2005 (Urban and Rural Areas)**	**A2] Estimated Completions April 2005 - March 2006 (Urban and Rural Areas)**	**B] Commitments on Large Sites** (Urban & Rural)	**C] Small Sites Estimate** (Urban & Rural)	**D] Medium Sites Estimate** (Urban & Rural)	**E1] Large Sites windfalls** (Urban in residential use)	**E2] Large Sites windfalls** (Urban in non residential use)	**E3] Large Sites windfalls** (Rural)	**F] TOTAL SUPPLY 2001-2016** (Urban & Rural)	**G] TOTAL SUPPLY 2006-2016** (Urban & Rural)
Elmbridge	**1,551**	**453**	**854**	**870**	**382**	**146**	**366**	**59**	**4681**	**2,677**
Epsom & Ewell	**813**	**150**	**1,512**	**332**	**400**	**66**	**193**	**4**	**3,470**	**2,507**
Guildford	**1,115**	**357**	**2,016**	**712**	**173**	**89**	**1,050**	**204**	**5,716**	**4,244**
Mole Valley	**768**	**110**	**609**	**698**	**313**	**79**	**232**	**45**	**2,854**	**1,977**
Reigate & Banstead *	**1,720**	**388**	**4,275**	**552**	**403**	**129**	**622**	**16**	**8,105**	**5,997**
Runnymede	**819**	**265**	**570**	**460**	**299**	**60**	**290**	**37**	**2,800**	**1,716**
Spelthorne	**1,158**	**75**	**367**	**522**	**436**	**64**	**340**	**0**	**2,961**	**1,728**
Surrey Heath	**807**	**234**	**853**	**546**	**328**	**82**	**415**	**41**	**3,305**	**2,264**
Tandridge	**949**	**254**	**309**	**462**	**131**	**59**	**209**	**74**	**2,446**	**1,244**
Waverley	**819**	**241**	**1,036**	**1064**	**256**	**91**	**363**	**135**	**4,005**	**2,945**
Woking	**1,111**	**676**	**935**	**430**	**657**	**84**	**732**	**17**	**4,641**	**2,854**
SURREY	**11,630**	**3,202**	**13,334**	**6,648**	**3,777**	**949**	**4,813**	**632**	**44,984**	**30,152**

* includes Horley *[Figures may not add to totals due to rounding.]*

Table 2 **Surrey Housing Potential: Sources of Housing Land Supply (2016-2026)**

Sources of Housing Land Supply at 1 April 2016 to 31 March 2026 (Number of Dwellings)

District	**C] Small Sites Estimate** (Urban & Rural)	**D] Medium Sites Estimate** (Urban & Rural)	**E1] Large Sites windfalls** (Urban in residential use)	**E2] Large Sites windfalls** (Urban in non residential use)	**E3] Large Sites windfalls** (Rural)	**G] TOTAL SUPPLY 2016-2026** (Urban & Rural)
Elmbridge	**870**	**424**	**161**	**303**	**65**	**1,823**
Epsom & Ewell	**332**	**444**	**73**	**164**	**5**	**1018**
Guildford	**712**	**192**	**99**	**835**	**226**	**2064**
Mole Valley	**698**	**348**	**88**	**189**	**50**	**1373**
Reigate & Banstead *	**552**	**448**	**143**	**519**	**18**	**1680**
Runnymede	**460**	**332**	**66**	**208**	**41**	**1106**
Spelthorne	**522**	**484**	**71**	**257**	**0**	**1334**
Surrey Heath	**546**	**364**	**90**	**325**	**46**	**1370**
Tandridge	**462**	**146**	**65**	**152**	**82**	**907**
Waverley	**1064**	**284**	**101**	**309**	**150**	**1909**
Woking	**430**	**730**	**93**	**540**	**19**	**1812**
SURREY	**6,648**	**4,196**	**1,050**	**3,801**	**702**	**16,397**

* includes Horley *[Figures may not add to totals due to rounding.]*

Introduction

1.1 This Study revises the Surrey Housing Capacity Study published in June 2003. It has been prepared to provide an up to date assessment of housing potential in the county in the period 2006 to 2026, to inform decisions on the district distribution of the county's housing allocation set out in Part 1 of the South East Plan.

1.2 The Study provides a county-level strategic assessment of housing supply for the period 1 April 2006 to 31 March 2026. It provides estimates of future potential based on committed sites (either allocated for housing or with planning permission) and the likely rate of windfall development. It does not identify individual sites - this is the province of local capacity studies, which have been, or will be, undertaken by each of the 11 local planning authorities in Surrey to inform the production of Local Development Frameworks.

1.3 The methodology for the study is the same as that used for the 2003 study, which was based on Government guidance, SEERA best practice guidance, and developed in association with independent consultants. This methodology has been endorsed by the Surrey Structure Plan EiP Panel. Detailed assumptions have, however, been amended to reflect more recent patterns of development.

Aims of the Surrey Housing Potential Study (SHPS)

1.4 The aims of the SHPS are as follows:

- to provide a robust and technically sound strategic assessment of housing supply in Surrey for the period 1 April 2006 to 31 March 2026;

- to provide a clear presentation of how different sources of housing potential will contribute to meeting Surrey's housing requirement;

- to work with Surrey's district and borough planning authorities to produce an agreed assessment of Surrey's housing supply on a consistent county-wide basis; and

- to meet Government guidance in PPG3 and to reflect best practice on county-level capacity studies.

Methodology and Process

Undertaking Strategic Level Assessments

2.1 The County Council and the eleven Surrey borough and district planning authorities worked in partnership, to produce the SHPS as an input into the preparation of district level housing requirements under the South East Plan.

