



Homes
England

Horsham District Local Plan 2023-2040 Examination in Public

Matter 8 – Housing

Hearing Statement

Date: November 2024



Issue 1 – Whether the housing requirement is justified, effective, consistent with national policy and positively prepared?

1. Introduction

1.1 This statement has been prepared by Homes England in its capacity as landowner and promoter of West of Ifield, Horsham, identified as a strategic site HA2 in the Horsham Local Plan 2023-2040.

1.2 This statement supplements Homes England’s previous representations to the Horsham District Local Plan Regulation 19 consultation. Where relevant separate submissions will be made in relation to Homes England’s other land interests.

Q3 - Is there any substantive evidence that the Plan should be accommodating unmet need from neighbours, and if so, would it be sound to do so? In any event, should any unmet needs from other relevant areas be clearly identified in the Plan?

1.3 There is clear evidence that unmet housing need within the North West Sussex Housing Market Area exists and there is a need for authorities to work together to accommodate this. The extent of unmet need has recently been confirmed through the Crawley Local Plan Examination and confirmed in the Statement of Common Ground (SOCG) between the North West Sussex HMA authorities (Ref:DC02).

1.4 In examining the recently adopted Crawley Local Plan 2024-2040, the Inspector (report provided at **Appendix 1**) notes that during the last round of plan making Crawley’s unmet need (which was then 335 dwellings per annum (dpa)), was largely accommodated within the wider North West Sussex HMA, with Horsham’s housing target uplifted by 150 dpa to accommodate unmet need elsewhere. The SOCG and the recently examined Crawley Local Plan identify an overall unmet need figure from Crawley of 7,505 homes to 2040 (288 dpa).

1.5 Para 10.5 of the submission plan is clear that *the “starting point for this Plan has been to seek to meet the District’s own housing requirement derived from the standard housing methodology”* as well as consideration being given to accommodating unmet needs from surrounding areas. This would be consistent with Para 35(a) of the NPPF.

- 1.6 However, Paragraph 10.12 of the draft Local Plan confirms HDC’s position that due to water neutrality constraints, it is not possible to meet Horsham’s own Standard Housing Methodology housing target, and subsequently contrary to the previous approach taken by HDC, it is, at this time, not able to contribute to meeting unmet housing needs. Based on the evidence regarding water neutrality constraints and clear limitations on bringing forward sites, this approach is sound as planning for a higher housing target at this time that is clearly not deliverable, would not ensure that the plan is justified nor effective and therefore could lead to the plan being found unsound.
- 1.7 Notwithstanding this, while the constraints of water neutrality are understood, there is a clear strategy in place to address this and it is realistic that the implementation of a strategic solution by Southern Water and / or the opportunity to bring forward site specific solutions during the Local Plan period would ease the constraints on housing delivery over the Local Plan period, presenting an opportunity for Horsham to meet both its housing needs and potentially unmet housing needs arising from neighbouring authorities.
- 1.8 As set out in Para 4.20 , it is therefore important that the Plan is kept under regular review and that there is a commitment to setting out key changes in the water neutrality position that would trigger an early Local Plan review. This, in our view, should be set out in its own independent policy (reference MIQ10) that commits to a commitment to an early review, either in full or targeted ahead of the statutory five year review period required by the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended). This would be consistent with Para 33 of the NPPF that is clear earlier plan reviews are appropriate if *“local housing need is expected to change significantly in the near future”*.
- 1.9 Given the established unmet need within Crawley Borough we consider amendments to Policy 37 are needed which would identify the unmet needs of Horsham District and neighbouring authorities. These should then be linked to trigger events that would require a local plan review or wording that encourages the provision of housing in excess of the proposed target to seek to meet unmet need as much as possible so that if appropriate, opportunities to meet additional requirements to meet identified housing need can be supported. This would support the proactive and positive preparation of identifying site allocations (such as HA2) which look beyond the Plan period and are recognised as having potential to make a meaningful contribution to meeting unmet needs from neighbouring authorities.

