

Joint Topic Paper:

# Water Neutrality: Policy Update

July 2024



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Abbreviations

CBC	Crawley Borough Council
CDC	Chichester District Council
HRA	Habitats Regulations Assessment
SA	Sustainability Appraisal
SEA	Strategic Environmental Assessment
SNOWS	Sussex North Offsetting Water Scheme
WRZ	Water Resource Zone

## 1. Introduction

- 1.1 This Topic Paper provides a policy update in relation to progress on meeting the Water Neutrality Requirement across Southern Water’s Sussex North Water Resource Zone (WRZ)<sup>1</sup>.
- 1.2 Full details setting out the context and history of Water Neutrality and the associated strategic joint working across the affected authorities is provided in the Joint Topic Paper: Water Neutrality, May 2023: [9. Joint Topic Paper Water Neutrality May 2023.pdf \(crawley.gov.uk\)](#)
- 1.3 Progress on the implementation of the Water Neutrality Offsetting Implementation Scheme, referred to as SNOWS (Sussex North Offsetting Water Scheme), are provided in a series of project updates:
- [Water Neutrality Project Update May 2024.pdf \(chichester.gov.uk\)](#)
  - [Water Neutrality Project Update - October 2023.pdf \(crawley.gov.uk\)](#)
  - [Water neutrality progress update July 2023.pdf \(crawley.gov.uk\)](#)
- 1.4 This paper summarises the outcomes to date in relation to the Local Plans<sup>2</sup>. Table 1 below shows the timeline and key milestones between May 2023 and May 2024.

*Table 1: Water Neutrality Key Milestones and Work to Date May 2023 - May 2024*

Date	Key Steps
9 May – 20 June 2023	Crawley Borough Local Plan 2023-2040 published for Regulation 19 Consultation
20-25 July 2023	Signed Water Neutrality Statement of Common Ground: <a href="#">Microsoft Word - WN SoCG Final.docx (crawley.gov.uk)</a>
26 July 2023	Water Neutrality Project Update, July 2023: <a href="#">Water neutrality progress update July 2023.pdf (crawley.gov.uk)</a>
31 July 2023	Crawley Borough Local Plan 2023-2040 Submitted to Secretary of State for Independent Examination
20 September 2023	Crawley Borough Local Plan Inspectors’ Initial Note: <a href="#">ID-001 Initial note to the council from inspectors.pdf (crawley.gov.uk)</a>
27 October 2023	Water Neutrality Project Update, October 2023: <a href="#">Water Neutrality Project Update - October 2023.pdf (crawley.gov.uk)</a>
3 November 2023	Submission of Crawley Borough Council’s Written Statements to Inspectors’ Matters, Issues and Questions – Stage 1: <a href="#">CBC.MIQ.008b Written Statement Matter 8 Design Issue 2 Water Neutrality.pdf (amazonaws.com)</a>
23 November 2023	Crawley Borough Local Plan Examination Hearing Session: <a href="#">Crawley Local Plan Examination 23 Nov 2023 Afternoon Session: Matter 8 (Issue 2) Water Neutrality</a>
19 January – 1 March 2024	Horsham District Local Plan 2023-2040 published for Regulation 19 Consultation

<sup>1</sup> [StatMap Earthlight](#) Sussex North Water Neutrality Map: West Sussex County Council website

<sup>2</sup> West Sussex County Council have recently assessed the Joint Minerals Local Plan and Waste Local Plan, which remain relevant and effective and so are not currently plan making. The South Downs National Park Authority approved commencement of their Local Plan Review in May 2022. The SDNPA are currently at evidence gathering stage and are working towards a Regulation 18 consultation which is anticipated to begin early 2025. More information and updates can be found on the Local Plan Review [webpage](#). The SDNPA are working jointly with the other affected authorities and this work is informing the South Downs Local Plan Review

Date	Key Steps
31 January 2024	Crawley Borough Local Plan Inspectors' Post-Hearing Letter: <a href="#">ID-026 Post Hearings Letter 31 Jan 2024.pdf (crawley.gov.uk)</a>
12 February – 25 March 2024	Crawley Borough Local Plan Main Modifications Consultation
3 May 2024	Water Neutrality Project Update, May 2024: <a href="#">Water_Neutrality_Project_Update_May_2024.pdf (chichester.gov.uk)</a>
3 May 2024	Chichester Local Plan 2021-2039 Submitted to Secretary of State for Independent Examination

