

TOWN AND COUNTRY PLANNING ACT 1990 (AS AMENDED)

PROOF OF EVIDENCE – HOUSING LAND SUPPLY & TRAJECTORY MATTERS Volume I

Land at Scotland Park, Haslemere, Surrey

Planning Appeal Reference: APP/R3650/W/23/3327643
Planning Application Reference: WA/2022/01887

*On behalf of:
Redwood (South West) Limited*

*Prepared by:
David Neame BSc (Hons) MSc MRTPI
Director*

December 2023



Town and Country Planning Act 1990 (As Amended)

Proposed Residential Development: Redwood (South West) Limited

Land at Scotland Park, Haslemere, Surrey

Appeal Reference:
APP/R3650/W/23/3327643

Proof of Evidence Housing Land Supply & Trajectory Matters

08 December 2023

Contents:

	Executive Summary	Volume II
1.	Instructions and Introduction	5
	(i) Statement of Experience and Professional Declaration	5
	(ii) Scope of Evidence	7
	<u>PART 1 – 5-Year Housing Land Supply Matters</u>	9
2.	Policy Context and Relevant Appeal Case History	9
	(i) National Planning Policy Framework 2023	9
	(ii) National Planning Practice Guidance	11
	(iii) Potential Emerging National Policy Position	12
3.	What is the Correct Five Year Period?	14
4.	What is the Correct Housing Requirement?	15
	(i) The Standard Method – The Starting Point	15
	(ii) The Correct Buffer to be Applied	16
	• Housing Delivery Test Result 2021 (published 14 January 2022)	16
	(iii) Housing Requirement for the 5-year Period	17
	(iv) The Future Direction of Travel – Effect on the Standard Method	18
5.	Analysis of Council's Supply History	20
6.	Review of Council's Sources of Supply	24

(i)	Outstanding Permissions on Small and Medium Sites	25
(ii)	Outstanding Permissions on Large Sites	27
(iii)	Resolution to Permit	35
(iv)	LPP2 Site Allocations	36
(v)	Windfalls	41
(vi)	Conclusion on Supply Sources	43
7.	Summary of Neame Sutton Assessment of Council's 5 Year Supply Position	44
	<u>PART 2 – Housing Trajectory Matters Relevant to Paragraph 177 of the Framework 2023</u>	46
8.	Development Plan Context for Housing Trajectory	46
9.	Council's Sources of Supply for the Plan Period 2013 – 2032	49
10.	Council's Delivery Expectations from Dunsfold Aerodrome	50
11.	Other Potential Sources of Supply	52
(i)	LPP2 Regulation 18 Allocations Removed at Regulation 19 Stage	52
(ii)	Withdrawn Cranleigh Neighbourhood Plan Sites	52
(iii)	Other Sites in the Planning System	52
12.	Analysis of Council's Housing Trajectory and the Capability of the Development Plan to meet the minimum Housing Requirement Identified	53
(i)	Trajectory 1 – Based on the LPP1 and LPP2 Supply Sources	53
(ii)	Trajectory 2 – Based on the LPP1 and LPP2 Supply Sources (Excluding Dunsfold)	54
(iii)	Trajectory 3 – Based on the LPP1 and LPP2 Supply Sources plus Other Potential Sources of Supply	54
(iv)	Conclusions on Trajectory and Consequent Need for more Housing in the Borough	55

Appendices (see Volume III):

Appendix 1	Waverley Borough Council Housing Land Supply Position Statement – Dated October 2023 (based date 01 April 2023)
Appendix 2	Start to Finish – Second Edition (Lichfields)(February 2020)
Appendix 3	Neame Sutton Assessment of Council's Supply Sources – December 2023
Appendix 4	Neame Sutton 5-year housing land supply calculations – December 2023 including comparative assessment
Appendix 5	Detailed Evidence on 5-Year Supply Disputed Sites: <ul style="list-style-type: none">• Land at Deerwood, Woolmer Hill Road, Haslemere• Dunsfold Aerodrome• The Old Grove, High Pitfold, Hindhead
Appendix 6	Council's latest Housing Delivery Action Plan dated December 2020
Appendix 7	Analysis of Council's AMRs on Delivery – November 2023
Appendix 8	Extract from Council's Evidence to LPP1 Examination in relation to Lapse Rate
Appendix 9	Consent to Judgment – East Northamptonshire Council & SoS v Lourett Developments Limited 07 May 2020
Appendix 10	Appeal Decision - Land East of Broad Road, Nutbourne and Land West of Drift Lane, Chidham (APP/L3815/W/22/3295000 & APP/L3815/W/22/3295004) – 29 August 2023
Appendix 11	Council's Update note to its November 2022 Housing Land Supply Position Statement (January 2023)
Appendix 12	Analysis of Council's supply sources relied upon in Housing Trajectory (December 2023)
Appendix 13	Housing Trajectories (December 2023)
Appendix 14	WBC Response to Further MiQs – Matter 2 (Appendix 1)

1. Instructions and Introduction

- 1.1 I am a Director of Neame Sutton Limited, Chartered Town Planners. I hold a BSc (Hons) in Land Management and an MSc in Urban Planning and Development. I was elected a Member of the Royal Town Planning Institute in November 2002.
- 1.2 Neame Sutton Limited was established in February 2010 by myself and my business partner and provides planning services to a diverse range of Clients across the country. The practice frequently advises Clients in relation to residential development proposals including matters relating to housing land supply.
- 1.3 Prior to this I was employed at Director level in another planning practice (Charles Planning Associates Limited), which I joined in August 2000 following employment as a Planning Policy Assistant within Rushmoor Borough Council.
- 1.4 During my career I have represented a wide range of public and private sector clients promoting a variety of developments across the country. I have appeared as Expert Witness at Regional Spatial Strategy, Structure Plan and Local Development Framework Examinations in Public, and over fifty S.78 Informal Hearings and Inquiries, together with Local Plan Inquiries.
- 1.5 Comparable cases include:
- Landgate, Ashton-in-Makerfield – Outline Consent on Greenfield Land Allocation for circa 462 no. dwellings, 60,000 sq.ft A1 retail, 60,000 sq.ft B-Class uses and new distributor road – Consent granted in November 2015;
 - Long Copse Lane Westbourne – S78 Inquiry in relation to greenfield residential site in Chichester District – Appeal allowed for 16 dwellings in 2016 in circumstances where Council could demonstrate a 5-year HLS;
 - Minley Nursery, Tongham - S78 Hearing in relation to greenfield residential site in Guildford Borough – Appeal allowed for 55 dwellings in 2016 in light of 5-year HLS shortfall;
 - Albany Farm, Bishops Waltham – Greenfield residential land promotion through Winchester Local Plan – Site allocated for 120 dwellings and resolution to grant Outline Consent achieved in 2016;
 - Longhedge, Salisbury – Greenfield Urban Extension for circa 65 dwellings and 2ha of employment land – Consent granted October 2019 in light of acute housing need in Wiltshire at the time;

- Steers Lane, Crawley – Outline Consent for up to 180 no. dwellings allowed on appeal in February 2020 in circumstances where Council could demonstrate a 5-year HLS;
- Land at Sandhill, Boxford, Suffolk – Outline Consent to up to 64 no. dwellings granted in light of 5-year HLS shortfall in June 2020;
- Shopwyke, Chichester – Full Detailed application for 88 no. dwellings – Full Detailed Consent granted in June 2020;
- Land South of Loxwood Farm Place, Loxwood – Outline Application for up to 24 no. dwellings – Outline Consent granted on 15 October 2020 in light of 5-year HLS shortfall.
- Land at Rascals Farm, Southwater – Outline Application for up to 100 no. dwellings – Outline Consent allowed on appeal on 02 August 2021 in light of 5-year HLS shortfall confirmed in the appeal decision.
- Land at Scotland Lane, Haslemere – Full Detailed Application for 50 no. dwellings – Full Detailed Consent allowed on appeal on 01 February 2022 in light of 5-year HLS shortfall confirmed in the appeal decision;
- Land at Hindsland, Willingdon, East Sussex – Outline Application for up to 180 no. dwellings and medical centre – Appeal for non-determination (not being defended by Council) in an authority without 5-year HLS – Outline Consent allowed on appeal on 11 October 2022 in light of 5-year HLS shortfall;
- Land East of Broad Road, Hambrook and Land West of Drift Lane, Chidham – Two Outline Applications for a combined total of up to 200 no. dwellings – Appeal against refused of planning permission. Outline Consent allowed on appeal (29 August 2023) for both schemes in light of 5-year HLS shortfall confirmed in the appeal decision; and,
- Land West of Ravenscroft, Storrington – Hybrid Application for up to 78 no. dwellings, replacement allotments and community park (cross boundary application) – Hybrid Consent allowed on appeal on 06 October 2023 in light of 5-year HLS shortfall confirmed in the appeal decision.

- 1.6 In addition to the above Development Management experience I also have an active role in relation to the wider area including chairing the Waverley Housing Forum (providing housing land supply and requirement evidence) through the Local Plan Part 1 Examination (acting for a group of 10 housebuilders and land promoters) together with active participation on behalf of a number of housebuilder and land promoter clients in relation to the Local Plan Part 2 Examination and both Farnham Neighbourhood Plan Examinations. I have active involvement in a number of other Local Plan areas where similar Forums have been established including Guildford, Tandridge and, Epping Forest.
- 1.7 I also work with Savills who project manage the Surrey Development Forum to advise on housing land supply and delivery issues.
- 1.8 I have a good working knowledge of the site and its surrounding context, the policy context within Haslemere, Waverley and the wider area including in relation to a number of neighbouring authorities. I am therefore instructed to appear at this Inquiry on behalf of Redwood (South West) Limited ("the Appellant") to provide professional Housing Land Supply Evidence.
- 1.9 I have inspected the site and the surrounding area on a number of occasions.

Declaration:

- 1.10 The evidence I have prepared represents my professional opinion regarding the housing land supply matters relating to the determination of this Appeal. Based on my knowledge and experience, I believe the facts stated in this evidence are true and accurate and I have complied with the RTPI Code of Conduct.

(i) Scope of Evidence

- 1.11 This Proof of Evidence seeks to deal with the housing land supply and trajectory matters that arise in relation to this case flowing from the Appellant's Statement of Case and informed by the Case Officer's report on the appealed application and the Council's Statement of Case.
- 1.12 Set within the above context this Proof of Evidence will address the housing land supply issues raised by the Appeal and is structured as follows:

Part 1 – 5-Year Housing Land Supply Matters

- Section 2 Policy Context and Relevant Appeal Case History
- Section 3 Deals with the Correct Five Year Period
- Section 4 Considers the Correct Housing Requirement
- Section 5 Sets out an Analysis of the Council's Supply History
- Section 6 Reviews in Detail the Council's Sources of Supply
- Section 7 Summarises the 5-Year Supply Position as Calculated by Neame Sutton

Part 2 – Housing Trajectory Matters Relevant to Paragraph 177 of the Framework 2023

- Section 8 Development Plan Context for Housing Trajectory
- Section 9 Council's Sources of Supply for the Plan Period 2013 – 2032
- Section 10 Council's Delivery Expectations from Dunsfold Aerodrome
- Section 11 Other Potential Sources of Supply
- Section 12 Analysis of the Council's Housing Trajectory and the Capability of the Development Plan to meet the minimum Housing Requirement Identified

1.13 I refer to the other Proofs of Evidence prepared on behalf of the Appellant. Alongside the Appellant's Evidence the following Statements of Common Ground have been prepared and are referred to in this Proof of Evidence:

- SoCG Planning (the main SOCG)
- SoCG Housing Land Supply Matters

PART 1 – 5-Year Housing Land Supply Matters

2. Policy Context and Relevant Appeal Case History

(i) National Planning Policy Framework 2023

- 2.1 One of the overarching policy objectives set down by Government is for the planning system in England to significantly boost the supply of new housing through sustainable patterns of development¹.
- 2.2 In order to achieve this one of the key national policy tools employed by Government is the requirement placed on all Local Planning Authorities to identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their housing requirement set out in adopted strategic policies or against their local housing need where the strategic policies are more than five years old².
- 2.3 The Framework also requires the supply of specific deliverable sites to include an additional Buffer.
- 2.4 The Buffer is to be calculated by reference to the Housing Delivery Test ("HDT") measurement undertaken annually by Government and, depending on the applicability of the specific circumstances set out in Paragraph 74 a), b) and, c) will comprise either 5%, 10% or 20%.
- 2.5 Annex 2 to the Framework 2023 provides the definition of what constitutes a deliverable site for the purposes of housing land supply assessments, namely:

'Deliverable: *To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. In particular:*

- a) Sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered*

¹ Paragraphs 7, 8 and 60 of the Framework 2023 specifically refer.