2.2 The approach followed was to:

- agree a set of categories of supply made up of completions since 2001, together with various different types of committed land and buildings;
- identify a commonly agreed set of sources of potential housing provision;
- create a spreadsheet setting out the total estimated potential from each source for each district council;
- complete each cell of the spreadsheet from information supplied by each of the borough and district councils;
- combine the estimates of provision from different sources of supply and estimates from the districts to obtain county totals.

2.8 The sources or categories of potential housing provision were agreed as:

- completions April 2001 - March 2005, and estimated completions April 2005 – March 2006 (based upon developments currently under construction);
- permissions on large and medium sites (see the definitions section);
- allocations on large and medium sites (see the definitions section);
- ‘soft commitments’ on large and medium sites (see the definitions section);
- an allowance for the continued yield from small sites, a source of housing for which individual sites could not be identified, such as small plot intensification and residential sub-divisions;
- an allowance for similar medium sites;
- the yield that might arise on larger sites from the redevelopment of sites previously in residential use, subject to clear rules to avoid any double counting with the previous categories;
- the area of land currently in other agreed uses – such as employment – for which possible proportionate yields could be agreed, subject to clear rules to avoid any double counting with the previous categories;
- an allowance for continuing development on large sites in rural areas.

Settlements and Boundaries

2.11 Tapping the Potential indicates that 'all settlements that may be considered for housing development' should be assessed. To meet this guidance, the SHPS includes all settlements likely to yield housing supply. A list of settlements in urban areas is provided at Appendix 1.

2.12 In recent years over 20% of housing completions have taken place in the rural areas of the County. The SHPS assumes that these areas will continue to yield some housing supply. A list of settlements in the countryside is provided at Appendix 1.

2.13 For the purposes of the SHPS, the boundaries of the urban settlements are defined as those identified in local plans, either explicitly or implicitly, through the existing countryside and/or Green Belt boundaries.

Definitions

2.14 The following definitions have been used:

Large Sites:	sites of 0.4 hectares (ha) or over with a net capacity of 10 or more dwellings
Medium Sites:	sites of under 0.4 ha with a net capacity of 10 or more dwellings
Small Sites:	sites with a net capacity of 1-9 dwellings
Rural Areas:	all areas of the County subject to Green Belt or countryside policies, including "washed over" settlements (see Map1 overleaf).
Urban Areas:	all areas of the County that are not rural

Approach to Assessing Yield from Sources of Supply

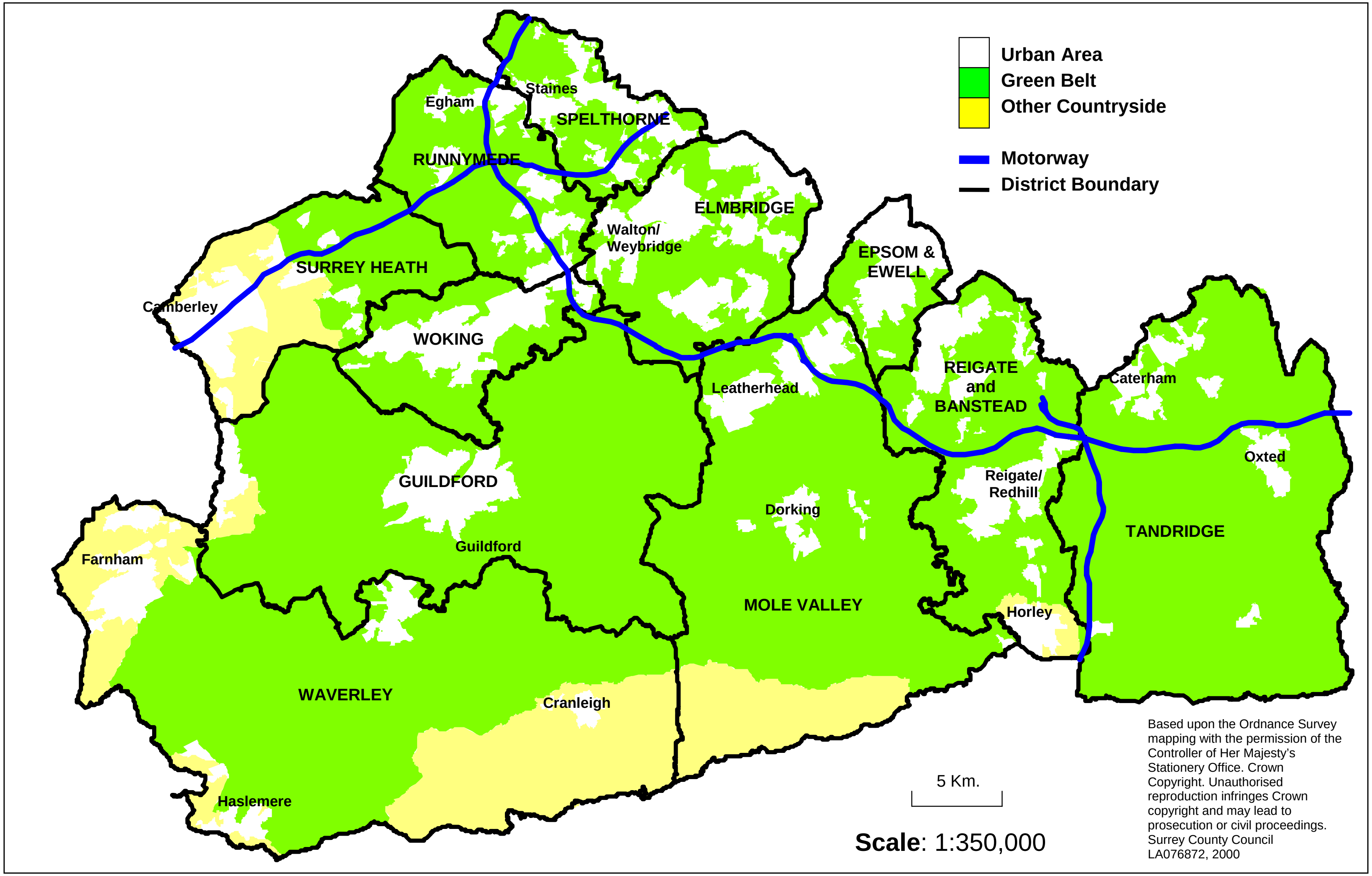
2.15 The SHPS has assessed the potential for housing provision from different sources in different ways. The identified potential from sites with planning permission, local plan allocations and sites awaiting the completion of legal agreements has been included, whereas the yield from small and medium sites is based upon past trends in completions.

