

Horsham Local Plan 2023-2040
Examination of the Local Plan

Matter 8: Housing
Statement on behalf of A2 Dominion

November 2024

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Client
A2Dominion

Our reference
A2DS3001

21 November 2024

1. Introduction

- 1.1 This Statement is submitted on behalf of A2 Dominion (hereafter referred to as 'A2D') to the Horsham Local Plan Examination in response to 'Matter 8: Housingy' set out in the Inspector's Matters Issues and Questions document (ID04 – 14th October 2024).
- 1.2 This statement should be read in conjunction with the other statements submitted on behalf of A2D, and their representations to consultation on the draft Local Plan.

2. Response to Matter 8: Housing on behalf of A2Dominion

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?

- 2.1 No, requirement figure is not justified and the Council's evidence is not clear. This response should be seen in the context of paragraph 60 and 61 of the Framework.
- 2.2 Paragraph 10.4 of the submission Local Plan (SD01) refers to the standard method for Horsham District in 2023 as being **911 dwellings per annum**, (a **minimum of 15,487 homes**) in the period between 2023 and 2040. Paragraph 10.21 explains that the Council actually seeks to provide for **13,212 homes**, equating to **777 homes each year**.
- 2.3 Since the submission of the Regulation 19 Local Plan, the Council had published an updated housing trajectory (document HDC03 Appendix 1), identifying a housing supply figure of 13,412 homes to be delivered between 2023 and 2040.
- 2.4 The Local Plan will significantly undersupply new housing compared to the minimum expectation of the Local Housing Need, before any increase is made for other reasons (such as affordable housing considerations, economic growth and unmet needs).
- 2.5 The proposed Main Modifications (SD14) do not include changes to Strategic Policy 37 despite the revised trajectory. This results in additional confusion as the Policy will still refer to 13,212 dwellings and requirements of 480 and 901 dpa. The trajectory in document HDC03 Appendix 1 shows requirements of 480, 543 and 970 dpa (once buffers and previous shortfalls are included).
- 2.6 Strategic Policy 37 should be clarified so that the actual annual requirements are (although we object to the 'stepped trajectory').
- 2.7 Assuming that the trajectory (and annual requirements) shown in document HDC03 Appendix 1 are accurate, this shows a total supply of 13,412 homes against a total requirement figure of 13,376 homes. That overall supply exceeds the overall (minimum) requirement by a mere **36 homes over the entire plan-period**.
- 2.8 It is unclear from the Council's evidence base what 'capacity' the SNOWS offsetting mechanism will provide and whether there is opportunity for more capacity to be achieved, thus presenting opportunity for the Council to deliver a higher number of dwellings than currently proposed. It is unclear how / whether the Council has given proper consideration to the ability of other offsetting or water reduction schemes (as allowed for in Strategic Policy 9) to deliver additional development.

2.9 This is fundamentally concerning when 'water neutrality' is relied upon to suppress the requirement.

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?

2.10 Paragraph 11b of the Framework 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:

i. the application of policies in this Framework that protect area or assets of particular importance provides a strong reason for restricting the overall scale, type or distribution of development in the plan area; or

ii. any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole."

2.11 The 'tests of soundness' at paragraph 35 of the Framework require, amongst other points that plans be positively prepared, including:

"a strategy which, as a minimum, seeks to meet the area's objectively assessed needs; and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development."

2.12 HDC acknowledge paragraph 4.3 of Topic Paper 1 – The Spatial Strategy (September 2024) that CBC will have a total unmet need of 7,505 dwellings over its plan period. Paragraph 7.15 states that the preferred strategy approach taken results in "very limited availability to provide for the unmet needs of neighbouring authorities." The reason for this is stated that "Whilst this strategy has been pursued, it is in the context of the legal requirements placed upon the authority to ensure no adverse impacts on the Arun Valley sites."

2.13 Not only does the Local Housing Need result in a minimum requirement, the Framework at paragraph 61 states:

"In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for."

