
Hearing Statement
Matter 2: Housing Supply and Headroom

Horsham Local Plan - Examination in Public

On behalf of Reside Holdings Ltd (Response ID 1194238)

April 2026

1. Introduction

- 1.1 This Hearing Statement is prepared on behalf of Reside Holdings in relation to 'Matter 2: Housing supply and headroom' and the issues identified in the draft Hearing Agenda, namely:
- a. The housing supply trajectory as proposed
 - b. The reliability of housing delivery assumptions / allowance for non-delivery
 - c. The reliability of assumptions about windfalls
 - d. The robustness of the trajectory
 - e. Maintaining adequate housing land supply including a rolling 5-year supply
 - f. Headroom, resilience and the mitigation of risk
 - g. Whether the housing requirement should be stepped
 - h. Whether additional housing allocations are required, and if so, of what kind / size / timing
- 1.2 It is noted that the emerging Horsham Local Plan was submitted in July 2024, therefore by virtue of paragraphs 234 and 235 of the NPPF 2024 and paragraph 230 of the NPPF Dec 2023, the Plan will be examined under the policies contained within the NPPF September 2023.
- 1.3 The Council acknowledge in their Topic Papers for Matters 1 and 2 that there is supply shortfall of 2,398 homes against their position on the housing requirement. Reside submit (as per our Matter 1 Hearing Statement) that the supply deficit is at least 3,810 homes, depending on the level of unmet housing need which can be accommodated.
- 1.4 It is clear that the Council, through main modifications, will need to allocate additional sites to meet the shortfall in supply and we welcome the Council's recognition (in HDCJB01) that this will be necessary.
- 1.5 The Council have already placed a high level of reliance on delivery from large strategic sites, which require longer lead in times, we submit that the Council must identify a range of housing sites, including a proportion of small and medium sized sites which can deliver early in the plan period and provide a range of choices in the market, thus encouraging delivery. In doing so, the Council should revisit all sites known to them, as identified in the submitted evidence base (Site Assessment Report (H11) and the Strategic Housing and Economic Land Availability Assessment 2018/2019 (H13)).

1.6 This Hearing Statement responds to the submitted plan, but also the documentation published since submission, including the Council's Topic Papers published in March 2026.

2. Matter 2: Housing Supply and Headroom

- a. The housing supply trajectory as proposed; and,**
- b. The reliability of housing delivery assumptions / allowance for non-delivery**

- 2.1 Reside do not wish to comment on the housing supply trajectory for individual sites, nor the reliability of housing delivery assumptions of the proposed sites allocated within the emerging Local Plan.
- 2.2 However, we are concerned that the Council have taken an overly optimistic approach to delivery rates and have not provided any buffer or mitigation against any shortfall. It is highly unlikely that all the identified sites will come forward at the rates anticipated. It is likely that there will be some delays to submission and determination of planning applications and a greater risk that there will be delays to the commencement of development and the delivery of units. At present, there is no evidence of any resilience in the Plan for the delay to the delivery of allocated sites, or their non-delivery.
- 2.3 Specifically, we are concerned that the Council have taken an optimistic approach to the delivery of strategic sites. At paragraph 6, of the Council's Matter 2 Topic Paper, the Council state that 3,260 dwellings will come forward by 2040 on strategic sites. This assumes that the Land West of Ifield and Land Northwest of Southwater will go to Committee in Summer/Autumn 2026, but there is no timescale set out for the completion of any S106 and the grant of planning permission, which could take some time, delaying the commencement of development and the delivery of units.
- 2.4 The Council state that the assumptions made in relation to the delivery on large strategic sites has been made on a site-by-site basis with input from site promoters or developers, the Council state that this has been 'sense checked'. However, the Council appear to have used optimistic assumptions regarding the delivery of emerging site allocations, taken from a period of greater economic certainty, without reflecting on the delivery of previously allocated large sites, such as the land at North Horsham (now known as Mowbray), where only 211 dwellings have been completed since the adoption of the Local Plan which allocated the site, some 11 years ago (Table 2: Matter 2 Topic Paper) (and water neutrality can only have effected delivery in the period post-2021). This would suggest that large sites could have a long lead in time whilst the necessary infrastructure is put in place, it also suggests that annual delivery rates are not as high as the Council have assumed for forthcoming site allocations.

