



Horsham District Planning Framework

HOW MUCH HOUSING DOES HORSHAM DISTRICT NEED? CONSULTATION (February/April 2012)

REPORT ON BEHALF OF

CAMPAIGN TO PROTECT RURAL ENGLAND (CPRE)

CPRE SUSSEX COUNTRYSIDE TRUST

Hives Planning Ltd,
46 Queens Road,
Reading,
Berkshire,
RG1 4AU

Tel: 0118 958 7331
Fax: 0118 939 4119
Email: gg@hivesplanning.co.uk

Ref: TP/1231

Date: 5 April 2012

COPYRIGHT

The contents of this document must not be copied or reproduced in whole or in part without the written consent of Hives Planning Ltd.

1.0 INTRODUCTION

1.1 Hives Planning Ltd (**HPL**) is instructed by Campaign to Protect Rural England Sussex - Horsham and Crawley District (**CPRE**) to produce this Report on the consultation 'How Much Housing Does Horsham District Need'. The instructions were confirmed (24 February 2012) as follows:

- critically assess the range of development options with reference to the evidence base, make reference to other local examples
- make comparisons with the South East Plan
- outline what is already committed (sites with planning permission or otherwise relied upon) to arrive at how much more is needed
- outline constraints to delivery (market and physical)
- propose a favoured option, including consideration of a new option

1.2 The background documents/evidence base are the 'Locally-Generated Needs Study' (GL Hearn December 2011) (**LGNS**) and the document 'How Much Housing Does Horsham District Need' (Horsham District Council January 2012) (**HMH**).

1.3 Quantification of housing numbers is a first step in the preparation of the Horsham District Planning Framework. The next stage in this process is to incorporate the housing numbers in a 'preferred strategy' which will be the subject of consultation 'later in 2012'¹ for the new Horsham District Planning Framework which is expected to be adopted in 2014. The current consultation period runs from 10 February to 10 April 2012.

1.4 The HMH consultation concerns solely the proposed quantity of housing in the District, with little attention to location. However, it is necessary to consider the urban-rural structure of the District in order to identify the spatial capacity for development and any physical constraints. This issue is addressed below.

¹ this process is described in the HMH para 1.3

2.0 PLANNING POLICY CONTEXT

- 2.1 Planning policy has been in a state of uncertainty since the election of the Coalition Government in May 2010. The intention to revoke Regional Strategies was made clear at an early stage, and the Localism Act 2011 now makes provision for their revocation which is expected in 2012. The principal objective is to remove regional housing targets to be replaced by locally derived targets. None-the-less these targets must be based on robust evidence in order that Local Development Documents are 'sound'. Horsham District Council (HDC), like many other Local Planning Authorities nationwide, is therefore preparing a new Planning Framework to replace its adopted Core Strategy (2007).
- 2.2 The National Planning Policy Framework was published in late March 2012, and key parts of its relevant content are set out below, where relevant to the HMH consultation.

National Planning Policy

- 2.3 The **National Planning Policy Framework (NPPF)** was adopted on 27 March 2012. A 'presumption in favour of sustainable development' is set out which has been subject to much criticism. In particular, it had been argued that the draft NPPF was unashamedly pro economic growth at the expense of environmental protection. Whilst many of these concerns remain, it must be recognised that the adopted NPPF includes a number of concessions with regard to the balance between economic growth and environmental protection, which are important to consider in the context of this Report.
- 2.4 The presumption in favour of sustainable development remains within the NPPF, however the default 'yes' response has been withdrawn (referred to in Paragraph 19 of the draft). This is a significant change in emphasis which substantially weakens the pro-development approach. In addition, there is an omission of phrases such as 'significant weight should be placed on the need to support economic growth through the planning system' (Draft NPPF, Paragraph 13), indicating that a more balanced approach will be taken.

- 2.5 A preference for development on previously developed land is stated in Paragraphs 89 and 111, and in general, a far greater weight is placed on heritage considerations and the status of the Green Belt.
- 2.6 The direct implications of the NPPF on local development decisions are as yet unknown given the very recent adoption; however it is important to recognise that the pro-development approach has weakened.
- 2.7 The NPPF has revoked previous Planning Policy Statements such as PPS3 Housing and PP7 Rural Areas so that consideration of their content is no longer relevant. However the following points in the NPPF will need to be taken into account by HDC in the preparation of the Planning Framework:
- A core principle underpinning future plan-making is the requirement to engage and empower local people to shape their surroundings². It is critical that local people have the opportunity to share their views on the proposed scale and location of future development in their local area in order to promote sustainable development.
 - Local circumstances and context must be taken into account when considering future development³. This is to ensure that sustainable development is achieved in different areas.
 - There is guidance on how the broad location of development should be directed. Whilst the vitality of the urban area should be promoted, the Green Belt area surrounding them should be protected, and consideration should be taken of the 'intrinsic character and beauty of the countryside.'⁴
 - The natural environment should be conserved and enhanced, in accordance with Chapter 11 of the NPPF. In meeting development needs, there should be an aim to minimise adverse effects to the local and natural environment⁵, whilst significant weight should be placed on conserving the landscape of National

² NPPF Paragraph 17

³ NPPF Paragraph 10

⁴ NPPF Paragraph 17

⁵ NPPF Paragraph 110

Parks and Areas of Outstanding Natural Beauty⁶. Major development in designated areas should be refused unless in 'exceptional circumstances'⁷.

- In significantly boosting the supply of housing, local authorities must consider guidance set out in Chapter 6. Paragraph 47 states that LPAs that local authorities should use an evidence base to ensure their Local Plan meets objectively assessed housing needs and should:

identify and update annually a supply of specific deliverable¹¹ sites sufficient to provide five years worth of housing against their housing requirements with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, local planning authorities should increase the buffer to 20% (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land⁸.

Regional Planning Policy: South East Plan (SEP) 2009

- 2.8 Whilst the SEP is likely to be revoked in 2012, it is relevant to look at its content, not least because it provides a starting point for comparison of housing numbers yet was based on data and trends from a much different economic era. In order to understand the variation in housing delivery levels, in particular between the SEP and those proposed in the HMH, it is initially important to consider the context and time at which each plan was/is prepared.
- 2.9 The South East Plan was adopted in May 2009, following a lengthy period of preparation from 2003. The South East Regional Assembly submitted a draft South East Plan in 2006, which was examined and tested for soundness in 2007. Following the issue of a Schedule of Proposed Changes in July 2008, the South East Plan was subsequently adopted. Policy H1 set a housing target for Horsham District of 650 dwellings per annum (**dpa**), totalling 13,000 new dwellings to be delivered over the 20 year period 2006-2026.