## 2. Crawley Borough Local Plan 2023-2040

- 2.1 The Crawley Borough Local Plan was published for Regulation 19 consultation between 9 May and 20 June 2023. This included a draft policy which had been agreed jointly across the affected Sussex North WRZ authorities, Policy SDC4, pages 221-224: [1. Submission Crawley Borough Local Plan 2024-2040 May 2023.pdf](#)
- 2.2 The Submission Crawley Borough Local Plan was supported by a Sustainability Appraisal/Strategic Environmental Assessment: [3. Sustainability Appraisal SA.SEA Report May 2023.pdf \(crawley.gov.uk\)](#). Section 6.0 (pages 37-44) considered Water Neutrality in detail; Topic Areas A (pages 119-133) and E (pages 160-171) looked at the relevant Plans, Policies and Programmes and data in relation to water supply; and Policy SDC4: Water Neutrality policy assessment considered the reasonable alternative options (pages 289-290).
- 2.3 The Submission Crawley Borough Local Plan was also supported by a Habitats Regulations Assessment: [Habitats Regulations Assessment of the Crawley Borough Local Plan](#).
- 2.4 Representations were received from 12 representors to the Crawley Borough Local Plan Water Neutrality Policy. These are set out in Appendix 8 of the Crawley Local Plan Consultation Statement, pages 753-763: [Consultation statement appendix 8 - further publication consultation representations.pdf \(crawley.gov.uk\)](#). In addition, representations were received in relation the SA and HRA in respect of Water Neutrality (pages 865 and 866).
- 2.5 The Crawley Borough Local Plan 2023-2040 was submitted for independent Examination on 31 July 2023. Two Planning Inspectors were appointed to undertake the Examination. In the Inspectors' Initial Note, 20 September 2023, they requested an update on the Water Neutrality Offsetting Implementation Scheme and update to Delivery Programme. This was provided by the Water Neutrality Project Manager and submitted to the Inspectors by Crawley Borough Council (CBC) on 27 October 2023.
- 2.6 The Crawley Borough Local Plan Inspectors issued their Matters, Issues and Questions ahead of the Examination Hearings and invited responses. CBC submitted its Written Response to the Inspectors' questions in relation to Water Neutrality in November 2023. Water Neutrality was considered as part of Matter 8, Issue 2, taking place as for an afternoon session (23 November 2023) as part of the Part 1 Hearing Sessions.
- 2.7 Following the close of the Hearings in January 2023, the Inspectors' issued a Post-Hearing letter. In relation to water neutrality this confirmed that:  
*“Water Neutrality (Policy SDC4) 21.*  
21. The submitted plan proposes the limitation of water use in residential development to a lower rate than that set by national standards and guidance, together with stringent targets for other uses. It is proposed that similar standards would be adopted by

neighbouring authorities. Together with an offsetting and mitigation scheme, the Plan is the first to set such ambitious targets and we are mindful that other authorities in the region are looking to this Plan to ensure that the scheme can be adopted across the water region.

22. We recognise that this is a novel approach and commend the Council and its working partners on developing a programme that is justified in view of the constraints facing the area. Whilst there are some building industry concerns regarding viability, these are balanced by a willingness to ensure that development can occur through the minimisation of additional harm to natural resources. As previously advised, we recommend that Policy SDC4 be made a strategic policy as a main modification. In addition, we also recommend the insertion of proposed criterion 7 to Policy SDC4 as a main modification to provide further clarification in the event that a strategic solution to water neutrality is secured through forthcoming water resource planning”.