² Paragraph 74 of the Framework 2023

within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).

b) Where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.'

- 2.6 It is important to note that the Annex 2 definition is not exhaustive and the type of sites capable of falling either within category a) or b) can be broader than the particular examples given i.e. the lists are not 'closed'. The Consent to Judgment attached at **Appendix 9** confirms that this is the Secretary of State's understanding of the definition in the Annex.
- 2.7 It is however important to highlight that there is a material difference between the two categories of site identified in the Annex insofar as the burden of evidence is concerned.
- 2.8 Any site that fits the definition of category a) is considered deliverable unless and until 'clear evidence' to the contrary is presented by those wishing to challenge the 5-year housing land supply position. In circumstances where a LPA seeks to include a site that is not specifically identified in the category a) definition contained in the Annex it must follow that the LPA must demonstrate through evidence that the site is appropriately considered to be a category a) site.
- 2.9 By contrast any site that fits the definition of category b) can only be considered deliverable where there is 'clear evidence' that it will provide completions in the 5-year period. Those wishing to challenge the deliverability of sites in category b) merely need to demonstrate that 'clear evidence' has not be provided by the LPA to support the inclusion of the site (the Inspector in the Longdene House appeal confirmed this approach at Paragraph 39, See **CD9.3**).
- 2.10 The Inspector in the Stanbury House case also confirmed that for a site to meet the definition of deliverable set out in the Framework there must be a realistic prospect that housing will be delivered on the site in the next five years³. It is that 'realistic prospect' that must be demonstrated in the 'clear evidence' presented by the Council in its housing land supply assessment.

³ Paragraph 43 of the Stanbury House Decision attached at **CD9.7** refers.

- 2.11 In addition to the above the Framework provides a specific approach in relation to windfall sites⁴. Where a Council seeks to make an allowance for windfall sites as part of anticipated supply, there should be compelling evidence that they will provide a reliable source of supply. This test is considered to be a ‘higher bar’ than the ‘clear evidence’ test set out in Annex 2 for other supply sources.
- 2.12 A recent demonstration of the ‘higher bar’ is set out in the Inspector’s consideration of the windfall allowance included by Chichester District in the Hambrook and Chidham conjoined appeals (see **Appendix 10**). In that case the Inspector was asked to consider whether the Council’s evidence, which looked solely at historic delivery, met the compelling evidence test with particular regard to forward trends in the current economic climate. At Paragraph 118 of the decision the Inspector commented that:
- ‘.....Furthermore, it is highlighted the considerable economic uncertainties, with increases in inflation and interest rates contributing to higher levels of risk. There is little indication that this will be a short-term issue and there are already signs that the housing market is slowing down.’*
- 2.13 At Paragraph 120 of the decision the Inspector concluded that the windfall allowance was not justified and should therefore be removed from the supply. This demonstrates the ‘higher bar’ that must be met for a Council to be able to demonstrate compelling evidence that windfalls will provide a reliable source of supply.

(ii) National Planning Practice Guidance

- 2.14 To establish what may constitute ‘clear evidence’ it is necessary to turn to the National Planning Practice Guidance (“**PPG**”).
- 2.15 The PPG advises that such further evidence to demonstrate the deliverability of Category b) sites may include:
- *‘Current planning status – for example, on larger scale sites with outline or hybrid permission how much progress has been made towards approving reserved matters, or whether these link to a planning performance agreement that sets out the timescale for approval of reserved matters applications and discharge of conditions;*
 - *Firm progress being made towards the submission of an application – for example, a written agreement between the local planning authority and the*

⁴ Paragraph 71 refers.

site developer(s) which confirms the developers' delivery intentions and anticipated start and build-out rates;

- *Firm progress with site assessment work; or*
- *Clear relevant information about site viability, ownership constraints or infrastructure provision, such as successful participation in bids for large-scale infrastructure funding or other similar projects.⁵*

2.16 The PPG only provides examples of further evidence. It therefore follows that other evidence may be sufficient. It equally follows that evidence provided by an LPA that appears to fit the examples may be insufficient. The key test is whether the evidence presented in support of any given site is sufficient to clearly demonstrate that it is available now, offers a suitable location for development now, and that there is a realistic prospect that housing will be delivered on the site within five years. If there is any doubt then a Category b) site should be removed from the 5-year housing land supply.

(iii) Emerging National Policy Position

2.17 The Government is currently in the middle of a process that will deliver fundamental reform to the national planning system in England.

2.18 A key component of the proposed reform is to ensure that the national housebuilding agenda to deliver circa 300,000 dpa is met. The Government has clearly identified the importance both to the UK economy but also to the wellbeing of the country's residents in providing everybody with the opportunity to own a decent home.

2.19 The current system and, in particular the Government's Standard Method for the calculation of Local Housing Need ("LHN") is not achieving the required level of housing delivery sought.

2.20 As a consequence and, as one of its 'shorter term measures', the Government proposed a revision to the Standard Method to ensure the delivery of at least 300,000 dpa across the country. The revisions to the Standard Method were introduced by Government in December 2020.

⁵ Housing and Economic Land Availability Assessment section of PPG – Paragraph 007 – Reference ID: 68-007-20190722

- 2.21 It is perhaps timely that Government is seeking to make these changes in the light of the recent COVID-19 pandemic and the clear and obvious effect it has had on housing delivery. As an example, housing delivery statistics published by ONS on 30 September 2020 confirmed that housing starts were down by -52% and completions by -62%⁶. In the publication on 22 June 2022 for the period January – March 2022 the figures bounced back but the residual impact is one of a reduced delivery across the period since January 2022 (-11% compared with the previous year)⁷. Looking at the most recent publication on 28 September 2023 the picture remains bleak with housing completions down by -12% compared with the previous year⁸.
- 2.22 Arguably now is the most important time in recent history to seek to boost supply of new housing in sustainable locations and where there is a clear and present need. As recently as 26 October 2023 the Secretary of State Michael Gove has reinforced the urgent need to build more homes now in the announcement by his department that the Levelling-up and Regeneration Bill has become law⁹.

⁶ MHCLG – Housing Supply: Indicators of new supply, England January to June 2020 – published 30 September 2020

⁷ MHCLG – Housing Supply: Indicators of new supply, England January to March 2022 – published 22 June 2022

⁸ MHCLG – Housing Supply: Indicators of new supply, England April to June 2023 – published 28 September 2023

⁹ DLUHC – Press Release: New laws to speed up planning, build homes and level up – 26 October 2023

3. What is the Correct Five Year Period?

- 3.1 The Council's latest assessment of 5-year Housing Land Supply is set out in its Housing Land Supply Position Statement dated 01 October 2023. That document works to a base date of 01 April 2023 for the 5-year period up to 31 March 2028.
- 3.2 The latest assessment updates the Council's position from 28 February 2023, which applied an unconventional base date of 20 February 2023 to reflect the 5-year anniversary of the Local Plan Part 1: Strategic Policies and Sites ("**LPP1**") and the consequent application of the Standard Method calculation for Local Housing Need ("**LHN**")¹⁰.
- 3.3 I agree with the Council's 5-year period starting from 01 April 2023 and my Proof of Evidence has therefore been prepared on the basis of the latest Housing Land Supply Position Statement (01 October 2023) for the period 01 April 2023 – 31 March 2028.

¹⁰ Housing Supply and Delivery section of the PPG – Paragraph: 005 Reference ID: 68-005-20190722 Revision date: 22 July 2019

4. What is the Correct Housing Requirement?

(i) The Standard Method – The Starting Point

- 4.1 The current adopted LPP1 was adopted on 20 February 2018 and sets out the strategic policies for the Borough including setting the minimum Housing Requirement for the period 2013 – 2032 (11,210 dwellings or 590 dpa). The LPP1 was now passed its 5-year anniversary as at 20 February 2023 and has not yet been updated.
- 4.2 The Council has however taken a report to its Executive on 07 February 2023 confirming that following a review of the LPP1¹¹ it requires updating particularly in relation to the housing requirement.
- 4.3 More recently the Council has taken a further report to its Executive on 03 October 2023 confirming the scope and timetable for the new Local Plan, which is intended to replace both the LPP1 and the newly adopted Local Plan Part 2: Site Allocations and Development Management Policies (21 March 2023) (“LPP2”). The timetable agreed by the Council's Executive is that the new Local Plan will be submitted in Autumn 2026 with adoption towards the end of 2027. That timetable is described, by Councillor Townsend¹², as an ambitious timeline.
- 4.4 A replacement Local Plan will not therefore be in place in Waverley until at least the end of 2027 i.e. at least 4 years from the time of preparing this Evidence.
- 4.5 As a consequence the Standard Method calculation of LHN applies from 20 February 2023 and will apply until the replacement Local Plan is adopted.
- 4.6 At the time of preparing this Evidence the Standard Method calculation for Waverley equates to 719 dpa. This is to the 2023 base year for the relevant household projections and applies the latest affordability ratio data published on 22 March 2023.
- 4.7 The starting point at the time of preparing this Evidence is therefore **719 dpa**. This is agreed between the Appellant and the Council.

¹¹ In accordance with Regulation 10A of The Town and Country Planning (Local Planning)(England) Regulations 2012

¹² Councillor Townsend is the Executive Portfolio Holder

4.8 It is relevant to note that the LHN of 719 dpa equates to an uplift of 41.8% when compared with the Objectively Assessed Need (“OAN”) calculated for the purposes of the LPP1 (507dpa¹³). This demonstrates the scale of the task now facing the Council in terms of housing need.

(ii) The Correct Buffer to be Applied

4.9 Paragraph 74 of the Framework 2023 requires the inclusion of a buffer to the 5-year housing land supply calculation.

- Housing Delivery Test Result 2021 (published 14 January 2022)

4.10 The Buffer is calculated by reference to the most recent HDT measurement published by Government, which in this case is the 2021 HDT published on 14 January 2022. It is relevant to note at this point that the 2022 HDT that should have been published in January 2023 has been delayed.

4.11 Where the HDT measurement is greater than 85% a 5% Buffer should be added to the housing requirement figure to ensure choice and competition in the market for land¹⁴.

