

Examination Statement Matter 8, Housing

Horsham District Local Plan

Representations on behalf of Taylor Wimpey and Devine Homes
(Ref 1207547)

22 November 2024

Lucid
Planning

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1. Introduction

- 1.1 This Statement has been prepared by Lucid Planning on behalf of our clients, Taylor Wimpey (TW) and Devine Homes, who have an interest in the land to the north of Rectory Lane, Ashington (SHELAA Ref SA524 SA790, SA520, SA085, SA539). This Statement is prepared in response to the Inspectors' Matters, Issues and Questions.
- 1.2 Representations have been made on behalf of our Clients throughout the production of the emerging Local Plan and these representations expand upon earlier representations. While efforts have been made not to duplicate the content of previous representations, this Statement draws on previous responses where necessary.
- 1.3 These representations have been prepared in recognition of prevailing planning policy and guidance, particularly the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG).
- 1.4 These representations respond to the Inspectors' MIQs but do not respond to all questions raised under this Matter but focuses on those questions of particular relevance to our Client's interests.
- 1.5 These representations have been considered in the context of the relevant NPPF that the District Plan is being examined under - NPPF September 2023 - and tests of 'soundness' as set out at paragraph 35 of that NPPF. This requires that a Local Plan be:
- **Positively Prepared** – providing 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;

- **Justified** – an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;
- **Effective** – deliverable over the plan period, and based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and
- **Consistent with National Policy** – enabling the delivery of sustainable development in accordance with the policies in the Framework.

2. Response to Matter 8 – Housing

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?

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?

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?

2.1 The Horsham Local Plan has been drafted on the premise that water neutrality limits the ability of the Plan, within the plan period up to 2040, to meet its own housing need, as well not being able to help meet its neighbour's substantial unmet housing need. TW & Devine are members of the HBF and support the HBF's view regarding water neutrality that it is primarily an issue for the water companies and Environment Agency to ensure there is sufficient water supply to meet the needs of development whilst ensuring that there is no additional harm to the SPA and the wider environment from abstraction. Whilst it is recognised it is the responsibility of the LPA to ensure that there is no additional harm to the SPA, TW & Devine do not consider it to be the responsibility of the development industry to ensure neutrality through reduced standards and a payment to ensure offsetting. It is not for the developer either to anticipate those or to have to remedy this. The issue of water supply when considering planning applications is not a land use planning matter but one to be resolved by the water company in conjunction with the relevant statutory agencies.

2.2 Notwithstanding this, TW and Devine Homes address the issues raised in the Horsham Local Plan evidence as it relates to the tests of soundness of the Plan.

2.3 Paragraph 1.2 of the Submission Plan states that the new Local Plan will cover the period from 2023 to 2040 but considers a longer term context of up to 30 years for strategic scale development. Paragraph 1.7 then goes on to state,

“This Plan has been positively prepared in accordance with National Policy and Guidance to deliver the needs of the District and, where possible, the wider area beyond our boundary.”

2.4 Paragraph 2.9 then states that the Plan has been prepared to be water neutral so that it does not deliver development which continues to harm the Arun Valley. Water neutrality is defined as development that takes place which does not increase the rate of water abstraction for drinking water supplies above existing levels.

2.5 Paragraph 3.13 states,

“It is recognised that the District must consider the extent to which it can continue to meet housing and other development needs for both its own population and those in districts and boroughs who have unmet development needs. The constraints of water neutrality in particular generate environmental and practical limits to the level of growth which can be accommodated sustainably both now and in the future. This includes the need to ensure the timely delivery of sufficient new infrastructure that meets the needs of new development and ensuring there are benefits to existing as well as future communities.”