- 1.10 Within its Regulation 19 representations Crawley Borough Council (CBC) question why the West of Ifield allocation provides for 2ha of employment land when Crawley does not have unmet employment needs. CBC suggest that it would be better for this land to be identified as additional housing that could help meet Crawley's unmet housing needs. The masterplan vision for the site has always been to provide some employment uses to support the creation of a sustainable community. However, there is a valid question as to whether the 1 job per 1 home aspiration is achieving the best use of land within the strategic allocation, given the acute and established unmet housing needs. Ultimately, given the uncertainties around water neutrality, the Plan strikes the right balance of putting forward a deliverable housing target (with consideration given to both Standard Methodology for Horsham and unmet needs of neighbouring authorities) that remains ambitious and allows flexibility on how strategic developments to come forward over the Plan period and beyond. However, providing clarification on the housing delivery requirement and ensuring flexibility to respond to changes to water neutrality constraints, we would recommend the following modifications to Policy 37:

*Strategic Policy 37: Housing Provision is made for the development of at least 13,212 homes, and associated infrastructure within the period 2023 - 2040 at an average delivery rate of 777 homes per year. **The Council will explore all measures to increase housing delivery as much as possible to account for the shortfall against its identified housing need of 911 homes per year and the 288 homes per year of unmet need from Crawley. A full review of the plan will be triggered if a further strategic solution to the water neutrality constraint is identified that can demonstrate delivery of a greater number of homes in the District.***

Issue 2 – Whether the overall housing land supply and site selection process is justified, effective, consistent with national policy and positively prepared?

2. Q1 - Were the proposed housing allocations selected on the basis of an understanding of what land is suitable, available and achievable for housing in the plan area using an appropriate and proportionate methodology, and are there clear reasons why other land which has not been allocated has been discounted?

- 2.1 Homes England can confirm that the trajectory envisaged within HDC03 for the West of Ifield site is reasonable and that this site is suitable, available and achievable to provide the housing envisaged within the plan. Homes England is the Government's housing accelerator with a central objective of unlocking land for the delivery of housing.
- 2.2 Given Homes England's role it is in a unique position to de-risk sites through land-assembly, securing planning permissions and enabling the delivery of infrastructure. The West of Ifield site is 100% within Homes England's control through option agreements and it is anticipated that an outline planning application would be submitted shortly after an allocation is adopted.
- 2.3 The applicant team has undertaken its own viability analysis of the development which confirms that the allocation can be delivered in full, including with the additional primary school, the healthcare facility and accounted for mitigation to address the loss of the existing golf course (addressed within the Matter 9 Statement).
- 2.4 In terms of the rate of housing delivery on the site, the trajectory within HDC03 anticipates the site reaching an output of 160 dwellings per annum once fully up to speed. This is a conservative estimate and we believe that a greater number of homes can be delivered at pace on the site to exceed the 1,600 allowance within the plan period.
- 2.5 Homes England's "Accelerated Housing Delivery on Large Sites -The Homes England Approach (November 2021)" is provided at **Appendix 1**. This document sets out Homes England's approach to housing delivery, identifying how by working with a

diverse range of delivery partners, with different specialisms, attitudes to risk, markets, and product types, it can avoid market absorption challenges and deliver housing at a faster rate.

- 2.6 The importance of Homes England’s role is further emphasized by the recent letter to the Chair of Homes England from Matthew Pennycook MP Minister of State for Housing and Planning (**Appendix 2**). Herein the Minister emphasises the government’s priority of boosting housing supply and unlocking economic growth. The Agency has been provided with a clear mandate to “*do everything in its power to accelerate development and increase delivery in 2024/25*”, and provide support to the New Homes Accelerator programme¹ to speed up delivery on large and stalled sites such as West of Ifield.
- 2.7 Overall, the housing trajectory for the allocation HA2 within the plan period is reasonable and sound. However, Homes England believe that there is an opportunity for the site to deliver a greater number of homes within the plan period and, in accordance with the above, will be striving to achieve this.

¹ <https://www.gov.uk/guidance/new-homes-accelerator-programme>

Issue 3 – Whether the other housing policies are justified, effective, consistent with national policy and positively prepared?

3. Is Strategic Policy 39: Affordable Housing sound? a) Is it consistent with the relevant evidence, particularly the Strategic Housing Market Assessment?

