



Horsham
District
Council

Horsham District Local Plan Examination

Matters, Issues and Questions

Matter 8: Housing

Issue 2

November 2024

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

Question 1: 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?

1. The Council's "**Regulation 19 Site Assessment Report: Parts A-F (H11)**" set out full details of the work carried out by the Council on the site selection process for housing allocations.

Regulation 19 Site Assessment Report

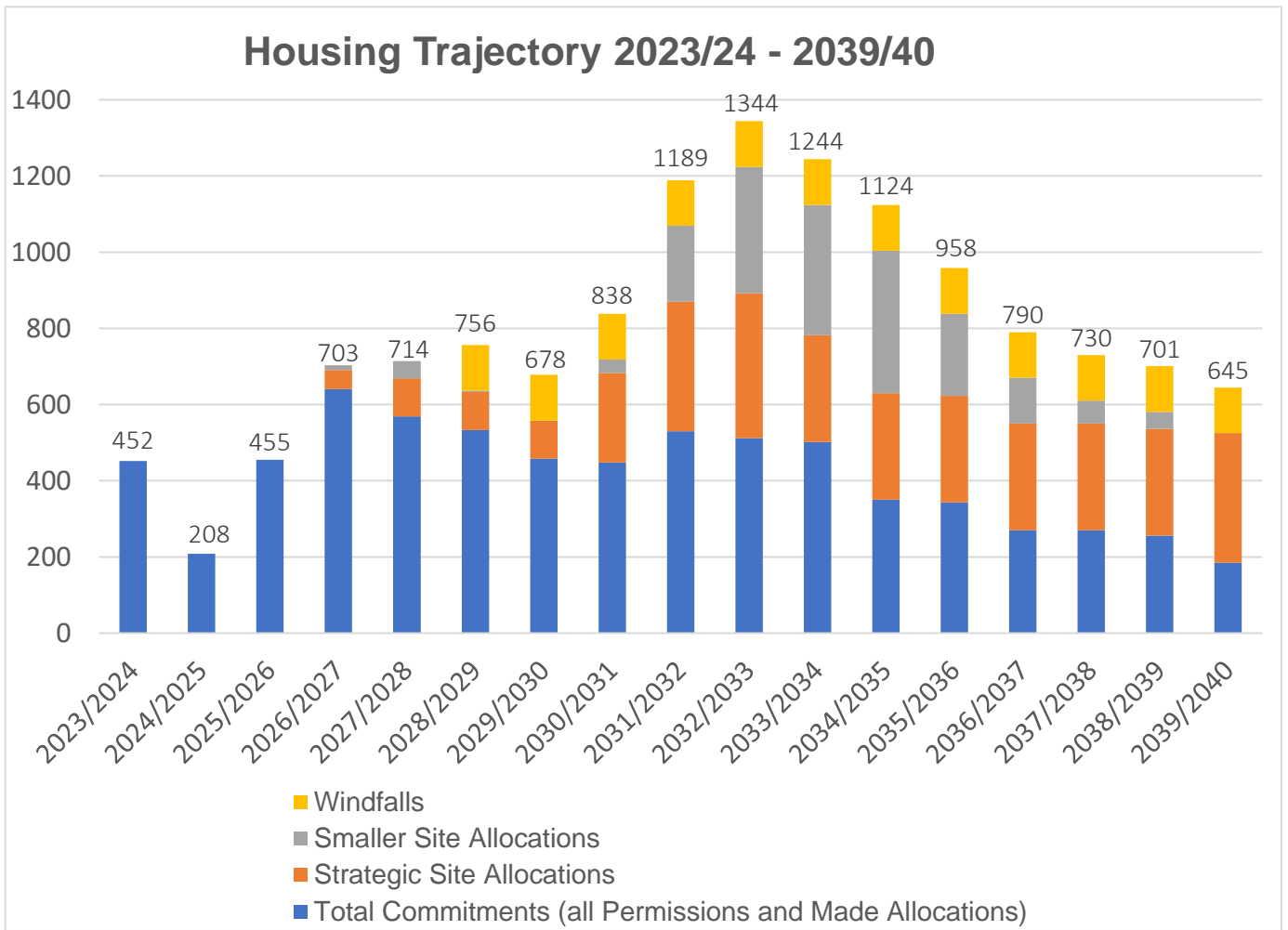
2. The **Site Assessment Report Part A (H11)** sets out at Section 2 details of the site assessment process and methodology. This includes details of the call for sites exercises that were carried out in 2017 and 2018; and the publication of the Strategic Housing and Land Availability Assessment in 2018.
3. Before a site was subject to the full site assessment process, it was assessed against several criteria to see whether it should be shortlisted. These criteria are set out at paragraphs 2.7 – 2.14 of the **Site Assessment Report: Part A (H11)**. In summary, sites were not subject to further detailed site assessment where:
 - The site could not deliver 5 or more homes;
 - The principle of development had already been agreed or is considered acceptable in principle – e.g. sites that already have planning permission or an allocation, or within an existing built-up area boundary.
 - Sites were not confirmed as available - A small number of sites on the SHELAA have not been actively promoted for a number of years, and where subsequent contact with promoters and land owners was unsuccessful.
 - Site Suitability- Sites fully within designations set out in NPPF paragraph 11b (i) Footnote 7 were excluded as they were not considered suitable for development. Paragraph 80 of the NPPF is also clear that isolated homes in the countryside should be avoided. Sites which do not adjoin built-up area boundaries and were of an insufficient size to bring forward new services to mitigate this lack of sustainability were not subject to a more detailed site assessment.
4. All of the sites not taken forward to full assessment are listed together with the reason for exclusion, in **Appendix 2 of H11**.
5. The **Site Assessment Report: Part A (H11)** sets out that the starting point for the site assessment criteria is paragraph 8 of the NPPF and the definition of sustainable development. In the context of these objectives, 14 criteria were identified in line with environmental, social and economic considerations and against which all sites were assessed to ensure a consistent approach was taken in the assessment process. These are set out in paragraph **2.12, and Appendix 1 of H11**. These criteria were consulted on with site promoters before finalisation.
6. Where sites were considered to be available, and met the initial screening process, they were subject to a further detailed assessment and site visits were undertaken. The suitability of the sites was assessed against the environmental, social and economic criteria and a rating scheme was used to determine the impact of development on each particular issue. Impacts were rated either Very Positive, Favourable, Neutral, Unfavourable or Very Negative. Where impacts were unknown this was also indicated.