2.6 Paragraph 4.3 states,

*“The strategy has been tested through the sustainability appraisal process including the assessment of a range of alternative options for delivering growth and change in the District, taking account of the context of the requirement for water neutrality... **A key strand of the strategy is to ensure that the Plan also meets the Government’s agenda of delivering housing growth and the District’s wider Duty to Co-operate requirements, as far as is realistically possible.**” (author’s emphasis)*

2.7 Paragraph 4.5 recognises that the district has relatively few planning designations such as Green Belt or SSSIs and paragraph 4.6 recognises that in addition to the district forming part of the Gatwick Diamond and its functional links to the wider Northern West Sussex (encompassing both Crawley Borough and Mid Sussex District), there are also linkages to the south coast conurbation, particularly from the south eastern part of the District including Ashington via the A24. But due to the legal requirements placed on the Council through the Habitats Regulations 2017, which require clear demonstration that development which takes place will not have an adverse effect on the Arun Valley, there is now a requirement for water neutrality across the district. Paragraph 10.4 states that the Government’s standard methodology calculation for Horsham district in 2023 is 911 dwellings per annum or 15,487 homes in the 17 year plan period 2023-2040.

2.8 Paragraph 10.21 states, however, that the Council’s evidence base work has identified a total of 13,212 homes which are considered to be deliverable, equating to 777 new homes a year (including a 10% buffer for the first five years of the Plan period). This is 2,275 fewer homes than what is required to meet Horsham’s housing needs. As reported at the Mid Sussex Local Plan Examination by HDC officers, this unmet need has risen to 2377 new homes.

- 2.9 Paragraph 10.22 states that within the plan period, 6,717 homes already have planning permission or have been allocated in a ‘made’ Neighbourhood Plan. The allocated sites that are still in the planning application process, however, may or may not be able to achieve water neutrality, due to individual site circumstances, so the lack of certainty applies equally to some or all of these sites. This lack of delivery, in itself does not mean the Local Plan cannot plan for HDC’s housing need, as there will be 15 years post adoption to accommodate the whole of the Horsham housing need, if it were planned for properly and positively.

Unmet Housing Need of Neighbouring Authorities

- 2.10 Paragraph 4.8 of the Plan sets out that the starting point is to seek to meet the district’s own housing and other development needs as far as possible, within the constraints of water neutrality. Then, consideration was given to what extent the Plan could assist in providing for the unmet needs of the following neighbouring authorities:
- a) NW Sussex (Crawley)
 - b) Coastal West Sussex (Worthing)
 - c) Surrey Green Belt/other authorities (Mole Valley).
- 2.11 As acknowledged at the recent Mid Sussex Local Plan Examination, however, there is substantial unmet need in the neighbouring authorities:
- Crawley BC gave evidence to set out its unmet need of 7505 homes to 2040
 - Brighton and Hove CC has an unmet need “of no lower than 1000 dwellings per year”
 - The Coastal West Sussex authorities (which include Brighton and Hove) submitted evidence stating an unmet need of 30,000 homes up to 2050.
- 2.12 As the Inspector at Mid Sussex stated these are not just numbers; these are families without homes. Using these figures, and adding the unmet need specified by HDC, that equates to c100,000 people that will not be

provided homes. It should be noted that these figures do not address the Government's proposed new standard methodology figures, which without exception, increase the required number of homes in each authority.

2.13 As set out in the Hearing Statement on Matter 1, Duty to Cooperate, TW & Devine Homes are concerned that the Council has not looked to maximise the effectiveness of plan making, particularly when considering the substantial - and growing - unmet housing need of the Coastal West Sussex authorities. Not addressing at least some of this unmet need will only exacerbate the housing crisis in this part of the south east making it more difficult for local people to afford a home that meets their needs.

2.14 In 2021, the Council produced a local plan, prior to the need for water neutrality, that not only met its own housing needs in full but went above its standard methodology and proposed a 'balanced' annual housing figure of 1,100 dpa. It would not have been enough to assist in meeting its neighbours unmet need in a significant way, but it did indicate that in HDC's own opinion, providing for that number of dwellings is sustainable and that the potential adverse impacts were not significantly and demonstrably outweighed by the benefit of meeting needs in full. Further, HDC's build rate has exceeded this figure in 2015/16 (1,201); 2017/18 (1,125) and 2018/19 (1,369) showing it is possible. The only issue with regard to adverse impacts is in relation to the Arun Valley SAC, an issue that the Council say can be resolved on the basis of the proposed mitigation strategy. If these impacts are resolved, then the assumption must be that there is no justification for not meeting housing needs in full and meeting at least some unmet need of its neighbours.