4.12 The most recent HDT measurement for Waverley is set out below:

Table 1: 2021 HDT Measurement for Waverley Borough

	2018/19	2019/20	2020/21	TOTAL
Homes Required	590	540	393	1523
Homes Delivered	375	605	672	1652
HDT Measurement				109%

4.13 The correct Buffer to apply is therefore 5%.

4.14 It is important to note that the 2021 HDT applies an adjustment to reflect the impact of the first national lockdown (announced on 23 March 2020) by reducing the 'homes required' in 2019/20 year by one month. A further reduction of 4 months has been applied to the 2020/21 year to reflect the disruption caused by the pandemic.

¹³ 507 dpa is the OAN for Waverley set at the LPP1 Examination stage and excludes 83 dpa of unmet need arising for Woking (590 dpa in total). It is necessary to compare the OAN minus unmet need with the LHN because LHN does not make any allowance for unmet need (that will be addressed as part of the forthcoming plan making process).

¹⁴ Paragraph 74 a) of the Framework 2023 refers.

- 4.15 If the COVID adjustments made to the HDT calculation are removed and the standard Local Plan Housing Requirement applied to the 3 year period the HDT result would equate to:

Table 2: 2021 HDT Measurement for Waverley Borough with COVID-19 Adjustments Removed

	2018/19	2019/20	2020/21	TOTAL
Homes Required	590	590	590	1770
Homes Delivered	375	605	672	1652
HDT Measurement				93%

- 4.16 The above result is actually worse than the previous year's HDT applying the same approach, which equated to 95%. This demonstrates that the trend in Waverley's housing delivery is going in the wrong direction.

(iii) Housing Requirement for the 5-year Period

- 4.17 The housing requirement for the 5-year period 01 April 2023 – 31 March 2028 is therefore calculated as follows:

Table 3: Housing Requirement for the 5-Year Period

		Council's Position		Neame Sutton Position		Notes
		Dwellings	Dpa	Dwellings	dpa	
A	Annual housing requirement based on the standard methodology		719		719	
B	Housing requirement 01/04/2023 – 31/03/2028	3595	719	3595	719	
C	Total five year housing requirement 01/04/2023 – 31/03/2028 plus 5% buffer	3775	755	3775	755	

- 4.18 755 dpa must however be regarded as a minimum particularly in light of the clear expectation of Government to significantly boost the supply of housing nationally and the fact that the LPP1 housing requirement is expressed as a minimum figure. Simply meeting the requirement of 755 dpa would not therefore achieve the objective of significantly boosting the supply of housing in Waverley Borough.

(iv) The Future Direction of Travel – Effect on the Standard Method

- 4.19 One of the key components of the Standard Method calculation is the affordability ratio data published by ONS annually in March. In Waverley's case the LPP1 housing requirement is higher than the annual household growth figure and as a consequence there is no cap applied to the LHN figure¹⁵. This means that any increase to the affordability ratio for Waverley will lead directly to an increase in the LHN and in turn a worsening of the Council's land supply position.
- 4.20 The significant uplift in the LPP1 minimum housing requirement arising from the current Standard Method calculation is therefore of no surprise.
- 4.21 The affordability ratio for the Borough most recently calculated in March 2023 confirms a ratio of 17.37¹⁶. This makes Waverley the 4th most expensive place to live in the country outside of London. As a comparison the national average is only 8.28 in England, which is a level that the Government considers to be too high and one that requires urgent action to resolve through the overarching objective of significantly boosting the supply of housing nationally.
- 4.22 Waverley's affordability ratio has seen a constant high level over recent years, which is a direct result of the Council's failure to deliver enough housing as demonstrated by the substantial accumulated shortfall and the continued lack of deliverable 5-year housing land supply (see Section 5 of my Proof of Evidence). In fact the ratio has increased from 14.47¹⁷ to 17.37 since the LPP1 was adopted. This is a significant failing of the LPP1 and requires immediate bold action to resolve through the delivery of new homes now. It is also relevant to note that the Council's affordability crisis is high even when compared with the other two authorities in the same Housing Market Area (Guildford 12.67 and Woking 11.07).
- 4.23 It is therefore probable that the ratio will increase again when the next set of data is published towards the end of March 2024. A leading indicator is the ONS House Price Index, which in its September 2023 edition confirms that falling average house prices over the last 12 months in England (-0.5%) and the South East (-1.4%) is in contrast to increasing prices in Waverley (+2.5%)¹⁸.

¹⁵ Housing and Economic Needs Assessment section of the PPG – Paragraph: 004 Reference ID: 2a-004-20201216
Revision date: 16-12-2020

¹⁶ Source: ONS – House Price Workplace-Based Earnings Ratio data published 22 March 2023

¹⁷ Note: This is the ratio as at March 2017 but it would have been the applicable ratio at the point the LPP1 was adopted in February 2018.

¹⁸ Source: ONS – House Price Index: September 2023

- 4.24 Unless more planning consents are granted for housing now the housing crisis within Waverley will continue to worsen leading to higher and higher housing requirements when calculated through the Standard Method.
- 4.25 The housing within this Appeal proposal will therefore make a valuable contribution towards meeting need in the Borough and in Haslemere in particular.

5. Analysis of Council's Supply History

- 5.1 Before considering the Council's sources of supply it is important to analyse its history of delivery both in relation to the relevant requirement in place and also in relation to its own prior estimates of supply.
- 5.2 This analysis is considered to provide a helpful indicator as to the relative level of optimism the Council has in relation to its supply data relative to actual delivery rates together with quantifying the extent of under provision that has accrued in Waverley Borough.
- 5.3 An analysis of previous AMR data in relation to completions in the District is set out in the table attached at **Appendix 7**. As the data demonstrates the Council has a consistent track record of over-estimating delivery of the number of homes that would come forward in either the whole five year period or the initial years (noting that in the recent AMR reports the delivery in the latter part of the five year period is currently unknown).
- 5.4 It is also clear from this that the Council estimates of delivery have become demonstrably worse in recent years and since the adoption of the LPP1 in February 2018 where the Council's average recorded completions have equated to **21.07% less** than its predictions.
- 5.5 It is exactly this level of inaccuracy in estimating delivery that has led to the Council's housing land supply position being regularly proven to be below 5-years. Also, in my view, this level of inaccuracy is one of the key reasons why Government sought to introduce the new definition of Deliverable in the Framework 2018 in an attempt to improve the accuracy of Councils' housing land supply statements.
- 5.6 This is of particular relevance when the Council is now seeking to rely on its estimates of supply in order to demonstrate compliance with the strict test of deliverability set out in Annex 2 of the Framework 2023.
- 5.7 This is a matter that reinforces the approach taken by Neame Sutton in relation to the review of the Council's supply sources set out in Section 6 of this Proof of Evidence.

5.8 The Council's history of under-delivery as a consequence of its inaccuracy in estimating supply over the years has resulted in a significant level of under-provision as demonstrated in the table below:

Table 4: Comparison of past completions against the Relevant Adopted Housing Requirement¹⁹

	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Total
Requirement	250	250	250	250	590	590	590	590	590	590	590	590	590	590	6900
Actual Delivery	186	141	120	230	143	242	342	321	602	475	602	695	828	965	5892
Shortfall/Surplus	-64	-109	-130	-20	-447	-348	-248	-269	12	-115	12	105	238	375	-1008

5.9 The above table demonstrates the Council has only managed to meet its own housing requirement on 5 occasions in the last 15 years. Only in the last four years has the Council managed to exceed its Local Plan Requirement on a consistent basis. The consequent cumulative deficit equates to -1008 dwellings or 1.7 years supply applying the LPP1 minimum housing requirement.

5.10 If the period since the start of the LPP1 Plan period is applied i.e. from 2013 onwards, the Council still has a substantial deficit of -685 dwellings or 1.2 years supply.

5.11 The situation is also set to become materially worse with the application of the Standard Method calculation of LHN that will increase the minimum requirement to 719 dwellings for the next monitoring year.

5.12 It is clear that Waverley's track record of housing delivery is poor and given the increasing need for new homes as demonstrated by the Standard Method for the borough there is an acute need for the delivery of more homes now.

5.13 For the Inspector's information the following series of Appeal decisions support the approach I have taken in this Proof of Evidence and confirm that, contrary to the Council's then stated position over a number of years, it cannot demonstrate a 5-year housing land supply (the decisions are included in the Core Documents at **CD9**):

¹⁹ It is relevant to note that the completion figures used by Waverley include allowances for communal accommodation and student accommodation. As a consequence they differ from the national data set out in the Government's Live Table 122: Net Additions, which looks solely at new dwellings added to the stock that contribute to the national objective of 300,000 dpa.

Table 5: Summary of Previous Appeal Decisions Relating to 5-Year Housing Land Supply in Waverley

Appeal Reference	Inspector	Decision Date	Land Supply Position Concluded by Inspector	Land Supply Contended by Council	Site Location
3324112	Jonathan Parsons	28 November 2023	3.89 years	3.89 years	Land to the rear of Monkton House, Monkton Lane, Farnham
3311941	Lesley Coffey	03 July 2023	3.34 years	4.28 years	Old Compton Lane, Waverley Lane, Farnham
3310793***	D R McCreery	19 May 2023	3.53 years	4.28 years	Lower Weybourne Lane, Badshot Lea, Farnham
3302987	Tim Wood	17 February 2023	3.46 years	4.9 years	Hawthorns, Hale Road, Farnham
3301692	Mrs H Nicholls	15 February 2023	4.0 years	4.8 years	Windacres Farm, Church Street, Rudgwick
3265361	Peter Mark Sturgess	25 February 2022	4.01 years	4.7 years	Land south of Alfold Garden Centre, Crossways
3280136	Helen Hockenhull	01 February 2022	4.25 years	5.2 years	Scotland Lane, Haslemere
3278196	Harold Stephens	11 January 2022	4.01 years	5.22 years	Land West of Loxwood Road, Alfold
3262641	Lesley Coffey	21 June 2021	4.25 years	5.3 years	Badshot Lea, Farnham
3234716	E Brownless	16 March 2020	3.9 years	5.19 years	Alfold, Cranleigh
3237359*	Michael Boniface	02 March 2020	4.5 years	4.5 years	Alfold, Cranleigh
3230164	Tom Gilbert-Wooldridge	15 November 2019	3.67 years	5.185 years	Church Street, Rudgwick
3227970	John Felgate	16 September 2019	4.3 years	5.2 years	Cox Green Road, Rudgwick
3165974	John Woolcock	10 January 2019	3.7 – 4.6 years	5.8 years	Hedgehog Lane, Haslemere
3171409	Philip Asquith	12 December 2018	3.88 – 3.98 years	5.8 years	Folly Hill, Farnham
3155714	Richard Clegg	01 December 2017	4.5 years	5.84 years	Alfold Crossways, Cranleigh
3165974**	Ken Barton	04 September 2017	4.24 years	5.18 years	Hedgehog Lane, Haslemere
3163124	David Prentis	17 July 2017	4.1 – 4.7 years	5.3 years	35 Frensham Vale, Farnham
3150558	Karen L Ridge	20 March 2017	4.63 years	5.3 years	Shackleford Road, Elstead

*A SoCG was completed during the course of this Inquiry, which is included in the Core Documents, where the Council accepted that it could not demonstrate a 5-year housing land supply at the base date of 01 April 2019 i.e. 1 year before the current monitoring period.

**Please note that this decision was quashed in the High Court on grounds relating to the application of National Policy in relation to the AONB. No grounds were advanced in relation to the housing land supply position concluded by the Inspector.

***Note: This decision is the subject of a live Judicial Review due to be heard in the High Court on 05 March 2024.

5.14 I shall return to some of the above decisions as part of my assessment of the Council's supply sources in Section 6 below.