7. At the end of the assessment for each site, a conclusion was reached as to a site's suitability based on all 3 strands: environmental, social and economic. The conclusion provided the recommendation for each site, which sets out the recommendation as to whether the site is considered appropriate (or not) for allocation.
8. Where sites were assessed to be available and suitable, the deliverability of the development was also considered. Housing development is required across the entire Plan period, and sites were not excluded for not being available in the short to medium term. The viability of sites is also important. Assessments have taken account of where there are site specific issues that are likely to prevent a site coming forward. The **Local Plan Viability Assessment (H12)** considers at a strategic level a range of typical non -strategic sites and assesses the likely viability of strategic sites that have been considered through preparation of the Local Plan.
9. Where sites were judged to be suitable, available, deliverable and viable, the selection of sites has also taken into account the ability of the site to bring forward a scheme that is of high quality.
10. The **Site Assessment Report: Part B (H11)** sets out the results of the assessment of the strategic sites submitted for development. The **Site Assessment Report: Part C (H11)** sets out the results of the assessment of the sites that were considered to have potential for allocation for housing development, in parish order. The **Site Assessment Report: Part D (H11)** comprises the assessment of sites not identified for potential allocation for housing development.

Question 2: 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?

11. Figure 6 of the **Plan (SD01)** sets out the housing trajectory for the Plan period (2023-2040). It shows the level of growth expected to come forward in each year, and the relative split between 'Total existing Commitments', 'Strategic Site Allocations', 'Smaller Site Allocations' and 'Windfalls'. It is recognised that **HDC03 Topic Paper 2, Appendix 1** provides an update to the detail behind this trajectory. This figure is always a snapshot in time, as trajectories alter during Plan production with new permissions / build out etc. It is recognised that Figure 6 will need to be updated to reflect the revised trajectory, and this is identified in the modifications suggested for the Plan (**SM40 in Suggested Modifications to the Regulation 19 Local Plan: Response to MIQs November 2024**). The latest housing trajectory is included below at Figure 1, and updates those figures to November 2024, based on the latest (23/24) housing completions and changes with regards to the granting of additional planning permissions since September 2024. An updated trajectory is included at **Appendix 1: Housing Trajectory- November 24**.

