

Horsham District Local Plan Examination

Response to Action Point 9 - Update Matter 1 Issue 2 HDC 42

February 2025

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February 2025 Water Neutrality Update Note

1. Background

- 1. Horsham District Council (HDC) has previously provided notes **HDC33** (relating to Action Point 8) and **HDC40** (relating to Action Point 9). Collectively these papers set out:
 - information on ongoing work to understand the relationship between the Arun Valley protected habitats and the Pulborough (Hardham) abstraction site; and
 - progress on the draft Water Resource Management Plans (WRMPs) being produced by Southern Water, and the relationship this document has with Water Neutrality.
- Since the publication of these papers, HDC has, together with the other local planning authority partners
 affected by Water Neutrality, continued dialogue with Natural England (NE), the Environment Agency
 (EA) and Southern Water to seek more clarity on the progress of these documents. We have also
 discussed as to what set of circumstances would lead to a situation whereby the Natural England
 Position Statement would be revoked or amended.
- 3. This paper provides updates on matters relating to water neutrality, taking account of such discussions. In doing so, it provides the agreed positions of the relevant parties, namely:
 - Horsham District Council and its local authority/national park authority partners (Section 2)
 - Southern Water (Section 3)
 - Natural England (Section 4)
 - Environment Agency (Section 5)
- 4. For avoidance of doubt, Section 1 (Background), Section 6 (Areas of agreement and areas of uncertainty) and Section 7 (Conclusions) reflect HDC's understanding of matters. Whilst partner organisations have fed into the drafting of these sections, HDC has not requested endorsement of them and the endorsements provided from the partner organisations are in respect of their respective sections.
- 5. This paper should not be read in isolation and should be read alongside related documents. This includes **HDC33** and **HDC40**.

2. Position of affected local/national park authorities

The signatories endorse Section 2 of this document as accurate on the date given on the front page.	
Horsham District Council	
Barbara Childs, Director of Place	
Crawley Borough Council Clem Smith, Head of Economy and Planning	
Chichester District Council	
Tony Whitty, Divisional Manager –Planning Policy	
South Downs National Park Authority	
Tim Slaney, Director	
Mid Sussex District Council	
Ann Biggs, Assistant Director –Planning and Sustainable Economy	
West Sussex County Council	
Michael Elkington, Head of Planning Services	

- HDC is, along with a number of other authorities (Chichester District Council, Crawley Borough Council, Mid Sussex District Council, South Downs National Park Authority and West Sussex County Council) impacted by the Natural England Position Statement (CC08).
- 7. The Water Neutrality Statement of Common Ground (DC08) sets out a commitment to continued working together on the matter of water neutrality between the partners. This includes the use of a joint evidence base to inform a joint policy approach and to establish an offsetting scheme (known as the Sussex North Offsetting Water Scheme or SNOWS). DC08 remains relevant, notwithstanding matters have now progressed as explained in this update.
- 8. Developments pertaining to joint working specifically between the local/national park authorities are as follows:

Chichester Local Plan 2021-2039 Examination – Inspectors' Interim Letter (January 2025)

9. As set out in DC08, the Sussex North Water Resources Zone covers the northeast part of Chichester District. Water neutrality requirements therefore apply across a small part of the overall wider Chichester Local Plan area. On 15 January 2025, the Inspectors examining the Chichester Local Plan 2021-2039 issued a Post Hearings Advice Letter setting out the next steps for that examination. The letter considered, amongst other things, legal compliance, including Habitats Regulations Assessment (HRA). It concluded that subject to main modifications the plan is likely to be capable of being legally compliant and found sound.

- 10. The letter indicates that at this stage, no main modifications are envisaged in respect of the approach to water neutrality. As with Horsham District, proposed development allocated in the north of the Chichester plan area is likely for the most part to be reliant on SNOWS. The Inspectors' letter has not raised any further concerns in relation to water neutrality either in relation to the plan approach or HRA. It therefore follows that the Chichester Inspectors, having heard evidence on water neutrality at the hearing sessions, appear supportive of SNOWS as a mechanism for delivering water neutral development in the relevant part of the Chichester Local Plan area, and therefore achieving compliance with the Habitat Regulations.
- 11. In order to provide a consistent approach to water neutrality across the affected zone, Chichester Local Plan Policy NE17 Water Neutrality is broadly the same as Horsham District Local Plan 2023-40 Strategic Policy 9: Water Neutrality. HDC has highlighted in its previously submitted evidence that Strategic Policy 9 also mirrors the Crawley Local Plan Strategic Policy SDC04: Water Neutrality, which was found sound by the Crawley Inspectors¹.