- 2.5 The Council go on to say that a similar approach has been taken to smaller non-strategic sites; however, the delivery rates assumed from small and medium sized sites is likely to be more realistic on the basis that these sites have less infrastructure, or up-front requirements, meaning they can be delivered more quickly and with less delay.
- 2.6 We welcome the Council's active engagement with site proponents, however, we believe that the delivery rates are a 'best case scenario', if this approach is considered appropriate and sound, then an element of resilience must be included to ensure that the housing requirement can continue to be met throughout the lifetime of the plan, should delays to delivery occur.

c. The reliability of assumptions about windfalls

- 2.7 The NPPF Sept 2023 states that where an allowance is to be made for windfall sites as part of anticipated supply, there should be compelling evidence that it will form a reliable source of supply. This should be realistic having regard to the strategic housing land availability assessment, historic rates and trends.
- 2.8 The Council have submitted a Windfall Study (H09) as part of the evidence base, this states that even when considering a worst-case scenario, a windfall supply of 120 dwellings can be relied on each year.
- 2.9 We recognise the Council's historic delivery of windfall sites, however, as the Council acknowledge in the Windfall Paper 2024 (H09), many of these sites represent sites which are on previously developed land, which is a finite resource. Additionally, this will have comprised a number of 'office-to-residential' schemes, utilising permitted development rights, the rate of which will now be slowing down. We therefore question the Council's ability to continue to deliver windfall at such a high rate into the future.
- 2.10 Across the plan period, the Council identify a windfall allowance of 1,440 homes, this is despite there being a period prior to 2026, when water neutrality hindered the ability of any site, including windfalls, to come forward. The Council state that no windfalls are apportioned to the trajectory until 2028/2029, however, it is highly likely that the lag in the delivery of new windfall sites, as a result of water neutrality, is likely to be much greater, beyond 2028/2029 and so a further discount should be applied.

d. The robustness of the trajectory

- 2.11 Reside commend the Council's engagement with site proponents and recognise that there is an element of trust in the presentation of a housing trajectory for the plan period. It acknowledges that there will be some push and pull in the delivery of new homes.
- 2.12 However, we remain concerned about the Council's reliance on large strategic sites for delivery, particularly in the latter part of the plan period, which means that the Council are dependent on a small number of large schemes coming forward when they are expected to, and at the rates proposed. There is no resilience in the Council's approach should any delays occur, which means that the plan is not effective.
- 2.13 The Council commissioned a Horsham Housing Delivery Study 2020 (H02) and Update 2023 (H03), using examples of large sites allocated in the adopted Local Plan, these revised the time between the submission of a planning application and its determination, and from determination to first delivery. The findings are set out at Table 4.1 of the Update 2023. Through this process, it has demonstrated that large scale planning applications take on average 19 months from submission to the grant of planning permission and around 24 months thereafter to achieve the first completions. A total of 43 months from submission to first completions, or approximately 3.5 years. It is important to note that at paragraph 4.13 of the Housing Delivery Study Update 2023, it is acknowledged that this relates to a period before the emergence of water neutrality, which had the effect of constraining delivery.
- 2.14 The Council acknowledge that there is a shortfall in supply against the proposed housing requirement. The Council also seek a stepped trajectory to account for the number of large sites allocated within the Plan. It is clear therefore that to ensure robustness in the trajectory, additional sites must be allocated, to ensure that there is a robust housing trajectory that can be maintained throughout the plan period. This should include a number of small and medium sized sites which can be brought forward relatively quickly. We submit that these sites should be allocated now, to ensure a greater number of homes can be delivered early in the plan period, rather than risk the supply of new homes being pushed back even further into latter parts of the plan period.