Figure 1: Housing Trajectory 2023/24- 2039/40 at November 2024



Question 3: The Plan does not appear to provide land to accommodate at least 10% of the housing requirement on sites no larger than one hectare as required paragraph 69 a) of the NPPF, why?

12. Paragraph 69 of the **NPPF** states “*To promote the development of a good mix of sites local authorities should identify, through the development plan and brownfield registers, land to accommodate at least 10% of their housing requirement on sites no larger than one hectare; unless it can be shown through the preparation of local plan policies, that there are strong reasons why the 10% target cannot be achieved*”.
13. The **Plan (SD01)**, including Made Neighbourhood Plans, allocates 3% of homes on sites no larger than 1 hectare or 6% excluding strategic site allocations, as illustrated in Table 1 below, which breaks down the number of homes allocated in the Plan in Policies HA2-4 to HA21 and in Made Neighbourhood Plans.

Table 12: No of homes by size of site in Plan Period including Neighbourhood Plans

Site area	Total No. of Homes	% of homes allocated
Allocations Excluding Strategic Sites		
1 hectare or less	167	6%
Larger than 1 hectare	2535	94%
Total excl Strategic Sites:	2702	100%
All Allocations		
1 hectare or less	167	3%
Larger than 1 hectare	5520	97%
Total incl. Strategic Sites	5687	100%

14. The starting point for identifying sites where the Council might meet its housing requirement was the list of sites identified in the call for sites which took place in 2017 and again in 2018, and the **Strategic Housing Land and Availability Assessment (SHELAA) (H13)** published in 2018. Further detail on the process, rationale and site assessment outcomes can be found in the **Horsham District Council Regulation 19 Site Assessment Report Part A (H11)** and is summarised in the response to question 1 above.
15. Of the 498 sites available for assessment and allocation, 307 sites are larger than one hectare and 191 are smaller than one hectare. The Council has followed the same process for the assessment of suitability of sites for allocation irrespective of the size to ensure that all sites allocated meet with the principles of sustainable development.
16. Of the 191 sites of no more than 1 hectare, 131 were excluded from the detailed site assessment process. The justification is shown in Table 2. This shows that there was a potential of 61 sites which were subject to a more detailed site assessment, as set out in the response to Question 1 of this paper. This is 12% of the total sites in the SHLAA. This illustrates that even prior to more detailed consideration, the number of small sites available to the Council is very limited.

Table 2 3: Reasons for excluding sites under 1 ha from site assessment process

Reason for exclusion from site assessment	No. of Sites under 1 ha	% of all sites
Principle of development established (through allocation, planning permission or location within BUAB)	98	20%
Unsuitable - does not adjoin built up area boundary	20	4%
Unsuitable - located within designation set out in NPPF Para 11b (i) Footnote 7)	7	1%
Sites not confirmed as available	27	1%
Total sites under 1ha excluded from Site Assessment:	131	26%
Remaining sites with for potential allocation	61	12%

17. Table 3 below presents a breakdown of the outcome of the remaining 61 sites. Of these, 8 were taken forward for allocation, with a further 2 already allocated in a Made neighbourhood plan.

Table 3: How the remaining 61 sites were treated

Of sites not initially excluded from Site Assessment process	No. of Sites under 1 ha	% of all SHLAA sites
Allocated in Horsham District Local Plan	8	2%
Principle of development established (through allocation, planning permission or location within BUAB)	16	3%
Assessed as unsuitable through site assessment process	29	6%
Promoted for commercial / employment uses	8	2%
Total:	61	12%

18. It is recognised that there are 70 sites which are located in the built-up area boundaries which is some 14% of the total sites within the SHLAA. As the principle of development in these areas is established in **Strategic Policy 2: Development Hierarchy** it was not considered that there is any additional benefit in allocating these sites, and the potential for the development of these sites is accounted for in the housing trajectory as windfall development.