2.16 Double counting has been eliminated by compiling data systematically and by providing the borough and district planning authorities with opportunities at each stage to check for accuracy and any double counting between sources. In arriving at yield for columns E and F, either a discount has been applied to ensure that future completions will not derive from extant consents or commitments, or that in assessing large sites, no site was included which was already contained in the columns of commitments.

Constraints to Development

2.17 The SHPS recognises that due to environmental constraints and policy considerations some of the potential yield from sources of supply is unlikely to come forward. Consequently, the study excludes potential capacity from sites in the following categories, unless they already have planning permission or a council resolution to grant permission:

- strategically important employment sites
- land not previously developed
- sites with overwhelming environmental objections to development, e.g. common land, nature conservation sites



Map 1 Surrey: Urban Area

Sources of Housing Potential

3.1 Tables 1 and 2 summarise the yield from each source of housing supply, Table 1 setting out supply in the period 2006-2016 and Table 2 supply between 2016 and 2026. The following sections of this chapter are cross-referenced to the columns in the Tables.

3.2 The SHPS distinguishes between identified housing supply from site-specific sources and supply from non-site specific sources as follows:

Identified Housing Supply from Site Specific Sources

- completed dwelling units between 2001 and 2005 (column A1)
- estimated completions between 2005 and 2006 (column A2)
- commitments (comprising planning permissions, sites allocated in local plans, other sites identified for (re)development in adopted local plans and sites where there is a council resolution to grant consent subject to legal agreements (column B)

Housing Supply from Non Site Specific Sources

- small sites estimate (column C)
- medium sites estimate (column D)
- large sites allowance from sites previously in residential use (column E1)
- large sites allowance from sites previously in non-residential use (column E2)
- large sites allowance from rural areas (column E3)

Table 1: Surrey Housing Potential: Sources of Housing Land Supply 2006-2016
Identified Housing Supply from Site Specific Sources

Column A1
Completed Dwelling Units 1 April 2001 to 31 March 2005
(Urban & Rural)

3.3 Dwelling completions, irrespective of size of site are included in this category. The figures for the period 1 April 2001 to 31 March 2005 have been agreed between the County Council and the Surrey local planning authorities.

Column A2
Estimated completions 1 April 2005 to 31 March 2006
(Urban & Rural)

3.4 Estimates of likely completions in the year from 1 April 2005 until 31 March 2006 (the base date of the South East Plan), based upon sites currently under construction and annual rates of completions from small and medium sites.

Column B
Commitments at 1 April 2006
(Urban & Rural)

3.4 This comprises sites:

a) outstanding planning permissions for all sites of 10 or more dwellings at 1 April 2005. with all requisite legal agreements signed and a decision notice issued.

b) Adopted local plan housing allocations for sites of 10 or more dwellings, including ‘key sites’ or other local plan nomenclatures, which do not yet have planning permission or “soft commitment” status. Local plan reserve sites which do not have an outstanding permission, are excluded.

The capacity assumed for local plan allocations is not always identical to that which appears in local plans. For some sites, the local planning authorities have provided a revised capacity estimate based on the most recent available information. Where the capacity is undefined in a Local Plan, the local planning authorities have again used the latest information.

c) Sites of 10 or more dwellings with a council resolution to grant planning permission, subject to matters to be finally agreed between the applicant and other parties, including local authorities (soft commitments). These matters are usually defined in legal agreements, typically under Section 106. If there is doubt about the final dwelling numbers arising from a council resolution, the local planning authority has made an estimate based upon the latest information.

Housing Supply from Non Site Specific Sources

<u>Column C</u>
Small Sites Estimate 2006-2016 (Urban & Rural Areas)
and
<u>Column D</u>
Medium Sites Estimate 2006-2016 (Urban & Rural Areas)

3.5 The yield from small and medium sites is estimated by projecting average completions recorded for the period 2000 to 2005.

3.6 The completions figures have been agreed between the Surrey local planning authorities and the County Council. Completions not on previously developed land have been excluded, as development on such sites does not accord with current Structure Plan policies. However, conversions of barns and other agricultural buildings are included where these are allowable under current policies.

3.7 The 5 years upon which the estimates are based have produced an annual average of 665 dwellings from small sites and 420 dwellings from medium sites. Appendix 2 shows how the estimates have been calculated. Although it is not certain that past trends will continue until 2016, currently there is no evidence to suggest that a lower estimate should be used. However, the number of dwellings coming forward from small and medium sites will be closely monitored and any adjustments made.

3.8 The medium sites estimate has been discounted in order to avoid any double counting with sites included in column B. The rationale for this approach is set out in Appendix 3.

<u>Column E1</u>
Large Sites Allowance from Sites previously in Residential Use in the Urban Area

3.9 This category includes completions arising from the redevelopment/intensification of land in residential use. The estimate of 105 dwellings per year is based upon average completions on sites of 0.4 hectares or more recorded for the period 2000 to 2005 excluding any sites that have been allocated in local plans.

