



# Hearing Statement – Matter 8: Housing

## Horsham District Council Local Plan 2023-2040: Examination in Public

### Prepared on behalf of Thakeham Homes Limited

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Prepared by:

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## Revision Record

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

### Q1: Is Strategic Policy 37: Housing Provision sound?

#### a) Is the requirement for 13,212 homes between 2023 and 2040, below the local housing need for the area as determined by the standard method justified? Is it clear how the figure has been calculated and should this be explained more clearly in the justification text?

- 1.1 No; the requirement of only 13,212 homes for the plan period, 2,377 homes below the Standard Method (SM) derived figure,<sup>1</sup> is not justified, nor is it clear how this figure has been arrived at.
- 1.2 HDC has offered no credible explanation as to how it has arrived at the precise figure of 13,212 homes (equivalent to 777dpa on average). Water neutrality is the only reason given by HDC for pursuing a lower than SM housing requirement, it is *assumed* it derives from an assessment of those sites that have an evidenced water neutrality solution and what SNOWS can deliver. However, the Strategic Site assessments indicate that the three new proposed strategic allocations do not have a secured water neutrality solution.
- 1.3 The housing trajectory shows many sites are relying on the SNOWS scheme but we cannot find any evidence of how many units SNOWS will be able to facilitate and when. SNOWS has missed every deadline for progress so far and there is no clarity on when it will deliver credits or how much they will cost. Therefore, it is not understood how the figure of 777dpa is justified or if that number can be met by the strategy outlined in the Plan.
- 1.4 Wealdcross is a proposed new garden settlement by Thakeham Homes that was previously proposed as an allocation by the Council (known as Land at Buck Barn SS02 Strategic Policy HA5 and SHLAA reference SA716).
- 1.5 Sites, like Wealdcross, that have a water neutrality solution endorsed by Southern Water (see letter in Appendix A), Natural England (see letter in Appendix B), and, the Environment Agency have not been allocated but could ensure delivery across the Plan period. Thakeham is confident that it could be on site in Summer 2027 and delivering houses inside the first five-year period.
- 1.6 The allocation of the site via a Main Modification, would, by the Councils own evidence, deliver *at least* an additional 2,100 homes in the plan period, as that was the figure used in the draft allocation. We have suggested the Main Modification should use the figure of at least 2,800 homes as we have carried out

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<sup>1</sup> The SM derived housing need for Horsham is currently 917 dwellings per annum equating to 15,589 dwellings for the plan period 2023 – 2040.



further detailed work on delivery. However, we contend that delivery rates could actually be higher than those suggested by the Council, using Modern Methods of Construction to achieve rates of 300 dwellings per annum to enable the whole site to be delivered in the plan period. Thakeham are confident that a sale rate of c.300dpa could be achieved through the use of multiple outlets, and the inclusion of other residential tenure types such as residential rental products and care, where bulk institutional investments enable faster delivery methods.<sup>2</sup>

- 1.7 Thakeham has delivered housing at the nearby Pease Pottage site where it delivered nearly 25% of the affordable housing for the whole of Mid Sussex in 2020-21, illustrating its commitment to affordable housing delivery.
- 1.8 As explored further below and within the regulation 19 response, there is compelling justification for HDC to not just meet its SM derived housing need but to also meet the unmet need from elsewhere.
- 1.9 Paragraph 11(b) of the NPPF states that strategic policies should as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas unless either of the circumstances described at sub-paragraphs (i) and (ii) apply. Neither exception applies in this case. In particular, the provision of on-site water neutrality solution at Wealdcross would avoid any adverse impact on European sites.
- 1.10 The housing requirement figure is therefore not justified. The plan fails to comply with paragraph 11(b) of the NPPF, and is unsound. The plan could be made sound by making a Main Modification to include the allocation of sites like Wealdcross that have a water neutrality solution and can contribute to delivering the objectively assessed housing number.