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

- 2.15 The Council have stated that they have identified a robust mix of sites to ensuring a rolling 5-year housing land supply, however, they have requested a stepped trajectory to account for the reliance on large sites which will deliver in the latter half of the plan period.

2.16 We recognise the importance of maintaining a 5-year housing land supply, as the planning system is designed to be plan-led. However, the Council have asked for a stepped trajectory to ensure a 5-year housing land supply in the early part of the plan period, rather than allocating sufficient sites which could come forward in the first five years of the plan. There is a risk that there will be too great a number of units being delivered on a small number of sites in the latter half of the plan period.

2.17 It would mitigate risk to the 5-year housing land supply position if the Council allocated sufficient sites across the plan period, thus bringing forward an element of supply into the earlier years of the plan. This could be done through the allocation of small and mediums sized sites, particularly those which are capable of coming forward now, subject to allocation.

f. Headroom, resilience and the mitigation of risk

2.18 The Council in its post-submission evidence acknowledges that the figures proposed do not account for ‘headroom’, which is an element of additional housing added to the housing requirement to ensure resilience in the Plan and to ensure that any under-delivery of sites can be mitigated.

2.19 In the Matter 2 Topic Paper (paragraph 25) the Council acknowledge that there is a need for resilience in the plan to ensure that risks to supply are minimised. As such, the Council have identified a range of growth scenarios (set out in the Council’s letter dated 4th February (HDCJB01)) as follows:

Option	Indicative housing supply to 2040
Low Growth	17,100 – 17,800
Medium growth	18,600 – 19,300
High growth	20,100

2.20 For the reasons set out in our Matter 1 Hearing Statement, we believe that the Council’s housing requirement should be in excess of 19,240 dwellings, therefore we submit that the Council should adopt the ‘high growth option’ as a starting point to allow for headroom.

2.21 Additionally, we note that the Council’s growth option table identifies that these will be delivered through the allocation of one, two or three additional strategic site allocations. The submitted Local Plan uses the term ‘strategic’ to mean large scale urban extensions. For the reasons set out in this Hearing Statement, we believe that the Council have already

placed high reliance on the supply of new homes through the allocation of large-scale development, this has also led to the Council's request for a stepped trajectory. The Council have assumed in their letter that these growth options could be met through additional strategic housing allocations, therefore ignoring the ability of small and medium sized sites to meet the supply requirements, particularly in the early part of the plan period. We therefore urge the Council to consider a mix of site sizes and types to meet the higher housing requirement, in order to mitigate the risks already set out in this Hearing Statement.

2.22 As noted, the council have placed significant reliance on the delivery of large sites to deliver the housing requirement, to this end the Council have suggested a stepped trajectory. However, the Council have not made provision for any delay to the delivery of these sites, or a reduction in the annual delivery of housing arising from these sites. There is no 'fall back' option or mitigation of risk. The plan therefore fails to be effective.

2.23 Additionally, it is possible that sites within the plan will not come forward or that through further site investigation at planning application stage, the proposed number of dwellings is not achievable.

2.24 Given the reliance on strategic sites and the potential for under delivery, as well as the uncertainty regarding windfall development, a minimum of 10% should be added to the housing requirement be added as headroom, which is necessary to ensure that the plan is effective and deliverable. Without this, the plan risks under-delivering, putting at risk the Council's ability to maintain a rolling 5-year supply of housing.

g. Whether the housing requirement should be stepped

2.25 Reside recognise that there may be a need for a stepped trajectory, to ensure robustness in the plan and the ability of the Council to deliver a continuous 5-year housing land supply.

2.26 We particularly recognise that there is a legacy from the impacts of water neutrality which has resulted in a low rate of completions and grant of planning permission in the earlier years of the plan period. This, as the Council set out in their Topic Paper, resulted in a delay to the grant of planning permissions between September 2021 and October 2025, which will inevitably result in a reduction in the delivery of new homes.

