



HORSHAM LOCAL PLAN EXAMINATION: MATTER 2 HOUSING SUPPLY AND HEADROOM (OUR PLACE REF 1198209)

MATTER 2: Housing Supply and Headroom

- 1.1 This statement has been prepared on behalf of Our Place Sustainable Development Limited ('Our Place'). It follows the Inspector's Notes IDJB02 (Inspector's Guidance Note) and IDJB03 (Inspector's Draft Hearing Agenda/Programme) and considers the proposed approach to identifying a suitable supply of housing and any required headroom as set out in the Council's Housing Supply and Headroom Topic Paper (HDCJB05) and the Updated Supply Trajectory (February 2026) that is appended to it (HDCJB05a).
- 1.2 This Statement comments on the proposed approach and provides recommendations to ensure that the process of identifying a suitable housing supply is carried out in a sound manner.
- 1.3 As a preliminary point, Our Place notes that at present Horsham District Council ('HDC') has not identified specific sites to allocate. It is highly unusual not to do so alongside the identification of overall housing requirements and supply considerations where the two are intrinsically linked. It will therefore be critical that the proposed housing requirement and development strategy (including the distribution of growth) are in fact revisited and reconsidered in the next stage of the examination when allocations are considered. At the 2024 Examination Hearings multiple parties raised fundamental concerns about the evidence base, particularly the Sustainability Appraisal, and it will be vital to examine the soundness of the overall approach taking into account the ability of identified site allocations to meet overall requirements and the development strategy.

a. The housing supply trajectory as proposed

- 1.4 The Council's own housing supply trajectory shows that the Council has a significant shortfall in supply in against what it calculates as its own identified housing requirement of 2,398 homes. For the reasons set out in Our Place's Matter 1 Hearing Statement, this shortfall (in the absence of the necessary allocations) is much higher and further work is also needed to assess the District's capacity to accommodate unmet needs from neighbouring authorities.
- 1.5 Moreover, the Council should assess its trajectory up to 2042 to ensure that it aligns with national policy that identifies the need to look forward at least 15 years from the date of adoption.¹ This is especially important given that the Council's current trajectory indicates a tailing off of supply towards 2039/40 where only 750 homes are identified in the supply trajectory, compared to a 1,340 in 2028/29.

b. The reliability of housing delivery assumptions / allowance for non-delivery

- 1.6 Based only on the information available the housing delivery assumptions appear reasonable in that they reflect the ability of strategic scale sites to make the most meaningful and consistent contribution towards housing supply. This is recognised in paragraph 73 of the NPPF.

¹ NPPF (September 2023), paragraph 22



Note continued

c. The reliability of assumptions about windfalls

- 1.7 Windfall sites are those that are not identified in the development plan². The NPPF requires there to be compelling evidence of the reliability of windfall sites supplying housing, based on historic windfall delivery rates and expected future trends.³
- 1.8 The Council's Windfall Study December 2023 (H09) identifies a historic windfall completions' rate that averages at 158 dwellings per year between 2012/13 to 2022/23. This broadly covers the period of the adopted local plan, which targeted meeting a housing requirement of 800 homes per annum.
- 1.9 The emerging local plan will need to meet a greater requirement (more than 1,000 dwellings per annum on average) and need to allocate more land for that purpose. The subsequent local plan will need to meet a greater housing requirement still – over 1,300 homes per annum. Naturally, therefore, there will be less scope for windfall sites (i.e. sites that fall outside of the development plan) because a greater proportion of land will be allocated in a local plan.
- 1.10 The assumptions about windfall sites should therefore be treated with caution and lowered compared to the currently assumed trajectory.