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

2.14 Paragraph 10.27 within the submission Local Plan identifies that the Council "will be reliant on a high number of homes which are to be delivered through the allocation of larger strategic sites" and that these larger sites will take time to come forward.

- 2.15 This is not a justification for a stepped trajectory, but the consequence of the delivery expectations associated with the sites selected by the Council. The housing requirement should not be stepped (as the Council has not presented any evidence to justify that being appropriate or necessary).
- 2.16 The Council's updated housing trajectory (September 2024) proposes a housing target of 480 in 2023 – 2025, 436 dpa in the next five years of the Plan (then increased by 20% buffer of 87 and 20 dwellings to address a previous shortfall), the 950 dpa (increased by 20 dpa for previous shortfalls) for the remaining 12 years of the Plan. This approach has not been clearly justified.
- 2.17 The footnote to Strategic Policy 37 refers to the application of a 10% buffer in years 1 – 5. On the basis of document HDC03, we assume the Council considers this should be 20%.
- 2.18 By providing much fewer housing against the standard method requirement, there are a number of socio-economic factors that will be accelerated including¹:
- The ageing trend that is already being observed in Horsham
 - Hindering efforts to further grow the economy and create new jobs
 - Make housing less affordable relative to earnings
 - Add to an unmet need that already exists in Northern West Sussex and beyond
- 2.19 Implications of this will be most severely felt by those who are unable to access the housing market and require affordable housing.
- 2.20 The actual annual requirement is now unclear. Despite the content of HDC03 (which shows different requirements to the Policy), the Schedule of Main Modifications² has not been updated.
- 2.21 Strategic Policy 37 proposed a requirement (including an additional 10% buffer within years 1-5) of 480 dpa for the period 2023 – 2028. Document HDC03 and the updated trajectory now perpetuates this suppressed period of housing delivery until 2029/30.
- 2.22 The Council relies on larger sites, with an extremely limited 'oversupply' buffer, which would be diminished by even a very small delay in delivery.
- 2.23 The remedy to these issues is that the Council should identify additional sites which are capable of being delivered earlier in the Plan-period.

¹ See the Appendix to A2Dominion's Regulation 19 representations 'Consequences of Failing to Meet Housing Need in Horsham' (Turley, February 2024)

² Document SD14

2.24 The table below compares the proposed requirements against forecast delivery.

Year	Strategic Policy 37 (as submitted) requirements / annum	Revised requirement in HDC03	Forecast Delivery shown in HDC03
2025/26	480 (including a 10% buffer)	436 dpa	537
2026/27	480 (including a 10% buffer)	Buffer of 20%	642
2027/28	480 (including a 10% buffer)	Allowance for previous	646
2028/29	901	undersupply: 20 dpa	712
2029/30	901	Overall: 543 dpa	640

2.25 If the LPA is confident that its forecast housing supply figures are accurate, it seems odd that the requirement³ would be set so far below that level.

2.26 The stepped trajectory serves one purpose if the forecast supply figures are accurate: it allows HDC to claim that supply exceeds the requirement and so assisting claims that it would be able to maintain a five-year supply (see the calculation at paragraph 5.12 of document HDC03).

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

2.27 No.

2.28 The use of the Liverpool method to the shortfall simply delays the provision of housing, with the most severe consequences felt by those in need of affordable housing.

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?

2.29 The Crawley Borough Local Plan was adopted on 16 October 2024. The Inspectors concluded that the Plan-period should be extended (to cover the period 2023 to 2024) and stated:

“110. As a consequence of clarifying the plan period the extent of unmet housing need would increase from 7,050 to 7,505 dwellings”

2.30 References to the unmet need figure should be updated to refer to 7,505 dwellings between 2023 – 2040 (this is proposed in HDC’s main modifications, ref HM045).

³ Whether taken from the submission Local Plan or HDC03

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?