- 2.8 Some detailed Main Modifications to Policy SDC4 were required by Appendix A to the Crawley Borough Local Plan Inspectors’ Post-Hearing letter, for consistency with national policy and effectiveness:
- Identify as a strategic policy.
  - Amend criteria to include reference to South Downs National Park Authority and that offsetting would be required for infrastructure as well as development (for example schools).
  - Addition of criterion 7 should higher standards for water neutrality not be required in the future.
- 2.9 CBC commenced Main Modifications Consultation on 12 February 2024 for a six-week period, closing on 25 March 2024. In relation to modifications to Policy SDC4 Water Neutrality, as part of the consultation, CBC published:
- Schedule of Main Modifications, pages 26-30: [Crawley borough Local Plan schedule of main modifications\\_1.pdf](#)
  - Schedule of Additional Modifications, pages 26-28: [Crawley borough Local Plan schedule of additional modifications.pdf](#)
  - Crawley Borough Local Plan Main Modifications Consultation Version, pages 235-239: [Local Plan Modifications Consultation February 2024\\_1.pdf \(crawley.gov.uk\)](#)
  - Sustainability Appraisal/Strategic Environmental Assessment Modifications Consultation Report: [Sustainability appraisal - Strategic Environmental Assessment Modifications Consultation report February 2024.pdf \(crawley.gov.uk\)](#)
  - Crawley Borough Local Plan Main Modification Habitats Regulations Assessment [Crawley Borough Local Plan Main Modifications Habitats Regulations assessment report February 2024.pdf](#)
- 2.10 Representations were received in relation to the Main Modifications to Strategic Policy SDC4: Water Neutrality from Natural England and the Environment Agency, as set out on page 85, Appendix 10 Crawley Local Plan Consultation Statement: [Crawley Local Plan Consultation Statement Appendix 10 Main Modifications Representations.pdf](#). Support was received from the Environment Agency and Natural England to the SA/SEA (page 105) and from Natural England to the HRA (page 106).
- 2.11 Following the close of formal consultation on the Main Modifications Local Plan, the Local Plan Inspectors have been considering representations received from interested parties. The Inspectors issued a [Post Main Modifications Letter](#) inviting CBC to provide further clarification on specific matters – these are not related to water neutrality. CBC

responded to the matters raised, by letter, on 16 May 2024. CBC has since received [further correspondence](#) from the Local Plan Inspectors. This confirms that the Inspectors will not be issuing their report during the Pre-Election Period for the General Election.

### **3. Chichester Local Plan 2021-2039**

- 3.1 Regulation 19 Consultation for the Chichester Local Plan 2021-2039: [Chichester Local Plan 2021-2039 Proposed Submission.pdf](#) took place between 3 February and 17 March 2023. This contained the draft Policy NE17: Water Neutrality (pages 87-89) which had been prepared and agreed jointly.
- 3.2 Representations received in relation to draft Policy NE17: Water Neutrality are published in the Local Plan Regulation 19 Representations: [Local Plan Reprs Plan Order Final.pdf \(chichester.gov.uk\)](#)
- 3.3 The submission Chichester Local Plan 2021-2039 was supported by Sustainability Appraisal: [Sustainability Appraisal - January 2023.pdf \(chichester.gov.uk\)](#) and Habitats Regulations: [CDC Local Plan HRA 2023 Final \(chichester.gov.uk\)](#)
- 3.4 The Chichester Local Plan 2021-2039 was submitted for independent Examination on 3 May 2024. Details of the examination can be found using the following links which will be kept updated [Chichester Local Plan 2021 - 2039 examination - Chichester District Council](#) and the Examination Library [The Local Plan examination - library - Chichester District Council](#)

### **4. Horsham District Local Plan 2023-2040**

- 4.1 The Horsham District Local Plan 2023-2040: [Horsham District Local Plan Regulation 19.pdf](#) was published for Regulation 19 Consultation on 19 January 2024 for a six-week period until 1 March 2024. This contained the draft Strategic Policy 9: Water Neutrality (pages 48-51).
- 4.2 The Horsham District Local Plan Regulation 19 Consultation was supported by a Sustainability Appraisal: [Sustainability Appraisal - Dec 23.pdf \(horsham.gov.uk\)](#). Chapter 6 provides the context for Water Neutrality, and Chapter 7 provides the Sustainability Appraisal of the Local Plan including the new Water Neutrality Policy.
- 4.3 The emerging Horsham District Local Plan was also supported by Habitats Regulations Assessment: [Habitats Regulation Assessment.pdf \(horsham.gov.uk\)](#)

### **5. Mid Sussex District Plan 2021-2039**

- 5.1 The Mid Sussex District Plan 2021-2039: [District Plan Submission Draft Regulation 19](#) was published for Regulation 19 Consultation on 12 January 2024 for a six-week period until 23 February 2024. This contained the draft Policy DPS5: Water Neutrality (pages 59-62).
- 5.2 The Mid Sussex District Plan Regulation 19 Consultation was supported by a Sustainability Appraisal: [District Plan Sustainability Appraisal Regulation 19](#).
- 5.3 The emerging Mid Sussex District Plan was also supported by a Habitats Regulations Assessment: [Habitats Regulations Assessment of the Mid Sussex District Plan](#) and [Habitats Regulations Assessment: Non-Technical Summary](#).



- 5.4 Further information on the Mid Sussex District Plan can be found at: [District Plan Review - Mid Sussex District Council](#).