

Notes from Catherine Sayer's presentation 8 May 2025

Surrey Hills National Landscape Update

Natural England (NE) is currently reviewing the results of the second consultation on the proposed extension of the Surrey Hills Area of Outstanding Natural Beauty (AONB).

In 2023, NE published the outcomes of its evidence-gathering process for identifying a new, extended boundary. For Limpsfield, NE proposed a significant extension to the south, encompassing Limpsfield Common and extending past Itchingwood Common. However, the extension stopped short of Staffhurst Wood, despite Tandridge District Council's view that the natural beauty of that area was on par with the included landscape.

During the consultation on the proposed boundary, several adjustments were made, with some areas removed and others added. Among the additions for Tandridge District was a large area titled "Land South including Staffhurst Wood"—a proposal originally put forward by Tandridge District Council, which was ultimately accepted.

This extension includes the land between Red Lane to the west, the southern edge of Staffhurst Wood, and Monks Lane to the south. It also covers the southern section of Guildables Lane to the east and encompasses Staffhurst Wood, Honesland Wood, the Crooked River, and surrounding fields, creating a continuous link to the Kent Downs AONB.

A second consultation followed, focusing on the amended boundary. We are currently awaiting the results, expected by the end of May or in June.

The next step will be a statutory 30-day notice period during which formal representations can be made. This is scheduled for later in 2025 (exact timing to be confirmed). Following the review of those representations, NE will submit the final proposal to the Secretary of State for Defra, likely in the first half of 2026. The Secretary of State will then make the final decision.

Green Belt and the New NPPF

The government's revised National Planning Policy Framework (NPPF), published in December 2024, introduces a new designation within the Green Belt: the "Grey Belt".

Key Changes:

- A new standard method for calculating housing need has been introduced, with mandatory minimum targets. For Tandridge, the figure is now 821 homes per year, with a 20% buffer, increasing the target to 985 homes annually.
- This is a significant number for a district where 94% of the land is Green Belt and includes two National Landscapes (Surrey Hills and High Weald).
- The council is preparing a new Local Plan to meet this housing need. Part of this includes a review of Green Belt boundaries to identify and prioritise “lower quality grey belt land.”

Grey Belt Definition:

Originally described as previously developed land (scrubland, petrol stations, car parks), the final NPPF definition allows land to be classified as Grey Belt if it does not strongly contribute to three of the five Green Belt purposes:

1. Checking the unrestricted sprawl of large built-up areas
2. Preventing neighbouring towns from merging
3. Preserving the setting and special character of historic towns

There are exclusions, such as irreplaceable habitats and flood-prone areas.

Grey Belt developments must meet “golden rules,” including contributions to affordable housing, infrastructure, and green spaces.

A February 2025 update clarified that Green Belt protections intended to prevent the sprawl of built-up areas should no longer apply to villages. However, the term "village" is not clearly defined, leading to legal uncertainty and planning disputes.

This shift is encouraging speculative planning applications, even on high-quality Green Belt land. The lack of a precise definition for Grey Belt is creating significant legal ambiguity, leading to an increase in costly planning appeals.

Local Government Reorganisation (LGR)

Current System:

Surrey currently operates under a two-tier system:

- 11 District and Borough Councils (e.g., Tandridge), responsible for planning, waste collection, council housing, etc.
- Surrey County Council (SCC), which manages highways, education, adult social care, and more.

The government intends to replace this with unitary councils providing all services. In December 2024, it published its English Devolution White Paper, setting out a requirement for unitary local

government in two-tier areas, alongside the introduction of strategic authorities led by elected Mayors.

Government Push and Timeline:

- On 5 February 2025, the Minister confirmed support for Surrey LGR with the most ambitious timetable in England.
- All councils were required to submit interim proposals by 21 March and final proposals by 9 May.
- The deadline was driven by the extraordinary debt levels in some western and northern Surrey councils—especially Woking Borough Council, which has racked up over £2 billion in debt, with £171 million annual interest.