19. In addition, there are 30 sites where the principle of development has already been agreed through a planning permission – which is 6% of the total sites in the SHLAA. Therefore although these sites have not been specifically allocated, this does not mean there is not provision or the ability for small sites to come forward during the plan period.
20. Any development which comes forward must be located on sites which are suitable, available and achievable irrespective of size. Table 3 shows that 29 of the remaining 61 sites were not assessed as being suitable for development, with a further 8 being promoted for non-residential forms of development. Ultimately it has been concluded that there is an insufficient number of sites that are suitable for allocation to meet the requirement for 10% of the total allocations. Nevertheless, the Council has sought to maximise the allocation of these sites as far as is reasonably practicable.

Question 4: 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?

21. The Council has set out the detailed evidence for its position on windfall allowance in the **Horsham Windfall Study (H09)**, taking account of historic windfall delivery in the District between 2012/13 and 2022/23. The methodology used is set out in Chapter 4 with the analysis of past trends presented in Chapter 5 of this document. Chapter 5, Table 1 sets out the total windfall completions compared with total completions for each year between 2012-13 and 2022-2023. This shows an average windfall percentage rate of 17%. Chapter 5, Table 2 shows the split in delivery of windfall completions between Small/ Medium sites (defined as sites of 1-9 dwellings) and large windfall completions (sites of 10+ dwellings). The annual average split in windfall dwellings per annum is 98 dwellings on small/ medium sites and 60 dwellings per annum for large sites. Chapter 6 looks at future impacts. It discusses the current complications to delivery introduced by Natural England's Position Statement and the decision in *CG Fry v So S and Somerset Council*, however concludes that notwithstanding this, there is no reason to believe the trends in delivery of homes through windfall sites will not continue.
22. **Horsham Windfall Study (H09)** was therefore used to inform the development of the windfall component of **Strategic Policy 37: Housing Provision**. Based on the on analysis which has shown windfall delivery tends to be around 17% of the total housing delivery annually this has led to a figure of 120 windfall units per year. No windfall allowance has been included in the early period of the plan as units which come forward in this time will already have been counted in the Council's Local Plan trajectory as commitments. In years 2 to 17 (2026/27 to 2039/40), an estimate of 120 windfall (over 14 years) derives a total delivery in the Plan Period of 1,680 windfall units.
23. The Council published the **Topic Paper 2: Housing Supply (September 2024)** and associated appendices **(1-4) (HDC03)** in response to the Inspector's questions in his **Preliminary Matters Letter (23 August 2024) (ID01)**. **Appendix 1 of Topic Paper 2** sets out a **Revised Housing Trajectory (September 2024) (HDC03)**. This Revised Housing Trajectory suggests several amendments to the Housing Trajectory submitted with the **Plan (SD01)**. It reflects the most recent known commitments and completions. It was therefore considered appropriate to move the start date at which windfalls are shown in the trajectory. The start date is now proposed as the year 28/29, that is a total windfall delivery of $12 \times 120 = 1440$ dwellings.

Question 5: 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?

24. **Housing Topic Paper 2: Housing Supply Appendix 1 Housing Trajectory (HDC03)** sets out a housing requirement of 2,715 dwellings for the first five years following the adoption of the Plan (2025/26 – 2029/30). Paragraph 5.9 and Table 4 of **Housing Topic Paper 2 (HDC03)** set out details of the Projected 2023 Housing Delivery Test results. This indicates a requirement for a 20% buffer to be applied to the housing target for the five years following adoption (2025/26- 2029/30). The overall housing requirement of 2,715 dwellings (543 dwellings per year) for the five years between 2025/26 - 2029/30 comprises a target of 436 dwellings per year, plus a 20% buffer each year of 87 dwellings; plus an additional 20 dwellings per year to represent the under-delivery identified in Table 3 of **Housing Topic Paper 2 (HDC 03)** between 2023/24 and 2024/25 of 300 dwellings (spread over 15 years).
25. The **Housing Topic Paper 2: Housing Supply Appendix 1 Housing Trajectory (HDC03)** is dated 27 September 2024. The Housing Trajectory has been updated (**Appendix 1: Housing Trajectory- November 2024**) to include i) new permissions granted between 28 September 2024- 19 November 2024 and ii) to update the position on sites included within the Trajectory where applications have been validated between 28 September and 19 November 2024. We are therefore suggesting some indicative changes to the wording of Strategic Policy 37 and the preceding justification text (**SM36, SM37, SM38 SM39, SM40, SM41 and SM42** in **Suggested Modifications to the Regulation 19 Local Plan: Response to MIQs November 2024**). The changes to the following sites are set out in Table 4 below.