**b) Would the adverse impacts of the Plan not providing for objectively assessed housing needs significantly and demonstrably outweigh the benefits of doing so when assessed against the policies in the NPPF taken as a whole? Is the overall housing requirement justified?**

- 1.11 The question as posed does not reflect the policy approach set out in the NPPF. Paragraph 11(b)(ii) of the NPPF states that a reason for not meeting the objectively assessed need and any unmet need from neighbouring authorities could be if the impact of meeting those needs would significantly and demonstrably outweigh the benefits. It is only if such adverse impacts significantly and demonstrably outweigh the benefits (of meeting the need) that those needs should not be met. The adverse impact relied upon by HDC is the impact on water neutrality. If that adverse impact can be avoided, there is no material adverse impact which outweighs the benefits, let alone one which does so significantly and demonstrably. We therefore believe the Council should be meeting the objectively assessed need and some of the unmet need from

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<sup>2</sup> See Document H03 'Horsham Housing Delivery Study Update', table 4.5.



- neighbouring authorities as including our site, which has a water neutrality solution, means there is no adverse impact.
- 1.12 As previously mentioned, there is a projected significant deficit in housing supply across the region with neighbouring authorities more constrained than Horsham District, declaring they cannot meet their needs. HDC has historically been a net contributor to meeting these unmet needs in addition to its own. However, HDC’s proposed reduction against the SM housing requirement means it will instead be adding to the already high unmet housing needs in the housing market areas.
- 1.13 As set out in paragraphs 2.5 – 2.14 of the regulation 19 response there is a significant shortfall in affordable housing delivery such that by 2038-39 there will be a likely deficit of at least 5,148 dwellings in the district against a need for 10,060 – equivalent to HDC only meeting 51% of the affordable housing needs.
- 1.14 HDC has also become increasingly unaffordable for market housing, as was set out in our regulation 19 response and hearing statement on matter 2, meaning the lack of affordable housing delivery coupled with the much higher than average house price to earnings ratio has significant real world and well documented economic and social impacts. People on average and low incomes simply will not be able to live in the district.
- 1.15 There is also a clear economic consequence to not planning for sufficient homes, with many businesses reporting the cost of housing being a key impediment to the ability to recruit and retain staff. This is already a problem in Horsham with high in-commuting with increased travel costs and pollution a result with many people travelling up from the coastal towns.
- 1.16 HDC appear to acknowledge that not meeting the required amount of housing reduces the positive impact of the plan against the SA Objective 1,<sup>3</sup> by giving the plan a ‘minor positive effective’ rather than a ‘significant positive effect’.<sup>4</sup> This however significantly underplays the significant negative impact on social and economic objectives of not providing sufficient housing to meet their OAHN, for the reasons stated. This negative impact is not fully reflected in the SA.
- 1.17 For the reasons summarised above and set out previously in the regulation 19 response and supporting documents, if the question is as posed by the inspector, the negatives of not meeting the OAHN will therefore outweigh the ‘positives’, as far as they may exist. The benefits of providing additional housing and jobs can be achieved without a negative impact from water neutrality as the impacts can be offset in the plan and our proposal has its own on-site mitigation solution so can

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<sup>3</sup> SA Objective 1: To provide affordable, sustainable and decent housing to meet local needs

<sup>4</sup> SD03a, paragraph 8.6 – 8.8.



be added into the plan to achieve the benefits of more housing with no adverse impact.

- 1.18 The overall housing requirement is not justified as it does not meet the objectively assessed need for housing in Horsham District and does not contribute to meeting needs which cannot be met in neighbouring areas. As a result, the plan is unsound.

**c) With reference to evidence, are the stepped annual requirements justified (in principle and scale of the step)?**

- 1.19 No; the local plan references the reliance on strategic scale sites as being a reason for a significant early years reduction in housing delivery of only 480 dpa.<sup>5</sup> The Horsham Housing Trajectory Paper<sup>6</sup> adds to this the Water Neutrality issue, but also identifies that the SNOWS scheme is due to become operational in autumn 2024, albeit it is clear that this continues to be delayed with no certainty about its eventual launch. We are not aware of any evidence that SNOWS will deliver the number of units expected and cannot see how the stepped trajectory has been evidenced as deliverable.
- 1.20 This increases the need to find more sites that have their own water neutrality solution.