- 2.31 Yes, there is such evidence, and yes, it would be sound to do so.
- 2.32 It is clear that these unmet needs from Crawley are not being addressed elsewhere. Horsham District has a clear functional relationship with the town.
- 2.33 Having recognised that unmet housing needs exist in neighbouring areas, due consideration of the benefits, compared to adverse impacts of accommodating those needs is necessary.
- 2.34 HDC has artificially limited (see other responses) the ability of the District to accommodate those needs and so, in our view, has not presented an accurate representation of the soundness and sustainability of doing so.
- 2.35 Accommodating these unmet needs would mean that the Plan is ‘positively prepared’ (meeting as a minimum, the objectively assessed needs of the area, so that unmet need from neighbouring areas is accommodated), ‘justified, effective (particularly through joint working on cross-boundary strategic matters that have been dealt with rather than deferred) and consistent with national policy.
- 2.36 We draw attention to Appendix 6 of A2Dominion’s Regulation 19 representations which includes a report on ‘The Importance of Meeting Crawley’s Housing Needs’⁴.

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?

- 2.37 No.
- 2.38 Document H13 provides the SHLAA – December 2018 / January 2019), but there is no evidence to suggest that there have been updates to the SHLAA since then.
- 2.39 Crawley Borough Council has long had an issue of meeting its own housing needs. That issue has been apparent through the preparation of this Local Plan and has been crystallised by the recent adoption of the Crawley Borough Local Plan.
- 2.40 As far as we can establish, at no point has HDC paid any consideration in its site assessment process to the ability or otherwise, of any site to help address those unmet needs.

⁴ Turley, February 2024

- 2.41 Much of the District area adjoining Crawley is within the National Landscape (AONB). The Council's Site Assessment Report (February 2020) (not in the evidence library), confirms at paragraph 2.13 that

"The NPPF states that certain assets, including Areas of Outstanding Natural Beauty, Sites of Special Scientific Interest and irreplaceable habitats such as ancient woodland should be protected from development. Any sites (promoted for residential, employment or mixed use) and located fully within such areas were therefore considered not to be suitable and were excluded from further assessment. These are listed in Appendix 2."

- 2.42 HDC has approached this matter the wrong way around by assuming that such designations, including the AONB designation, represent absolute restrictions on development. That has never been a feature of the NPPF⁵. The extent to which any site might help address key strategic cross boundary considerations (such as unmet housing needs from Crawley) has been artificially excluded from the outset.

- 2.43 Paragraph 11b of the NPPF which states:

"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:

i. the application of policies in this Framework that protect areas or assets of particular importance provides a strong reason for restricting the overall scale, type or distribution of development in the plan area; or

ii. any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole."

- 2.44 In A2Dominion's submission, no conclusion can be reached in relation to paragraph 11bi (insofar as it relates to the National Landscape here) without due consideration of benefits and adverse impacts associated with the accommodation of unmet needs, with an associated aspect to the spatial strategy.

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?

- 2.45 No, the revised housing trajectory (September 2024) should be appended to the Local Plan, because it provides more information and enables the reader to understand what sites are expected to contribute at various stages of the plan period.

⁵ Demonstrated by Mid Sussex strategic allocation for c. 600 homes in the National Landscape east of Pease Pottage

Q4. Criterion 5 of the Strategic Policy 37: Housing Provision states 1,680 dwellings are anticipated to be delivered over the plan period from windfall sites? What is the compelling evidence this will be a reliable source of supply? Is this windfall allowance realistic and justified?

- 2.46 The Council state in the submission plan that they anticipate 1,680 dwellings to be delivered through windfall sites. The Council’s updated housing trajectory (September 2024) identifies a figure of 1,440 dwellings to be delivered through windfall sites.
- 2.47 1,680 dwellings represents 12.5% of the Council’s total supply, and 1,440 dwellings represents 10.7%. These are both considerable figures to rely upon for sites that the Council are not yet aware of coming forward.
- 2.48 Table 2 (Windfall completions from small/medium and large sites) within the Council’s Windfall Study - January 2024 (H09) highlights that a significant number of dwellings have been delivered previously through windfall sites. However, such sources should, in reality represent a diminishing rate of return.

