

22nd November 2024

By email: programmeofficer@horsham.gov.uk

Dear Sir/Madam,

Matter 8 (Issue 1) – Housing Requirement (Q1a, Q1b)

CBRE is instructed by Wain Estates (**Respondent ID: 1192387**) in respect of their land interest at Kingsfold (Brookvale Garden Village). The site is assessed through the Council's evidence base as one of the alternative strategic sites and within the Draft Plan has the status of an omission site. The application is currently the subject of an EIA Scoping Request with Horsham District Council (HDC) (REF: EIA/24/0006).

Q1a. 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?

Q1b. 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?

The NPPF is clear that in the production of a positively prepared plan Draft Local Plans should be “*providing a strategy which, as a minimum, seeks to meet the area’s objectively assessed needs.*” The Draft Local plan does not achieve this.

The Council's evidence is clear that the issue of water neutrality is the principal issue that is constraining the number of homes that can be delivered in Horsham. For the reasons set out below we consider that relying on the issue of water neutrality is not justified as a reason for not meeting the requirements of the standard method. This issue takes on even greater criticality (in respect of achieving a positively prepared plan) when the proposed shortfall in the HDC Draft Local Plan is considered in the context of the shortfall that is growing in the wider housing market area of which Horsham is a part of.

The Council themselves acknowledged at Paragraph 4.7 of the Draft Plan (**SD01**) that save for the issue of water neutrality the area is less constrained. As stated:

“During the preparation of the Local Plan, the requirement for water neutrality has meant that Horsham District has moved from being a less constrained to a highly constrained area.”

The clear inference here is that if, as we propose, that the Council's approach to water neutrality is not sound then the overall housing target by consequence is also not justified. As an aside, with Buck Barn having been previously positively assessed prior to the emergence of water neutrality, it is clear through earlier versions of the SA (**SD03b**) that a higher level of growth could be sustainably accommodated in HDC. As cited in earlier representations at Reg 19, whilst we agree with the conclusions that Buck Barn is unsound by virtue of its location, in a broader housing target sense it does demonstrate, in SA terms, the ability of the plan to be sustainably accommodating a higher level of growth.

Water companies are subject to statutory duties under S37 and 94 of the Water Industry Act 1991 (WIA 1991). Section 37 of the Act imposes a statutory duty on all water companies to provide and maintain adequate infrastructure and potable water supplies.

Consideration of water supply and development needs is undertaken primarily through the production of a Water Resources Management Plan (WRMP) which water companies are required to produce every five years. The most recent WRMP for the relevant geographic area and catchment dates from 2019 and is based upon the housing figures adopted in local plans at that time.

Relevant guidance informs what is expected in the production of a WRMP. The relevant extract of this guidance states that the WRMP should “*achieve a secure supply of water for your customers and a protected and enhanced environment.*” Importantly, in the context of local plan making and housing targets, the WRMP guidance is clear that the WRMP should reflect **local growth ambitions** (our emphasis) and plan to meet the needs of new businesses and households. It is for the water company to plan for and support the development needs generated by local plans.

The current WRMP dates from 2019 and is based on a different housing target and has been produced and formalised in the absence of the water neutrality position (which has arisen post the adoption of the WRMP from 2019). The adopted WRMP is thus not set up in its scope to engage with this issue. Despite this, the WRMP from 2019 becomes the key reason to restrict growth in the Draft Horsham Local Plan which seeks to plan development over a much longer period of time. As stated at Paragraph 6.14 of **(SD03a)**:

“Growth is therefore restricted to what Southern Water’s Water Resources Management Plan (WRMP) and the local authorities’ offsetting scheme can in combination support.”

With the requirement to update WRMPs every five years, Southern Water’s WRMP is due to be updated by December 2024. This serves as the opportunity for Southern Water to assess the level of demand that is anticipated for in the wider housing market areas and to ensure that at the strategic level it implements initiatives and solutions that ensure water neutrality to balance the competing need to protect the environment. This duty sits firmly with the utility providers.