**d) Is the approach to the shortfall (the Liverpool method) justified?**

- 1.21 No; the shortfall arising from the poor level of completions in 2023-2025 should be addressed as soon as possible. National policy and guidance<sup>7</sup> is clear that shortfalls in previous years should be added to the plan requirement for the next 5 year period (the Sedgefield approach). The acute housing affordability crisis in the area and significant unmet housing needs heighten the importance of addressing shortfalls as soon as possible.
- 1.22 The Council has presented no convincing evidence as to why the Liverpool Method should be preferred over the Sedgefield method as indicated by the PPG.

**Q2: Are main modifications needed to the Plan to clarify the latest position with regard to the Crawley Local Plan and unmet housing need in the housing market area?**

- 1.23 Yes; now that the Crawley local plan has been adopted and Strategic Policy H1, confirms a unmet need of 7,505 for the plan period up to 2040, this should also be

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<sup>5</sup> SD01, paragraph 10.27

<sup>6</sup> HO8

<sup>7</sup> PPG Housing Supply and Delivery, paragraph 031



reflected in the supporting text to fully identify the significant extent of unmet needs in the region.

**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?**

- 1.24 Yes; whilst neighbours are at different stages of developing their plans, there is clear unmet needs arising from the majority of HDC’s neighbours as well as those authorities within the wider West Sussex region, most notably Worthing and Brighton and Hove Councils.
- 1.25 As set out at 2.4 of the regulation 19 Response, there are significant unmet housing needs within the market area. As it stands now, unmet needs are:
- a) Crawley: Confirmed unmet need of 7,505 dwellings to 2040.<sup>8</sup>
  - b) West Sussex Coastal: due to the constrained nature of the Coastal West Sussex area considerable unmet needs continue to arise, including 10,488 dwellings over the plan period for Worthing<sup>9</sup> and likely significant unmet needs arising from Brighton and Hove.<sup>10</sup>
  - c) Neighbouring Green Belt Authorities: Neighbouring Mole Valley BC has an unmet need of circa 1,700 dwellings over its plan period 2020 to 2039 and is heavily constrained by Green Belt. Waverley BC has confirmed it is likely to only be meeting unmet needs of Woking BC.
- 1.26 Whilst appreciating that for some authorities the precise quantum of unmet need is to be determined, it is absolutely clear, and has been for some time, that a number of authorities neighbouring HDC will not be able to meet their needs. These authorities are also more constrained, with those to the south sandwiched between the coast and SDNP and already being highly urbanised, and those to the north containing significant areas of Green Belt. Horsham District by comparison is relatively unconstrained with no Green Belt land and comparatively little of the district being within the SDNP or a National Landscape. Its suitability to accommodate unmet need is demonstrated by its previous willingness to meet some unmet needs in an earlier iteration of the draft plan and as part of the

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<sup>8</sup> See adopted Crawley Plan 2023 – 2040 Strategic Policy H1.

<sup>9</sup> See DC06

<sup>10</sup> See DC07





- adopted plan, which helped meet needs arising from authorities to the north and south.
- 1.27 As already set out, the water neutrality issue is not considered a sufficient reason to reduce the housing requirement and for the same reasons it is also not a sufficient reason for refusing to meet unmet housing needs.
- 1.28 If unmet needs are met, the total quantum of unmet needs for each HMA should be identified and form a part of the overall requirement.



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

**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 No; consideration of sites for selection must adhere to NPPF paragraph 11. For plan making this means plans should provide for their objectively assessed need (as derived from the SM) unless certain criteria apply.
- 2.2 Whilst the water neutrality issue would be capable of engaging paragraph 11(b)(i) of the NPPF, it would not do so if adverse impact on the integrity of European sites can be avoided. If an onsite water neutrality solution can be provided (as at Wealdcross) adverse impacts on designated sites will be avoided, and the exception in paragraph 11(b)(i) will not apply. The exception in paragraph 11(b)(ii) has been considered earlier in this Hearing Statement.
- 2.3 As has already been stated, Wealdcross was in the previous version of the regulation 19 plan but was removed purely because of water neutrality and the suggestion that as the housing number was reduced then it was no longer needed. The methodology should have considered which sites were promoting their own water neutrality solution as part of the consideration as those sites would have met the tests of achievable and deliverable better than many of those relying on SNOWS.
- 2.4 The justification for not allocating Wealdcross is not clear at all and appears to be a counter-intuitive argument that water neutrality means the number of houses cannot be delivered as before and so the site was removed due to water neutrality even though it is one of the few sites that has its own solution.
- 2.5 On this basis the methodology used is clearly not appropriate or proportionate and there are not clear reasons why sites omitted from the plan, like Wealdcross, have been discounted, particularly given HDC's proposal to deliver housing below their OAN.

