

KEY ISSUES FOR CONSIDERATION
‘On hold’ until Development Framework is adopted – March 2022

Financial	Affordable/Development	Strategic Planning
<p>Adverse impact on Council's Revenue budget requiring additional budget savings and/or generating alternative income.</p> <p>Thameside expected to contribute £1.1m per annum (net interest margin).</p> <p>Lost rental income for KGE from Thameside House as a result of the Moratorium would be in the order of £5.26m and £4.32m for Oast House</p> <p>Potential delay in receiving significant rental income from Waterfront (to be used to offset other Council projects)</p> <p>Holding costs of £1.45m for Thameside, £1.96m Oast House and £4.5m for Tothill</p> <p>Adverse impact on the net interest margin on mixed schemes</p> <p>Smaller schemes are likely to result in a net loss once the cost of purchase of site is taken into account.</p> <p>Appeal costs on third party schemes which might be overturned and possible awards of costs against Spelthorne (c.£700k)</p> <p>Cost of compulsorily acquiring housing sites to ensure we can deliver Local Plan housing numbers</p>	<p>Delay in affordable housing by 2 years (2,100 households in need on the housing register)</p> <p>Schemes can deliver between 50 – 100% affordable rented</p> <p>Development schemes could deliver c.426 units (20% of current need)</p> <p>Last year no net new additional affordable units were delivered by developers</p> <p>Capital monies on abortive development projects will have to be converted into revenue (£3.45m)</p> <p>Increase in construction costs and inflation arising from delays in completing schemes (£2.09m)</p> <p>Reduction in CIL payments will impact on the 'pot' available for infrastructure projects (£500k is the only sum which has been finalised - Thameside)</p> <p>Market conditions are not favourable for securing a realistic price for sale (due to COVID-19 and Brexit concerns) and avoiding capital losses</p>	<p>Required housing figure back up to 606 from 489 per annum</p> <p>Pressure to provide alternative sites especially if brownfield only option is pursued (need to find around a <i>further 1,088</i> units over the life of the plan on top of the deficit of 913 homes)</p> <p>Concerns over the deliverability - Council schemes are delivering 17% of the SLAA sites (395 units in years 1 to 5 and 750 in years 6 to 15)</p> <p>Threat of Green Belt sites coming forward via planning applications, including those rejected at the Preferred Options stage</p> <p>Contrary to national policy/guidance (would fundamentally restrict the use of significantly increased densities in sustainable areas)</p> <p>Increased risk that the examining inspector will end up picking sites which the Council, left to its own choices, would not have brought forward</p> <p>Worsen position in terms of housing land supply (only delivering 60% of government requirement)</p>