Tandridge's Position:

Tandridge Council worked collaboratively with other authorities on a joint interim submission but ultimately made the following key decisions:

Tandridge Councillors' Four Decisions:

1. Endorse the submission for three unitary authorities within Surrey
2. Support the principle of three councillors per Division in the new unitaries
3. Oppose any unitary arrangements that include Crawley Borough Council
4. Oppose Tandridge residents contributing to resolve debt problems of other councils

All 12 Surrey councils held extraordinary meetings this week to decide on the final submissions. The government's final decision is expected between September and December 2025, with shadow unitary elections in May 2026 and vesting day on 1 April 2027.

Proposals: Summary and Comparison

Pros and Cons of Reorganisation

Advantages:

- Financial savings and improved service resilience
- Reduced duplication of services
- More consistent service delivery

Disadvantages:

- Loss of local democratic representation
- Reduced community engagement

- Risk of eroding local identity

District and Borough Proposal:

- Proposes three unitaries: East, North, and West Surrey
- Backed by 8 of 11 councils, including Tandridge
- Proposes three councillors per Division
- Highlights that even with three-member Divisions, councillors will represent around 3,500 residents each, far more than at present

Some councils (e.g., Elmbridge) oppose this split, largely due to debt disparities between grouped areas.

Surrey County Council Proposal:

- Proposes two unitaries
- Includes “community boards” to address democratic concerns (especially in non-parished areas)
- Each Division would have a minimum of two councillors
- Populations of around 600,000 per unitary

Reigate and Banstead / Crawley Proposal:

- Seeks to form a separate unitary authority across county lines, with a focus on Gatwick expansion
- Would result in Tandridge being isolated geographically
- Strongly opposed by all political groups on Tandridge council, who have expressed this position formally to the government

The proposal passed by only 17–15 votes in Reigate and Banstead, with concerns about the impact on Green Belt land.

Financial Context

- Projected budget gap across the current 12 councils: £134 million over 5 years
- Mainly due to social care pressures and the Fair Funding Review
- With Woking’s debt, the combined budget pressure could be £300 million
- Both submissions assume the government will write off Woking’s stranded debt

Savings and Costs (Shared Themes):

Savings:

- Fewer councillors
- Reduced election costs
- Streamlined senior management
- Elimination of service duplication
- Modernised, integrated services

Costs:

- Disaggregation of county services (e.g., adult social care)
- Upfront costs of structural reorganisation

Council Tax Implications

Both submissions recommend council tax harmonisation on Day 1. Currently, there are significant variations in tax levels across the county.

- Post-LGR, authorities can raise tax by 4.99% annually, including a 2% social care precept.
- For Tandridge, changes would be fiscally neutral: the district's council tax is already above average, so the drop in its rate offsets the unitary increase.
- In contrast, Mole Valley faces a significant rise to match the average.

Conclusion

To return to where I began—debt. There is currently £7.8 billion of debt across Surrey, the vast majority of which is concentrated in councils in the west and north of the county. Woking alone accounts for £2.7 billion, with approximately £2 billion considered stranded or irrecoverable. Other councils in west Surrey also carry significant debt levels linked to commercial investments, including Spelthorne (£1.2 billion) and Runnymede (£700 million). While such borrowing is sustainable if the associated income continues, any downturn in returns can quickly leave councils unable to meet repayment obligations, pushing them into financial crisis.

Surrey County Council itself also holds substantial debt.

I believe this overall financial situation will have a major influence on the final outcome of Local Government Reorganisation. I sincerely hope that financial pressures do not lead to the imposition of a single unitary authority, which would be both unworkable in practice and detrimental to local democracy.

Above all, it would be fundamentally unfair for Tandridge residents to inherit any of this debt, especially considering the significant and successful efforts our council has made to restore and maintain financial stability.