6. Review of Council's Sources of Supply

6.1 This section of my Proof of Evidence reviews the Council's sources of supply for the 5-year period 01 April 2023 – 31 March 2028 as set out in the Housing Land Supply Position Statement published on 01 October 2023.

6.2 The Council seeks to rely on the following categories of supply for the 5-year period:

Table 6: Supply Categories Relied Upon by the Council

Supply Category Relied Upon by Council	
A	Outstanding Permissions Small and Medium Sites
B	Outstanding Permissions Large Sites
C	Sites with a Resolution to Permit
D	LPP2 Site Allocations
E	Windfalls

6.3 As set out in Section 2 above the definition of deliverable sites set out in Annex 2 divides sources of supply into two categories Category a) and Category b) sites.

6.4 The sites for the purposes of analysis within this Evidence have therefore been divided in accordance with the two categories identified in Annex 2.

Category a) Sites:

6.5 For the purposes of this Evidence the following sites within the Council's supply are considered to fall within Category a):

- Outstanding planning permissions on small and medium sites
- Outstanding planning permissions on large sites where either full detailed consent or outline and reserved matters approvals are in place at the base date

Category b) Sites:

6.6 The remainder of the Council's sources of supply therefore fall within Category b), namely:

- Outstanding permissions on large sites with outline consent only
- Sites with a resolution to permit
- LPP2 Draft Site Allocations
- Windfalls

6.7 It should also be noted that windfall development (although capable of falling within Category b)) is also subject to the more onerous test set out in Paragraph 71 of the Framework 2023 where compelling evidence is required if an allowance is to be made within the 5-year supply: see the discussion above.

(i) Outstanding Permissions on Small and Medium Sites

6.8 This supply source falls within Category a). The Council does not apply a lapse rate to this supply source and instead seeks to rely on 100% delivery from the sites identified. This approach is inherently high risk and is dependent upon all sites coming forward as projected by the Council. I should explain that a “lapse rate” is a deduction that is made to a supply source (usually a source of supply where planning consents are already in place) to take account of the fact that a proportion of those consents will not be implemented and will subsequently lapse. The rate applied depends on the individual circumstances for each Local Planning Authority by reference to empirical evidence of consents that have lapsed in previous years. [] The application of a lapse rate provides for a more robust assessment of the deliverable supply that can be relied upon in any 5-year period.

6.9 Over the course of the previous monitoring years (at least the last 3 monitoring years) the Council has had to concede that a number of sites from this category would not deliver. In the Housing Land Supply Position Statement published in November 2022 (to the 01 April 2022 base date) the Council conceded in an update note dated December 2022 (published in January 2023) that 24 no. dwellings should be removed due either to double counting, lapsed permissions or typographical errors (copy of Council's note attached at **Appendix 11**). This in itself demonstrated the Council's acknowledgement that not all sites will deliver as expected from this supply source.

6.10 Subsequent to this Neame Sutton identified a further -17 no. dwellings where consent had lapsed and therefore no delivery would occur²⁰.

6.11 The position in the context of the current Housing Land Supply Position Statement (to the 01 April 2023 base date) is similar in that I have identified a total of -33 no. dwellings that should be removed due to either double counting, lapsed permissions or typographical errors. I have summarised these in the table below:

²⁰ This was set out in evidence to the Badshot Lea Inquiry (PINS Ref: 3310793) in Table 5 above.

Table 7: Schedule of Consents in Small and Medium Sites Category that Should be Removed

Site Location	Decision Date	Commenced	Outstanding Net Dwellings	Reason for Removal
Glebelands Farm, Loxwood Road, Alford	14/09/2020	No	4	Consent lapsed on 13/09/2023
Barns at Rowe Barn Farm, Thorncombe Street, Bramley	30/09/2020	No	4	Consent lapsed on 29/02/2023
West Lodge at Stilemans, Hascombe Road, Godalming	11/12/2020	No	1	Consent lapsed on 11/11/23
Land at Furze Hill Stud, Star Hill, Churt	02/11/2020	No	1	Consent lapsed on 01/11/23
Wetwood Farm, Chiddingfold Road, Dunsfold	20/07/2020	No	4	Consent lapsed on 19/07/2023
Millhanger, Chiddingfold Road, Dunsfold	04/08/2020	No	1	Consent lapsed on 03/08/2023
Land coordinates 490736 143800, The Green, Elstead	08/12/2020	No	1	07/12/2023
37 West Street, Farnham	05/10/2020	No	1	Consent lapsed on 04/10/2023
Land at 24 Rosemary Lane, Rowledge	17/08/2020	No	1	Consent lapsed on 16/08/2023
Shortfield free Church, Shortfield Common Road, Frensham	28/08/2020	No	1	Consent lapsed on 27/08/2023
The Old Grove, High Pitfold, Hindhead	11/06/2020	No	6	Consent lapsed on 10/06/2023 Also subject to current Outline Application for alternative scheme (see LPP2 Allocations sub-section below)
10-12 Petworth Road, Haslemere	22/10/2020	No	1	Consent lapsed on 21/10/2023
14 High Street, Haslemere	04/11/2020	No	1	Consent lapsed on 03/11/2023
Land at Deerwood, Woolmer Hill Road, Haslemere	06/04/2022	Yes	3	Marketing material (see Appendix 5) confirms that the units were complete before 01/03/23
Gemini Chapel, Kings Road, Haslemere	25/11/2022	Yes	3	This site is entered in the Council's schedule twice and is therefore a double counting
TOTAL			33	

6.12 I have therefore deducted -33 dwellings from this supply source.

6.13 The consistent level of lapses and double counting from this supply source raises a wider issue, which is whether or not a lapse rate should be applied.

- 6.14 The Council has previously applied a lapse rate of 10% to this supply source in the context of the evidence it presented to the LPP1 Inspector (see **Appendix 8**). The basis for applying the lapse rate at that time was the fact the Council had not assessed each site individually. The same can be said about the Council's approach to this supply source now, which is evident from the number of lapses and other discrepancies in the schedule.
- 6.15 At the very least the Council has acknowledged in the context of the 01 April 2022 based update that not all dwellings from this supply source will be delivered and therefore reliance upon 100% delivery from this source is not robust.
- 6.16 In my view it would be appropriate to apply a 10% flexibility or lapse rate to this supply source in recognition that not all of the sites identified will deliver completions within the 5-year period.
- 6.17 A 10% flexibility or lapse rate would lead to a deduction of -45 dwellings, which is broadly comparable with the -33 dwellings I have identified for removal in Table 7 above.
- 6.18 I have therefore presented a supply calculation that applies a 10% flexibility or lapse rate to this supply source for the Inspector's ease of comparison.

(ii) Outstanding Permissions on Large Sites

- 6.19 This source of supply includes a large number of consents the majority of which fall into Category a). There are however a number of consents that fall within Category b).
- 6.20 Table A2 attached at **Appendix 3** summarises Neame Sutton's analysis of all sites within this source.
- 6.21 Delivery from the following site within this supply source is disputed.
- [Dunsfold Park, Stovolds Hill, Cranleigh:](#)
- 6.22 This site is allocated in the LPP1 as the largest single site allocation in the Plan for a total of 2,600 dwellings over the Plan period (Policy SS7). The site currently benefits from a hybrid consent for 1,800 dwellings (LPA Ref: WA/2015/2395) approved by the Secretary of State in March 2018. The hybrid consent comprises:

Outline proposal for a new settlement with residential development comprising 1,800 units (Use Class C3).

7,500sqm care accommodation (Use Class C2).

A local centre to comprise retail, financial and professional, cafes/restaurant/takeaway and/or public house up to a total of 2,150sqm (Use Classes A1, A2, A3, A4, A5).

New business uses including offices, and research and development industry (Use Class B1a and B1b) up to a maximum of 3,700sqm; light and general industry (Use Class B1c and B2) up to a maximum of 7,500sqm; storage and distribution (Use Class B8) up to a maximum of 11,000sqm; a further 9,966sqm of flexible commercial space (B1 (b), B21 (c), B2 and/or B8).

Non-residential institutions including health centre, relocation of existing Jigsaw School into new premises and provision of new community centre (Use Class D1) up to a maximum of 9,750sqm.

A two-form entry Primary School.

Open space including water bodies, outdoor sports, recreational facilities, canal basin and nature conservation areas.

Public transport routes, footpaths and cycle ways and landscaping.

Removal of three runways.

All related infrastructure including roads, car and cycle parking, energy plant and associated equipment, water supply, telecommunications, drainage systems and waste water treatment facilities.

Part Full application for the demolition of 8,029sqm of existing buildings and the retention of 36,692sqm of existing buildings, for their future use for a specified purpose as defined by the Use Classes as specified in the schedule of buildings and their uses.

Temporary use of Building 132 for a construction headquarters.

- 6.23 The starting point therefore is that this site is a Category b) site – as it has outline planning permission and is a major development - and does not currently benefit from an implementable permission insofar as the residential component is concerned.
- 6.24 The Council's current delivery trajectory for the site indicates completions in the monitoring year 2025/26 (50 dwellings) followed by an increase to 120 dwellings and then 204 dwellings in the following two monitoring years. This in itself represents a change in the Council's position from the 01 April 2022 based Housing Land Supply Position Statement (November 2022), which suggested completions in the monitoring year 2025/26 (50 dwellings) followed by lower delivery rates of 120 dpa thereafter.
- 6.25 The level now relied upon is higher than any delivery seen in the Borough on any other site and is even higher than the rates the Council previously assumed for this site in its 01 April 2020 based Housing Land Supply Assessment of 180 dpa.

6.26 There are a number of fundamental problems with the delivery anticipated by the Council from this site, which are set out below:

1. An implementable consent does not currently exist for dwellings on the site. In fact Reserved Matters Applications have yet to even be submitted for the housing components;
2. The commensurate lead in time that will be required for a scheme of this scale to enable the first dwelling completions to take place is significant²¹;
3. The substantial level of advance infrastructure that is required for this specific site to come forward (A summary note was provided by the Council to the Inquiry for the Lower Weybourne Lane Appeal, which sets out the various infrastructure requirements arising from the current consent. A copy is attached at **Appendix 5**);
4. The fact that a housebuilder is not involved with the development of the site; and,
5. The maximum likely delivery rate that could be achieved is much lower than the Council has indicated having regard to the tangible and up-to-date evidence produced by Lichfields i.e 160 dpa (see Table 3 on Page 10 of **Appendix 2**).

6.27 As a further point to note and, unlike previous versions of its Housing Land Supply Assessment, the Council has presented virtually no evidence to support its delivery assumptions for this site. Even by the Council's own evidence standard the site is now less certain of delivery than it was previously.

6.28 The only evidence the Council relies upon is a note from the planning agents for Dunsfold Park (Bidwells), which is dated 15 March 2023²². Rather than supporting the Council's position the note actually calls into doubt the delivery of the site for the following reasons:

1. The site is owned by Dunsfold Airport Limited (DAL), which is a wholly owned subsidiary of Trinity College Cambridge. Whilst the note suggests that DAL is an experienced master developer, it is in fact only a Special Purpose Vehicle (SPV) incorporated in 2011 specifically for this site. There is no evidence that DAL has undertaken the role of master developer anywhere else and no evidence of its expertise in relation to this site either;
2. No detailed timetable is given in respect of any residential Reserved Matters Applications;

²¹ Lichfields indicates an average of 3.5 years lead in time following grant of planning permission – Figure 5 on Page 7 in **Appendix 2** refers.