Adopted Core Strategy 2007

⁶ NPPF Paragraph 115

⁷ NPPF Paragraph 116

⁸ NPPF Paragraph 47

- 2.10 In the Core Strategy Horsham District Council set out the vision, objectives and strategy for the District over the period up to 2018. The document formed a critical part of the Local Development Framework (LDF) for the District, including the Site Specific Allocations of Land document (adopted November 2007), General Development Control Policies document (adopted December 2007), and a number of Supplementary Planning Documents (SPDs).
- 2.11 Policy CP4 of the Core Strategy sets a housing requirement of 10,575 homes over the 17 year Plan period, or 622 dpa, to be delivered over the period 2001-2018. In addition, two strategic sites were allocated to provide 4,500 homes by 2018, including land to the west of Horsham for 2,000 homes and land to the west of Crawley (within Horsham District) for 2,500 homes.
- 2.12 However, following the adoption of the SEP in 2009, and in late 2010 the Government's stated intention to revoke Regional Spatial Strategies, it was recognised that an early review of the Core Strategy would be required in order to take account of various proposed changes to planning guidance.

Horsham District Planning Framework

- 2.13 The Planning Framework (the Core Strategy review) is intended to provide for development needs over the period up to 2031. An initial stage of preparation commenced in September 2009 when a period of public consultation was held on 'Leading Change in partnership to 2026 and Beyond'. The current consultation on housing need in the District to 2031 begins the main phase of preparation of the Horsham District Planning Framework, which is due to be adopted in Summer 2014.
- 2.14 Following the current period of consultation, the subsequent stages below will contribute towards the preparation of the Horsham District Planning Framework:
- *Preparation of Preferred Strategy – Spring/Summer 2012*
 - *Approval for Consultation – Late Summer 2012*
 - *Public Consultation on Preferred Strategy – Autumn 2012*
 - *Proposed Submission published for comment – Spring 2013*
 - *Submission for Public Examination by Planning Inspector – Autumn 2013*

- *Examination Hearings – Spring 2014*
- *Adoption – Summer 2014*

2.15 Upon adoption, the Horsham District Planning Framework will supersede the Core Strategy as the main Development Plan document for the District, directing future development in the period up to 2031.

Local Planning Policy in Neighbouring Districts

- 2.16 The emerging planning system attempts to remove the top-down structure of the previous system and instead to encourage locally-led planning. Accordingly, following the anticipated revocation of Regional Spatial Strategies, local planning authorities will be required to develop their own housing targets for their local area. Many of the authorities surrounding Horsham District are at a similar stage to Horsham, whereby initial public consultation stages are occurring in order to develop suitable local housing targets. This is particularly evident in the surrounding Districts of Adur, Arun, Chichester, Crawley, Mid-Sussex and Waverley. As with the current consultation in Horsham, each authority has set out a number of options for future local housing delivery. Table 1 below sets out the proposed options of each authority in comparison with the housing target set out in the South East Plan.
- 2.17 Considering potential housing levels in neighbouring districts is particularly important given the principles of the emerging planning system. Whilst collaborative working is not new (it is referenced in PPS3), a far greater emphasis has been placed on encouraging local authorities to work together in pursuing strategic goals. Section 110 of the Localism Act sets out a new 'duty to co-operate', whereby all local planning authorities are required to 'engage constructively, actively and on an ongoing basis' to promote sustainable development, for example in the provision of new housing.
- 2.18 Two of the options for future housing growth in Horsham District (set out in HMH), and three of the options in the LGNS are higher than the target set out in the South East Plan (Chapter 3). In the context of emerging locally-derived housing targets, it is of similar interest therefore to consider how the approach taken by neighbouring authorities compares to the regional targets previously set out.

Table 1: Housing in Neighbouring Districts

District	South East Plan Housing Target (South East Plan, 2009)	Current Position
Adur	105 per annum 2,100 to 2026	Housing and Employment Options consultation in June-Aug 2011. 4 housing options presented: 65 dwellings per annum, 105 dpa, 155 dpa, 270 dpa up to 2028. ⁹
Arun	565 per annum 11,300 to 2026	Consultation on future housing numbers in mid-2011. 4 options presented: 362 dwellings per annum, 447 dpa, 548 dpa, 628 dpa. ¹⁰
Chichester	480 per annum, 9,600 to 2026. (Sub-divided into 355 dpa in the south of the District, and 125 dpa in north; including National Park)	Consultation on future housing numbers in mid-2011. Options sub-divided for south and north of the District (excluding National Park). 5 options for south: 305 dwellings per annum, 330dpa, 355dpa, 380dpa, 415dpa; 3 options for north: 12dpa, 16dpa, 20dpa. ¹¹
Crawley	375 per annum 7,500 to 2026	Current consultation on Crawley 2029 plan. 4 options presented: 350 dwellings per annum, 350-450dpa, 450-550dpa, 550+dpa. ¹²
Mole Valley	188 per annum 3,760 to 2026	Core Strategy adopted in 2009, with housing target of 188 dwellings per annum, 3,760 dwellings to 2026. ¹³
Mid-Sussex	855 per annum 17,100 to 2026	Draft district plan consultation ended in Jan 2012 - set district housing requirement at 530 per annum, or 10,600 between 2011 and 2031. ¹⁴
Waverley	250 per annum 5,000 to 2026	Current consultation on Core Strategy Revised Preferred Options and Draft Policies. Set target of 5,060 new homes (230pa) in the period 2006 to 2028. ¹⁵
Worthing	200 per annum 4,000 to 2026	Adopted Core Strategy in April 2011. Policy 7 sets a requirement for 200 dwellings per annum, 4,000 to 2026. ¹⁶

⁹ Adur DC (2011) Housing and Employment Options Consultation

¹⁰ Arun DC (2011) Housing and Employment Growth Consultation

¹¹ Chichester DC (2011) Housing Numbers and Locations Consultation Document

¹² Crawley BC (2012) Planning for the Future: Crawley 2029

¹³ Mole Valley DC (2009) Core Strategy

¹⁴ Mid Sussex DC (2011) District Plan Consultation draft

¹⁵ Waverley BC (2012) Waverley's Future Building: What matters to you?

¹⁶ Worthing BC (2011) Core Strategy

TOTALS	3,018 dwellings per annum	Lowest Options: 2,242 dwellings per annum Highest Options: 3,011 dwellings per annum Average: 2,627 dwellings per annum
---------------	----------------------------------	--

(Calculations are made across different plan periods and thus only provide an estimate)

- 2.19 Many of the neighbouring authorities are at an advanced stage in the preparation of the Local Development Framework, with 6 of the 8 authorities above now consulting on updated plans to the Core Strategy. Mole Valley District Council and Worthing Borough Council adopted their Core Strategies following the adoption of the South East Plan, in 2009 and 2011 respectively, and therefore have local housing targets reflective of those set out at regional level.
- 2.20 In public consultation, four of the authorities have proposed housing targets in excess of those set out in the South East Plan (when considering the mid-point average of the options) – Adur, Chichester, Crawley and Waverley. However, in each instance the increase is only marginal, and in all except Waverley, options have been provided which set out a lower target than that of the South East Plan.
- 2.21 Arun District Council and Mid Sussex District Council however propose housing at a level lower than that set out by the South East Plan. Mid Sussex in particular has set a significantly lower local housing target in their draft District Plan of 10,600 homes over a 20-year period¹⁷ compared to 17,100 in the South East Plan. The District is the largest of those considered and thus the lower housing level considered marks a considerable drop in housing across the sub-region.
- 2.22 It is also important to consider that the Locally-Generated Needs Study prepared by GL Hearn for Arun District Council initially proposed housing targets higher than those subsequently taken forward for consultation¹⁸. The primary reason for consulting on lower figures was because the LGNS had not sufficiently considered the numerous constraints, both market and physical, within the District.
- 2.23 Taken as a whole, the neighbouring Districts propose a lower level of housing compared to that set out in the South East Plan. In the event that every neighbouring

¹⁷ Mid Sussex DC (2011) District Plan Consultation draft

¹⁸ Adur District (2011) Housing and Employment Option for Consultation, Technical Document

local authority adopted the highest level of housing proposed in consultation, the total amount of new housing provided would remain below the South East Plan targets.