Q5. What is the housing requirement for the first five years following the adoption of the Plan and what buffer should be applied? Would the Plan realistically provide for a five year supply of deliverable sites on adoption? Is a five-year supply likely to be maintained thereafter?

- 2.49 The revised trajectory in HDC03 indicates the supply of 3,177 dwellings between 2025 – 2030, against the requirement for 436 dpa. If the LPA is confident that its forecast housing supply figures are accurate, it seems odd that the requirement (whether taken from the submission Local Plan or HDC03) would be set so far below that level.
- 2.50 We consider that the requirement in the first five years (post adoption) should be increased.
- 2.51 The trajectory accompanying document HDC03 appears to apply the ‘buffer’ incorrectly before previous shortfalls are identified. In our view the buffer should be applied after the shortfall.
- 2.52 The following tables shows our view of the supply position (for 2025 – 2030), assuming that the Council’s forecast delivery rates are reliable, and without any adjustment (despite our concerns in that regard) to the annual requirement (this table shows the ‘Sedgefield’ and ‘Liverpool’ approaches to undersupply).

	Sedgefield	Liverpool
Baseline requirement 2025 – 2030	436 dpa 2180 (2025 – 2030)	436 dpa 2180 (2025 – 2030)
Accrued shortfall to 2025	300 (as per HDC03)	300 (as per HDC03)
Baseline requirement 2025 – 2030 (plus accrued shortfall)	2480	2280
Requirement including a 20% buffer	2976 (as per HDC03)	2736
Annualised requirement	596 (rounded from 595.2)	548 (rounded from 547.2)
HDC’s forecast supply	3186 (as per HDC03)	3186 (as per HDC03)

Five-year supply position	5.35	5.82 ⁶
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- 2.53 The following table demonstrates the position, if the LPA's forecast supply (2025 – 2030) is accurate, and applies that as the annual requirement (using the same principles as above), rather than artificially suppressing the requirement:

	Sedgefield	Liverpool
Baseline requirement 2025 – 2030	3177 (2025 – 2030)	3177 (2025 – 2030)
Accrued shortfall to 2025	300 (as per HDC03)	300 (as per HDC03)
Baseline requirement 2025 – 2030 (plus accrued shortfall)	3477	3277
Requirement including a 20% buffer	4173 (rounded from 4172.4)	3933 (rounded from 3932.4)
Annualised requirement	835 (rounded from 834.6)	787 (rounded from 786.6)
HDC's forecast supply	3186 (as per HDC03)	3186 (as per HDC03)
Five-year supply position	3.8	4

- 2.54 Beside HDC03, HDC does not appear to have presented details to enable a full and thorough analysis of deliverability during that five-year period. Given the fragile nature of the supply position, that is concerning.

Q6. What is the estimated total supply of developable sites, from each source of supply, for years 6-10 and 11-15? What is the evidence to support this and are the estimates justified?

- 2.55 Appendix 1 to HDC03 indicates 5,742 dwellings delivered in years 6 – 10 (2030 – 2035) and 3842 (in years 11 – 15).
- 2.56 Appendix 2 of HDC03 includes a list of the developers contacted by HDC (to establish projected delivery rates), listing 71 sites). Appendix 3 lists 27 responses (as well as 3 received confidentially). If this is the latest evidence on deliverability which the Council relies on, we note with concern that it relates to fewer than half the sites in Appendix 2.

⁶ This differs from the Council's calculation in HDC03 as the buffer is applied after the shortfall

Turley Reading
The Pinnacle
20 Tudor Road
Reading
RG1 1NH

T 0118 902 2830

Turley