

Home Builders Federation

Matter 6

Matter 6: Housing

Issue 1: Whether the Council's approach to calculating its full, objectively assessed needs and housing requirement is justified, based on up-to-date and reliable evidence, effective, positively prepared, and consistent with national policy?

Objectively Assessed Need-Housing

57. Does the Plan period cover an appropriate time frame for the provision of housing (2021-2039) consistent with national policy? If not, what would be the implications for housing need?

No. The NPPF states at paragraph 22 that local plans must look ahead for at least 15 years and if the plan were to be found sound it will not be adopted until the summer of 2025 at the earliest. This would result in the plan looking ahead for less than 14 years. The plan period should therefore be extended to 2040 ensure the plan looks ahead for the 15 full years required by national policy. This would increase housing need to 20,710 based on the requirement in the submitted plan of 1,090 dpa

58. To determine the minimum number of homes required, housing policies should be informed by the Government's local housing need methodology. As such, are the inputs used to determine the level of housing needed within the Plan appropriate?

At the point in time that the regulation 19 consultation was undertaken the inputs used to determine the local housing needs assessment were appropriate. However, as



noted by the Council in Housing need and Requirement Topic paper (H5), the latest affordability ratios were published in March. This latest evidence shows the median affordability ratio reduced from 12.95 to 12.09 which results in an affordability adjustment factor of 1.506. Using the new base period of 2024 to 2034 the average annual household growth is 690 and applying the adjustment factor to this growth results in a local housing needs assessment of 1,039 dpa.

As the inspector will be fully aware it will be important for the housing requirement that is to be included the plan to be determined prior to the stage 2 hearings. This will allow considerations of land supply in any statements to be based on the requirement to be included in the adopted local plan rather than the one submitted and avoid unnecessary confusion at the hearings.

59. Are there exceptional circumstances to suggest that an alternative approach be taken? If so, what are they, and how would they impact on housing need? Is the Strategic Housing Market Assessment 2021 (H1) up to date and justified?

There are no exceptional circumstances to support an alternative assessment of housing need.

60. What are the implications, if any, of the Gatwick Airport's proposed extension and DCO on the demand for housing? Does the OAN set out within the submission Plan of 19,620 remain appropriate?

No comment.

Affordable housing

61. Is the figure of 470 affordable homes per annum set out in the SHMA (H1), split between rented and owned homes, subject to S106 control, based on appropriate evidence?

No comment

Housing Requirement

67. Is a minimum housing requirement of 19,620 justified and consistent with national policy? What is the status of the 996 dwellings referenced within the table in Policy DPH1 as total under/over supply for resilience and unmet need? Should this figure be included within the annual housing requirement for the district?

HBF is not clear as to the status of the 996 dwellings referred to by the council. This appears to be both a buffer in supply to ensure that the plan is deliverable over the plan period as well as meeting some of the unmet need arising in neighbouring areas. HBF does not consider it possible for this to be both. If it is to address unmet needs, then this forms part of the Council's housing requirement against which delivery will be assessed – as was the case in the Hart Local Plan where the unmet needs expected to arising Surrey Heath were included within the Housing requirement¹.

The reason why it must be part of the requirement is simply to ensure that these needs are actually planned for and that there are consequences should these needs not be addressed. At the moment the number of homes Mid Sussex might contribute to wider unmet needs is a moving feast with no guarantee that these will be addressed, and the council cannot claim with any degree of certainty that they will be addressing needs from either Crawley or Horsham.

If these additional homes are to address unmet needs arising elsewhere in the HMA then they must be included in the requirement with a buffer between that requirement and housing supply over the plan period to provide the necessary flexibility to ensure that these needs are met. If they are not to meet the needs of another area, then it must state that this is a buffer to ensure the deliverability of its own housing needs. However, it cannot be both.

68. Are there other considerations that are likely to drive an increase in the homes needed locally, such as any needs that cannot be met within neighbouring areas namely the 30,000 dwellings of unmet need identified up to 2050 in the Coastal West Sussex and Greater Brighton authorities, Housing Need and Requirement Topic Paper (HN RTP) (H5), and the more immediate housing needs of Crawley, Brighton and Horsham?

¹ Policy SD1 - Hart Local Plan (Strategy and Sites) 2032.

HBF has consistently raised concerns through its representations as to the significant shortfalls in housing supply in this sub region. The shortfall in housing in the HMA and wider sub region places significant pressure on the housing market in this area. The lack of housing being built in LPAs such as Brighton will inevitably put pressure on the market in Mid Sussex with more people looking to meet their housing needs elsewhere. This shortfall is due to constraints such as the South Downs National Park and various national landscapes that limit the locations for growth. These constraints have then been exacerbated by the issue of water neutrality. It is therefore crucial that those less constrained areas such as Mid Sussex seek to deliver as many homes as possible.

69. If so, are there any policies within the Framework that protect areas or assets of particular importance that provide a strong reason for restricting the overall scale, type or distribution of housing, within the plan area; or would any adverse impacts of meeting the Council's OAN and the unmet needs of others significantly and demonstrably outweigh the benefits when assessed against the policies of the Framework as a whole?