- 2.24 An explanation of these levels would require a detailed critique of its own; however there are some key points which may be drawn upon here in the context of Horsham. The strength of the economy during the preparation of the South East Plan and during the current preparation of Core Strategy reviews and updates is markedly different. The issue of viability is increasingly important as developers face significant constraints to completion. This is evident in Mid-Sussex District, whereby housing completion figures have dropped over the last 3-4 years to average levels less than half of the regional target¹⁹. Accordingly, the proposed targets now set appear to have taken a more realistic approach which factor in the issue of deliverability and the slow economic recovery.

HOW MUCH HOUSING DOES HORSHAM DISTRICT NEED? (Public Consultation (February/April 2012))

- 2.25 As a first step in the preparation of the Planning Framework HDC is consulting on a range of housing targets derived from the 'Locally Generated Needs Study' (GL Hearn 2011) and its own consultation document 'How Much Housing Does Horsham District Need' (2012). The HMH document is accompanied by a 'Sustainability Appraisal Scoping Report' (HDC, 2012). Horsham District Council has opted to consult on housing numbers slightly lower than those set out in the LGNS, ranging from 590 dwellings per annum (**dpa**) to 730 dpa²⁰.
- 2.26 The Locally-Generated Needs Study (LGNS) considered factors likely to affect future housing requirements and generated a number of projections of housing demand based on projected future demographic trends and anticipated changes in the housing market and economy. Four potential options were set out for future housing delivery²¹:
- Option 1: 635 dpa (12,700 homes in total to 2031)

¹⁹ Mid Sussex DC (2011) District Plan Consultation draft

²⁰ 'How Much Housing Does Horsham District Need?' (2012)

²¹ Locally-Generated Needs Study (GL Hearn, 2012)

- Option 2: 670 dpa (13,400 homes in total to 2031)
 - Option 3: 730 dpa (14,600 homes in total to 2031)
 - Option 4: 820 dpa (16,400+ homes in total to 2031)
- 2.27 Three of the four options are higher than the SEP target of 650 dpa and all are higher than Horsham District Core Strategy at 622 dpa. At first sight this seems odd given that the earlier plans were formulated in a quite different economic climate that 'crashed' in 2007/08.
- 2.28 Even the mid-point average of the four options indicates recommended housing delivery of 714 dwellings per annum, equating to an extra 64 dpa over the SEP target or 1,280 extra homes over the 20 year plan period to 2031, the equivalent of an extra village. The LGNS Option 4 recommends provision of 820 dpa, 170 dpa in excess of the SEP target, totalling 3,400 extra new homes by 2031.
- 2.29 Proposed housing allocations set out in the South East Plan generated a significant number of objections, with many querying household projections and suggesting that the level of housing proposed was higher than what was needed. It was felt that the level of housing set out would strain infrastructure and resources and threaten the environment. Within the Gatwick sub-region, there were particular concerns regarding the threat posed by development to the area's high landscape value and ancient woodland.
- 2.30 The HMH options for future housing development proposed by HDC draw upon background evidence provided by GL Hearn in the LGNS (December 2011).
- 2.31 The options are slightly lower than those in the LGNS. The original Projection 1 of the LGNS set out a target of 591 homes per annum, but was not included as a final recommendation for housing delivery. However, Horsham District Council have opted to include this as an option for consultation and ignored the higher LGNS recommendation of 820 homes per annum.
- 2.32 The housing numbers published in the HMH by Horsham District Council for public consultation are:
- Option A: 590 homes per year (11,800 homes in total to 2031)

- Option B: 635 homes per year (12,700 homes in total to 2031)
- Option C: 670 homes per year (13,400 homes in total to 2031)
- Option D: 730 homes per year (14,600 homes in total to 2031)

Table 2 Housing options to be considered in public consultation²²

Housing Option	Amount	Summary	Approach
Housing Option A	11,800 (590 per annum)	Minimal level of growth, reflects past trends.	This is one of the scenarios within the Locally-Generated Needs Study, but is lower than the recommendations.
Housing Option B	12,700 (635 per annum)	Baseline employment growth. This option draws upon work undertaken as part of the Employment Land Review.	This is the lowest level recommended by the Locally-Generated Needs Study.
Housing Option C	13,400 (670 per annum)	This option is based on achieving the 'Successful Repositioning' scenario in the Employment Land Review.	This option matches the second recommendation from the Locally-Generated Needs Study and takes account of both demographic trends and the impact of job creation within the District.
Housing Option D	14,600 'plus' (730 'plus' per annum)	This option offers a higher number of homes that would meet local demand as well as providing a strong contribution to meet wider sub-regional development needs and support economic growth across the Gatwick Diamond.	Using the recommended 730 per annum allows a high growth scenario to be pursued. The 'plus' element facilitates a higher level if the market will support it, but this is not likely to be as high as the 820 per annum recommended by the Locally-Generated Needs Study.

2.33 As with the LGNS three of the four options are higher than the SEP and the recently adopted Core Strategy, which seems questionable. This Report below examines the evidence base and assumptions made in arriving at these options.

²² Horsham DC (2012) 'How much Housing does Hoes Horsham District need?'

3.0 CURRENT HOUSING POSITION

Completions

- 3.1 The latest position regarding housing completion rates in the District is updated annually in the Annual Monitoring Report (**AMR**), the latest of which was published in December 2011.
- 3.2 Past actual net housing completions²³ total 4,322 homes over 11 years, at an average of 393 dpa. This is shown in Table 3 below. The annual completion rates in the 4 year period following the adoption of the Core Strategy and South East Plan are significantly lower than the targets of each plan (622 dpa and 650 dpa respectively) averaging just 230 dpa.

Table 3: Net Housing Completions 2000-11

2000/ 01	2001/ 02	2002/ 03	2003/ 04	2004/ 05	2005/ 06	2006/ 07	2007/ 08	2008/ 09	2009/ 10	2010/ 11
342	642	397	644	331	651	393	221	306	235	160

- 3.3 The AMR predicts a total of 3,301 net completions over the next 7 years, at an average of 472 dpa. This is shown in Table 4 below.

Table 4: Projected Net Completions 2011-2018

2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
309	583	735	618	373	289	384

- 3.4 As indicated, there is expected to be a significant rise in the level of completions over the next 7 years. To some extent this is based upon development at strategic sites in the north of the District, however there also appears to have been assumptions made that economic growth will quickly return to pre-recession levels. This is at best uncertain and the projections seem unjustifiably high, highlighted by projected net completion levels in 2013/14 being higher than those in 2005/06.