²² See Appendix 6 to the Council's Housing Land Supply Position Statement (01 October 2023)

3. The note references interest from developers but no evidence is provided that DAL is close to reaching a contractual position with a developer. Whilst there is reference to Reserved Matters Applications coming forward it is clear from the note that housing delivery will be via housebuilders and not DAL. It is therefore extremely unlikely that any Reserved Matters Applications will progress until a housebuilder is in contract; and,
4. The delivery programme identified in the note is expressly predicated on assumptions and not evidence. The consequent timetable shown on Page 5 of the note cannot be said to have been prepared on the basis of clear evidence as required by Annex 2 of the Framework 2023.

6.29 The Council's lack of delivery evidence is of course for good reason. There have been a number of material changes in circumstances affecting the delivery of Dunsfold:

1. The owners Trinity College Cambridge put the whole site on the market indicating that this would lead to at least 1 year of delay. A preferred bidder was selected (Columbia Threadneedle Investments) but following a protracted period of due diligence extending over at least an 18 month period the purchaser has withdrawn from the deal in August 2022 (see relevant newspaper article in **Appendix 5**);
2. In view of the uncertainty surrounding the potential change in ownership the Council took the decision to produce a SPD for the site, which was considered by a special meeting of its Executive on 09 November 2021 and adopted on 22 February 2022. The SPD confirms that a new primary area wide planning application is likely to be required to accommodate the site wide masterplan requirements (Section 4.5 refers – See **Appendix 5**). The likelihood of a fresh site wide application, which will also comprise EIA Development, will add at least 2 years to any delivery timetable for the site, which cannot itself commence until either the site is sold on or the current owners have secured a delivery partner (housebuilder(s));
3. On 06 September 2021 the Council granted a number S73 consents to allow the extension of temporary consents on the site until April 2024 for its use for driver training and filming of motor vehicles. Another S73 Application to cover the same period was granted consent on 31 March 2022 for the ongoing use of the site for driving experience days. The filming consents relate to the ongoing use of Dunsfold as the set for the popular BBC series Top Gear. There is clearly no intention for the site to be vacated before at least April 2024 based on these consents;
4. Following the failure of its sale to Columbia Threadneedle the site's owner's Trinity College Cambridge were asked by the Council to provide support for its 5-year

housing land supply assumptions and the proposed trajectory for the site put before the LPP2 Inspector at the Examination. A note was prepared by Bidwells, the planning agent for Trinity, which the Council provided to the LPP2 Inspector and was debated at length at the Examination session held on 06 September 2022. The note (copy attached at **Appendix 5**) set out yet another delivery trajectory for the site with 120 dwelling completions expected in the 2024/25 monitoring year. That delivery expectation is clearly unachievable at the current point in time;

5. In essence the Council has over the course of the last four Housing Land Supply Position Statements presents a confused and contradictory picture of delivery, which is not based on any evidence, let alone clear evidence. I summarise the contradictions in the table below along with the position advanced by the Council upon adoption of the LPP1:

Table 8: Summary of Council's contradictory evidence in relation to Dunsfold Aerodrome Delivery

Council Evidence	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	TOTAL
Council's Position at LPP1 Adoption – As per Appendix C to LPP1	257	257	257	257	257	257	1,542 (1,285 over 5 years)
Housing Land Supply Position Statement November 2021	0	50	200	200			450
Bidwells Note July 2022 for LPP2 EIP*	0	0	120	225	260		605
Council's February 2023 Housing Land Supply Position Statement**		0	0	50	120	120	290
Council's October 2023 Housing Land Supply Position Statement***		0	0	50	120	204	374

*This also informed the November 2022 Housing Land Supply Position Statement

**Whilst the Council set out a trajectory based on information from Bidwells it did not accept that information and instead set out its own trajectory

***This trajectory is based on a note from Bidwells dated 15 March 2023

6. The Council's approach also exposes the following issues:
 - a. There has been absolutely no adjustment to the delivery assumptions made by the Council to reflect the failure of the sale of the site to Columbia Threadneedle. In fact the note from August 2022 purports that even more dwellings will be delivered in the 5-year period than the Council accepted will be the case in the context of the Scotland Lane decision dated 01 February 2022 (see **Appendix 5**) and for the purposes of its reporting to Planning Committee at that time;

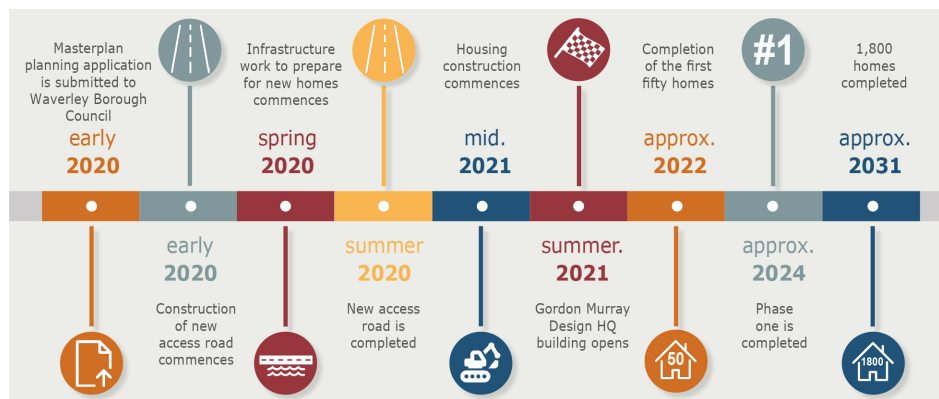
- b. No consideration is given to the need for tendering to bring on board delivery partners in the form of housebuilders nor to deal with the significant schedule of infrastructure that is required to enable the scheme to proceed;
- c. No consideration is given to the need for vacant possession to be obtained prior to any start on site and the commensurate time required to achieve that;
- d. The reference to existing services being a means to speed up delivery when compared to a greenfield site is misleading because the existing services are in place for an airfield and associated commercial premises and not a residential development. It is therefore likely that the existing services will be inappropriate and need to be reprovided. The process of decommissioning existing services and providing new services is actually more onerous than dealing with a greenfield site;
- e. The Council has not dealt with the SoS approval granted to UK Oil and Gas (“UKOG”) for a gas exploration site immediate adjacent to the site, which is particularly concerning given that the Council has pursued a judicial review of the UKOG consent in part on the grounds that it will have a dramatic effect on the deliverability of the Dunsfold Aerodrome site (the relevant documents are attached at **Appendix 5**). At the time of writing the court judgment has not yet been handed down. I will provide the Inspector with an update should the judgment be handed down prior to the Inquiry commencing;
- f. The timetable provided by Bidwells for the delivery of the first phase Reserved Matters Application i.e. Q4 of 2023 is unrealistic given the absence of a housebuilder at present. It would be unusual for a detailed consent for residential development to be achieved without the housebuilder being on board because as soon as the site is put to the market any prospective housebuilder will want to introduce their own house type designs;
- g. Furthermore the expected processing period of only 12 months for the first phase Reserved Matters approval and discharge of all pre-commencement conditions is totally unrealistic bearing in mind the current resource shortage in the Council's planning department and also its track record on delivery of applications. As an example the Milford Golf Course Site (no longer part of the Council's 5-year housing land supply), which is an allocated site in the adopted LPP1 with a similar PPA in place to Dunsfold, took 2 years and 3 months to process the Reserved Matters Application on a much smaller scale and less complicated form of development²³. The timetable suggested by Bidwells of only 12 months is totally unrealistic. This also assumes that there will be no legal

²³ Relevant Application References: Outline Consent – WA/2018/1815 and Reserved Matters Consent – WA/2019/1095

challenges to any grants of reserved matters approval. The site has a history of legal challenges by objectors; and,

- h. The note then suggests that construction will commence on Q4 of 2024 with the first completion at the end of September 2025 and that 50 dwelling completions will be achieved in the same monitoring year i.e. within a month period. This suggests a speed of development that is simply unparalleled anywhere let alone in Waverley i.e. circa 8.33 dwellings per month and certainly is not supported by the empirical evidence produced by Lichfields.

6.30 As a further illustration of the inaccuracy of the Council's delivery evidence the timetable for delivery originally set out on the Dunsfold Park website (see image below) has clearly not been met with various milestones having been missed. This is of course no surprise given the recent developments in terms of the sale of the site:



Source: www.dunsfoldparkmasterplan.com

6.31 The delivery of this site has been considered by many S78 Inspectors in recent years. In the most recent decision in the Waverley Lane case (03 July 2023)(see Table 5 above) the Inspector preferred the appellant's evidence, which removed delivery from Dunsfold Park altogether²⁴.

6.32 I have also presented evidence on the delivery of this site in the context of the site adjacent to this Appeal Site in January 2022²⁵. In that case the evidence presented by Neame Sutton on behalf of the Appellant set out a generous allowance for some delivery from Dunsfold during the 5-year period based on the evidence available at that time and applying the empirical data from Lichfields i.e. 50 dwellings in the period 01 April 2021 – 31 March 2026.

²⁴ See Paragraph 56 on Page 9 of the Decision at **CD9.22**

²⁵ See Inspector's Decision for Scotland Lane Site at **CD9.1**

6.33 In giving consideration to the evidence the Inspector concluded that:

*' In light of the above factors, I consider that delivery in 2023/24 as suggested by the Council is unrealistic. On the basis of the evidence before me, the delivery of new homes could **optimistically** commence in 2025/26. I therefore push delivery back 2 years and assume delivery of 50 dwellings in 2025/26. Consequently, I remove 400 dwellings from the supply.'*²⁶

Note: Bold and underlying is my emphasis.

6.34 That conclusion was made before the numerous material changes in circumstance identified above occurred.

6.35 The Council will argue that work has now started on the implementation of the access to the site by DAL and that indicates the site is now deliverable. Whilst I don't dispute that work has commenced on the access that does not change any of the above evidence. In fact the delivery of the road access is a limited piece of infrastructure when the total infrastructure schedule is considered (see **Appendix 5**).

6.36 The simple fact remains that the site cannot be considered to meet the definition of deliverable within the Framework 2023 now and it should therefore be removed from the 5-year supply altogether.

6.37 It is worth noting at this point that both the Inspectors in the Cox Green (Paragraph 15 on Page 3) and Windacres (Paragraph 53 on Page 10) Appeals (see **CDs 9.12 and 9.13**) confirm that there was not clear evidence available at that time that any completions would be achieved within the 5-year period. In the case of Cox Green the Inspector had a PPA for the scheme and concluded that was not sufficient on its own to provide the clear evidence necessary.

6.38 The consequence of the above on the Council's 5-year supply is:

Table 9: 5-year supply contribution from Dunsfold Aerodrome Site

Council Delivery	Neame Sutton Delivery	Difference
374	0	-374

²⁶ Paragraph 73 on Page 13 of Scotland Lane Appeal Decision contained at **CD9.1**

(iii) Resolution to Permit

6.39 This source of supply includes three schemes, of which one is a Category B site.

Land at Coxbridge Farm, Farnham:

6.40 This site benefits from a resolution to grant outline planning permission for 320 no. dwellings (LPA Ref: WA/2019/0770), which was made at Planning Committee on 18 May 2021. The Committee resolution was subject to the completion of a S106 Agreement.

6.41 This site falls within Category b) on the basis that it comprises major development with only a resolution to grant outline planning permission at the present time.

6.42 The Council's evidence in support of this site is set out at Appendix 7 of its Housing Land Supply Position Statement, which contains the decision notice for the Outline Consent that was granted on 29 June 2023 (2 years after the original Committee resolution). No other evidence is provided by the Council to support its contention that 60 no. dwellings will be delivered on this site.