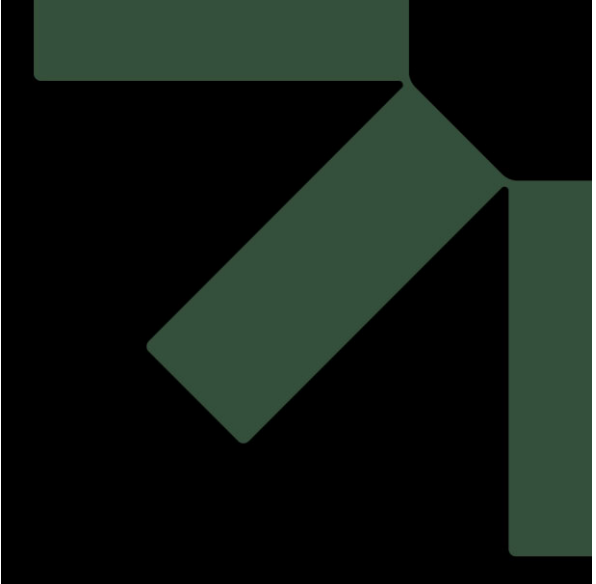
**Q2: The NPPF at paragraph 74 states strategic policies should include a trajectory illustrating the expected rate of housing delivery over the plan period? Is this achieved by Figure 6 of the Plan?**

- 2.6 No; as discussed in hearing statement 2, the plan period needs extension to 2041 as a minimum to ensure it looks forward a minimum of 15 years. The trajectory will



also need to be extended to be consistent with the plan period if the plan period is extended.





**Appendix A Letter from Southern  
Water supporting  
water neutrality  
solution at  
Wealdcross.**



# THAKEHAM



Mr Luke Fleming BSc (Hons) MRTPI  
Planning Inspectorate  
Temple Quay  
Bristol  
BS1 6PN

19 November 2024

Dear Mr Fleming

**Memorandum of Understanding  
In relation to the proposed Water Neutrality solution (or 'Water Circular Economy')  
at Land at Buck Barn ('Wealdcross'), Horsham**

This Memorandum of Understanding is prepared on behalf of both Thakeham Homes Limited ('Thakeham') and Southern Water, and in support of the innovative water neutrality solution proposed on-site at Land at Buck Barn (also known as 'Wealdcross') – which is promoted for c.3,100 homes and supporting infrastructure and community uses through the Horsham Local Plan 2023-2040 process.

On 14 September 2021, Horsham District Council received a Position Statement from Natural England which outlined that they cannot, without certainty, conclude that groundwater abstraction in the Sussex North Water Supply Zone, has no adverse effect on the integrity of European protected sites in the Arun Valley. It was advised that any new development in the District must not add to this negative impact, and thus be water neutral.

As part of its Regulation 19 representations to the Horsham District Local Plan 2023-2040 (February 2024), Thakeham submitted details of the proposed water neutrality solution at Land at Buck Barn, within the Water Resources Report.

The proposed water neutrality solution at Land at Buck Barn was informed by engagement between Thakeham and Southern Water.

Statement from Thakeham

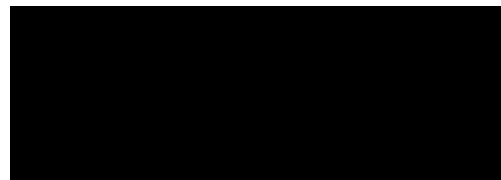
Thakeham and its consultants has received help and advice from the Southern Water Team in relation to developing this scheme and continues to receive support as necessary. Southern Water is open to considering potential adoption or greater involvement in the development of this type of infrastructure at the appropriate stage of its next investment period.