3.10 The County average for this period has been discounted to take account of sites included in earlier columns (see Appendix 3). The resulting total has then been distributed in proportion to each district's share of Surrey's total urban area (see Appendix 4 for details of the distribution).

Column E2
Large Sites Allowance from Sites previously in non-Residential Use in the Urban Area

3.11 The yield from this category has been derived as follows:

- a mapped inventory was prepared of over 2,000 sites in non-residential use in the urban area
- the mapped inventory was based on a desk survey carried out in 1998 using aerial photography and Ordnance Survey mapping. The survey information was checked by district and borough councils and has been updated to take account of recent development
- the inventory records existing land use and site area. It excludes any sites already included in any other column
- using the inventory, the land area in each non-residential use in the urban areas was calculated
- estimates were made about the proportion of each non-residential use which could change to residential use
- the estimates take account of recent experience, past development trends, policy changes and professional judgements about the future yield from each land use

Appendix 5 sets out the proportional change assumed for each land use and the average densities that have been assumed for land transferred to residential use.

3.12 For each land use to be transferred to residential use two issues were considered:

- is the change proposed a realistic one that the market is likely to deliver?

- Is the proposed change acceptable in terms of the policies in the Surrey Structure Plan 2004 and the emerging policies in the South East Plan; will it have a detrimental effect upon the affected areas?

3.13 In accordance with Structure Plan policies**,** a zero yield has been assumed for greenfield uses in urban areas (e.g. playing fields, allotments, open space). Minimum densities of 40 dwellings per hectare (Rest of Urban Area) and 55 dwellings per hectare (in and around Town Centres) have been assumed except for the Regional Hubs (Guildford, Redhill and Woking, where densities of 150 dpha have been assumed.

Column E3
Large Sites Allowance from Rural Areas

3.14 Completions data shows that a significant number of past completions have taken place on previously developed sites in the countryside, including sites within the Green Belt. This source is expected to continue to yield some additional housing.

3.15 The estimate of yield from this source is based on average annual completions on sites over 0.4 hectares between 2000 and 2005. Sites of 100 units or more and rural exception sites have been excluded and the total yield has been discounted to eliminate double counting with similar sites in column B.

3.16 The total estimated capacity in rural areas has been distributed to districts in proportion to an estimate of each district's share of the developed area within the countryside. Any development within rural areas will take place on previously developed land and therefore the distribution of such land within rural areas is considered to provide a better assessment than other factors such as each district's share of the total rural area.

Table 2: Surrey Housing Potential: Sources of Housing Land Supply 2016-2026

3.17 Table 2 presents estimated housing potential for the period 2016 to 2026, using the same assumptions used in Table 1 for columns C, D, E1, E2 and E3. Within Surrey, the 2004 Structure Plan looks to 2016. Consequently, there are no allocated sites of committed sites for new housing for beyond 2016 and no discount has been applied to these estimates. The estimated potential is therefore made up entirely from estimates based on past trends and the aerial mapping of the urban areas.

Potential Supply considered but not included in the Study

Living Above the Shop (LoTS)

3.18 This is recognised as an important source that can be examined in local capacity studies. Within the SHPS some account of potential from this source is incorporated within the Small Sites Estimate.

Vacant Dwellings

3.19 Vacant dwellings are recognised as a potential source of supply. However, there is some doubt about the acceptability of this source within a strategic study. Local studies will re-examine the potential capacity from vacant dwelling in relation to district and borough council Empty Homes Strategies.

Local Plan Housing Reserve Sites

3.20 Local Plan Housing Reserve Sites are not included unless they fall within column B. Most are greenfield sites, usually on the periphery of urban areas and therefore not appropriate for consideration within a capacity study.

Major Developed Sites (MDSs)

3.21 The potential capacity of MDSs in the countryside is not explicitly examined in the Study. However, committed supply on these sites is included in columns A and B and such sites may contribute to the windfall estimate in rural areas (column E3)

Monitoring and Review

4.1 Effective monitoring is a critical component of the ‘plan, monitor and manage’ approach set out in PPG3. The Surrey Housing Potential Study provides only a snapshot of estimated capacity at the present time. Monitoring of the Study will provide the basis for ensuring that an adequate supply of housing will be maintained and that the release of housing land is properly managed.

4.2 ‘Tapping the Potential’ advises that capacity studies should be reviewed at least as frequently as development plans are prepared and rolled forward. Capacity sources will be monitored on an annual basis and this will provide a “rolling review” of estimates. Reviews of the SHPS will consider whether the assumptions that underpin the capacity estimates remain valid. In particular, reviews will examine:

- changing Government guidance and advice
- the results of capacity studies carried out by district and borough councils
- new decisions on planning proposals and trends in housing completions
- changing market conditions, including the demand for, and supply of, housing
- progress with infrastructure provision

Appendix 1

Settlements In Urban Areas

Borough or District	Settlement	
Elmbridge	Claygate	Oatlands Village
	Cobham	Oxshott
	Esher	Thames Ditton
	Hersham	Walton on Thames
	Hinchley Wood	West Molesey
	Long Ditton	Weston Green
	Molesey	Weybridge
Epsom & Ewell	Epsom	Stoneleigh
	Ewell	The Wells
	Langley Vale	West Ewell
	Stamford Green	Worcester Park (part)
Guildford	Ash	Guildford Town
	Ashvale	Tongham
Mole Valley	Ashtead	Fetcham
	Bookham	Leatherhead
	Capel	Strood Green
	Charlwood	Westcott
	Dorking	
Reigate & Banstead	Banstead	Mead Vale & St Johns
	Chipstead	Nork
	Earlswood & White Bushes	Redhill
	Hooley	Reigate
	Horley	Tadworth
	Kingswood (Burgh Heath)	Tattenhams
	Merstham	Woodmansterne
Runnymede	Addlestone	Englefield Green
	Chertsey	Virginia Water (part)
	Egham	
Spelthorne	Ashford	Staines
	Charlton	Stanwell
	Laleham	Stanwell Moor
	Lower Halliford	Sunbury
	Shepperton	Upper Halliford
Surrey Heath	Bisley	Lightwater
	Camberley	Mytchett
	Frimley	West End
	Frimley Green	Windlesham
Tandridge	Caterham	Warlingham
	Lingfield	Woldingham
	Smallfield	
Waverley	Beacon Hill	Godalming and Farncombe
	Cranleigh	Haslemere
	Farnham	Hindhead
Woking	Brookwood	Pyrford
	Byfleet	West Byfleet
	Knaphill	Westfield
	Maybury	Woking
	Old Woking	

