

Inspector's Discussion Topics

Matter 1 – The housing requirement

- 1.1 This Matter Statement has been prepared on behalf of Wates Developments Limited (Wates) in response to Matter 1. Wates have been involved in the Council's emerging Local Plan process for a number of years, having made representations at every stage of the process.
- 1.2 Since the initial hearing sessions were held in December 2024, Wates have secured planning permission (or a resolution to grant) for new residential development on three sites¹ within the District for 186 new homes, two of which are proposed for allocation within the emerging Local Plan². Wates continue to have other land interests in the District.

The identification of the appropriate basic local housing need figure for the purposes of the plan

- 1.3 The emerging Local Plan is being progressed in the context of the transitional arrangements set out in the 2024 NPPF. This means the District Plan is examined against the September 2023 NPPF and therefore the LHN at that time was 911 dwelling per annum (dpa), with a base date of 1st April 2023. We agree that this represents the appropriate housing requirement at the time of submission.
- 1.4 We note that as set out in the Housing Topic Paper (paragraph 7 & Table 3, HDCJB04), the Council states that it is the intention to use the latest affordability ratio for informing the housing requirement for 2025/26 onwards, a position that is seemingly contrary to that indicated on the original housing trajectory prepared by the Council (where a figure of 911 dpa was used, HDCJB01a). Applying this would result in a housing requirement of 838 dpa³.
- 1.5 In accordance with the PPG⁴, the local need figure can be relied on for plan making for a period of 2 years from the time the plan is submitted in order to provide certainty and so notwithstanding the delay in the local plan examination, we consider that it is appropriate to continue to rely on the 911 dpa for the duration of the plan period.
- 1.6 The implications of this reduced requirement for 2025 onwards (a reduction of 73 dpa) means that 1,095 fewer homes would be delivered over the Plan period. Whilst we accept that the current method for calculating housing need is not applicable in this case, this identifies a much higher housing requirement of 1,338 homes per annum. We note that as a result of the rollout of the new local plan-making system⁵, the Council is required to start work on a new Local Plan by 30 June 2026 and so on this basis, we consider it to be counterproductive to apply a lower housing requirement, knowing that in very short order a Plan will need to be progressed based on a much higher housing

¹ Land east of Marringdean Road, Billingshurst (79 homes), Land west of Shoreham Road, Small Dole (45 homes) & Land north of Melton Drive, Storrington (62 homes).

² Land west of Shoreham Road, Small Dole (Strategic Policy: HA16 (SMD1)) & Land north of Melton Drive, Storrington (Strategic Policy: HA18 (STO1))

³ Table 4 of HDCJB04 refers to 838 homes but corresponding trajectory refers to 842 homes

⁴ (PPG) (ID: 2a-008-20241212)

⁵ <https://www.gov.uk/government/publications/rollout-of-the-new-local-plan-making-system/rollout-of-the-new-local-plan-making-system>

requirement. We consider that the approach will also be contrary to the Government's ambition and need to significantly increase housing supply, an overriding objective of the 2023 NPPF.

The relationship of this figure to the base date of the plan

- 1.7 We agree with the base date of 1st April 2023 and for the reasons provided we consider that the housing requirement of the submission version of the Plan should remain (911 dpa). We note that the Council considers it necessary for both MSDC and HDC to take a consistent approach to calculating housing need (paragraph 8, HDCJB04). Whilst we accept that this may be desirable, we do not consider it to be necessary given that the current Local Plans were not prepared in this way (i.e. the Horsham Local Plan was adopted in 2015 and Mid-Sussex District Plan was adopted in 2018) and that in any event unmet need is not being addressed in full.

The amount of unmet housing need from nearby districts to be accommodated

- 1.8 As is acknowledged within the Housing Topic Paper (HDCJB04), the Council area overlaps with the North West Sussex Housing Market Area (NWS-HMA) and to a lesser degree the Coastal West Sussex HMA.
- 1.9 In the context of the current Horsham District Planning Framework (HDPF, 2015), the examining Inspector considered it appropriate that Horsham and Mid-Sussex split the unmet need arising from Crawley on a broadly 50/50 split (paragraphs 40 & 43, Inspector's Report). As is set out in Table 5, there is an unmet need of 7,505 homes from Crawley and at present Mid-Sussex is only proposing to contribute 1,693 homes to this shortfall, resulting in a remaining unmet need of 5,812 homes.
- 1.10 Irrespective of the above, the Council have seemingly applied a cap of 3,753 homes in terms of its contribution towards unmet need. Notwithstanding the reasoning provided at paragraph 15, there does not appear to be any intention on the part of the Council to test whether a greater proportion of this unmet need is capable of being met within Horsham.
- 1.11 Whilst we acknowledge that the Councils relationship with the Coastal West Sussex HMA is weaker, there is nevertheless an overlap with the HMA especially across the southern parts of the District. On this basis and in light of the extent of shortfall across this HMA (e.g. within Worthing alone there is a shortfall of c14,000 homes alone) means that we consider that the Council should, at the very least, test whether there is scope for the District to make at least some contribution to this unmet need. We note that this is the view of authorities within this HMA, for example Brighton & Hove City Council who effectively make this point within their Statement of Common Ground (see paragraph 2.7, DC07).

Whether any other factor should influence the housing requirement

- 1.12 Based on the published Northern West Sussex Strategic Housing Market Assessment (2019) the total need for affordable housing is 503 homes per annum (for the period 2021-38)(Table 67, HO1) which would constitute 60% of the overall requirement (based on the Council's proposed requirement from 2025 onwards).

- 1.13 In light of issues around water neutrality, affordable housing delivery has been significantly below this as based on MHCLG data, total affordable housing completions in Horsham have on average 81 homes per year (for the period 2020/21 – 2024/25). This has led to a number of real world implications, for example the District has a median affordability ratio of 11.51, which is higher than the regional average of 9.58 and national average of 7.71 (based on ONS data) whilst there are currently 716 households on the Housing Register (as of 31 March 2025, MHCLG data).
- 1.14 Whilst we acknowledge that there is not a requirement to meet affordable housing needs in full, we consider again that any reduction in housing requirements (from that set out at time of submission) would make it more challenging to address issues of affordability within the District.

The appropriate housing requirement arising from a. to d

- 1.15 In light of the above, we consider that, as a minimum, the housing requirement for the Plan period should remain at 911 dpa for the District with the overall housing requirement being informed by further assessment work to determine the amount of additional housing that can be delivered to meet unmet housing needs from elsewhere.