2.15 Disappointingly, no solutions have been presented with regard to these unmet needs by Horsham or its neighbours as part of the Duty to Cooperate. In fact, it is notable that whilst there is significant correspondence between authorities stating that they cannot meet the needs of others due to water neutrality, the evidence base on this issue

failed to even consider these needs as part of the mitigation strategy. This would suggest that this strategic issue was not given the necessary weight or considered at the right time/in the correct sequence when preparing this local plan.

- 2.16 For co-operation to be effective, and for solutions to be found, Councils need to actively try and address the issue at hand. At present there appears to be an acceptance that housing needs will not be met and that the act of writing to other authorities is sufficient for the duty to be met. No active engagement appears to have been undertaken to try and resolve this particular issue and in effect consideration of unmet housing needs has become a tick box exercise. For engagement to be constructive it needs to move beyond writing to each other and actively engage in identifying solutions.

Increasing Lack of Affordability

- 2.17 As set out in the green box on page 127 of the Plan, the median house price in Horsham District is already around 13 times higher than average annual earnings. The cost of private renting also remains high. This creates a high demand for affordable market and housing association housing.
- 2.18 As most affordable housing is provided through market housing sites (whether that is First Time buyers or housing association housing), not meeting the need of the district is further causing a problem for more vulnerable Horsham residents.
- 2.19 The Submission Plan sets out at Strategic Policy 39: Affordable Housing, a requirement of 45% for greenfield sites. This is high considering all the other requirements on development, including water neutrality, but this need will only be exacerbated by prolonger under provision, particularly

in such a strategically important authority area in the Gatwick Diamond and with heavily constrained neighbouring authorities.

- 2.20 As set out in Hearing Statements on Matter 1, Duty to Cooperate and the Sustainability Appraisal and Matter 2 Spatial Strategy, Taylor Wimpey and Devine Homes do not consider that HDC has approached the preparation of the Local Plan positively, effectively or that it is justified.
- 2.21 The Council has used the issue of water neutrality to suppress the provision of new homes in the district over the local plan period to 2040. The NPPF (paragraph 23) states that “*Strategic policies should provide a clear strategy for bringing sufficient land forward, and at a sufficient rate, to address **objectively assessed needs** over the plan period*”. It is possible for HDC to provide for its full housing need within the time period remaining, as the Plan will have a minimum 15 year period from adoption, as required by the NPPF. The Council’s stepped trajectory can accommodate this early shortfall.
- 2.22 HDC has not addressed the substantial unmet need of its neighbouring authorities, but worse, it has actually exacerbated the housing crisis by generating an unmet need of its own of 2377 new homes. This is a fundamental flaw in the soundness of the HDC Plan, as the Plan cannot be considered to be positively prepared, justified, effective or consistent with national policy as a result.
- 2.23 This level of unmet need is not acceptable. Knowing this extraordinary issue is most likely going to getting worse with the Government’s increased housing requirements, it is only right and proper that HDC – as a minimum - plan properly for the whole of its own need for the whole of the local plan period – and not kick the issue into the long grass of the next local plan review.
- 2.24 **In order for the Plan to be considered to be positively prepared, justified, effective or consistent with national policy. The Plan must:**

- **fully consider allocating mid range sized sites – particularly within the range of 300-600 with water neutrality solutions in the south of the district - to enable the Council to meet its full housing need for the Plan period up to 2040, as a minimum, and serve its residents more fairly in this part of the district and the wider HMA**
- **amend Strategic Policy 3: settlement expansion to provide a criteria-based policy to allow alternative water neutrality mitigation other than SNOWS, because other mitigation solutions are available now (See suggested revised policy below)**
- **fully consider policies to provide for developable sites or broad locations of growth for the latter part of the plan period when water neutrality mitigation may not be required**