Statement from Southern Water

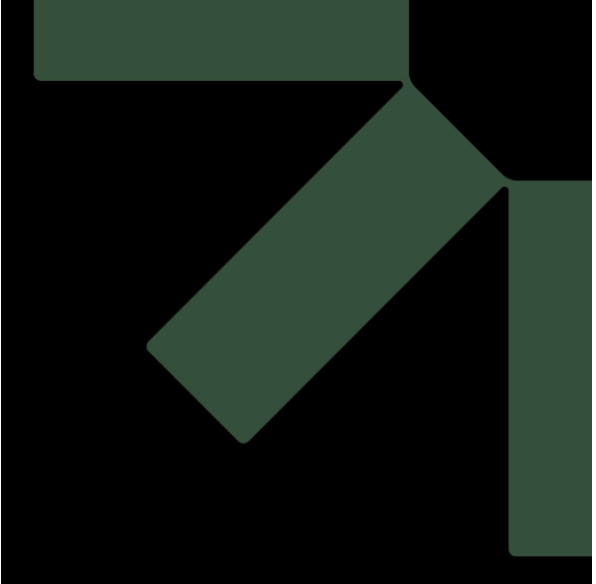
Southern Water always welcomes and supports innovative solutions associated with strategic growth that help address issues of water neutrality and water scarcity and which also reduce per capita consumption in this water-stressed region. The Thakeham Homes team and their consultants have shared with us their proposals for a Water Circular Economy-based scheme, as well as with Natural England and the Environment Agency. The proposals appear to address the key issues and would meet water neutrality requirements.



Thakeham  
Chief Executive Officer



Southern Water  
Managing Director for Water



**Appendix B Letter from Natural England supporting water neutrality solution at Wealdcross.**

Date: 22 August 2024  
Our ref: DAS/A015091  
Your ref: Wealdcross Water Neutrality



Emma Bullen  
RPS Consulting

Customer Services  
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Electra Way  
Crewe  
Cheshire  
CW1 6GJ

**BY EMAIL ONLY**

0300 060 3900

Dear Emma,

**Discretionary Advice Service (Charged Advice)**

Contract reference: DAS/A015091

**Development proposal and location:** Wealdcross, Land north of A272, East of A24, West Grinstead, Horsham, West Sussex

Thank you for your consultation on the above dated 17 July 2024, which was received on 17 July 2024.

This advice is being provided as part of Natural England's Discretionary Advice Service and in response to the information contained within the 'Wealdcross Water Neutrality – Technical Note (28<sup>th</sup> February 2024). This advice is provided in accordance with the Quotation and Agreement dated 30<sup>th</sup> July 2024.

As discussed during our meeting in July 2024, I am supportive of the approach that is being pursued with respect to both water neutrality and reducing water usage, as well as the clear environmental considerations that have been incorporated into the design of this development.

Having reviewed the Technical Note, it is positive to read that early engagement with the Environment Agency has taken place already, and I would recommend that you continue to seek their advice on the proposal moving forward. I would also recommend that early advice should be sought from [Horsham District Council](#) as to what information is required to demonstrate that any water captured (for drinking purposes) will comply with the Private Water Supplies (England) Regulations 2016 (as amended).

With respect to the predicted water demand calculations, it is noted that a 'worst-case scenario' approach (which assumes that future demand will be 110L p/person p/day for residential properties) has been woven into the calculations. Whilst this will mean that the calculations over-estimate the anticipated future water demand – following the implementation of significant water saving measures in order to comply with [Horsham District Council's emerging local plan](#) policy of 85L p/person p/day – I nonetheless strongly support the precautionary approach that has been adopted within this Technical Note, and the higher degree of confidence that can be attributed to the proposal's ability to secure sufficient water storage capacity.