6.43 It is noteworthy that the Council has previously relied upon correspondence from the developer (Vivid) to support its position. No such correspondence is provided now. Previous correspondence from Vivid in relation to Appeals that I have attended in 2020 and 2021 has stated that it will need to market the site to a housebuilder once Outline Consent is granted and Reserved Matters applications will be progressed by the housebuilder and not Vivid.

6.44 Assuming this remains the position (there is no evidence to the contrary from the Council) the certainty of delivery on this site is highly questionable and the Council's limited commentary in its Housing Land Supply Position Statement goes nowhere near to meeting the Annex 2 test of deliverability.

6.45 Consequently I remove all supply from this site.

6.46 The consequence of the above on the Council's 5-year supply is:

Table 10: 5-year supply contribution from Coxbridge Farm

Council Delivery	Neame Sutton Delivery	Difference
60	0	-60

(iv) LPP2 Site Allocations

6.47 This source is Category b) and includes five sites. Table A4 in **Appendix 3** summarises my evidence in relation to each of the sites.

6.48 Dealing with each site in turn below.

6.49 As a common thread for this supply source the Council presents only two pieces of evidence, a link to committee papers in respect of Secretts and a letter from Gillings Planning dated 29 January 2021 in respect of The Old Grove. The remaining three sites have no evidence presented at all.

[Land at Wey Hill Youth Campus, Haslemere:](#)

6.50 This site is allocated for 34 no. dwellings in the LPP2 (Site Allocation DS04).

6.51 There is no planning permission in place on the site and in fact no application has been submitted.

6.52 The site is owned by the Council, but no evidence is presented to demonstrate how and when the site will come forward including whether any discussions have taken place with prospective developers.

6.53 The site is also still occupied with a number of community uses still needing to be relocated. One such group is the Air Cadets that are understood to be relocating to Woolmer Hill Pavilion. The Council's most recent Corporate Performance Report (13 June 2023) presented to the Council's Overview and Scrutiny – Services Meeting on 21 June 2023 confirms that the relocation of existing community groups is delayed and that in relation to the Woolmer Hill Pavilion the costs estimates for the refurbishment works that are necessary to allow the Air Cadets to relocate are higher than expected leading to the need for a budget review²⁷.

6.54 I presented evidence on this site to the Inspector in relation to land adjacent to this Appeal Site (see Paragraph 88 of Decision at **CD9.1**). The Inspector in that case removed the site from the deliverable supply, referring to the fact that a number of occupiers were to be relocated (as is the case now). There is no material change in circumstances. It is also relevant to note that this site will require SPA mitigation for which no solution was identified by the Council during the LPP2 Examination in 2022.

²⁷ See Section 10.3.2 on Page 45 of the Corporate Performance Report – **CD7.33**

6.55 The Council has no clear evidence of delivery from this site within the 5-year period and it should therefore be deleted from the 5-year housing land supply.

6.56 The consequence of the above on the Council's 5-year supply is:

Table 11: 5-year supply contribution from Weyhill Youth Campus

Council Delivery	Neame Sutton Delivery	Difference
34	0	-34

The Old Grove, High Pitfold, Hindhead:

6.57 This site is allocated for 18 no. dwellings in the LPP2 (Site Allocation DS08).

6.58 An Outline Application with all matters reserved except access has been submitted to the council for the erection of up to 18 no. dwellings and associated works following the demolition of the existing buildings. The application was validated on 30 November 2021 (Application Ref: WA/2021/02876) and the current target date for determination was 21 July 2023.

6.59 The application has therefore been with the Council for determination for 2 years.

6.60 The application current two significant and unresolved objections from:

- Clive Smith, Surrey Hills AONB Planning Adviser (11 October 2023) – concludes the scheme is in conflict with Paragraph 176 of the Framework 2023, Policy RE3 of the LPP1 and Policies P1, P2 and P3 of the Surrey Hills AONB Management Plan Policies; and,
- Natural England (13 July 2023) – Concludes that a precautionary approach under the Habitats Regulations should be taken and consequently mitigation is still required to address impact to the protected sites. The HRA submitted with the application confirms that whilst discussions have taken place with the National Trust (the only nearby landowner with sufficient landholding) there are no immediate projects ready to implement and it might be 'sometime' before a project is identified and agreed with stakeholders (Paragraph 4 of the HRA in **Appendix 5**). A solution is not therefore available at the present time. (copies of the above correspondence are attached at **Appendix 5**)

6.61 The Council's Housing Land Supply Position Statement includes a letter at Appendix 10 from Gillings Planning in support of the site's inclusion in the 5-year supply. The letter is however from January 2021 and comprises a letter of support for the site allocation and not evidence for its inclusion within the 5-year housing land supply.

6.62 The Council therefore has no evidence, let alone clear evidence, to justify the inclusion of this site and it should be deleted from the 5-year housing land supply.

6.63 The consequence of the above on the Council's 5-year supply is:

Table 12: 5-year supply contribution from The Old Grove

Council Delivery	Neame Sutton Delivery	Difference
18	0	-18

Land at Highcroft, Milford:

6.64 This site is allocated for 7 no. dwellings in the LPP2 (Site Allocation DS12).

6.65 There is currently no planning permission in place nor has any planning application been submitted.

6.66 The Council presents no evidence to support the inclusion of this site.

6.67 The clear evidence test is failed and this site should be deleted from the 5-year housing land supply.

6.68 The consequence of the above on the Council's 5-year supply is:

Table 13: 5-year supply contribution from Highcroft

Council Delivery	Neame Sutton Delivery	Difference
7	0	-7

Land at Secretts, Hurst Farm, Milford:

- 6.69 The site is allocated for 177 no. dwellings and a range of other uses in the LPP2 (Policy DS14).
- 6.70 A hybrid planning application has been submitted for this site, which seeks full detailed consent for 216 no. dwellings. The description of development for the site comprises:
- 'Hybrid application comprising of: Full planning application for the erection of 216 dwellings, a new farm shop (Use Class E), change of use of existing farm shop building to rural business hub (Use Class E), provision of public open space, new sports pitches and associated infrastructure, landscaping, drainage arrangements, parking and formation of new access points following the demolition of existing buildings. Outline application (with all matters reserved except access) for the erection of a new health hub following demolition of the existing black barn (as amended/amplified by additional information received 13/02/2023, 13/03/2023 and 20/03/2023).'*
- 6.71 The applicant comprises Ptarmigan Land, Bewley Homes Plc and FA Secretts Limited. A housebuilder (Bewley Homes Plc) is therefore joint applicant.
- 6.72 The application was validated in August 2021 and a resolution to grant consent, subject to the completion of a S106, was achieved at Committee on 23 August 2023. The S106 involves cross boundary issues due to the fact that the SANG²⁸ required to mitigate the residential component of the scheme is actually situated within Guildford Borough (subject to a separate application) along with part of the development within the redline, namely two junior playing pitches.
- 6.73 At the time of preparing my Proof of Evidence the S106 remains outstanding and Guildford Borough Council has also not determined the concurrent planning application for the SANG mitigation land.
- 6.74 Waverley has a proven track record of taking a considerable period of time to deal with S106 matters following a resolution to grant. The site at Coxbridge Farm dealt with earlier in this Section of my Proof of Evidence is a case in point.
- 6.75 The Council should not be including a site within its 5-year housing land supply unless and until it has clear evidence that there is a realistic prospect of completions occurring within the required time period. At the present time the Council has no evidence that delivery will occur on this site within the 5-year period.

²⁸ Suitable Alternative Natural Greenspace (SANG)

- 6.76 On that basis alone the site should be deleted from the 5-year housing land supply.
- 6.77 However, given that a housebuilder is a joint applicant and that when granted the residential component will be in full detailed form, I consider that some delivery may be possible within the 5 year period.
- 6.78 Assuming that the S106 Agreement is not completed until January 2024 (the Council has presented no evidence to the contrary) and, allowing for the passing of the necessary judicial review period prior to any purchase contract being exercised the site is unlikely to be under the control of the housebuilder until at least March/April 2024. At that point in time pre-commencement condition discharges will need to be addressed. It is apparent from a review of the Committee Report referred to in Appendix 11 of the Council's Housing Land Supply Position Statement that there are several pre-commencement conditions to address (this is not an exhaustive list), namely:
- Phasing Plan draft Condition 5
 - Archaeological Work draft Condition 9
 - Diversion of Water Main draft Condition 10
 - Contamination Risk Assessment draft Condition 22
 - NEAP details draft Condition 25
 - Surface Water Drainage Scheme draft Condition 28
- 6.79 The above conditions will take time to address.
- 6.80 The Lichfields research demonstrates that for a scheme of this scale the average time between the grant of planning permission and the completion of the first dwelling is 1.9 years²⁹. That would indicate that first completions are not likely until the end 2025/early 2026. Applying an average build out for a single outlet on a site of this scale 55 dpa³⁰ the site could potentially deliver up to 110 dwellings in the current 5-year period.
- 6.81 The above timetable is dependent on the S106 being completed in January 2024 and no unforeseen issues arising and must also be set in the context that the Council has not, in my view, passed the clear evidence test at all for this site.
- 6.82 Taking an optimistic view the impact on the Council's 5-year supply is:

Table 14: 5-year supply contribution from Secrets

Council Delivery	Neame Sutton Delivery	Difference
168	110	-58

²⁹ See Figure 4 on Page 6 of Lichfields in **Appendix 2**

³⁰ See Table 3 on Page 10 of Lichfields in **Appendix 2**

The National Trust Car Park, Hindhead:

- 6.83 This site is allocated for 13 no. dwellings in the LPP2 (Site Allocation DS09).
- 6.84 No planning application has been submitted for the site and no delivery evidence presented by the Council. As such the site fails the Annex 2 test as no evidence, let alone clear evidence, is presented to support its inclusion. The site should therefore be deleted from the 5-year housing land supply.
- 6.85 The impact on the Council's 5-year supply is:

Table 14: 5-year supply contribution from National Trust Car Park

Council Delivery	Neame Sutton Delivery	Difference
13	0	-13

(v) Windfalls

- 6.86 The Council is seeking to rely on a total of 146 no. dwellings from unidentified small windfalls sites as part of the 5-year housing land supply to be delivered in years 4 and 5.
- 6.87 The evidence to support the inclusion of windfalls is limited to a schedule contained at Appendix 5 of the Housing Land Supply Position Statement, which sets out historic delivery from windfalls going back to 2003.
- 6.88 As I have set out in Section 2 above Paragraph 71 of the Framework 2023 sets a deliberately high bar for windfalls stating that compelling evidence is required that they will provide a reliable source of supply. Paragraph 71 is also clear that regard must be had both to historic windfall delivery rates and **expected future trends**.
- 6.89 The Council has presented no evidence on future trends in windfall delivery in the Borough and has given no consideration to a number of key material changes in circumstance since the last full year's housing land supply position statement was published in November 2022. I deal with the material changes in circumstance that have a direct effect on potential future windfall delivery below.