With the Draft Local Plan being submitted ahead of this work being done, the Draft Local Plan is in effect suppressing housing need (or local growth ambition) in order to accord with a now dated WRMP from 2019. Such an approach cannot be taken to be positively prepared. In seeking to “bake in” a lower housing number the WRMP that is due to be produced will need to respond to a lower housing number rather than accommodating (as is required under the relevant WRMP guidance) local growth ambitions. The emerging Local Plan takes the capacity arising from the now out-of-date WRMP19, which is adopted on a lower level of growth as the maximum available. This approach cements the failure to maintain an up to date WRMP in HDC (and beyond), constraining growth, which will result in a Plan that is not sound.

Notwithstanding the above, the housing capacity that HDC assume is available is restricted to initiatives in the WRMP (2019) and the local authority offsetting scheme only. However, in other aspects of the evidence **(SD03a; Para 6.16)** the Council acknowledges that bespoke site-specific solutions can occur (these would result in more “water neutrality capacity”). As included in our response to Matter 1, we consider that such bespoke solutions are more likely to be available for larger sites. The principle of a site-specific solutions to water neutrality being acceptable is considered in the recent Government Recovered Appeal **(HDC04)** within HDC.

Parallels with SANG and Nutrient Neutrality?

We have worked on a number of local plans in which the issue of Suitable Natural Alternative Greenspace (SANG) and other forms of ecological mitigation are at play. In these circumstances no development can occur until and unless the necessary mitigation is delivered to ensure no harm to protected sites. In affected local authorities, whilst it would be expected in the evidence to show how a quantum of mitigation will be provided/is available to have reasonable confidence for the Plan to be delivered it would be unreasonable (at the point of adoption/examination) for the local planning authority (LPA) to be expected to demonstrate all required mitigation land. There is an expectation that bespoke solutions will emerge and more Council-

led solutions are delivered. The approach of HDC is to assume that certainty must be had on the level of mitigation from the date of the plan adoption. We disagree with this approach.

By way of example to this point:

- I. Fareham Borough Council (Nutrients) – Inspector Report Dated March 2023 – whilst the issue of nutrient neutrality is agreed to justify a stepped trajectory, there is no evidence put forward by the Council that this should be taken as an absolute constraint to the delivery of the standard method figure.
- II. Runnymede Borough Council (SANG) – Inspector Report Dated May 2020 – as set out in the Inspector’s Report Runnymede is almost entirely within the 400m – 5km zone of the Thames Basin Heaths SPA (for which mitigation is required). There is no evidence put forward by the Council that this should be taken as an absolute constraint to the delivery of Objectively Assessed Need (OAN).
- III. Greater Norwich Local Plan (Nutrients) – Inspector Report Dated February 2024 - whilst the issue of nutrient neutrality is agreed to justify a stepped trajectory, there is no evidence put forward by the Council that this should be taken as an absolute constraint to the delivery of the standard method figure.

Closer to HDC, it is noteworthy that within the last few months the Inspector’s Report has been issued following the Examination of the Crawley Local Plan (2023 – 2040). Like HDC, the administrative area of Crawley is almost entirely within the area affected by water neutrality. Within the Inspector’s assessment of the proposed Housing Target, there is no reference to water neutrality being a reason to justify a lower housing target with the justification based upon land availability in Crawley.

The plan should be modified to reflect the standard method target to ensure that the plan is positively prepared and thus sound. Whilst acknowledging that the issue of water neutrality does present policy issues that the local plan needs to grapple with (i.e. approaches to water efficiency) it should not be treated as a justification to not deliver the identified need for housing.

As set out in our response to Matter 1, the Council is incorrect to assume that the positive SA scoring associated with Housing Objectives would be the same if the standard method figure is used vs the water neutrality “capped” figure. As set out in the Written Ministerial Statement from earlier this year, we are in the most acute housing crisis in living memory. A difference in circa 2,275 homes cannot be said to be inconsequential when considered against the backdrop of the housing crisis.

We would be grateful if the Programme Officer could confirm receipt of this response.

Yours Sincerely,



SENIOR DIRECTOR
CBRE LIMITED ON BEHALF OF WAIN ESTATES LIMITED