It is understood that within this iteration of the Technical Note, that local occupancy rates (provided by Horsham District Council) have been adopted, rather than an occupancy rate of 3 people p/unit as per a previous iteration of this technical note (September 2022). Whilst this means that a lower water demand per unit has been assumed this time round, I am satisfied that the inclusion of local census data, is not only an appropriate and robust approach to determining predicted future water



demand but is also more likely to be representative of the actual occupancy rates of the proposed developments.

Subject to the applicant being able to obtain any relevant permissions from the Environment Agency and Horsham District Council, I am satisfied that the proposed solution is a suitable means of avoiding an adverse effect on the integrity of the Arun Valley Special Area of Conservation, Special Protection and Ramsar site, by way of increased abstraction. I would also reiterate my support for the positive approach to addressing water neutrality and the sustainable approach to development that has been incorporated into the proposals.

Whilst I am satisfied that the proposals will not have an adverse impact upon the Arun Valley designated sites, I would nonetheless reiterate that the advice contained within this letter has focused on the issue of water neutrality, and potential impacts to the Arun Valley designated sites. As such, I would advise that consideration should also be given as to whether there are any potential adverse impacts to the local environment and biodiversity that may need considering.

For clarification of any points in this letter, please contact Luke Hasler at [luke.hasler@naturalengland.org.uk](mailto:luke.hasler@naturalengland.org.uk).

This letter concludes Natural England's Advice within the Quotation and Agreement dated 30<sup>th</sup> July 2024.

The advice provided in this letter has been through Natural England's Quality Assurance process.

The advice provided within the Discretionary Advice Service is the professional advice of the Natural England adviser named below. It is the best advice that can be given based on the information provided so far. Its quality and detail is dependent upon the quality and depth of the information which has been provided. It does not constitute a statutory response or decision, which will be made by Natural England acting corporately in its role as statutory consultee to the competent authority after an application has been submitted. The advice given is therefore not binding in any way and is provided without prejudice to the consideration of any statutory consultation response or decision which may be made by Natural England in due course. The final judgement on any proposals by Natural England is reserved until an application is made and will be made on the information then available, including any modifications to the proposal made after receipt of discretionary advice. All pre-application advice is subject to review and revision in the light of changes in relevant considerations, including changes in relation to the facts, scientific knowledge/evidence, policy, guidance or law. Natural England will not accept any liability for the accuracy, adequacy or completeness of, nor will any express or implied warranty be given for, the advice. This exclusion does not extend to any fraudulent misrepresentation made by or on behalf of Natural England.

Yours sincerely,

Luke Hasler  
Senior Officer – Sussex & Kent Area Team

Cc [commercialservices@naturalengland.org.uk](mailto:commercialservices@naturalengland.org.uk)

## **Annex 1**

### **European Protected Species**

A licence is required in order to carry out any works that involve certain activities such as capturing the animals, disturbance, or damaging or destroying their resting or breeding places. Note that damage or destruction of a breeding site or resting place is an absolute offence and unless the offences can be avoided (e.g. by timing the works appropriately), it should be licensed. In the first instance it is for the developer to decide whether a species licence will be needed. The developer may need to engage specialist advice in making this decision. A licence may be needed to carry out mitigation work as well as for impacts directly connected with a development. Further information can be found in Natural England's ['How to get a licence'](#) publication.

If the application requires planning permission, it is for the local planning authority to consider whether the permission would offend against Article 12(1) of the Habitats Directive, and if so, whether the application would be likely to receive a licence. This should be based on the advice Natural England provides at formal consultation on the likely impacts on favourable conservation status and Natural England's [guidance](#) on how the three tests (no alternative solutions, imperative reasons of overriding public interest and maintenance of favourable conservation status) are applied when considering licence applications.

Natural England's pre-submission Screening Service can screen application drafts prior to formal submission, whether or not the relevant planning permission is already in place. Screening will help applicants by making an assessment of whether the draft application is likely to meet licensing requirements, and, if necessary, provide specific guidance on how to address any shortfalls. The advice should help developers and ecological consultants to better manage the risks or costs they may face in having to wait until the formal submission stage after planning permission is secured, or in responding to requests for further information following an initial formal application.

The service will be available for new applications, resubmissions or modifications – depending on customer requirements. More information can be found on [Natural England's website](#).