- 6.90 The absence of any future trend evidence is of particular concern given that the national planning system is about to receive a major overhaul as confirmed by Michael Gove MP in his Written Ministerial Statement (“WMS”) published on 06 December 2022. Indeed the Government has now enacted the Levelling Up and Regeneration Act, which received royal ascent on 26 October 2023.
- 6.91 Speculative applications on unidentified sites at a time when the planning system is experiencing change may well be viewed by some small to medium sized developers as too high risk. The consequence of this may well be a slow down in delivery from this supply source.
- 6.92 Furthermore the economic climate in the UK has entered a period of uncertainty, with interest rates reaching the highest levels in almost 15 years.
- 6.93 In November 2022 UK inflation hit 10.7%. Whilst the latest figure for October 2023 is 4.6% showing a marked improvement this is still substantially above the position in 2021, which was less than 1%. In fact the last time the rate was at the same level (4.6%) was in November 2011³¹.
- 6.94 As a consequence of the substantial increase in inflation the Bank of England has increased the base rate to its highest level for 15 years 5.25%. This compares with a rate of 0.1% in 2021.
- 6.95 The significant increase in the base rate has of course led to a historic high in borrowing costs with mortgages and other forms of debt increasing exponentially.
- 6.96 The current uncertainty is highly likely to lead to a slow-down in the market and housing delivery, which will affect the small to medium sized builders first. In fact the latest statistical release from Homes England (27 June 2023) confirms that overall housing starts are down by 5.6% when compared with the same period for the previous year³².
- 6.97 Whilst there has been a marked improvement in the inflation position interest rates on loans have not improved and the period of uncertainty is unlikely to change in the short term due to the impending general election in 2024 and consequences for planning and the housing market.

³¹ Reference: Consumer Price Index for the UK

³² Table 1a on Page 8 of Housing Statistics – 01 April 2022 – 31 March 2023 (published 27 June 2023) - https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1165527/Housing_statistics_June_2023.pdf

- 6.98 None of the above factors have been considered by the Council because, put simply, the Council has not presented any evidence of future trends in windfall delivery across the Borough. It cannot therefore be said that the data set out at Appendix 5 of the Council's Housing Land Supply Position Statement is a reliable basis for predictions of windfall delivery going forward.
- 6.99 I do however except that some windfall delivery is likely to occur within the 5-year period but the Council's approach of simply relying on two years' worth of supply from this source as it has always done cannot be right.
- 6.100 I therefore take a more robust approach and discount the Council's anticipated supply from this source by 50%.

Table 15: 5-year supply contribution from Windfalls

Council Delivery	Neame Sutton Delivery	Difference
146	73	-73

(vi) Conclusion on Supply Sources

- 6.101 Bringing the above evidence together the table below sets out the overall conclusion in relation to the Council's various supply sources and in particular identifies what I consider to be a more realistic and robust supply figure for the 5-year period 01 April 2023 – 31 March 2028:

Table 16: Conclusion on Supply Sources

Supply Source	Council's Position	Neame Sutton's Position	Difference
A Outstanding planning permissions small & medium sites	446	413 (401 if 10% flexibility applied)	-33
B Outstanding planning permissions large sites	1968	1594	-374
C Sites with Resolution to Permit	98	38	-60
D LPP2 Site Allocations	240	110	-130
E Windfalls	146	73	-73
F TOTAL SUPPLY	2898	2228*	-670

*2216 if 10% flexibility is applied to the small and medium sites category

- 6.102 The effect of the above supply changes to the Council's 5-year housing land supply calculation is set out in Section 7 below.

7. Summary of Neame Sutton Assessment of Council's 5 Year Supply Position

7.1 This part of my Proof of Evidence has examined all aspects of the Council's 5-Year Housing Land Supply Position as set out in its Housing Position Statement published on 01 October 2023. The assessment set out below is set to the base date of 01 April 2023 and is supported by the detailed tables contained in **Appendix 3 and 4**:

Table 17: Summary of Neame Sutton Assessment of 5-year Housing Land Supply

	Requirement	Council's Position	Neame Sutton's Position
A	Annual housing requirement based on the standard methodology	719	719
B	Housing requirement 01/04/2023 – 31/03/2028	3595	3595
C	Total five year housing requirement 01/04/2023 – 31/03/2028 plus 5% buffer	3775	3775

	Supply Source	Council's Position	Neame Sutton's Position
A	Outstanding planning permissions small & medium sites	446	413
B	Outstanding planning permissions large sites	1968	1594
C	Sites with Resolution to Permit	98	38
D	LPP2 Site Allocations	240	110
E	Windfalls	146	73
F	TOTAL SUPPLY	2898	2228

	Council	Neame Sutton
Surplus/Shortfall	-877	-1547
Supply Expressed in Years	3.84	2.95

7.2 It is therefore clear that the Council cannot demonstrate a 5-year housing land supply (this is a matter of common ground – it is only the extent of the shortfall that is disagreed) and that the direction of travel for the Council's housing requirement will lead to exponential worsening of the situation. This further reinforces the importance of early delivery of housing for suitable and sustainable locations, such as this Appeal site.

7.3 For the reasons set out in this Evidence Paragraph 11 (d) of the Framework is firmly engaged in the determination of this Appeal. This is a matter dealt with in more detail in the proof of Evidence of Mr Collins.

PART 2 – Housing Trajectory Matters Relevant to Paragraph 177 of the Framework 2023

8. Development Plan Context for Housing Trajectory

8.1 This Part of my Proof of Evidence addresses the wider housing supply across the remainder of the LPP1 Plan period and in particular whether there is a proven need for further housing sites in order to meet the minimum housing requirement.

8.2 The starting point is the adopted LPP1, which sets out the strategic policies to guide development across the Borough over the period 2013 – 2032.

8.3 A fundamental component of the LPP1 is the delivery of new homes to meet the minimum Objectively Assessed Need (“**OAN**”) for the Borough of 507 dpa along with a proportion of unmet need arising from Woking of 83 dpa³³. This leads to a total minimum housing requirement of 590 dpa³⁴.

8.4 At the time of the examination of the LPP1 the Inspector commented that in order to meet the minimum housing requirement of 590 dpa or 11,210 dwellings the Council would need to bring forward its part 2 plan (“**LPP2**”) swiftly. He specifically stated that:

*‘...Its early adoption in accordance with this timetable, and a positive approach to site identification, **are critical** to meeting the housing requirement.’³⁵*

*‘Part 2 of the Local Plan is therefore **an essential element** of the Council’s housing delivery strategy.’³⁶*

Note: Underlying is my emphasis

8.5 The timetable for the preparation of the LPP2 that the Council presented to the LPP1 expected the adoption of the LPP2 by April 2019.

8.6 The Council has taken considerably longer to bring the LPP2 forward with its adoption having taken place on 21 March 2023, which is just short of 4 years late.

³³ See Paragraph 6.9 on Page 43 of the LPP1 – **CD6.1**

³⁴ See Policy ALH1 on Page 48 of the LPP1 – **CD6.1**

³⁵ Paragraph 47 on Page 13 of LPP1 Inspector’s Report – **CD7.57**

³⁶ Paragraph 48 on Page 13 of LPP1 Inspector’s Report – **CD7.57**

8.7 Turning back to the LPP1 Inspector's report, in addition to the timescale for the delivery of the LPP2 to meet the minimum housing requirement over the Plan period he also identified other risks, namely:

*'However, the risks to supply – for example of variations in the start date and delivery rate at Dunsfold Aerodrome, or unforeseen impediments in bringing other sites forward – point strongly to the need for the Council to adopt a positive approach towards housing provision and to bring forward Part 2 of the Plan and encourage neighbourhood plans to identify sites as early as possible.'*³⁷

8.8 As I have explained in Section 6 and Table 8 of my Proof of Evidence above the start date for Dunsfold Aerodrome has been delayed by a number of years and the delivery rate has varied wildly since the LPP1 was adopted.

8.9 At the point the LPP1 was adopted the trajectory in Appendix C of the Plan identified completions in the monitoring year 2019/20 (37 dwellings). As I confirm in Section 6 there is not even a Reserved Matters application submitted for any housing on the site as at November 2023. Delivery from Dunsfold has consistently fallen backwards year on year and the rate of completions expected has also changed.

8.10 Dunsfold is not an isolated example. Other strategic sites allocated in the LPP1 have either been delayed or have not come forward at all. Examples include Coxbridge Farm (Policy SS1 - 350 no. dwellings total) (which I deal with in Section 6), The Woolmead (Policy SS3 – 100 no. dwellings total) and Milford Golf Course (Policy SS6 – 180 no. dwellings total), which is the subject of a restrictive covenant the beneficiaries of which are the Claimants in the high court case for the LPP2.

8.11 There are numerous other examples of smaller sites allocated in the LPP2 or Neighbourhood Plans that have not progressed, particularly in Farnham where at least two allocations (SSE Site (Policy FNP14a)) for 100 no. dwellings and Kimbers Lane (Policy FNP14k)) for 20 no. dwellings) will not be coming forward due to existing infrastructure uses on the land.

8.12 The consequence of the above points is that the concerns highlighted by the LPP1 Inspector in terms of risks to the housing trajectory presented at that time have come to pass. The LPP2 has been delayed by 4 years and the start time and delivery rate of many allocated sites has also varied considerably or sites have fallen away altogether.

³⁷ Paragraph 57 on Page 16 of the LPP1 Inspectors Report – **CD7.57**

- 8.13 I deal with the affect of these delays and variations in the Council's housing supply in Sections 9 – 12 but the headline point is that the Council cannot now meet its minimum housing requirement of 590 dpa or 11,210 dwellings by the end of the current Plan period up to 2032.
- 8.14 To further compound the Council's situation the LPP1 reached its 5 year anniversary on 20 February 2023.
- 8.15 As I have set out in Section 4 of my Proof of Evidence the Council has taken the formal decision that the LPP1 requires updating particularly in relation to the housing requirement, acknowledging that the strategic housing policies in the Development Plan are out-of-date.
- 8.16 The affect of that decision and the passing of the 5 year anniversary is that the Standard Method calculation of LHN now applies both for the 5-year housing land supply assessment and also in terms of forming the starting point for the minimum housing requirement in the Local Plan Review.
- 8.17 From 20 February 2023 the Council's minimum LHN has increased by a significant proportion from 507 dpa up to 719 dpa (41.8% uplift).
- 8.18 When this increase is taken into account the level of shortfall over the Plan period is increased even further.

9. Council's Sources of Supply for the Plan Period 2013 – 2032

9.1 The Council's housing trajectory for the LPP1 plan period 2013 – 2032 relies on the following sources of supply:

- Completions since March 2013
- Commitments on Small and Medium Sites
- Commitments on Large Sites
- Dunsfold Aerodrome
- Resolution to permit
- Strategic Allocations in the LPP1
- Allocations in the LPP2
- Neighbourhood Plan Allocations
- Emerging Neighbourhood Plan Allocations
- Land Availability Assessment Sites within Settlements
- Land Availability Assessment Sites outside Settlements/Rural Previously Developed Land
- Windfall Sites of 1-4 dwellings
- Other Deliverable Sites

9.2 In light of the fact that the LPP2 has been adopted 4 years later than expected and that the start on site for Dunsfold Aerodrome has been delayed along with its delivery rate varied together with other delays and variations in the supply available the Council was asked by the LPP2 Inspector to prepare an updated Housing Trajectory.

9.3 The updated Housing Trajectory was produced in September 2022 to a base date of 01 April 2022 and updates Appendix C of the LPP1³⁸.

9.4 The Housing Trajectory purports to demonstrate the delivery of 11,463 dwellings in the period up to 2032 against the minimum housing requirement set out in the LPP1 of 11,210 dwellings.

9.5 I explain in Sections 10 and 12 below why the Council's trajectory is incorrect in relation to the key supply sources relied upon by the Council and consequently why the Council will not deliver sufficient housing to meet the minimum housing requirement of the LPP1 period.