2.25 To be positively prepared effective and justified, TW and Devine Homes suggest the following amendments to Strategic Policy 3, predicated on Strategic Policy 37: Housing Provision being amended to make provision for the full OAN of 15487 dwellings, as a minimum, and that the Plan should be read as a whole and avoid repetition (deleted text):

Suggested Revised Strategic Policy 3: Settlement Expansion

The growth of existing settlements across the District will continue to be supported in order to meet identified local housing, employment and community needs. Outside built-up area boundaries, the expansion of existing settlements will be supported where all of the following criteria are met:

1. ~~The site is allocated in the Local Plan or in a Neighbourhood Plan and~~ adjoins an existing settlement edge;
2. The level of expansion is appropriate to the scale and function of the settlement type, **taking into account the land take, critical development mass and financial viability requirements to operate an acceptable water neutrality mitigation solution;**

3. The development is demonstrated to meet the identified local housing needs **set out in this plan** and/or employment needs or will assist the retention and enhancement of community facilities and services;
- ~~4. The impact of the development individually or cumulatively does not prejudice comprehensive long-term development, in order not to conflict with the development strategy;~~
5. The development is contained within an existing defensible boundary and the landscape and townscape character features are maintained and enhanced; and
- ~~6. The development can conclusively demonstrate that it is water neutral in accordance with other development plan policies.~~

Q4. Should Strategic Policy 37: Housing Provision also set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development in line with paragraph 66 of the NPPF?

2.26 TW and Devine Homes considers that the suggested amended Strategic Policy 3 set out in paragraph 2.24 above is sufficient to address the full HDC housing need, and any unmet need from neighbouring authorities.

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?

2.27 The selection of allocated sites was done on the premise of the uncertainty, at the time, of being able to solve the temporary water neutrality issue. As a result, HDC limited its consideration of sites, in terms of location, size and functionality, particularly when that relates to settlements outside the district boundary.

2.28 It is important to consider the relationship of settlements to other towns and cities beyond the administrative boundary of Horsham when planning to meet its own housing needs and if possible that of its neighbours needs. In this regard, the HMAs acknowledge the strong relationship that Horsham District, and in particular the southern part of the district, has with the Coastal Sussex authorities.

- 2.29 Ashington is a Tier 3 Medium Village on the border of the NW Sussex and Coastal West Sussex HMAs. It has good relationships with key settlements on the south coast and is therefore ideally located to accommodate growth to support the neighbouring authority.
- 2.30 The HMAs illustrate that there is a key relationship between southern Horsham and the south coast authorities, and therefore Horsham District Council should be seeking to locate growth in the southern part of the district to accommodate the unmet needs in a sustainable way.
- 2.31 The above further demonstrates that people are travelling from the south coast to their places of work within Horsham. Therefore, by accommodating unmet need arising from authorities such as Worthing in the south of Horsham District, this could reduce travel distances and commuting times for work, whilst staying close to the coastal towns to maintain social networks. This would therefore provide economic, environmental, and social benefits for these residents.
- 2.32 With regards to where to locate development in the south of the District, in accordance with Paragraph 83 of the National Planning Policy Framework, in order to promote sustainable development in rural areas, housing should be located where it will enhance and maintain the vitality of rural communities. It sets out that:

“Planning policies should identify opportunities for villages to grow and thrive, especially where this will support local services. Where there are groups of smaller settlements, development in one village may support services in a village nearby.”

- 2.33 Horsham should therefore seek to promote sustainable development through allocating housing in settlements that are well related to the south coast authorities as well as Horsham, and where development will support their facilities and services.

- 2.34 In particular, the village of Ashington is beyond the South Downs National Park (SDNP) and is broadly unconstrained, thereby being suitable for growth, and benefits from direct, fast links to both Worthing and Brighton by both road, A24 and A27, and by bus to Worthing and Horsham on the Metro 23 service in 30 minutes, all of which are main or small towns which provide a wide range of services and facilities.
- 2.35 Ashington itself provides a range of services and facilities including a convenience store, a Pharmacy, a Public House, a Community Centre, and Primary school. The range of services provided in Ashington together with the sustainable transport links to towns which provide further facilities, make Ashington a well located, sustainable settlement to help accommodate both Horsham’s housing needs together with unmet need arising from the Coastal Sussex authorities.
- 2.36 By locating additional growth in Ashington, which has existing strong links to the south coast, this will ensure a range of homes are available for those wanting to stay near their social and employment networks whilst being able to find homes.
- 2.37 This would also help address the significant imbalance of proposed allocations north and south of the A272, as set out in paragraph 2.38 below.