Devolution

- 12. On 5 February 2025, the Deputy Prime Minister announced that the area covered by East Sussex County Council, West Sussex County Council, and Brighton and Hove unitary authority will be included in the Devolution Priority Programme. This is expected to lead to Mayoral elections for a Combined Mayoral Authority being held in May 2026, followed by elections to form three new unitary authorities as early as May 2027. This will result in the eventual abolition of district, borough, county and existing unitary councils, and the formation of new unitary authorities based on a population size of around 500,000. (The South Downs National Park Authority will remain as is.)
- 13. In her letter of 5 February, the Deputy Prime Minister states that it is essential that councils continue to deliver their business-as-usual services and duties, which remain unchanged until reorganisation is complete. This includes progress towards the Government's ambition of universal coverage of up-to-date local plans as quickly as possible. Horsham District Council is taking its revised Local Development Scheme to a Cabinet Meeting on 26 February 2025, setting out the envisaged timetable for the completion of the current plan. As set out in **HDC41**, this report highlights the considerable uncertainty as to the ability to complete a new Local Plan prior to the formation of any new unitary authority, and the significant risk of a policy vacuum for the Horsham District Council area.

Continuation of the joint policy approach

- 14. Notwithstanding the uncertainties this presents, the Sussex North local authorities/national park authority (Crawley Borough Council, Chichester District Council, Mid Sussex District Council, West Sussex County Council and the South Downs National Park Authority) remain fully committed to working together to ensure water neutrality in the Sussex North Water Resources Zone can be demonstrated until such time as the Position Statement is amended or withdrawn.
- 15. A joint approach has been adopted by the local authorities identified in the paragraph above which employs the Sussex North Offsetting Water Scheme (SNOWS) to enable plan-led development to come forward in a manner that meets Habitat Regulations requirements. As is set out in **DC08**, SNOWS has been endorsed as an approach by the EA, NE and Southern Water. This forms the basis of delivering Horsham's Spatial Strategy, as expressed in the Horsham District Local Plan 2023-40, as it is doing for other adopted and emerging plans falling within the Sussex North Water Resources Zone.
- 16. The respective local authorities are also committed to carrying forward the jointly agreed policy approach, as incorporated into relevant adopted and emerging local plans, which ensures that new development minimises water consumption through the introduction of high efficiency standards and offsets any water use, and does so in a consistent rather than piecemeal way across the affected area. This position has, for some time, applied in determining planning applications and will continue to apply

¹ Crawley Borough Local Plan Inspectors' final report September 2024: https://crawley.gov.uk/sites/default/files/2024-10/Crawley%20Borough%20Local%20Plan%20Inspectors%27%20final%20report%20September%202024.pdf

as appropriate to circumstances, as required by evidence, and subject to updates to that evidence as set out elsewhere in this note.

SNOWS

- 17. Since the last SNOWS Project Review Update (HDC17) submitted for the examination in November 2024, further progress has been made on the development of the offsetting scheme. As a result, an initial 'beta' launch of SNOWS will be carried out from Monday 3 March 2025. This will allow testing of the processes and systems on several live planning applications and allowed appeals. It is then intended to formally launch the scheme on Monday 31 March 2025. Guidance for applicants will be published on the SNOWS web page by the end of February 2025.
- 18. As was discussed at the examination hearing session for Matter 3 Climate Change and Water on the afternoon of Thursday 12 December 2024, the SNOWS partners have contracted the consultancy JBA to update the existing water neutrality calculations they completed for the Water Neutrality Study Part C: Mitigation Strategy (CC11), using the latest local authority housing and employment trajectory data and the latest draft Water Resources Management Plan data from Southern Water. This will be used to inform the baseline for the generation of SNOWS credits and the distribution of water savings.
- 19. Updated results from JBA were received on 19 February 2025. Demand figures from the local authorities have been fully validated, however the Southern Water figures set out in the Revised Draft Water Resource Management Plan 24 will not be confirmed until it been signed off by the Secretary of State, (further detail on this process is set out in section 3 [Southern Water], and Section 5 [Environment Agency]). Notwithstanding that the final WRMP is still pending, the results from the JBA study are considered sufficiently robust to enable scheme costs to be clarified and therefore the 'SNOWS Water Credit' cost for applicants to be identified. Costs will be published on the SNOWS web page by the end of February 2025.