Table 4: November 2024 Update to Housing Trajectory Appendix 1 – Revised Housing Trajectory (September 2024) (HDC03)

Site	Comment
1. Kilnwood Vale Phase 3 D, E,F,G for 280 dwellings (DC/23/0856)	Allowed on appeal (recovered by Secretary of State) for 280 dwellings 25 October 2024. Grampian condition requires no dwelling to be occupied until water neutrality mitigation secured.
2. Former Pig Farm , Rudgwick for 3 dwellings (DC/24/1163)	Refused 24 September -not in accordance with draft policy for 6 dwellings/ insufficient information with regards to water neutrality/ noise/ protection of ecological interests.
3. Old Clayton Boarding Kennels for 60 bed care home (DC/23/0701)	Permitted 16 October 2024. Erection of a 60 bed care home (Class C2) and 8 No. age restricted bungalows (C3). Net increase in dwellings = 60 bed care home 33 C3 homes (Ratio 1.8 C2-C3) plus 6 C3 dwellings = 39 net C3 dwellings (41 gross).
4. Millfields Farm, Horsham Road, Rusper for 43 dwellings (DC/24/0699)	Resolution to grant at Planning Committee North 1 October 2024.
5. The Copse, Southwater 70 bed care home (DC/24/0622)	Resolution to grant at Planning North 5 th November 2024. Net increase of 39 (70/1.8) – 1 dwelling = 38 dwellings. Water solution – borehole.
6. Land West of Smock Alley, West Chiltington	New application submitted (DC/24/1538) for 14 dwellings- validated 16 October 2024
7. Land West of Backsettown, off Furners Lane, Henfield) for 29 dwellings	New application submitted (DC/24/1538) for 29 dwellings – validated 22 October 2024.
8. Land North of (Rushfields) High Bar	Resolution to grant at Planning Committee South 19 November 2024. 25 dwellings.

Site	Comment
Lane, Thakeham (DC/20/2577/)	
9. Land at Duckmoor, Billingshurst (DC/24/0768)	Resolution to grant at Planning Committee South 19 November 2024. 83 dwellings.

26. **Appendix 1: Housing Trajectory – November 2024** shows that upon adoption (2025), there would be a new supply figure of 3,306 dwellings between 2025/26 and 2029/30. A supply figure of 3,306 dwellings measured against a requirement of 2,715 dwellings represents a five-year supply figure (for the period 2025/26 – 2029/30 Years 1-5, following adoption) of **6.1 years'** as set out in table 5 below.

Table 5: 5 Year Supply Calculation Upon Adoption in 2025 (2025/26 – 2029/30)

5 Year Supply
Supply between 2025/26 -2029/30 = 3306 dwellings
Total requirement between 2025/26-2029/30 = 5x 543 = 2715 dwellings
$(3306/2715) * 5 = \mathbf{6.1 \text{ years' supply}}$

27. In terms of maintaining a five-year supply after adoption, Table 6 calculates the five-year supply position for the **Plan (SD01)** for each individual year based on the **Appendix 1: Housing Trajectory – November 2024** between 2025/26 and 2039/40. This shows that the Council can demonstrate a 5 Year Supply annually between 2026/27 and 2033/34. From 2034/35-2039/40, the number drops below 5 years, to 4.44 in Year 10 after adoption (2034/35) to 3.32 in 2039/40 (Year 15 after adoption). By 2034, the Council will have produced a new Local Plan with revised housing numbers to meet identified need, and a clearer picture in relation to the position as regards water neutrality will be known.