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?

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?

2.38 The Council's latest stated position on housing land supply from the Horsham Topic Paper 2 on Housing Land Supply is noted. TW and Devine Homes, however, consider this to be disingenuous given the Council's deliberate suppression of housing numbers early in the Plan period, albeit justified by water neutrality constraints. If the standard method were to be applied (917/year) with a 20% contingency and 20/year (Liverpool method), the projected supply of 3,186 needs to be measured against a requirement of 5,086, reducing supply to 3.15 years.

2.39 Development at Ashington would also contribute to the 5 year housing land supply as it is in the control of two major housebuilders and could be brought forward expeditiously. A pre-application submission setting out the water neutrality solution and sequential test has already been submitted. Enhanced pre-application advice has been sought on the water neutrality mitigation from the Environment Agency and Natural England. The Environment Agency has confirmed that the proposal for peak over threshold harvesting could be acceptable and that there is water availability in the catchment to accommodate the scheme. Natural England has confirmed they are satisfied that the proposals are a suitable solution for avoiding an adverse effect on the integrity of the Arun Valley protected sites. It should also be noted that sequentially the TW and Devine Homes Ashington site is the next best site after Land East of Billingshurst (Strategic Policy HA4) and Land NW of Southwater (Strategic Policy HA3). It is worth noting the site performed significantly better than Land West of Ifield (Strategic Policy HA2).

2.40 As demonstrated in previous representations and promotion material, the Site at Ashington being promoted by TW & Devine Homes can:

- Provide 400-500 new homes including a policy compliant level of affordable housing and adaptable homes to meet the needs of the community,
- Provide a multi-functional community/mixed use hub
- Provide integrated green space, including allotments, sports pitches, play areas and multi-functional green space which provides opportunity for ecological enhancements and biodiversity net gain
- Provide upgrades to the existing public right of way (PROW reference: 2490), and
- Provide a network of new and upgraded footpaths and cycleways which will interlink the green spaces, proposed community facilities and existing facilities and services in Ashington, promoting healthy lifestyles and outdoor recreation
- Provide an on-site water neutrality solution

2.41 This strategy would not only assist Horsham reduce its 2,377 deficit of new homes, but if located in Ashington, a Tier 3 settlement, they would be supporting the housing need in the Coastal West Sussex HMA, support Ashington's services and facilities and not rely on a strategic water neutrality solution.

2.42 If the Council discussed such sites with developers or provided a policy structure in the local plan for such sites, then it may be possible for Horsham to meet its own housing need and assist its neighbouring authorities, have a more balanced spatial strategy as well as supporting individual settlements and providing much needed affordable new homes.

2.43 It should also be remembered that paragraph 68 of the NPPF states that planning policies should identify a supply of:

“a) specific, deliverable sites for years one to five of the plan period (with appropriate buffer)

*b) specific, **developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan”***

This would allow HDC to plan positively and provide for its full housing need, with and without water neutrality mitigation, for the whole 15 year period. As such the Plan would be effective and justified and in accordance with the NPPF.

2.44 In order for the Plan to be considered to be positively prepared, justified, effective or consistent with national policy. The Plan must:

- **fully consider allocating mid range sized sites – particularly within the range of 300-600 with water neutrality solutions in the south of the district - to enable the Council to meet its full housing need for the Plan period up to 2040, as a minimum, and serve its residents more fairly in this part of the district and the wider HMA**
- **fully consider how that need could also be brought forward within the Local Plan by providing a criteria-based policy to allow alternative water neutrality mitigation other than SNOWS, because other mitigation solutions are available now**
- **fully consider policies to provide for developable sites or broad locations of growth for the latter part of the plan period when water neutrality mitigation may not be required.**