3. Southern Water

Southern Water endorses Section 3 of this document as accurate on the date given on the front page.

Southern Water
Sandra Norval, Water Strategy Manager

Hardham Basin Sustainability Study update

- 20. As set out in HDC33, paragraph 16, the Hardham Basin Sustainability Study was commissioned to factually inform whether there is a possible pathway of impact from Southern Water's groundwater abstraction and the Arun Valley sites. For the avoidance of doubt, it has now been confirmed to HDC that this is a study being led by Southern Water, in partnership with the Environment Agency, Natural England, RSPB, Sussex Wildlife Trust, Atkins Realis and WSP. The role of the EA will be to undertake an independent review of any results, so that it can be confirmed to the satisfaction of all what level of relationship exists between the two sites.
- 21. The Hardham Basin Sustainability Study is comprised of two parts, i) the Water Framework Directive (WFD) No Deterioration Study and ii) the Habitats Regulation Assessment (HRA). It is the HRA element

of this work that will establish the relationship between the Arun Valley sites and Hardham². It is understood that Southern Water anticipates that a draft of the WFD No Deterioration study will be completed in March 2025. The Environment Agency's current understanding is that the Habitat Regulations Assessment will be published later.

22. Following completion of the studies, there will then be a subsequent technical review period undertaken by the EA and Natural England before the Hardham Basin Sustainability Study is finalised and published. This is understood to be in the summer of 2025.

Water Resources Management Plan (WRMP)

- 23. WRMPs are statutory documents which outlines a water company's strategy for managing water supply and demand. The WRMP informs the supply-demand part of a water company's business plan which sets out the investment plans for the next asset management period and are submitted to Ofwat. Southern Water is responsible for producing a Water Resources Management Plan (WRMP) every five years.
- 24. Southern Water's previous WRMP was published in 2019 (WRMP19) and the data in this document formed the basis for the Water Neutrality Study (**CC09-CC12**). The next iteration of Southern Water's WRMP will be for a period covering 2025 to 2075. Southern Water consulted on its Revised Draft WRMP24 (rdWRMP24) between 11 September to 4 December and is working towards publication of their Statement of Response.
- 25. Further details on Southern Water's WRMP are provided in the Council's **Response to Action Point 9** (HDC40) and the **Response to Action Point 20** (HDC39). Southern Water has stated that it is working towards publishing their Statement of Response to their rdWRMP24 and will publish its finalised Plan following this (subject to regulatory approval).

Revised Draft Water Resources Management Plan 24 (rdWRMP24)

- 26. Southern Water's rdWRMP24 contains a section on Southern Water's Central Area, which includes the Sussex North Water Resource Zone (SNWRZ). Sensitivity testing of various options in relation to the use of the Hardham/Pulborough groundwater resource is included in the plan. Southern Water has stated that this approach ensures that a water supply and demand balance is maintained in the resource zone whilst, at the same time, limiting the use of groundwater sources as far as possible, pending development of alternative water supplies to further minimise reliance on those groundwater sources. Southern Water has stated that any changes made to the updated rdWRMP24 following the consultation should not have any significant effect on the supply demand balance in this area.
- 27. In their rdWRMP24, Southern Water has acknowledged the potential for the licence for groundwater abstraction at Hardham to be changed. Nonetheless its preferred plan and alternative plans have been prepared on the basis that this abstraction licence continues. The outcomes of the Hardham Basin Sustainability Study will be shared and discussed with Natural England and the Environment Agency, who will then decide any appropriate action. The Hardham Basin Sustainability Study will be key in informing whether there is a possible pathway of impact between the abstraction and the Arun Valley sites and if so, what level of abstraction would be sustainable and whether changes to the abstraction licence would be necessary. The EA response to this is set out in section 5.