Appendix 1 (Contd)

Settlements in the Countryside

Borough or District	Settlement	
Elmbridge	None	
Epsom & Ewell	None	
Guildford	Albury Chilworth Compton East Horsley Effingham Fairlands Flexford Gomshall Holmbury St Mary Jacobswell Normandy Peaslake	Pirbright Puttenham Ripley Send Sendmarsh/Burnt Common Shalford Shere West Clandon West Horsley Wood Street Worplesdon
Mole Valley	Beare Green Betchworth Boxhill Hookwood Leigh Mickelham	Ockley Newdigate South Holmwood Westhumble
Reigate & Banstead	Kingswood (part)	
Runnymede	Thorpe Virginia water (part)	
Spelthorne	None	
Surrey Heath	Chobham	
Tandridge	Bletchingley Blindley Heath Domewood Dormansland Dormans Park Felbridge Godstone	Limpsfield Chart Nutfield Old Oxted South Godstone South Nutfield Tandridge Tatsfield
Waverley	Alfold Alfold Crossways Bramley Chiddingfold Churt Dockenfield Dunsfold Elstead	Grayswood Hascombe Milford Rowly Shamley Green Thursley Tilford Witley
Woking	Mayford Village	

Small and Medium Site Estimates

Small and Medium Sites Estimates

Small and Medium Sites Estimates (based on completions April 2000 - March 2005)

A. Net Completions on sites less than 0.4 Ha with capacity of 10 or more dwellings (Medium Sites)

District	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	Totals 2000-2005	Annual Average 2000-2005	Undiscounted Total 2005-2016 (Annual Average *11)	Discounted Total 2007-2016 (Annual Average *9)
Elmbridge	37	41	34	33	67	212	42	466	382
Epsom and Ewell	30	22	54	41	75	222	44	488	400
Guildford	0	14	70	6	6	96	19	211	173
Mole Valley	24	50	29	32	39	174	35	383	313
Reigate and Banstead *(Horley)*	0	0	6	0	12	18	4	40	32
(Rest of Borough)	11	42	15	42	96	206	41	453	371
Runnymede	0	54	35	50	27	166	33	365	299
Spelthorne	0	70	32	86	54	242	48	532	436
Surrey Heath	59	57	44	22	0	182	36	400	328
Tandridge	0	41	0	23	9	73	15	161	131
Waverley	7	36	2	77	20	142	28	312	256
Woking	36	109	8	112	100	365	73	803	657
SURREY	**204**	**536**	**329**	**524**	**505**	**2,098**	**420**	**4,616**	**3,776**

B. Net Completions on sites with capacity of 1-9 dwellings (Small Sites)

District	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	Totals 2000-2005	Annual Average 2000-2005	Undiscounted Total 2005-2016 (2000-2005 Average *11)	Undiscounted Total 2006-2016 (2000-2005 Average *10)
Elmbridge	80	85	81	79	110	435	87	957	870
Epsom and Ewell	23	31	32	49	31	166	33	365	332
Guildford	59	63	91	76	67	356	71	783	712
Mole Valley	46	56	89	57	101	349	70	768	698
Reigate and Banstead *(Horley)*	1	3	0	5	9	18	4	40	36
(Rest of Borough)	23	39	39	75	82	258	52	568	516
Runnymede	31	20	37	65	77	230	46	506	460
Spelthorne	46	69	41	51	54	261	52	574	522
Surrey Heath	41	31	70	61	70	273	55	601	546
Tandridge	48	31	53	40	59	231	46	508	462
Waverley	80	94	125	84	149	532	106	1170	1064
Woking	15	23	48	64	65	215	43	473	430
SURREY	**493**	**545**	**706**	**706**	**874**	**3,324**	**665**	**7,313**	**6,648**

Appendix 3

Note on Calculation of Windfalls

1 The Surrey Housing Capacity Study 2003 set out a methodology for calculating the contribution from windfalls, prepared by Baker Associates for the County Council. The methodology was designed to avoid ‘double counting’ in the calculation of windfalls by ensuring that committed schemes (by means of planning permission) at the base date of the study were not included in the calculation of the windfall element.

2 The methodology is based on research which shows that, on average, a windfall consent is ‘in the pipeline’ for 24 months between consent and completion. On average therefore, any consents outstanding at 1st April 2005 will be completed by end-March 2007. Thus, over the whole 10-year period 2006 - 2016 all those windfalls completed between April 2007 and March 2016 will be from new consents not included in the current schedule of consents at 1 April 2005. The windfall calculations have, therefore, been discounted to exclude schemes currently within the development pipeline, by assuming a base date of 2007.

3 For the period beyond 2016, no discounting has been applied and current annual average rates of provision have been assumed to continue.

Appendix 4

Note on Calculation of Windfall Estimate from Sites in Residential Use

1 This element of supply comprises the development of large sites (0.4 Ha. and above) currently in residential use. This includes the redevelopment of existing housing, gardens, and backland.