²³ AMR 2011 Fig8 p56

- 3.5 The AMR shows commitments (sites with planning permission or allocated) on large sites at 1 April 2011 for 6,075 homes (Housing Land Supply Large Sites)²⁴, 269 Small Sites²⁵ with an additional 261 homes have been permitted after 1 April 2011 (up to October 2011)²⁶, a total of 6,605 homes. Sites include some 2,000 homes West of Horsham (ref DC/09/2138) and some 2,500 homes West of Bewbush (ref DC/10/1612).
- 3.6 It will be noted from Table 12 that the projected housing numbers for the strategic development location West of Bewbush have not been included in the Core Strategy trajectory. The reason for this is that the Council's position regarding the West of Bewbush development location is that it represents a sub-regional strategic allocation intended specifically to meet internally generated growth needs of Crawley. These housing numbers should therefore be 'ring-fenced'. However, the permitted site will still count towards the supply position in Horsham.
- 3.7 Total completions over the full 18 years between 2000 and 2018 are/are expected to total 7,943 homes, an average of some 440 dpa. There is clearly no shortage of sites available for development with commitments for some 6,600 homes as at 1 October 2011.

²⁴ AMR 2011 Appx 4 p113

²⁵ AMR Appendix 5 p115

²⁶ AMR Table 13 p59

4.0 ANALYSIS OF LOCALLY-GENERATED NEEDS STUDY

Introduction

- 4.1 This Report has already highlighted the comparison with the LGNS figures and HMH figures with those in the recently adopted SEP (2009) and Core Strategy (2007), with the other 'real world' comparison of an average completion rate of 440 dpa over an 18 year period. The reason for this rate of completions, lower than 'planned rates' is not a shortage of developable land as the level of 'commitments' at some 6,600 shows. Against this factual background, the LGNS content and the HMH options are now examined.

Population Projections

- 4.2 The LGNS identifies a population in Horsham District of 131,600 in mid-2010 based on projections from ONS Mid-Year Population Estimates²⁷. The District's population had grown steadily by an estimated 7.7% between 2000 and 2010 which is only marginally higher than the national and regional rate, however ONS Mid-Year Population Estimates indicate a slight slowdown in population growth since 2007²⁸.
- 4.3 Figures 2.3 (p14) and 3.1 (p21) illustrate the structure of the current local population. There is a significantly older than average population across Horsham District as indicated by the proportion of people in the 20-34 and 35-64 age brackets. 43.7% of the population are aged between 35 and 64 compared to only 40.5% across the South East²⁹; and, of similar significance, only 12.8% of the population are aged 20-34 compared to 20.1% across the region³⁰.
- 4.4 Figures 3.18 and 3.19 (p34) aim to project the population to 2031 using 10-year trend based assumptions. The key trends include a decrease in those aged 30-59 and an increase in those aged 60+, by far the most significant future demographic trend. Much of the future population growth therefore comes from an age group who are already well-established in the housing market, thereby weakening the impact upon new housing demand in the next 20 years.

²⁷ LGNS para 2.10 p13

²⁸ LGNS Fig 2.2 p13

²⁹ LGNS para 2.11 p13

³⁰ LGNS para 2.12 p13

- 4.5 It is important to consider the population change of those aged 20-34 within the District as this is likely to include a large proportion of those who will be entering the housing market. Projections estimate that there will be a relatively small increase of 1,411 in those aged 20-34 in the period 2011-2031, from 16,650 to 17,961 (Figure 3.17, p33). Given increasing house prices in Horsham (to be considered more fully later), and the pressures put on affordability, it may be important to consider a broader age bracket for those who may enter the housing market. If the population change of those aged 20-44 is considered, there would only be an increase of 152 people between 2011 and 2031, from 34,932 to 35,084 (Figure 3.17).
- 4.6 As illustrated in Figure 2.4, the biggest component of population change in Horsham is migration. Since 2001, net migration levels have accounted for a large part of total population change each year, and therefore this is likely to be an important issue for the future. However the LGNS highlights that projecting migration is “probably the hardest assumption to make”.³¹
- 4.7 The difficulties in projecting migration are largely due to the high variability of net in-migration rates to Horsham seen over the past 10 years, ranging from 300 in 2001/02 to 1200 in 2005/06 and 2006/07. An average of the net in-migration over the past 10 years is taken to project future housing demand, however given the extreme variability it is questionable whether this is a suitable tool for estimating future migration trends. Indeed, the most recent and relevant data between 2007 and 2010 shows a significant decrease in net in-migration levels, with a 3-year average almost half of the previous 3-year period between 2004 and 2007. The LGNS has however focused on long-term trends despite ONS projections based on short-term trends.

Economic-Driven Population Projection

- 4.8 The Study identifies that the current employment rate in Horsham District is approximately 77.7%, having dropped from approximately 80% in 2007. This follows regional and national trends where the employment rate has also significantly dropped as a result of the recession.
- 4.9 In projecting anticipated employment rates in the District for 2031, an assumption is made that the employment rate will return to the 80% level prior to the recession.

³¹ LGNS (2012) Paragraph 3.18

*'For the purposes of modelling we have therefore assumed that employment rates start (in 2011) at around 77.7% and then improve to reach about 80% by the end of the projection period in 2031.'*³²

- 4.10 This assumption is more of an assertion and therefore somewhat questionable. It is important to recognise that the economic growth experienced prior to the recession was unprecedented. In addition, it has become apparent that the recovery from the recession could be particularly slow, and there have even been fears of a double-dip recession. Whilst the economy may be expected to recover in the future, there is no indication of whether this will be a complete recovery and the length of time taken for this to occur.
- 4.11 It is also worth considering the impacts of projected future population change in Horsham District, as referred to in Paragraph 5.4. It is highlighted in Figure 3.18 that there may be a significant reduction in a significant portion of the working population - 4.7% in the number of 30-44 year olds and a reduction of 8.6% 45-59 year olds. This is also illustrated in a significantly narrower population pyramid in Figure 3.1. A projection based on current or slightly higher than current figures may therefore be more appropriate.
- 4.12 Consideration is given in Paragraph 4.7 to the impact of an increase in the State Pension age during the Plan period, in that from April 2026 the State Pension age will be 66 for both men and women. This will provide a small boost to the working age population, but is not considered to have a significant impact on the demand for new homes because these workers are most likely to already be local residents.
- 4.13 Paragraph 4.11 and Figure 4.4 identify the levels of commuting to and from Horsham. It is highlighted in particular that there is a net commute out of Horsham by a difference of approximately 10,600 people.
- 4.14 Based on Projection 1 (10-year trends), it is expected that the number of people employed in the District would increase by 1,844 over the plan period.³³ A proportion of this increase will take into account the raise in retirement age expected to occur by 2031, and therefore any increase to employment levels may not necessarily lead to a proportionate increase in the level of new housing required.

³² LGNS (2012) Paragraph 4.9

³³ LGNS (2012) Figure 5.10

4.15 In addition, the projected increase is based upon assumptions of economic growth. It is expected that the economy will return to pre-recession levels, however care should be taken with this assumption given recent indications of a slower than expected economic recovery.