- 3.1 Policy 39 identifies a District wide target of 35% affordable housing on strategic sites with the exception of Land West of Ifield where a minimum 40% target is applied.
- 3.2 Whilst Homes England is supportive of the delivery of affordable housing, there is concern that the increased target applied to the West of Ifield development has not been properly tested within the supporting Viability Assessment (document H12). The West of Ifield site is identified to deliver a significant amount of infrastructure and the Viability Assessment modelling appears to indicate the site can support a higher viability multiplier than the other strategic sites but it is unclear how this conclusion has been reached.
- 3.3 Homes England has undertaken its own viability analysis of the development including all of the infrastructure requirements anticipated within the allocation. This work demonstrates that the development is viable and deliverable even with the increased affordable housing requirement, however, the sensitivity margins become much smaller compared to a 35% scenario. We do not, therefore, consider that the relevant evidence to the plan sufficiently supports the 40% affordable housing policy target within the West of Ifield allocation.
- 3.4 Homes England notes the publication of the Horsham District Local Plan Viability Addendum that was posted to the EiP website on 22 November 2024. We hereby append a letter sent to HDC regarding this Addendum and our observations on the revised assessment of the West of Ifield development (**Annex 1**).

Issue 4 – Whether the Plan is positively prepared, justified, effective and consistent with national policy in planning to meet gypsy and traveller accommodation needs?

4. Q4. Is Strategic Policy 43: Gypsy and Travellers sound?

- 4.1 No. The allocation of a permanent site for 15 gypsy and traveller pitches within the West of Ifield development has not been evidenced and is therefore not justified.
- 4.2 Table 11 identifies 14 sites for gypsy and traveller pitches with the west of ifield strategic allocation taking by far the most number of pitches (15). It is not clear how this spatial distribution has been arrived at. Specifically why the other strategic allocations at Billingham and Southwater have considerably fewer pitches (five each) compared to West of Ifield.
- 4.3 Given the length of the plan-period and particularly the delivery of the strategic West of Ifield development, the needs for gypsy and traveller provision on a particular site is likely to change over the course of the Plan. It is, therefore, not appropriate to provide a definitive figure to the number of pitches the site should provide, but would be more suitable for this requirement to be drafted as an “up-to” figure.
- 4.4 The number of pitches required definitively within the West of Ifield site is not consistent with the guidance within Planning Policy for Traveller Sites. Paragraph 10 of this document identifies that, in producing a Local Plan, planning authorities should *“relate the number of pitches or plots to the circumstances of the specific size and location of the site and the surrounding population’s size and density”*. The requirement for a specific site to provide 15 pitches is problematic as this is generally seen as the absolute maximum number of pitches on a site to avoid management issues. Again, this problem would be addressed if the allocation target was referred to as an “up to” figure.
- 4.5 Given the above, Table 11 within Policy 43 should be amended so that the proposed additional net pitches are referenced as either as maximum or indicative figures.

Appendix 1

Appendix 2

Horsham District Council
Planning Policy
Parkside
Chart Way
Horsham
West Sussex
RH12 1RL

BY EMAIL

22 November 2024

Dear Catherine

HORSHAM DISTRICT COUNCIL DRAFT LOCAL PLAN – VIABILITY APPRAISAL ADDENDUM (NOVEMBER 2024)

I write in respect of the above document.

Homes England (HE) have reviewed the updated viability outputs for Land West of Ifield undertaken as part of the strategic site testing for Horsham Local Plan, as set out in the letter prepared by Aspinall Verdi (19th November 2024) (the Addendum). While we agree the allocation is viable, we still have some concern the assumptions of the Viability Appraisal do not adequately address our previous concerns and therefore the requirement for 40% affordable housing at West of Ifield is not fully justified.

Aspinall Verdi state that previous assumptions have not been revisited. Those assumptions are therefore now over a year old and will therefore not take account of any changes in inflation, interest rates, house prices or site-specific infrastructure matters or mitigation which HE will naturally be informed on.