³⁸ See WBC Response to Further MiQs – Matter 2 (Appendix 1) – attached at **Appendix 14**

10. Council's Delivery Expectations from Dunsfold Aerodrome

- 10.1 I have set out in detail in Section 6 of my Proof of Evidence the reasons why Dunsfold Aerodrome fails the Annex 2 test of deliverability and should not therefore be included within the current 5-year period from 01 April 2023 – 31 March 2028.
- 10.2 I have also explained why the delivery trajectory anticipated by the Council from Dunsfold is unrealistic and unsupported by any credible evidence. This is an issue that has arisen in many of the previous Planning Appeal decisions that I reference in Table 5 wherein the Council's approach has been proven to be incorrect.
- 10.3 The Council however relies on its own, unsubstantiated, delivery trajectory for the site for the remainder of the LPP1 period³⁹. This does not match the figures the Council now relies upon within its 01 October 2023 Housing Land Supply Position Statement. I set out below a comparison between the Council's delivery expectations set out in its updated Appendix C trajectory, the Council's delivery expectations from 01 October 2023 Housing Land Supply Position Statement and my approach set out in Section 6 above:

Table 18: Summary of Council's Delivery Trajectory for Dunsfold

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	Total
Dunsfold Aerodrome Updated Appendix C of the LPP1	120	225	260	260	260	260	260	260	1905
Dunsfold Aerodrome Council's 5-Year HLS	0	50	120	204					
Neame Sutton Approach	0	0	0	0	50	120	204		

³⁹ Source: Council's housing trajectory – see **Appendix 14**

- 10.4 The above figures demonstrate that Dunsfold is now expected, by the Council, to deliver **-695 dwellings** less than at the point the LPP1 was adopted (total allocation for 2,600 dwellings) based on its updated Appendix C trajectory. That position is materially worse when the Council's position in its 01 October 2023 Housing Land Supply Position Statement is taken into account, and considerably worse when the approach I set out in Section 6 is applied.
- 10.5 It should be noted that the Neame Sutton Approach set out in Table 18 above assumes that the current impediments to delivery of Dunsfold are resolved swiftly. The presence of an oil and gas exploration site on the boundary of Dunsfold is likely to significantly affect its desirability and in turn delay its delivery. This is a very real risk, but for the purposes of the approach set out in Table 18 is ignored.
- 10.6 Notwithstanding the approach I have taken in Section 6 I have applied the Council's most recent 01 October 2023 evidence to establish a housing delivery trajectory for Dunsfold that presents a best case for the Council. For the years after 31 March 2028 I have applied a rate of 120 dpa, which was the position advanced in the Scotland Lane Appeal and accepted by that Inspector.
- 10.7 The consequence of this approach is the most that Dunsfold can contribute to the Council's overall housing supply is a total of 854 dwellings against its allocation of 2,600 dwellings in the LPP1. That is a shortfall of some **-1,746 dwellings** against the LPP1 requirement and the figure that the LPP1 Inspector found the plan sound against.
- 10.8 Even if the Council's unrealistic annual rate of 260 dpa was to be applied to its latest 01 October 2023 delivery expectations Dunsfold would still only deliver 1,414 dwellings, which is a shortfall of **-1,186 dwellings** against the LPP1 requirement.
- 10.9 The delays in the delivery of Dunsfold therefore has a fundamental affect on the Council's capability to deliver sufficient homes over the LPP1 period. The extent of the affect is demonstrated in the trajectories I have prepared and are explained in Section 12 of my Proof of Evidence.

11. Other Potential Sources of Supply

11.1 This Section of my Proof of Evidence explores other potential sources of supply that the Council does not currently rely upon that have the potential to deliver housing across the remainder of the LPP1 period up to 2032. The reason for exploring these other potential sources of supply is to determine whether, even if these sources were to come forward, there remains a shortfall in supply and therefore a need for further sites, such as the Appeal Site to come forward.

(i) **LPP2 Regulation 18 Allocations Removed at Regulation 19 Stage**

11.2 During the preparation of the LPP2 the Council included a number of draft housing allocations at the Regulation 18 draft stage, which were subsequently removed at the Regulation 19 draft stage. Some of these sites such as the adjacent Scotland Lane site have subsequently received planning permission and are therefore catered for in the committed sites category.

11.3 The residual sites that have neither come forward nor been identified as an allocation in a Neighbourhood Plan are set out in Table A3 at **Appendix 12**. These amount to 362 no. dwellings of potential supply beyond the current 5-year period.

(ii) **Withdrawn Cranleigh Neighbourhood Plan Sites**

11.4 Cranleigh Parish Council previously progressed a Neighbourhood Plan that had to be withdrawn following a number of failures identified by the Examiner in January 2021. Whilst the Parish Council has now commenced work on a new Neighbourhood Plan one site allocation in the old document has not been carried forward, nor has it been delivered through a planning application. That site is set out in Table A6 at **Appendix 12** and amounts to 75 no. dwellings of potential supply beyond the current 5-year period.

(iii) **Other Sites in the Planning System**

11.5 Beyond the categories identified above the Appellant's team has reviewed other sites currently in the planning system in Waverley that are not identified elsewhere in the Council's housing trajectory supply sources. The sites identified are set out in Table A5 at **Appendix 12** and amount to a total of 466 no. dwellings of potential supply.

12. Analysis of Council's Housing Trajectory and the Capability of the Development Plan to meet the minimum Housing Requirement Identified

12.1 In this Section of my Proof of Evidence I bring together Sections 8 – 11 to demonstrate that, applying three scenarios, the Council has insufficient deliverable and developable supply to meet its minimum housing requirement over the remainder of the LPP1 period up to 2032.

12.2 The three scenarios I set out comprise the following trajectories:

- Trajectory 1 – Based on the LPP1 and LPP2 Supply Sources
- Trajectory 2 – Based on the LPP1 and LPP2 Supply Source but removing Dunsfold
- Trajectory 3 – Based on the LPP1 and LPP2 Supply Sources plus the other potential supply sources I have identified in Section 11

12.3 Each of the trajectories have been updated with the common addition of the Standard Method calculation of LHN for Waverley at the point it became applicable (20 February 2023).

(i) Trajectory 1 – Based on the LPP1 and LPP2 Supply Sources (see Appendix 13)

12.4 This trajectory is based on the Council's identified deliverable and developable supply as set out in its most recent evidence base documents, namely:

- Housing Land Supply Position Statement (01 October 2023)
- LPP2 Examination Evidence Base

12.5 With regard to Dunsfold it is evidence from my Evidence in earlier sections that the Council's estimates of delivery from this site are unreliable. I have however maintained the delivery the Council identifies for the current 5-year period and have then applied a more realistic delivery rate over the remaining 4 years of the Plan period. This trajectory also includes supply sources, such as Milford Golf Course for which there is no prospect of delivery within the Plan period due to a restrictive covenant that exists on the land that is being vigorously pursued by the beneficiaries Mr and Mrs House.

- 12.6 This trajectory therefore includes supply at a more optimistic (and in relation to sources such as Milford Golf Course, unrealistic) delivery rate in order to present a robust approach to my analysis.
- 12.7 The trajectory clearly demonstrates that even with the supply identified by the Council there remains a shortfall of **-2,655 dwellings** at the end of the Plan period. For the Inspector's information if only the LPP1 minimum housing requirement is applied to this trajectory there remains a shortfall of **-1,494 dwellings**.
- 12.8 It is therefore clear that the Council has not identified sufficient land to meet the minimum housing delivery requirements over the Plan period and there will be a substantial shortfall by the end of the Plan period.
- 12.9 It is also important to note that the trajectory shows that the Council has never been able to demonstrate a 5-year housing land supply and will not be able to going forward either. That is evidence of an extremely poor housing delivery record.

(ii) Trajectory 2 – Based on the LPP1 and LPP2 Supply Sources (Excluding Dunsfold)(see Appendix 13)

- 12.10 This trajectory takes the same approach as trajectory 1 but with the exclusion of Dunsfold.
- 12.11 As my Proof of Evidence has demonstrated there are serious issues with the delivery of Dunsfold and given that only 9 years of the LPP1 period remain it is highly likely that Dunsfold will fail to deliver any completions.
- 12.12 Trajectory 2 shows how heavily dependent the Council's housing supply is on Dunsfold and the affect of its removal from the supply is substantial. The consequent shortfall at the end of the Plan period is **-3,509 dwellings** or **-2,348 dwellings** if the LPP1 minimum housing requirement is applied to the trajectory.

(iii) Trajectory 3 – Based on the LPP1 and LPP2 Supply Sources plus Other Potential Sources of Supply (see Appendix 13)

- 12.13 Whilst Trajectories 1 and 2 clearly demonstrate that there is a significant shortfall between the planned housing provision in the Borough and the minimum housing requirement, in view of the requirements set out in Paragraph 177 of the Framework 2023 I have prepared a third trajectory that seeks to include all other potential sources of supply that are not identified by the Council.

12.14 In addition to the Council's identified housing supply trajectory 3 includes the following potential supply sources:

- Draft allocations from the Regulation 18 version of the LPP2 that were not pursued by the Council;
- Sites from the withdrawn Cranleigh Neighbourhood Plan that have not been bought forward into the new emerging Neighbourhood Plan and are not accounted for elsewhere; and,
- Any other sites known to be in the planning system i.e. sites at Appeal or with planning applications pending that are not accounted for elsewhere.

12.15 Even with the addition of the above supply sources trajectory 3 still shows a shortfall of **-600 dwellings** against the minimum LPP1 requirement and **-1,761 dwellings** against the updated requirement up to the end of the Plan period.

12.16 It is therefore apparent that even including supply that the Council itself has not identified there remains a substantial shortfall against the minimum housing requirement. Furthermore, trajectory 3 also confirms that the Council will not be able to demonstrate a 5-year housing land supply in all but one year of the Plan period.

(iv) Conclusions on Trajectory and Consequent Need for more Housing in the Borough

12.17 Paragraph 177 a) of the Framework 2023 requires an assessment of the need for the development, including in terms of national considerations, and the impact of permitting it, or refusing it, upon the local economy.

12.18 My Proof of Evidence demonstrates that there is a clear and present need for more housing in Waverley Borough now. The current 5-year housing land supply position is dire and the Council has not been able to show a supply at any point during the life of the LPP1 Plan period.

12.19 The extent of the 5-year housing land supply shortfall is massive.

- 12.20 The need for more housing in the Borough extends beyond the current 5-year period. My analysis set out in this Section of my Proof of Evidence demonstrates that because of delays in start date and delivery of Dunsfold Aerodrome and other impediments in bringing other sites forward coupled with the failure of the Council to adopt the position approach towards housing provision that the LPP1 Inspector recommended, there is now a significant shortfall in the total housing delivery for the Plan period relative to the minimum LPP1 housing requirement.
- 12.21 Even applying all other sources of supply including sites that the Council has previously rejected at the plan making stage or resisted at the planning application stage, there is a still a shortfall.
- 12.22 Delivery of housing on this Appeal Site is therefore need both for the current 5-year period and in terms of the LPP1 Plan period. Whilst delivery of housing on the Appeal Site will not resolve the substantial shortfall it will make a meaningful contribution towards the significant unmet housing need and will have a positive contribution towards meeting affordable housing needs in Haslemere. Furthermore the grant of planning permission for housing in this location will have a positive short-term and long-term economic benefit (Mr Collins deals with this in detail in his Proof of Evidence).
- 12.23 The requirements of Paragraph 177 a) of the Framework 2023 are therefore met in terms of the need for housing on this site.
-