² The WFD No Deterioration Study looks at all of Southern Water's groundwater sources within the Sussex North zone alongside the surface water source at Hardham. The purpose of this part of the study is to assess if there is a risk of deterioration (under the Water Framework Directive) in the status of any waterbodies in the area, and to identify any actions required to address any deterioration risks that the study identifies. This does not consider the impact on the Arun Valley Protected Areas. Both the WFD No Deterioration study and the HRA are needed for the EA to consider their position on the Hardham groundwater abstraction license.

28. Following Southern Water's submission of its Statement of Response, there will be a period of review by regulators. The decision on whether to publish the final WRMP24 sits with the Secretary of State for Environment, Food & Rural Affairs. The publication date of the final WRMP24 is unknown and it is currently anticipated that this could be from Summer 2025 (at the earliest) onwards.

WRMP and SNOWS

- 29. Southern Water has been fully engaged with and continues to provide support to the development of the SNOWS scheme. Southern Water has a dedicated Water Neutrality Lead to support the authorities' work on water neutrality issues.
- 30. Southern Water fully support and have endorsed the process undertaken by the local authorities, including HDC, including that SNOWS will be using Southern Water's demand management savings to form the baseline to generate SNOWS credits. This demand management work is ongoing, and therefore Southern Water is confident in the ongoing delivery of these water savings alongside the WRMP process.

Southern Water and Developer Engagement

- 31. Southern Water engages with developers through its Developer Services team for matters including information on water neutrality. They have provided a triage service since December 2021 offering information to developers considering private solutions to help them achieve offsetting to satisfy water neutrality requirements.
- 32. As part of the triage service, Southern Water provides information to prospective applicants on any specific water supply requirements that must be met and any potential barriers or issues from a water company perspective. A small number of large developments have used the triage process to consider independent water supply options ranging from investigation of alternative boreholes to potential water storage options. In all cases regulatory challenges have been explained including stringent requirements for water quality, environmental considerations, regulated equipment and monitoring. This proves challenging as for many independent water supply proposals, developers would be required to meet the same standards as water companies. The length of discussions varies due to the complex and individual nature of each option. To date none of the independent supply proposals put forward by developers have been successful in avoiding the need to consider resorting to offsetting. Southern Water remains committed to supporting those wishing to consider alternative opportunities.
- 33. In general terms (as opposed to any site-specific commentary), it should be noted that there can be several challenges to strategic/large-scale independent supply proposals, one of which is the long-term ownership, funding and management of any infrastructure, the responsibility for which will not usually rest with Southern Water. In some cases, it may be necessary for the site promoter to set up a new water company or employ the services of an existing supplier through the New Appointments and Variations (NAV) process.
- 34. There is also a need for any independent supply proposals to ensure compliance with relevant water safety regulations and standards, including The Water Supply (Water Quality) Regulations 2016. These require, amongst other requirements, a strict monitoring and reporting regime, which is appropriately funded and managed by competent parties.
- 35. In the case of independent water supply solutions, there is also the need for a non-mains backup supply in case of failure of the system, it would be unlikely to be suitable to rely on measures such as the tankering of water or supplying bottled water where significant numbers of properties could be affected.

4. Natural England

Natural England endorses Section 4 of this document as accurate on the date given on the front page.

Natural England

James Seymour, Deputy Director

Sussex and Kent Area Team

Condition Review of the Arun Valley Sites

- 36. The requirement for water neutrality stems from the uncertainty around the ongoing impacts of abstraction within the Sussex North Resource Zone on the condition of the protected Arun Valley Sites. Natural England has undertaken a review of the condition of the Sites and Special Scientific Interest (SSSI) that underpin the Arun Valley Sites and has concluded that the sites are in an unfavourable condition due to a broad range of factors, including the peat and some ditches being too dry to support water dependent plants and species.
- 37. HDC33, paragraph 21 explained that it was expected that the Condition Review of the Arun Valley would be published in Mid-January 2025. At the time of writing this update, this documentation had not been made available. The progress of the Condition Review is a standard agenda item as part of the 'WNLOG' meetings attended by affected LPAs, Natural England and the Environment Agency. The latest position from Natural England is that this documentation has been through all internal sign off procedures and is within the publications team. Due to an internal process change there is a pause on publishing so the expectation is that it would be available publicly in Spring 2025. At the time of drafting this document, no precise date has been provided by Natural England. Natural England has confirmed that Local Authorities will be advised of the date of publication once this is known.
- 38. Though the condition review is not yet published, Natural England has confirmed that the review will not impact upon the advice identified in the existing **Position Statement (CC08)**. In the interim, Natural England has updated Designated Sites View³ with the condition status of all sites and features considered within the condition review.