2 The estimate was derived from the annual average rate of completions on such sites between 2000 and 2005. Any sites that were originally allocated in local plans for housing were excluded from the calculation. This annual average (105 dwellings) was then multiplied by 9 (i.e. covering the period 2007-2016), using the methodology set out in Appendix 3. For the period beyond 2016, no discounting has been applied.

3 The resulting county-wide estimate for the period was then distributed to each district in proportion to each district's share of the County's urban area.

4 The table below summarises the elements of this calculation.

Windfall Estimates from Sites in Residential Use

Total Dwellings Completed 2000-2005	**527**
Annual Average Completions 2000-2005	**105**
Windfall Estimate 2007-2016	**949**
Windfall Estimate 2016-2026	**1,050**

	Urban Area (Ha)	% Total UA	Share of Total Dwellings 2007-2016	Share of Total Dwellings 2016-2016
Elmbridge	4,061	0.15	146	161
Epsom & Ewell	1,845	0.07	66	73
Guildford	2,488	0.09	89	99
Mole Valley	2,208	0.08	79	88
Reigate & Banstead	3,591	0.14	129	143
Runnymede	1,661	0.06	60	66
Spelthorne	1,794	0.07	64	71
Surrey Heath	2,275	0.09	82	90
Tandridge	1,631	0.06	59	65
Waverley	2,531	0.10	91	101
Woking	2,348	0.09	84	93
SURREY	**26,433**	**1.00**	**949**	**1,050**

Appendix 5

Note on Calculation of Windfall Estimate from Sites Not in Residential Use

1 The table below shows the estimates of the proportion of each non-residential land use within Surrey's urban area that could be transferred to housing use during the period 2006-2016.

Land in Non-Residential Use

% Transfer to Housing 2006-2016 & 2016-2026

		2006-2016		2016-2026	
	Land Use	**Town Centres** (% of total area to be transferred to housing)	**Rest of Urban Area** (% of total area to be transferred to housing)	**Town Centres** (% of total area to be transferred to housing)	**Rest of Urban Area** (% of total area to be transferred to housing)
1.1	Hospitals	5	5	2	2
1.2	Nursing Homes	10	10	10	10
1.3	Defence Land and Buildings	0	0	0	0
2.1	Education Buildings	5	5	5	5
3.1	Churches	0	0	0	0
3.2	Community Buildings	5	2	5	2
3.3	Cemetaries and Crematoria	0	0	0	0
3.4	Civic Uses	10	5	10	5
4.1.1	Industrial Estates	10	10	5	5
4.1.2	Other Industrial Areas	20	20	10	10
4.2	Retail	5	5	5	5
4.4.1	Business Parks	2	2	2	2
4.4.2	Other Office Areas	15	10	10	5
4.5	Pubs, Clubs, Hotels, Cinemas	5	20	5	20
4.6	Garage Services	10	10	10	10
4.7	Yards and Depots	20	20	10	10
4.8	Built Leisure Facilities	5	5	5	5
4.9	Markets	0	0	0	0
5.1	Car Parks	10	10	10	10
5.3	Bus Depots	0	0	0	0
5.4	Railway Land & Buildings	30	20	20	20
5.5	Roads and Verges	0	0	0	0
5.6	Marinas	0	0	0	0
6.3	Caravan Parks	0	0	0	0
7.1	Open Space	0	0	0	0
7.2	Playing Fields	0	0	0	0
7.3	Allotments	0	0	0	0
7.4	Nurseries	5	5	5	5
7.5	Golf Courses	0	0	0	0
7.6	Farmland	0	0	0	0
7.7	Mineral Extraction	20	20	0	0
8.1	Water and Sewage	10	10	10	10
8.2	Gas	10	10	10	10
8.3	Electricity	10	10	10	10
8.4	Telephone Exchanges	20	20	10	10
8.5	Amenity Tips	0	0	0	0

2 The table below shows the average density (dwellings per hectare) which is assumed for land transferred from non-residential to residential use.

Density (dwellings per hectare)	
Location	
Elmbridge	
Cobham Town Centre	55
East Molesey Town Centre	55
Esher Town Centre	55
Walton on Thames Town Centre	55
Weybridge Town Centre	55
Rest of Urban Area	40
Epsom & Ewell	
Epsom Town Centre	55
Rest of Urban Area	40
Guildford	
Guildford Town Centre	150
Rest of Urban Area	50
Mole Valley	
Dorking Town Centre	55
Leatherhead Town Centre	55
Rest of Urban Area	40
Reigate & Banstead	
Banstead Town Centre	40
Horley Town Centre	55
Redhill Town Centre	150
Reigate Town Centre	55
Rest of Urban Area	40
Runnymede	
Addlestone Town Centre	55
Chertsey Town Centre	55
Egham Town Centre	55
Rest of Urban Area	40
Spelthorne	
Ashford Town Centre	55
Shepperton Town Centre	55
Staines Town Centre	55
Rest of Urban Area	40
Surrey Heath	
Camberley Town Centre	55
Rest of Urban Area	40
Tandridge	
Caterham Town Centre	55
Oxted Town Centre	55
Rest of Urban Area	40
Waverley	
Cranleigh Town Centre	55
Farnham Town Centre	55
Godalming Town Centre	55
Haslemere Town Centre	55
Rest of Urban Area	40
Woking	
West Byfleet Town Centre	55
Woking Town Centre	150
Rest of Urban Area	40

Appendix 6

Estimated Capacity of Large Sites not in Residential Use within the Urban Area: Further Justification

1.1: Hospitals

Continued concentration is expected on major sites, releasing further opportunities for residential redevelopment, particularly on lower density sites. An estimated 5% of land currently in hospital use could be released in the period up to 2016. Beyond 2016, opportunities for rationalisation will be reduced as activity concentrates on core sites. An estimated 2% of land remaining at 2016 could come forward for development.