Table 6: 5 Year Supply Calculation 2026/27- 2039/40

Year	5 year housing requirement	Projected housing supply by year	Projected 5 year Housing supply
2025/26	2,716	3,306	6.09
2026/27	3,143	3,689	5.87
2027/28	3,570	4,175	5.58
2028/29	3,996	4,805	6.01
2029/30	4,423	5,288	5.98
2030/31	4,850	5,739	5.92
2031/32	4,850	5,859	6.04
2032/33	4,850	5,460	5.63
2033/34	4,850	4,846	5.0
2034/35	4,850	4,303	4.44
2035/36	4,850	3,824	3.94
2036/37	3,880	2,866	3.69

Year	5 year housing requirement	Projected housing supply by year	Projected 5 year Housing supply
2037/38	2,910	2,076	3.57
2038/39	1,940	1,346	3.47
2039/40	970	645	3.32

Question 6: 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?

28. Table 7 below set out the estimated total supply for years 6-10 and 11-15 respectively, split by the different categories of development, and based on Appendix 1: Housing Trajectory – November 2024.

29. The evidence to support this is included in both **Topic Paper 2: Housing Supply (September 2024)** Appendix 3 Developers’ responses (**HDC03**) and also a new **Appendix 2 Additional Developers’ Responses – November 2024**.

Table 7: Total Supply of Developable Sites Years 6-10 (2030/31-2034/35)

Category	No. of Dwellings years 6 -10 (2030/31 – 2034/25)	No. of Dwellings years 11-15 (2030/31 – 2034/25)
Strategic Sites Categories A & B	1,168	1,157
Category A Large permissions (5+)	0	0
Neighbourhood Plans Category A Sites	0	0
Permitted Small Sites (1-4)	0	0
Category B Outline Permissions	406	97
“Made” Neighbourhood Plan Sites Category B	768	70
Draft Strategic Allocations	1,515	1,460
Smaller Site Allocations	1,282	440
Windfalls	600	600
TOTAL	5,739	3,824

Question 7: Is the Council's approach to self-build and custom-built housing consistent with national policy? Is it clear how much of this type of housing will contribute to the overall housing land supply? Where is this addressed in the evidence?

30. In a footnote to **Paragraph 62 of the NPPF** it states that under section 1 of the Self Build and Custom Housebuilding Act 2015, local authorities are required to keep a register of those seeking to acquire serviced plots in the area for their own self-build and custom house building. They are also subject to duties under sections 2 and 2A of the Act to have regard to this and to give enough suitable development permissions to meet the identified demand. **Planning Practice Guidance Reference ID: 57-025-20210508** states that relevant authorities should consider how local planning policies may address identified requirements for self and custom housebuilding to ensure enough serviced plots with suitable permission come forward.
31. The Council maintains a Self and Custom Build Register. As of 31 October 2024, there are 164 entries on Horsham District Council's Self and Custom Build Register of which 117 are Horsham District residents and 47 reside outside of the District. This represents 5% of the expected housing delivery (3,186) over the next 5 years and 1.2% of the total projected delivery over the plan period (13,412).
32. The Local Plan aims to comply with national policy and guidance as follows:
- Strategic Policy HA1: Strategic Site Development Principles, sets a requirement for larger housing sites to provide a proportion of overall open market tenure housing plots as self or custom-build and provide enough serviced plots of land to meet the identified need as evidenced by the Council's current published Self and Custom Build Register of Interest.
 - Strategic Policy 38.3: Meeting Local Housing Needs states that residential developments will be supported where homes are provided as either self-build or custom-build serviced plots in accordance with the latest demand from the current published Self and Custom Build Register of Interest.
 - The Horsham District Planning Framework Policy SD4 required the developer of the Strategic Site at Land North of Horsham to take into account local demand for custom-build. As a result, thirty (30) serviced self-build plots have been allocated as part of the Section 106 Agreement under outline planning application DC/16/1677/OUT.
33. **Horsham District Planning Framework (2015) Policy SD4** required the developer of the Strategic Site Land North of Horsham to take into account local demand for custom build. Subsequently thirty [30] serviced self-build plots have been allocated as part of the Section 106 Agreement under outline planning application number DC/16/1677 permitted on 1 March 2018. The council expects that custom and self-build plots will come forward as the sites allocated in the new Plan are built out.