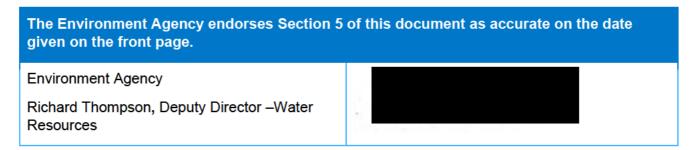
Natural England Position Statement - status

- 39. The Natural England Position Statement (CC08) was published in September 2021, advising of the need for development in the Sussex North Water Resource Zone (WRZ) to avoid further risk of adverse impacts at the Arun Valley Sites. In the Position Statement (CC08), it was identified that one way of avoiding such impacts is for developments to demonstrate water neutrality. In essence, this involves minimising water use from new development and offsetting any water that would be consumed.
- 40. It is agreed that the authorities have followed the advice and are following a plan-led process of requiring a water neutral approach to development in the WRZ. Natural England (NE) has worked closely with the affected authorities to progress work by establishing a joint policy position and working towards the establishment of an offsetting scheme. As set out in the Statement of Common Ground (DC14) with the Horsham District Council, NE support the proposed Water Neutrality policy, and has endorsed the process that they are undertaking with their partner authorities, and this is set out in the Water Neutrality Statement of Common Ground (DC08).

³ https://designatedsites.naturalengland.org.uk/SiteSearch.aspx - this is Natural England's platform for displaying information on Habitats Sites

- 41. In the longer term, NE has identified that the management of water resources and impacts to protected sites is best managed through water resource management planning and where relevant Environment Agency licence amendments. Any change to the position of NE within the WRZ is predicated on the outcome of various studies and actions that are being undertaken by other organisations. This includes:
 - The ongoing Hardham Basin Sustainability Study update and progress of Southern Water's
 Water Resource Management Plan. NE has confirmed to the authority that they would not be
 in a position to amend or revoke the Position Statement until the precise linkage between the
 Arun Valley and Hardham abstraction is understood.
 - The Environment Agency's views as to results of the Sustainability Study and deliverability of the water saving measures set out in Southern Water's WRMP.
 - Any change to the Position Statement may also be dependent on any changes to the groundwater abstraction licence at Hardham, which would need to be determined by the Environment Agency.
 - A likely requirement for the continuation of tighter water efficiency targets within Local Plans than those required by building control regulations.
- 42. It has been identified during the examination of the Horsham District Local Plan that the expectation from some is that on publication of Southern Water's final WRMP24, the **Position Statement (CC08)** will immediately fall away. NE has confirmed that this is not the case, and this has been clearly communicated with partner authorities as it may be that further actions are needed to be undertaken following the finalisation of the WRMP24 before any final decisions could be made in this respect. This could include any changes to the groundwater abstraction licence to respond to the findings of the Hardham Basin Sustainability Study.
- 43. It is therefore too early to be definitive on a timeline of any change or revocation of the Position Statement. It is not envisaged that this is imminent, as it is dependent on actions undertaken by other organisations, so is not within the control of Natural England. The Position Statement therefore remains in place for the purposes of plan making and decision taking.

5. Environment Agency



- 44. The Environment Agency has supported the authorities in their joint work relating to water neutrality within the Sussex North Water Resource Zone, following their receipt of the **Position Statement** (CC08). It has endorsed the principles set out in the **Water Neutrality Statement of Common Ground** (DC08) and continues to work closely with the partner authorities on this matter. More specifically, the Environment Agency (EA) supports Strategic Policy 9 of the emerging Horsham District Local Plan, and this is set out in the **Environment Agency Position Statement** (DC13).
- 45. The **Position Statement (CC08)** was published by Natural England. It is for Natural England to revoke/alter their position based on the information that it receives, but the Environment Agency has stated that it is expected that this might need to take account of the EA's position in relation to the Southern Water WRMP24.