1.2: Nursing Homes

Although the County has an ageing population and demand for nursing and extra care homes is increasing, there is evidence that demand is being met by national companies through larger developments. The recent pattern of closure of smaller, private run homes is expected to continue. An estimated 10% of land in nursing home use could be redeveloped for housing in the period up to 2016, with a further 10% between 2016 and 2026.

1.3: Defence Land and Buildings

Most of the county's defence land lies outside the urban area, and is constrained by nature conservation and national policy designations. Within urban areas, significant amounts of defence land have already been redeveloped or are in the process of redevelopment. There is little remaining urban defence land and buildings, and no indication that these remaining sites will be redeveloped.

2.1: Education Buildings

Further education land is likely to be released for housing in the short to medium term as facilities are rationalised to address falling pupil numbers. The Government's commitment to invest in the modernisation of schools may release further land, particularly to unlock capital to fund necessary school improvements. The change of use and redevelopment of private schools will also continue to contribute to supply. An estimated 5% of land may be released in the period up to 2016, with a further 5% in the period to 2026.

3.1: Churches

Churches are an important community resource in many areas. The emphasis in the Surrey Structure Plan and the emerging South East Plan on re-using previously developed land in urban areas means it is important to retain existing community resources wherever possible. No contribution is therefore expected from land in church use.

3.2: Community Buildings

Based on recent trends, a small amount of residential development could be expected from this source, despite Structure Plan policies resisting the loss of such land. The increasing trend towards mixed use redevelopment, particularly in and around town centres, could mean a higher proportion of land in community use being replaced by a mix of residential and community facilities. In the period up to 2016, an estimated 5% of land in community use in town centres could be released for residential, with 2% outside town centres, where opportunities for mixed use may be lower. Similar land release could be expected in the longer term beyond 2016.

3.3: Cemeteries and Crematoria
There is an acknowledged shortage of suitable burial land in many parts of the South East, and no redevelopment of existing land to residential use is envisaged.

3.4: Civic Uses
Restructuring of public service land and property requirements is expected to continue. Within town centres, there may be a greater ‘loss’ of land in civic use, through mixed use, providing higher density housing alongside retained/replaced civic uses. An estimated 10% of land in civic use in town centres and 5% of land within the rest of the urban area could be released for housing in the period up to 2016, with similar amounts of land being released beyond 2016.

4.11: Industrial Estates
The redevelopment of industrial land has provided a significant source of new residential land in recent years in Surrey. January 2005 revisions to PPG3 now give greater encouragement to the re-use of employment land to residential use. Together with the growing trend towards higher density, mixed use development (where land is lost to housing, but floorspace levels are maintained), there is likely to be a continuing loss of land to residential use. In the period up to 2016, an estimated 10% of land on industrial estates could be redeveloped for housing. Beyond 2016, the rate of redevelopment is likely to fall, to an estimated 5%, as the most suitable sites may have already been developed.

4.1.2: Other Industrial Areas
These are generally freestanding industrial sites or buildings, as opposed to identified industrial estates. Over the period 2001-2016, the revised provisions in PPG3 mean that such sites are likely to continue to come forward for redevelopment, particularly for mixed use. An estimated 20% of such sites could be redeveloped. Beyond 2016, the rate of transfer is likely to reduce to approximately 10%, as the most suitable sites will have been redeveloped.

4.2: Retail
Government guidance increasingly promotes mixed-use development, with particular emphasis on realising the potential above single storey retail units. In Surrey, there have been a number of examples of such development in recent years, providing high density housing, alongside the retention of retail floorspace. Retail land is, therefore, likely to continue to provide a source of housing potential. The scale of this potential is very uncertain, but an estimate has been made that 5% of land will be redeveloped for residential or mixed use retail/residential in each 10 year period (2006-16 and 2016-26).

4.4.1: Business Parks
In general, business parks in Surrey are relatively modern and are home to the higher tech, higher value businesses which attract a higher land value. This makes redevelopment for residential use less economically viable. It is also important for the county’s economy to retain its stock of quality business accommodation. The potential capacity from this source is therefore likely to be low, although there may be opportunities for redevelopment on some smaller sites, or around the margins of larger sites, particularly through mixed use development. An estimate of 2% of land coming forward for residential in each 10 year period has been made.

4.4.2: Other Office Areas
This category comprises freestanding office buildings/sites. Such sites have provided an important source of housing land in recent years and, with the increasing trend towards mixed use development, are likely to continue to provide a valuable source of residential capacity. In the short to medium term, an estimated 15% of land in town centres could be redeveloped, primarily through mixed use development, providing higher density housing whilst retaining office floorspace, with a lower level (10%) in the rest of the urban area. Beyond 2016, rates of redevelopment are likely to fall as the most suitable location may have already been developed.

4.5: Pubs, Clubs, Hotels, and Cinemas
In recent years there has been a trend towards increasing levels of provision of pubs, clubs etc, in town centres and a retrenchment of similar facilities elsewhere in the urban area, with the sites often redeveloped for housing. This trend is expected to continue, but with some element of mixed use development in the town centres. In the period to 2016, approximately 5% of land in town centre and 20% of land elsewhere in the urban area could come forward for housing, with similar rates expected beyond 2016.

4.6: Garage Services
Over the period to 2016, past rates of redevelopment to residential use are expected to continue. Beyond 2016, there is no evidence that rates of redevelopment will not continued at the same rate. An estimated 10% of land in use as garage services could come forward for housing in each 10 year period.

4.7: Yards and Depots
Over the period to 2016, with a continued emphasis within the South East Plan on the re-use and redevelopment of previously developed land in urban areas, further redevelopment of yards and depots to residential use is likely. An estimated 20% of land in such uses could come forward for development. Beyond 2016, the rate of loss is likely to reduce due to the reduction in the amount of suitable land.