2.27 We acknowledge that the Council's trajectory should be stepped for the first 2 years of the plan to reflect delivery. We can also acknowledge an element of future stepped trajectory

to account for the delays in the granting of planning permission arising from water neutrality. However, we believe that the Council could identify further sites now, which are able to deliver in the 4-7 year period (Table 2 of the Matter 2 Topic Paper). If the Council identified sites now, through main modifications, that were capable of coming forward in line with the emerging Local Plan, it would be possible to increase delivery earlier in the plan period.

2.28 Notwithstanding our agreement to the Council's proposed stepped trajectory, and the principle and broad timescales for the step up in housing delivery, there is a need to review the annualised requirement to reflect the housing requirement emerging from the Matter 1 discussions.

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

2.29 The Council state within Matter 2 Topic Paper, that the shortfall in supply against the Council's housing requirement position (of 17,828), is 2,398 dwellings. We have identified in our Matter 1 Hearing Statement a number of reasons why the housing requirement should be higher - upwards of 19,240 dwellings, a total shortfall of at least 3,810. It is clear therefore that additional housing allocations are necessary to meet this undersupply.

2.30 Furthermore, it is clear that the Council have already identified a number of large strategic sites, which are not capable of delivering until the latter parts of the plan period. Therefore, further reliance on strategic sites could put housing delivery at risk.

2.31 We submit that a range of site allocations should be made through main modifications to the Plan to ensure that the housing requirement can be met in full, including a provision for headroom, but also that small and medium sized sites should be allocated to address the housing requirement in the early part of the plan period.

2.32 Paragraph 69 of the NPPF Sept 2023 acknowledges that "*small and medium sized sites can make an important contribution to meeting the housing requirement of an area, and are often built-out relatively quickly.*" We would agree and we would suggest that the Council should focus on the allocation of a range of sites which could deliver quickly and early in the plan period, to provide robustness to the Council's housing trajectory and to support a healthy 5-year supply of housing throughout the life of the plan.

- 2.33 There are a number of sites on the edges of sustainable settlements which are capable of accommodating further development, including land at Billingshurst, one of the most sustainable settlements in the district. The Council note in their initial response to the Inspector (HDCJB01) that there is a suite of sites that can be revisited, namely in the Site Assessment Report (H11), however, the Council must take a fresh view at all available sites, particularly those also referenced in the SHELAA 2019 (Document H13) and submitted at Regulation 19 stage. Some time has passed since the initial assessment of sites, and the housing requirement position has significantly changed. Moreover, the context or assessment of those sites may have changed significantly, for example where planning permissions have been granted on neighbouring sites. Therefore, the Council must ensure that 'no stone is unturned' and revisit sites which could be allocated now in accordance with the spatial strategy, and are capable of being delivered early in the plan period.
- 2.34 Furthermore, there are sites which are sufficiently advanced and are at planning application stage, that the Council could allocate now, through main modifications, which could deliver in the first 5-year period. Should the Council identify these sites through the main modification process, it would give further certainty to site proponents to progress planning applications as soon as possible.
- 2.35 **In summary, main modifications must be made to allocate more sites, to account for the increase in the housing requirement and to provide headroom for resilience. A significant proportion of these should be small and medium sized sites which are capable of delivering in the early part of the plan period.**

3. Summary

- 3.1 It is clear that the Council must allocate additional sites to meet the under supply against the housing requirement. We submit that the shortfall is at least 3,810 dwellings, and is likely to be more in order to meet the unmet needs of the coastal authorities.
- 3.2 The Council should review the evidence base supporting the plan, including the SHELAA 2019 and Regulation 19 submissions and allocate a range of site sizes to meet these needs. The Council are already aware of a number of sites on the edges of sustainable settlements which could be allocated for housing through the main modification process.
- 3.3 A significant proportion of the sites identified should be small and medium sized sites, in accordance with paragraph 69 of the NPPF Sept 2023, which are able to be delivered quickly and will ensure flexibility in the housing trajectory.