4.16 Whilst Projection 1 shows an increase of 1,844 new jobs, Projection 2 (assuming zero net-migration) shows a decrease of 7,387 jobs to 2031, as shown in Figure 4.5. This is also highlighted in Paragraph 4.21 which states that –

'If there were no increase in the overall size of the population in the District – with the population remaining at 2011 levels – there would be a significant decrease in the number of people who are working (again mainly linked to the ageing population).'

4.17 Considering anticipated future migration levels is therefore critical in projecting the future levels of employment in the District and the impact on housing requirements.

4.18 Several reasons are suggested in the Study as to why people decide to move to Horsham, the main one of which is considered to be local economic performance. Paragraph 4.26 states that;

'While recognising that the reasons why people move to Horsham vary, we consider that economic performance will be a key driver of trends.'

4.19 It is considered however that too great an emphasis is placed upon economics as a driver for migration in this instance. This is illustrated in Paragraph 4.11 and Figure 4.4 which highlight that the majority (58.6%) of those of a working-age who live in Horsham do not work in the District. Accordingly, it is evident that there is not a direct linear relationship at a local level between economic performance and housing demand.

4.20 Of the economically-led projections, it is important to recognise that Projections 5, 6 and 7 are taken using an Experian econometric forecast dated February 2009. Given the significant economic change that has occurred over recent years, the relevance of data produced 3 years ago is questionable.

4.21 This is considered in Paragraph 4.33 which states that:

'It should be recognised that economic conditions have continued to change since these 2009/10 forecasts. Economic growth in 2010 and 2011 has been much more moderate than was forecast.'

- 4.22 To achieve employment growth in line with Projections 5-9, annual population growth of between 875 and 1,386 would be required. However, in accordance with the points made above, it is considered that evidence of this is absent, and employment growth at this level should be reduced.

Household Growth Projections

- 4.23 Paragraph 5.7 identifies that there are currently 55,000 households in Horsham District as of mid-2011. Whilst projected increases in population and employment will generate further demand, it is important to recognise the points highlighted in Paragraphs 5.8 and 5.9.

- 4.24 Paragraph 5.8 states:

'There is some evidence at a national level that household formation rates over the past two/three years have been suppressed (such as from the English Housing Survey) due to the inability of concealed households to form linked particularly to the difficulties for younger households in obtaining mortgage finance.'

- 4.25 The Study assumes that any reduction now will be compensated by increases in the future, partly due to the responses from previous economic downturns. However, it is important to recognise that the most recent recession has been very severe in comparison, and there are indications that the recovery will be extremely slow. Little further evidence is provided as to why it is considered that household numbers will rise.
- 4.26 It is also important to consider house prices in the District and the impact on household formation. The Annual Monitoring Report 2011 shows a significantly above average house price of £267,500 in July/September 2011 and a ratio of lower quartile house prices to lower quartile earnings at 9.29, compared to 6.28 nationally.
- 4.27 In addition, as Paragraph 3.50 of the AMR 2011 summarises;

'...it has become increasingly difficult for people, especially the young, to move onto the property ladder within the District, even those on reasonable incomes. This is partly due to the significant barriers to market entry which currently exist but also due to a lack of provision of smaller 1 and 2 bedroom properties.'

- 4.28 In addition to the numbers of dwellings that have been forecast in each projection, a 2.5% vacancy allowance has been included. There is however no rationale or evidence base provided as to why this percentage is used. Whilst it is agreed that an allowance may need to be made for the turnover of properties, it is considered that this will be minimal if the needs of the District population are fully considered prior to housing developments.

Summary

- 4.29 In terms of population growth and profiles of age bands, the picture which emerges is one of a 'bulge' of adults moving up the age bands in the plan period culminating in numerically and proportionally a higher than average older group that will not generate new housing needs, as they are already resident.
- 4.30 Given the current scale of constraints on demand and considerations of house prices and likely trends on young people, it is considered that significant demand will not be generated within the plan period to warrant the levels of housing currently envisaged.
- 4.31 The Study applies 5 economically-led projections to estimate future household growth levels, generating scenarios of between 620 and 792 dwellings per annum. It must be acknowledged however, that no significant weight or attention is paid in these projections to Figure 4.11 and Paragraphs 4.33 and 4.34 which states:

'...economic conditions have continued to change since these 2009/10 forecasts. Economic growth in 2010 and 2011 has been much more moderate than was forecast...Economic growth (particularly within the short-term) could be on the more moderate side of the range of economic-led scenarios developed. This reflects the prospect of a further recession in the Eurozone and the impact of this on exports, together with the prospect of continuing public sector spending cuts beyond 2015.'

- 4.32 Accordingly, it is considered that there should be a reduction in the amount of new households required to take into account the economic situation.

5.0 CONSTRAINTS

Market Constraints, Economic situation

- 5.1 The economic downturn that has been experienced nationally since 2007 has had a significant impact upon the local economy in Horsham District, in terms of housing completions, affordability, employment and migration levels in particular. Whilst the current position is subject to change (and the lifetime of the Planning Framework allows several economic cycles) the current economic situation is particularly severe and there is no clear evidence on when, if to what extent it may change. This has a fundamental impact on likely future trends which will inform (for instance) employment levels, house prices and available finance, the rates of new dwelling completion, migration and changes to the population structure.
- 5.2 The current economic position is referred to briefly as a consideration in the LGNS, particularly with reference to its impact on future economic performance in the District. Paragraph 4.34 states:
- 'Economic growth (particularly within the short-term) could be on the more moderate side of the range of economic-led scenarios developed. This reflects the prospect of a further recession in the Eurozone and the impact of this on exports, together with the prospect of continuing public sector spending cuts beyond 2015.'*
- 5.3 The threats to economic growth in the District are therefore substantial, and whilst there have been recent signs of recovery, it would be dangerous to assume that the local economy will quickly return to pre-recession levels. This is a concern of the LGNS – too little attention is paid to the current economic position and its influence on future housing demand in the District. The tone of the LGNS is such that there is considered to be a strong recovery in demand and in the local housing market in the future. However this is not matched by the Annual Monitoring Report, which recognises the challenges to the local economy which have resulted in falling employment levels and a slight fall in house prices.
- 5.4 Recent reports by the Organisation for Economic Co-operation and Development predict that the UK economy will contract in the first 3 months of 2012, putting the country back into recession.³⁴ This highlights the weakness of the economy at

³⁴ <http://www.bbc.co.uk/news/business-17547978>

present, and whilst Horsham has previously reacted relatively strongly, a further recession is likely to bring multi-faceted impacts to the local housing market.

Deliverability of existing allocations

- 5.5 The AMR indicates that there are already committed sites for some 6,600 dwellings (see section 3 above). Of the commitments with planning permission, it is important to consider the likelihood of enactment on the permission and the phasing period of delivery. For those without planning permission, it is necessary to consider if and when there is likely to be permission granted, and therefore when new dwellings may come forward.
- 5.6 It is particularly important here to consider the local economic position. The recovery from the recession in 2007 has been particularly slow, and as has been stated, there are reports that the UK will re-enter a recession in the near future. This is likely to put a greater strain on the deliverability of housing in the District, particularly of larger schemes, as viability becomes an increasingly important factor. It is considered likely that not all of these commitments will be acted upon in the current climate.