In HE's representations to the Regulation 19 Local Plan consultation, we made a number of comments in relation to the Aspinall Verdi Viability Study (2023) and its direct relationship with draft Policy HA2: West of Ifield. These comments included the following:

- i. There needs to be sufficient justification for applying a site-specific Affordable Housing policy to West of Ifield. Clarification needs to be provided as to how this should be considered when taking account of unmet needs from Crawley – which the Local Plan states cannot be accommodated by Horsham District Council (HDC). This will ensure the Plan is justified in line with Paragraph 16 of the NPPF.
- ii. As recognised in HDC suggested modification HA063, a blended housing mix has now been agreed for West of Ifield as part of the pre-application process. This reflects the site's location 'At Crawley'. Neither the Viability Study or the Addendum included this mix as an assumption.
- iii. The Viability Study (November 2023) has only tested the viability of West of Ifield with the inclusion of one primary school, which is not aligned to the requirements in Policy HA2 and suggested modification HA065 for primary education, which references two. Whilst Homes England, West Sussex County Council and HDC have undertaken pre-application discussions which indicate that, based on the above referenced blended mix, only one primary school is presently anticipated at West of Ifield, the assumptions in the

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Viability Study, Policy wording and Infrastructure Delivery Plan need to align. Indeed, the Site Assessments Report (December 2023) only refers to the provision of one primary school within the site allocation.

- iv. The Infrastructure Delivery Plan and Policy HA2 require provision of primary health care (or financial contributions) at West of Ifield. Homes England have had positive dialogue with NHS Sussex in this regard and this use will form part of a future planning application. However, neither the Viability Study or Addendum takes this into consideration. This matter has been raised in other third party representations in response to the Regulation 19 Local Plan consultation.
- v. Policy wording in HA2, and to a lesser specific extent, paragraph 99/103 of the NPPF require offsite mitigation for the loss of facilities at Ifield Golf Club **“in the absence of site-specific evidence demonstrating the surrounding area has capacity to accommodate its loss”**. Homes England has been engaging with HDC, England Golf and Sport England as part of the pre-application process and having published evidence in respect of this matter on our website [Keep in Touch with Latest News - West Of Ifield - Commonplace](#) in September 2024, is progressing options for offsite mitigation, if it is required. Neither the Viability Study or the Addendum takes this into consideration. This matter has also been raised in other third party representations in response to the Regulation 19 Local Plan consultation.
- vi. Homes England have confirmed that we have 100% control of the land required to deliver development at West of Ifield. Of this, 97% of the land is owned by Homes England with the remainder in our control through executed land agreements. As has been raised in other responses to the Regulation 19 consultation, there will be further acquisition costs to be expended as part of the delivery of the scheme. Homes England have taken account of these costs within our build cost assumptions. However, this is not recognised in the Viability Study (2023) or the Addendum (2024).

We wish to highlight, again, that the infrastructure cost information for West of Ifield - as submitted by Homes England to inform the Local Plan viability work (November 2023) - is at a considerable variance to those assumed by Aspinall Verdi in their *Local Plan Viability Study 2023*. It is clear from the Addendum that the cost assumptions that underpin the outputs remain unchanged from their Viability Study (2023).

As matters currently stand we note the Council's expectation is that CIL is also to be paid in addition to appropriate s106 contributions. We appreciate that a review of the CIL Charging Schedule is due to take place to determine whether CIL should be levied on Strategic Sites however, this review has not concluded yet.

Homes England are keen to work with HDC to ensure no 'double counting' occurs as acknowledged in the Viability Study (2023) as a risk to be managed. You will of course be aware that PPG requires CIL to be assessed on a 'policy-on' basis to avoid precisely this concern. This is particularly relevant to West of Ifield, where a number of planning obligations will relate to cross boundary issues. Securing this via a Section 106 Agreement will allow planning obligations to be much more tailored and specific to the impacts of the development. Homes England will be making further representations to the consultation on the review of the CIL Charging Schedule in due course.

HE wish to reiterate that, in principle, it very much wishes to support HDC in achieving a sound Local Plan that includes West of Ifield as an allocated strategic site. However, for the reasons outlined above, HE have concerns that some of the inputs relied upon by the Council are erroneous.

We are committed to delivering a sustainable development at West of Ifield which embodies high quality placemaking and, first and foremost, mitigates the impact of the development. HDC will recall that Homes England have previously committed to 35% affordable housing in previous iterations of the draft Local Plan. In addition, we have acknowledged the potential opportunity to uplift affordable housing through Affordable Housing Programmes (post planning), as we have done at Brookleigh (Burgess Hill) and many other sites nationwide. It is in the interests of all parties to ensure that the evidence base for the draft Local Plan is robust and so we would welcome the

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opportunity to engage further with Aspinall Verdi, to ensure that the proposed planning application for West of Ifield (which is in an advanced stage of preparation) remains deliverable and viable.

Yours sincerely,



Regional Development Director
Homes England