- 46. The Environment Agency has identified a number of concerns with the latest draft of Southern Water's rdWRMP24 in relation to the Sussex North area. Though not exhaustive, this includes:
 - Southern Water's leakage performance and the certainty of future forecasts;
 - the need to address short term delivery issues relating to the high demand for water (caused partly by increases in leakage);
 - the reliability of the quantities assumed for the existing bulk supply import from Portsmouth Water to Sussex North;
 - delays to the rebuilding of Weir Wood treatment works;
 - extended reliance on the Hardham surface water drought order that the EA does not consider to be application-ready, and which could have an impact on the environment.
- 47. It is the Environment Agency's expectation that Southern Water will make alterations to their WRMP24 to address these concerns. The Environment Agency therefore urge strong caution in using figures derived from the draft WRMP24.
- 48. Should it be necessary to make changes to the groundwater abstraction licence, it should not be assumed that this could be undertaken immediately. The alteration of licences follows a defined process and may take a significant period of time. It requires a decision by the Secretary of State for the Environment, Food and Rural Affairs where the objections to any changes are considered and though the process involves the Environment Agency, timings are not in its full control.

6. Areas of agreement and areas of uncertainty

Areas of agreement

- 49. In recent discussion, the following areas of agreement (common ground) have been established or confirmed.
 - (i) The joint water neutrality policy for relevant local plans has been confirmed by the Crawley Borough Local Plan Inspectors as fit-for-purpose and has been successfully used for development management purposes. The Chichester District Council Local Plan Inspectors have not raised any soundness issues with the approach.
 - (ii) SNOWS will be launched in March 2025. From Monday 31 March 2025 applicants which meet the SNOWs access definition will be able to apply for water credits via this scheme.
 - (iii) The Hardham Basin Sustainability Study is ongoing. It is anticipated that the outcomes of this study will be published in the summer of 2025.
 - (iv) The Condition Review of the Arun Valley Sites is well progressed and will be published in Spring 2025. The review will not impact on the advice contained in the existing Position Statement (**CC08**).
 - (v) The Water Resources Management Plan 2024 (WRMP24) remains ongoing. The final outcome has not yet been agreed. The publication date of the final WRMP24 is uncertain, and at earliest will be summer 2025. Its publication will not immediately lead to withdrawal of the Position Statement (CC08).
 - (vi) The uncertainties around water neutrality will continue for the foreseeable future.

Areas of uncertainty:

(i) Southern Water is engaged in working towards a finalised WRMP. However the Environment Agency has significant outstanding concerns with the latest draft of the WRMP. It is the Environment Agency's expectation that Southern Water will make alterations to their WRMP to

- address these concerns. The extent to which Southern Water will update or amend the current draft WRMP24 is not yet known.
- (ii) Natural England has confirmed it will not be in a position to withdraw its Position Statement (**CC08**) in the short term. For the Position Statement to be withdrawn (which is the ultimate requirement to 'end' the need for water neutrality), a number of actions must have been completed by the Environment Agency and Southern Water. Natural England's Position is therefore dependent on the outcome of work being undertaken by other parties, and subject to the uncertainties outlined in point (i) above and throughout this update note.