House prices & Affordability

- 5.7 The average house price in Horsham District, as of July-September 2011 was £267,500 based on 139 sales³⁵. This marks a slight drop on the previous year, where the average house price in the District was at almost £294,000. Despite the recent drop, house prices within Horsham remain significantly above national and regional averages. Taking the monitoring period of April 2010 – March 2011, the average house price in Horsham District was £225,596, compared to an average of £205,421 for West Sussex and £206,582 for the South East.
- 5.8 House prices in the District reflect an existing housing stock of predominantly large detached and semi-detached dwellings. This presents a significant challenge to affordability, particularly for young first-time buyers, and is arguably one reason for the lower proportion of 20-34 year olds living in the District.
- 5.9 The report does however highlight that the challenges currently facing the UK economy and housing market have had an impact locally resulting in a slight increase

³⁵ Horsham District Council Annual Monitoring Report April 2010 – March 2011

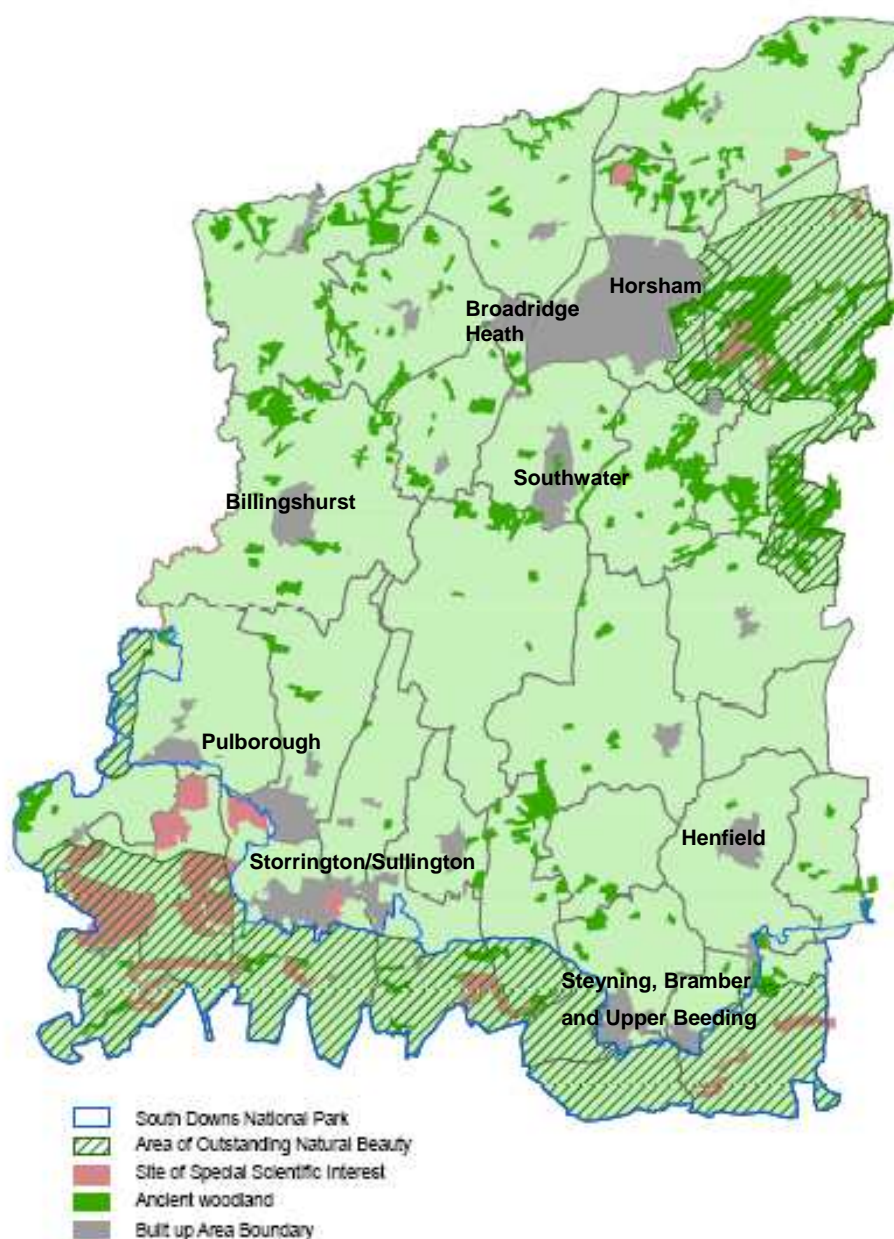
in the rates of unemployment and a downturn in house prices since 2009/10. Whilst house prices have fallen, a key challenge continues to be the affordability of housing, particularly for first time buyers.

Physical Constraints

- 5.10 The landscape and biodiversity of Horsham District varies greatly. To the north-east of the District is the High Weald Area of Outstanding Natural Beauty, and to the south is the South Downs National Park, covering 14.3% of the District. There are 23 national Sites of Special Scientific Interest, 69 Sites of Nature Conservation Importance and 22 Regionally Important Geological Sites. In addition, the District has approximately 1,800 listed buildings and 37 Conservation Areas all of which have been designated for their special architectural or historic interest³⁶.
- 5.11 The map below, Figure 1 (adapted from the 2011 AMR) gives an overview of the main physical constraints to future housing delivery in the District and the location of the Core Strategy Category 1 settlements where future development is likely to be located.

³⁶ AMR (2011) Chapter 3: Contextual Indicators

Figure 1: Physical Constraints in Horsham District³⁷



5.12 Paragraph 3.11 of the adopted Core Strategy sets out the approach of Horsham District Council to the environment within the District. This is an important consideration when assessing the capacity of settlements to accommodate future housing growth. Paragraph 3.11 states:

³⁷ AMR (2011) Chapter 3: Contextual Indicators pg. 20

'We attach great importance to protecting and enhancing the diverse character of the countryside within our District. And change needs to respect the character and diversity of the countryside and there will be times when greater priority needs to be given to the protection of the nationally and locally important natural and historic environment, even at the cost of foregoing some short-term socio-economic benefits.'

5.13 The Core Strategy identifies those settlements where new development is most likely to take place, the Category 1 Settlements (towns and villages with a good range of services and facilities as well as some access to public transport - capable of sustaining some expansion, infilling and redevelopment). It must be assumed, for now, that the Planning Framework will re-use this 'hierarchy' of settlements.

5.14 The Settlements are:

- Billingshurst
- Broadridge Heath
- Henfield
- Horsham
- Pulborough
- Southwater
- Steyning, Bramber and Upper Beeding
- Storrington/Sullington

5.15 The following section provides a brief observation of the constraints to development at these settlements and their ability to accept new development.