4.8: Built Leisure Facilities
Leisure facilities are important to maintaining and improving the quality of life in urban areas and will be essential given the emphasis on making the best use of previously developed land in urban areas. Nevertheless, some redevelopment of older facilities and mixed use development of other sites is likely to take place. An estimated 5% of land in built leisure use could be developed for housing in each 10 year period.

4.9: Markets
The analysis of urban land uses underpinning the estimates of potential capacity from non-residential land, shows only 1 market area, within the Guildford urban area. There is no indication that this will come forward for development and not loss of land to residential is envisaged.

5.1: Car Parks
In recent years, a number of existing car parking areas have been identified as potential housing sites. There is also scope for the redevelopment of surface car parking areas to provide residential above, or adjacent to retained car parking. An estimated 10% of land in car park use could come forward for housing in each 10 year period.

5.3: Bus Depots
Further rationalisation within the bus industry, releasing additional depots for redevelopment, is considered unlikely, given the scale of redevelopment seen during the 1990s.

5.4: Railway Land and Buildings
There has been significant interest in recent years in the opportunities for mixed use redevelopment of railway land, particularly in town centres, providing residential properties in highly sustainable locations above or adjacent to stations. An estimated 30% of existing land could come forward for development in town centres in the period to 2016, with 20% of land in the rest of the urban area. Beyond 2016, the rate of redevelopment in town centres could fall to 20% as the availability of suitable sites reduces.

5.5: Roads and Verges
In the absence of a major redistribution of land currently in road use to other uses, there is unlikely to be any potential for additional residential development from this source.

5.6: Marinas
Marinas are not considered to provide a source of any potential residential development.

6.3: Caravan Parks
Redevelopment of caravan parks could provide a source of potential residential capacity. However, most are existing residential caravan parks, rather than tourist facilities, and redevelopment to permanent housing may actually result in a net loss of residential capacity. Caravan parks are not, therefore, expected to provide any additional capacity.

7.1: Open Space
A significant amount of land within urban areas has been identified as open space. Development of this land could provide a major source of potential residential capacity – even releasing as little as 1% of land currently identified as open could result in 440 additional dwellings. However, with a policy emphasis on making the best use of opportunities within urban areas, it is important to ensure that those elements of the urban environment that provide amenity space or add to the quality of life are maintained. The Surrey Structure Plan resists the loss of urban open land that is important to the amenity of local communities or identified in a greenspace strategy. Consequently, no potential capacity is assumed from loss of open space.

7.2: Playing Fields
Again, this is potentially a major source of capacity. However, as with other urban open land, the Structure Plan and Government guidance contain a strong policy presumption against the further loss of playing fields. Consequently, no potential capacity is assumed from the loss of playing fields.

7.3: Allotments
Allotments perform a valuable open space and nature conservation function within urban areas as well as a valuable leisure amenity. With an increased emphasis on higher density urban living and reduced private open space, the retention of allotments is increasingly important. No potential capacity is assumed from the loss of allotments.

7.4: Nurseries
Redevelopment of land in nursery use could provide a source of new residential development. The potential capacity will depend upon market circumstances - whether it is economic to redevelop such uses to residential use – and local plan policies. An estimate is made that 5% of such land will come forward for housing in the period to 2016, with a further 5% beyond 2016.

7.5: Golf Courses
A considerable amount of land within the urban area is in golf course use. Golf courses provide a valuable source of both open land and leisure within the urban area. No potential capacity is assumed from the loss of golf courses.

7.6: Farmland
Previous development has resulted in the loss of much of the farmland lying within and on the periphery of, the urban area, with only 17 hectares remaining at 2001. Farmland provides a valuable source of open land, an environmental resource and potentially an amenity resource. No potential capacity is assumed from the loss of farmland.

7.7: Mineral Extraction and Waste Tips
Existing sites are likely to be required either for continued mineral processing or for the development of waste facilities, including recycling facilities. However, there may be scope to

provide residential development on sites no longer in waste or mineral extraction use, through the implementation of restoration programmes. An estimate that 20% of land in such uses could come forward for development has been made in the period to 2016. Beyond 2016, no potential capacity is assumed due to the limited amount of such land within the urban area.

8.1: Water and Sewerage
With the emphasis in the emerging South East Plan on the redevelopment of previously developed land in urban areas, and the move to modernise and upgrade water and sewage facilities to meet international standards, further redevelopment of these facilities is expected. An estimated 10% of land in water and sewage use could come forward for residential development in the period to 2016, with this rate of transfer continuing beyond 2016.

8.2: Gas
Some redevelopment is expected over the 2006-2016 period due to rationalisation of assets. An estimate that 10% of land in gas use could come forward for residential development has been made. Beyond 2016, a similar rate of land transfer is assumed.

8.3: Electricity
The emphasis on the redevelopment of previously developed land in urban areas is expected to result in the redevelopment of some sites currently in use for electricity purposes. As with gas and water and sewage facilities, an estimate is made that 10% of land in such uses could come forward for residential use in each 10 year period.

8.4: Telephone Exchanges
With the introduction of new technology, the requirement for large sites and buildings as telephone exchanges is expected to reduce. An estimated 20% of land and buildings in use as telephone exchanges could come forward for residential development in the period to 2016, with the rate of land transfer reducing after 2016 (to 10%) as land availability reduces.

8.5: Civic Amenity Tips
7.3 hectares of land in the urban area are in use as amenity tips. There is an increasing policy emphasis on recycling and the need to provide better recycling facilities which, together with potential pollution difficulties arising out of the redevelopment of amenity tips for housing, means there is unlikely to be significant additional residential capacity from this source.