7. Conclusions

WRMP implications for water neutrality

- 50. **HDC40** sets out the Council's understanding of the current progress position in relation to the emerging WRMP, and any implications this may have for Water Neutrality. **Paragraph 21** states that should Southern Water be able to provide sufficient demand reduction measures and new water supply infrastructure to meet the Sussex North authorities' forecast local plan growth water demand, Natural England (NE) would be able to remove their Position Statement and water neutrality requirements.
- 51. Following further discussion with NE and the EA, it is now understood that any amendment/revocation of the Position Statement is likely to be subject to the EA being satisfied that alternative water supplies proposed in the final WRMP24 to enable reliance on Hardham abstraction site to be reduced and/or ceased are achievable and deliverable. Any amendment or revocation to the Position Statement may also be influenced by the outcomes of the Sustainability Study and whether any amendment of the abstraction licences at Hardham takes place.
- 52. As is set out in Paragraph 23 of Hearing Statement Matter 3, Issue 2 (M3.01a) and as discussed at the Hearing Sessions, as part of the development of SNOWS, the Council recognises that there is a need to update calculations within the Water Neutrality Study: Part C Mitigation Strategy to reflect the up-to-date positions with respect to growth expectations within the Sussex North Water Resource Zone and to take account of updated data from Southern Water as set out in their latest Revised Draft WRMP24. That work has been commissioned and at the time of writing is ongoing, with draft findings shared with partner authorities (including the EA and NE) for their review.
- 53. In response, the EA has outlined to the Council that it has raised significant concerns with the draft WRMP24, in relation to both the speed of reductions in water demand, and the timescales and certainty for delivery of alternative water resources that would reduce reliance on demand for groundwater abstraction at Pulborough (Hardham). They have provided feedback on the company's draft WRMP in the representation as part of the statutory process. It is understood that the current deadline for Southern Water's Statement of Response on the WRMP is mid-March. Following this, a further period for review will be required before the EA provides advice to Defra on the WRMP. Southern Water has explained that the data included in their rdWRMP24 could be subject to change until the WRMP24 is finalised. Therefore, at the current time, any potential for NE to remove the Position Statement is far from certain and thus the calculations undertaken by JBA as part of their study must be treated as interim.
- 54. Whilst there is now a greater level of certainty as to the timescales in which studies are expected to be completed, any decision by NE to revoke or amend the Position Statement would be subject to review of the outcomes of the relevant studies. There is no clear timescale in which this would take place. In a scenario where changes to the Position Statement flow from a change to the abstraction licence, timescales to change the Position Statement may also depend on the timing of when licence changes are implemented or be dependent on the availability of any water supply. This is again wholly uncertain.
- 55. It is therefore clear that there is very little prospect of NE removing the Position Statement in the short term, with considerable uncertainties beyond this. Plan-making must therefore continue to apply the

- requirement for water neutrality. Furthermore, SNOWS is now expected to be in operation before any change in this position, helping to ensure that planned development can progress in a manner that avoids any worsening of the (currently uncertain) impacts on the protected Arun Valley sites.
- 56. As set out earlier in this note, Southern Water has advised that some large developments have used their triage service to consider independent water supply options ranging from boreholes to on-site water storage. They advise that in such cases, stringent requirements for water quality, environmental considerations, equipment and monitoring apply, which often proves challenging. A further challenge is the need for long-term ownership, funding and management of any infrastructure, the responsibility for which will not usually rest with Southern Water and may require the setting up of a new water company, or employ the services of an existing supplier through the 'NAV' process. These schemes may additionally require a non-mains backup supply in case of system failure, and available options for this are unlikely to be suitable for significant numbers of properties. Southern Water has confirmed that no developer has, to date, been successful in avoiding the need to consider resorting to offsetting.
- 57. Whilst it is recognised that the Local Plan is being examined under the September 2023 NPPF, it is noted that Paragraph 28 of the December 2024 NPPF continues to recognise the need for ongoing cooperation in plan making. It recognises that there may be a degree of uncertainty about the future direction of relevant development plans or the plans of infrastructure providers. In such circumstances, strategic policy-making authorities and Inspectors will need to come to an informed decision on the basis of available information, rather than waiting for a full set of evidence. Given that this is now the current position of Government, it is considered that this point is relevant to the specific uncertainties around water neutrality, and that progressing on the basis of the current situation and the continued requirement for water neutrality remains the best course of action.
- 58. It therefore remains the view of Horsham District Council that the launch of SNOWS to enable the delivery of growth identified in local plans continues to provide the necessary means to ensure the continued delivery of development with any degree of certainty. Furthermore, doing so will ensure that the development that does come forward will do so in a manner that is consistent and has been agreed with a multi-authority approach, across the entirety of Sussex North. At this point in time there is no additional evidence that has become available that reliably indicates that SNOWS could accommodate significant increases in plan led growth beyond existing draft provision.