Billingshurst

5.16 Billingshurst is located on the western edge of the District, approximately 8 miles south-west of Horsham. The village is connected to the south coast and towns such as Dorking via the main A29 route which acts as a boundary around the west of the settlement. Rosier Wood, Daux Wood and Beck Copse comprise an area of Ancient Woodland to the south-east. Accordingly, large-scale future housing development could only be suitably accommodated to the east. In addition, there is considered to

be only limited potential for infill development given the existing density of the settlement.

5.17 As set out in the Site Specific Allocations of Land (2007) document, there are already a significant number of dwellings allocated to Billingshurst. There are a total of 76 dwellings allocated on 4 sites:

- Charles Wadey Builder's Yard, Stane Street – 18 dwellings (Policy AL1 Previously Developed Land)
- Station Mills, Daux Road – 14 dwellings (Policy AL1 Previously Developed Land)
- Trees, East Street – 19 dwellings (Policy AL1 Previously Developed Land)
- Land at Hammonds, East Street – 25 dwellings (Policy AL7)

Broadridge Heath

5.18 Broadridge Heath is located to the west of Horsham beyond the A24. The A24 segments the two settlements and acts as a buffer to development to the east. There is an area to the west and south at risk of flooding, as identified by the Environment Agency. The west of Horsham strategic site allocation is situated to the south, separated from Broadridge Heath by the A264. 2,000 dwellings have been allocated on this site, with anticipated completion by 2018. In addition, the Site Specific Allocations of Land (2007) document allocates a total of 45 dwellings at Broadridge Heath. Land is identified on previously developed land at Vauxhall Stevens, Broadridge to accommodate residential development, in accordance with Policy AL1. Accordingly, scope for future major development is limited to the north of Broadridge Heath; however a strong boundary remains from Old Guildford Road and a number of mature trees and hedgerows.

Henfield

5.19 Henfield is located in the south-east of the District, approximately 10 miles south of Horsham via the A281, and 8 miles north-west of Brighton in East Sussex. The South Downs National Park, designated in 2011, is located approximately 2.5 miles further south and combines a unique 'biodiverse landscape with bustling towns and

villages.³⁸ The River Adur forms an arc running to the west of the settlement, alongside which there are several areas of flood risk, particularly around Rye Farm to the south-west and further north and west. There are also several areas of Ancient Woodland around the settlement to the south and Parsonage Wood to the north.

- 5.20 There are a number of impacts to be considered to the wider area when considering future growth at Henfield, however in the immediate area surrounding the settlement there may be some scope for development. The village is considered to be one of the most sustainable settlements in the District and accordingly Policy AL12 of the Site Allocations (2007) documents allocates 90 homes on 6 acres of land at Parsonage Farm/St Peter's Meadow to the north of the village. There is however considered to be a limited range of facilities and services in the village to accommodate any further development.

Horsham

- 5.21 Horsham is the largest settlement within Horsham District and is located 5 miles south-west of Crawley and the M23. The A264 to Crawley and A24 to Worthing run to the north and west of the settlement respectively. To the east is the High Weald Area of Outstanding Natural Beauty, designated in 1983 to conserve and enhance the historic character of the rolling hills landscape. In addition, the River Arun runs to the south and west of the town providing a further constraint to development.
- 5.22 The Core Strategy and subsequent Site Allocations document allocate land to the west of Horsham to provide 2,000 dwellings. In addition, the Site Allocations document allocates a total of 809 dwellings at Horsham on 21 separate sites.

Pulborough

- 5.23 Pulborough is located in the south-west of District, approximately 10 miles from Horsham. There are a number of physical constraints to future development, particularly to the south and west. The settlement is bordered to the south by the South Downs National Park, which arcs round the western edge of the settlement. In addition, there are two Sites of Special Scientific Interest and an Area of Outstanding Natural Beauty within close proximity to the south. The Environment Agency also highlight that this entire area is at risk of flooding.

³⁸ www.southdowns.gov.uk/

- 5.24 Policy AL5 of the Site Allocations (2007) identified previously developed land at Riverside Concrete, Stane Street in Pulborough for 146 dwellings. The 2011 AMR Report states that this development has now been completed.

Southwater

- 5.25 Southwater is located approximately 3 miles south of Horsham in the centre of the District. Horsham can be accessed via the A24 which runs south to Worthing and bounds the settlement to the east. The area to the north of Southwater is identified as a Strategic Gap in the Core Strategy, which helps to maintain the separate identity of Southwater and Horsham and to prevent them from merging together. In addition there are a number of ancient woodlands to the south west, including Blinks Wood, Carpenters Wood, Rascals Wood and Hogs Wood, which provide a further constraint to development. Development in the settlement itself is constrained by woodland and a Country Park area in the south.
- 5.26 Policy AL1 of the Site Allocations (2007) identified previously developed land at Southwater Village Centre for 113 dwellings. The 2011 AMR Report states that this development has now been completed.

Steyning, Bramber and Upper Beeding

- 5.27 Steyning, Bramber and Upper Beeding are 3 adjoining settlements located in the south of the District. Shoreham-by-Sea and Worthing are located approximately 5 miles away on the south coast; Horsham is approximately 15 miles to the north. The 3 settlements are bounded to the south by the South Downs National Park and an Area of Outstanding Natural Beauty. Accordingly there is a sloping topography in this area. In addition, the River Adur runs through Bramber, creating a significant area liable to flooding through the settlement.
- 5.28 To the west and north-east of Steyning there are designated Landscape Character Areas, both of which are considered to be declining. Appendix 6 of the AMR states that the overall condition of both areas is declining due to the loss of hedgerows and visual intrusion from pylons.

Storrington/Sullington

- 5.29 The settlements of Storrington and Sullington are located in the south of the District, approximately 5 miles north of Worthing in East Sussex. The South Downs National Park and Areas of Outstanding Natural Beauty border the villages to the south which provide a substantial constraint to development. There are also two Sites of Special Scientific Interest located in close proximity to the south-west. Development to the east is constrained by a large area of woodland, whilst considerations would also need to be made for Perrett's Copse and Northpark Wood, located in close proximity to the north and west.
- 5.30 Policy AL1 of the Site Allocations document allocates a total of 83 dwellings at Storrington on 4 separate brownfield sites. In addition, Policy AL10 allocates a total of 25 dwellings to St Joseph's Abbey in Storrington. In Sullington, 15 dwellings are allocated on the RAFA site in Policy AL11.

6.0 CONCLUSIONS

- 6.1 The LGNS and the HMF Consultation advocates levels of housing for the Planning Framework which are higher than those in the SEP and CS and substantially higher than past and anticipated completions. Forecasting is an inexact science heavily based on assumptions. This report highlights the considered inaccuracies of these assumptions and accordingly the weaknesses of the options for future housing delivery.

Key Points

- 6.2 Based on an analysis of the evidence base above and local constraints, there is significant scope to suggest the need for a level of housing in Horsham District in the lower range put forward for consultation. This is based on the following key points:
- Much of the future growth in population is due to the ageing structure of the population – there is a relatively minor increase in the 'lower end' of the population, but not significant enough to warrant the housing numbers stated. Clearly the older population are already in the housing market generally and do not put such a demand on new housing.
 - There is an assumption that employment levels will rise to pre-recession levels very quickly. This is a strong assumption to make given the weak economic recovery so far and fears of a double-dip recession. Even so, some of the anticipated employment growth is accounted for by workers retiring at an older age. These workers are likely to already be local residents not requiring new homes.
 - Despite a recent drop in house prices, they remain significantly above regional/national averages and impact strongly upon affordability, particularly for young first-time buyers.
 - There are a substantial number of allocated dwellings due for completion over the course of the next 5-10 years, significantly above the completion rate of previous years, such that adding significant extra housing is not justified.
 - There are a number of physical constraints which may impact upon suitable sites for the scale of housing proposed.