There are assets of particular importance as referred to in footnote 7 to paragraph 11 of the NPPF that need to be considered as part of plan preparation. But these do not extend across the entirety of Mid Sussex and as such there are potential sites that could come forward to reduce the shortfall in housing that is arising elsewhere. The Council must look to maximise delivery and allocate further sites in this plan.

70. Is the requirement for Older Person's Housing and Specialist Accommodation (DPH4); DPH5: Gypsies, Travellers and Travelling Showpeople and DPH6: Self and Custom Build Housing justified and positively prepared?

No comment.

71. What is the housing requirement for each designated neighbourhood area?

No comment.

72. Are any main modifications necessary for soundness, if so, why?

Main modifications are required to clarify the council’s position with regard to unmet housing needs. HBF would also suggest that further site must be allocated in order to address some of the unmet needs ideated elsewhere in the HMA and sub region.

HBF would also recommend that the plan also likely to require modification to set out an immediate review of the plan to take account of proposed changes to the NPPF that are currently being consulted on. While these changes are still out for consultation should the remain as currently presented consideration will need to be given to paragraph 227 which states:

“Where paragraph 226 c) applies, local plans that reach adoption with an annual housing requirement that is more than 200 dwellings lower than the relevant published Local Housing Need figure will be expected to commence plan-making in the new plan-making system at the earliest opportunity to address the shortfall in housing need.”

The proposed standard method would see Mid Sussex’s housing needs, across the whole of the Borough, increase from 1,090 dpa to 1,276 dpa and will require the council to prepare a new plan immediately. It is also notable that the unmet needs in neighbouring authorities and in the Greater Brighton and Coastal West Sussex area will also increase substantially should the new standard method being proposed by the Government is adopted. As can be seen in the table below housing need will increase significantly, with many facing challenging five-year land supply positions due to plans being considered out of date. This will require Councils to work together to address these unmet needs as new plans are prepared. An early review of the Mid Sussex District Plan will ensure that MSDC play a full part in the strategic conversations as to where new homes can be delivered to address the pressing need for new homes.

Table1: Comparison of housing needs between current and proposed standard method.

LPA	Current housing needs²	New Standard Method	Year current local plan adopted.
Lewes	602	828	2016
Wealden	1,200	1,397	2012

² Current Standard Method if plan is more than five years old, adopted requirement in plan less than 5 years old/ or proposed requirement in plan at EIP

Horsham	911	1,294	2015 ³
Crawley	755	661	2024
Brighton and Hove	2,319	2,435	2016
Worthing	230	862	2023
Chichester	638	1,206	2014 ⁴
Arun	1,400	1,409	2018
Adur	449	545	2017

However, it is the HBF's experience that without an incentive to review a recently adopted plan these are rarely undertaken rapidly. Therefore, a strong review policy is required that set out clear dates as to when a new plan will be submitted, and the consequences should that plan not come forward in the agreed timescale. HBF would recommend a policy is included in SS1 along the lines of that adopted in the Bedford Local plan 2030 (reproduced in Appendix 1). This policy was included in the Bedford Local Plan in similar circumstances when the NPPF was amended in 2018 requiring the use of the Standard Method to assess housing needs. For Mid Sussex the HBF would therefore suggest the following policy:

Following adoption of the Local Plan, the Council will publish a new Local Development Scheme (LDS). This shall set out a timetable for the preparation and submission of an updated Local Plan, which shall commence within six months of the adoption of the Local Plan with submission being no later than 30 months from date on which preparation of the updated local plan commenced.

In updating its local plan, the Council will:

- Investigate ways of addressing any changes to the calculation in the Objectively Assessed Housing Needs as may arise from proposed changes to the NPPF 2023, and related guidance.*
- Examine all opportunities for meeting some of the identified unmet housing needs of the Northern West Sussex Housing Market Area and the Brighton and Coastal HMA*

³ New Local Plan currently at EIP

⁴ Ibid

- *Consider the potential impact on development needs arising from the outcome of the Gatwick DCO.*

The early review shall be conducted with the objective of securing sustainable development to meet these needs, shall review the current spatial strategy and look to provide other requisite development (including such employment development) and supporting infrastructure to meet the needs arising from this.

In the event that this submission date is not adhered to the policies of the local plan 2040 which are most important for determining planning applications for new dwellings will be deemed to be 'out of date' in accordance with para 11(d) of the NPPF 2023.

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Appendix 1: Review Policy from Bedford Local Plan 2030.

Policy 1 - Reviewing the Local Plan 2030

The Council will undertake a review of the Local Plan 2030, which will commence no later than one year after the adoption of the plan. An updated or replacement plan will be submitted for examination no later than three years after the date of adoption of the plan. In the event that this submission date is not adhered to, the policies in the Local Plan 2030 which are most important for determining planning applications for new dwellings will be deemed to be 'out of date' in accordance with paragraph 11 d) of the National Planning Policy Framework 2019.

The plan review will secure levels of growth that accord with government policy and any growth deals that have been agreed. The planning and delivery of strategic growth will be aligned with the delivery of planned infrastructure schemes including the A421 expressway, Black Cat junction, East West Rail link and potentially the A1 realignment.

The review will also serve to build stronger working relationships with adjoining and nearby authorities and may result in the preparation of a joint strategic plan based on a wider geography.