d. The robustness of the trajectory

- 1.11 For sites to be included in the housing trajectory there must be a 'reasonable prospect' of the site being developable.⁴ The PPG then indicates what evidence could be provided to evidence this.⁵ It is not clear that the Council has provided such evidence to date. The housing supply trajectory makes clear that there is a deficit in supply against the Council's suggested housing requirement, which in turn is considered to be an under calculation of the requirement (as per Our Place's Matter 1 Hearing Statement). Additional supply is needed.
- 1.12 Table 1 of the Council's Housing Supply Topic Paper (HDCJB05) includes the net housing completions by year between 2011/12 to 2024/25. Paragraph 20 of the Topic Paper claims this to be demonstrating "*the District's record of completions... with supply regularly exceeding 1,000 homes a year pre-water neutrality...*" In fact, the table actually shows that >1,000 completions were achieved in only 3 of those years, so demonstrating that there is no regular exceedance of that figure at all.
- 1.13 To meet its housing requirement, the District will need to supply housing to a scale and consistency that it has not achieved in recent decades. The best way of achieving that and ensuring a reliable, robust supply trajectory is by planning for a breadth and depth of supply points across the District.

² Ibid, Annex 2

³ Ibid, paragraph 71

⁴ NPPF (September 2023), Annex 2

⁵ Planning Practice Guidance Paragraph: 011 Reference ID: 68-020-20190722, Revision date: 22 07 2019.



Note continued

e. Maintaining adequate housing land supply including a rolling 5 year supply

- 1.14 As per the response to issue (a) above and also Our Place's Matter 1 Hearing Statement, the plan period should be extended to 2042 and the supply trajectory updated accordingly. Taking the Council's own annualised proposed requirement of 1,049 (which is significantly too low for reasons addressed elsewhere) the current trajectory shows that there is an undersupply in the years 2035/36 to 2039/40 of 902 units (close to 1 year supply).⁶ The same would presumably be the case of any extended period, which suggests that sites that can contribute towards supply in this period of the local plan will need to be considered.

f. Headroom, resilience and the mitigation of risk

- 1.15 The clearest way of mitigating the risk and ensuring that the plan can remain up to date throughout its lifetime is to allow for a diversity of housing land supply, including headroom above the established housing requirement. This provides resilience against market cycles, which have been particularly volatile since the start of this decade.
- 1.16 Strategic sites provide the largest and most consistent supply of housing for the District but are currently relatively few in number, especially those that can continue providing a source of supply in the later years of the plan period. Greater resilience can be achieved by allocating additional strategic site(s) as envisaged by either the medium or high growth options.
- 1.17 The most recent Housing Delivery Test result (2023) shows that Horsham have achieved 63% delivery, placing it in the 'presumption' category. This is lower than the 85% referenced in footnote 41 of the NPPF. The local plan should therefore include a 20% buffer against the identified housing requirement.

g. Whether the housing requirement should be stepped

- 1.18 Our Place agrees with the principle that the housing requirement should be stepped to take account of the constraints that Natural England's water neutrality position statement placed on housing supply. However, given recent under delivery in HDC and Government policy imperatives to respond to a current national housing crisis, it is important that the planned trajectory remains ambitious and should not defer much of the growth to the end of the plan period.
- 1.19 It is also noted that a step change in delivery rates⁷, will require the inclusion of at least one large strategic site to ensure that a higher consistent level of delivery can be achieved.

h. Whether additional housing allocations are required, and if so, what kind / size / timing

- 1.20 The Council itself recognises that it needs to consider allocating additional sites to meet its own identified housing requirement, even based on its own artificially constrained figures.
- 1.21 The Council's identified housing requirement is however a significant underestimation because it does not account for the correct plan period and nor does it (yet) reflect a robust assessment

⁶ Updated Supply Trajectory (February 2026) (HDCJB05a).

⁷ A version of which is shown in HDC Matter 2 Topic Paper, Table 2.



Note continued

of the District's capacity to accommodate unmet needs from neighbouring authorities (see Our Place's Matter 1 Statement).

- 1.22 For those reasons, and for the reasons set out above under point (f), it is necessary that the Council allocates additional sites in line with either the medium or high growth options, including critically additional strategic site(s) which offer the largest and most consistent source of housing supply. Large strategic sites (2,000+ units) should be most closely considered because they will be able to provide a source of supply towards the end of the plan period where there is currently shown to be a deficit against the rolling five-year requirement.