Summary of Analysis

- 6.3 As already indicated, much of the projected population growth is due to a significant increase in those aged 60+ living in the District, particularly due to rising life expectancy. The direct effect of a population increase of 11.8% on required housing numbers is therefore somewhat misleading, as the growth in population is caused to some extent by those already in the housing market.
- 6.4 A more direct relationship upon housing demand comes from those of a younger age who are entering the housing market. The LGNS highlights that the District has a proportionately lower than average amount of people aged 20-34, and whilst there is predicted to be some growth in the 25-29 age group (LGNS Figure 3.19), this is not to the extent that it will significantly affect the number of young adults in the District. In addition, given the increasing issue of affordability in the District, it is considered that there will not be a substantive change to the number of young first-time buyers.
- 6.5 It is additionally important to highlight the influence of migration to projected population. As indicated in the Table, there is a significant change to housing need when migration is and is not included. Migration to Horsham has fluctuated significantly over recent years, which presents difficulties in projecting future migration based on previous trends, and difficulties in presenting a fully robust projection for population. The LGNS assumes that future migration to Horsham will increase, however this ignores to an extent the issue of affordability and the impact of the recession.
- 6.6 The LGNS highlights that there is currently a net out-commute from Horsham by approximately 10,800 people. It is considered that unless substantial employment growth occurs in the District, a significant growth in housing would increase levels of commuting out from Horsham. This is likely to put significant pressure on surrounding infrastructure and as such increase the harm to the environment. The provision of local jobs could result in a reduction of out-commuting by existing residents – such extra jobs do not need extra houses.
- 6.7 It is also anticipated that there will be a quick increase in employment to the levels seen pre-recession. This is a strong assumption given the weak economic recovery and the apparent lack of proposals to generate significant employment in the District. In considering the future provision of housing, it is essential that a co-ordinated

approach is taken incorporating plans for employment growth. It is difficult to predict the precise levels of housing that can be accommodated without a clear indication of plans for future employment. It is considered that the higher options proposed would not be sustainable without a significant increase in job provision otherwise the level of out-commuting would significantly grow. Accordingly, adopting a lower level of housing in the District would ensure a more-rounded solution to future growth in Horsham.

- 6.8 Chapter 5 highlights the numerous constraints to development in Horsham District, in particular a number of physical constraints. The NPPF provides a preference for brownfield development to accommodate future growth, however the constraints of the Category 1 settlements, as highlighted above, will make it increasingly difficult to meet large-scale housing requirements in these locations.
- 6.9 The 2011 AMR highlights that there are some 6,600 commitments as at October 2011. This is a significant number of dwellings that would provide a substantial contribution to any future local housing target, even making allowance that some would not be built. However, it is important to consider that not all of these commitments are likely to be acted upon. Projected net completions in the District over the next 7 years are anticipated to be far higher than those experienced in the previous decade. Much of the previous decade was a time of unprecedented growth and thus it is a strong assumption to make that all of the commitments will be acted on, particularly in a time of economic recovery.
- 6.10 Past housing completions over the last eleven years (2000/1 - 2010/11) have averaged some 400 dpa with a high of 651 (2005/6) and a low of 160 (2010/11). This is a clear factual record through economic conditions of peaks and troughs. They reflect need, demand, constraints, and migration. Even future projections, which are clearly less certain, average some 470 dpa. Forecasting assumptions in the LGNS are often no more than assertion, and this Report has identified factors such as the age profile which shows that the majority of future workers and residents are probably already housed within the District and will not require additional housing. Even the laudable but unsubstantiated aim of creating more jobs will probably attract out-commuters (a high percentage of workers) to seek local employment, again not requiring additional houses.

- 6.11 It is surprising that even Option B (635 dpa) is not much different to the SEP requirement for the District of 650 dpa, and Options C and D are higher or much higher. This is unjustified in commonsense terms (or even explained in the LGNS) in that the SEP was cast in quite a different era. Other Local Planning Authorities in the area are also consulting on housing options³⁹. The average SEP housing figure for these eight Districts is 377 dpa. The options consultations have an average range of between 280 dpa and 376 dpa, with the mid point of 328 dpa. There is no evidence to suggest that Horsham District has significantly different characteristics to justify that all but the lowest option is at or above the SEP housing target.
- 6.12 Horsham District generally is constrained in providing for development with the extensive area of the South Downs National Park, wide areas of Areas of Outstanding Natural Beauty, large numbers of Sites of Special Scientific Interest and many Ancient Woodlands. The eight main settlements are of intrinsic character with constraints around them as illustrated in this Report. The well-above-average house prices also act as a market constraint. Although the case is not made numerically for a large increase in housing numbers, even if it were these constraints point to difficulties in delivery.

Final Conclusion

- 6.13 This Report demonstrates that the level of growth in Horsham District over the plan period to 2031 - in terms of population growth, employment growth, household formation and migration - is either overstated in the Locally Generated Needs Study or likely to require far fewer additional dwellings than the 'How Much Housing' options proposes. This has been highlighted throughout and summarised above. The growth that will be experienced in the District will not significantly impact on the housing needs of the area to such an extent to warrant the level of housing proposed in the options. Accordingly, the evidence on past performance and future economic, population and household formation would support lower levels of new housing growth than those anticipated in the SEP which was derived from forecasts made prior to 2007 'at the top of the market'.
- 6.14 The Options A to D of future housing targets which are now being consulted on as a basis for the District Planning Framework are all much higher than past completions,

³⁹ Table 1 above

or even those projected in the AMR. Even the lowest Option A at 590 dpa is almost 50% higher than past completions. The LGNS does not adequately justify these high levels of housing, often relying on unsupported assumptions that verge on assertion. Evidence of housing options in other Districts in the area point towards levels below the SEP, not above. Horsham should be no different.

- 6.15 As for a figure of annual housing completions to recommend, this Report proposes that an increase on the level of past completions provides some flexibility to deal with modest future growth. In any event the Horsham District Planning Framework will be subject to review and rolling forward and can take account of further future analysis (the 2007 Core Strategy is already being reviewed by this Planning Framework. The newly adopted National Planning Policy Framework (27 March 2012) at paragraph 47 provides a justification for taking past completions and increasing these by 20% to allow for any under-delivery. Past completions over eleven years have averaged some 400 dwellings per annum, adding 20% to that results in a future target of 480 dwellings per annum. **This Report therefore recommends an annual housing target of 480 dwellings per annum, or 9,600 additional dwellings over the Planning Framework period.** This includes some 6,600 commitments and represents an increase within the plan period of over 16% on the current number of households⁴⁰.

⁴⁰ LGNS para 5.7