

ORAL EVIDENCE GIVEN BY NEIL KERSLAKE TO THE HEARING ON 25 JULY 2017 IN ADDITION TO NEIL KERSLAKE'S ORAL SUMMARY OF HIS PAPER DATED 25 JULY 2017

Turning to MSDC 16, para 19 shows that the HMA is short of 917 homes when comparing the OAN of the HMA with the currently expected supply from the housing element of the Annual Monitoring Review. This would result in MSDC needing to meet an unmet need of 917 over the 6 years starting from 2024/5 set out under its stepped trajectory ; or $917 \div 6 = 153\text{dpa}$ in addition to the 150 dpa for unmet need already included in MSDC's stepped trajectory. This would result in a total unmet need of 303 dpa over 6 years or 114 dpa over the 16 year plan period to 2029/30(i.e.. the end of Crawley's plan period). I will call this scenario 4.

If we look at para 22 of MSDC 16 this assumes that Horsham will improve on its supply position such that its supply exceeds its OAN by 2850 in line with its required unmet need provision of 150 dpa over 19 years to 2029/30. This would result in MSDC only needing to provide a further unmet need of 576 homes for Crawley. Over the 6 years from 2024/5 under MSDC's proposed stepped trajectory ,this would result in additional unmet need of 576 divided by 6 = 96dpa which should be added to the 150 dpa unmet need in MSDC's stepped trajectory. This would result in total unmet need of 246dpa over 6 years or 92dpa over the 16 year plan period to 2029/30(i.e the end of Crawley's plan period). I will call this scenario 5.

Para 24 of MSDC is clearly incorrect as there is no shortfall of 35 dpa for Crawley's unmet need as I have demonstrated in my paper to the hearing on the error in the calculation of Crawley's unmet need using dpa's rather than the absolute unmet need number for Crawley.

Scenarios 4 and 5 are completely consistent with scenario 3 in my paper to the Hearing. In scenario 4 there is a net underprovision of supply against the plan requirement for Horsham and Mid Sussex of 83 homes or 5 dpa over 16 years . This 5 dpa would come off the 114 dpa requirement in scenario 4 to give a dpa of an unmet need of about 108 to 109 dpa if Horsham and Mid Sussex were to both meet their supply in line with plan requirements . Similarly, in scenario 5, where Horsham are back on target with supply and their plan requirement, we can see that Mid Sussex are over supplying against their plan requirement by 258 homes or 16 dpa over 16 years. This figure of 16 dpa must be added to the 92 dpa figure from scenario 5 to give a dpa of 108 dpa over 16 years if MSDC were to get back on target with matching supply to their plan requirement.

In relation to para 6 of MSDC 16, MSDC argues that it is not meeting the unmet needs in scenarios 4 and 5 (paras 19 and 22 of MSDC 16) for specific reasons set out in the bullet points in para 6. The first bullet point essentially argues that supply towards the end of a plan period is always uncertain and difficult to forecast and plan figures will in any event be reviewed at least every 5 years at Examination and thus MSDC should be allowed to argue for a lower housing total requirement than the ARM shows to be needed. In my view this argument can be made by almost every planning authority and if it were accepted total housing numbers set at Examination would always be on the 'low ball side' of the actual housing needs for a District. Also, MSDC's position would be in conflict with para 47 of the NPPF which requires that a local planning authorities Local Plan meets the full OAN of the HMA (that does not mean meeting a bit of the unmet need in its plan and then meeting a bit more later). It follows that , in my view ,this argument by MSDC is neither rational nor logical. In bullet point 2 , MSDC argues that if any higher housing numbers are set for it then its plan would be unsound based on transport and habitats considerations. Again I believe that this argument is not appropriate because housing

numbers must be set and based on the housing need evidence before consideration can be given on the deliverability of such housing numbers following evidence on sustainable site availability, transport and habitats issues relating to the Ashdown Forest SAC. MSDC are trying to conflate two separate planning issues into a single housing number rather than dealing with those two issues separately as planning rules require: namely set the housing need in terms of the OAN for the HMA and then, and only then, apply any evidence based constraints. Bullet point 3 is simply a statement of the obvious and is the case for every HMA in the country; its normal sensible practice for each District in an HMA to work closely with one another to resolve issues which are common to the HMA.

Clearly there are no arguments to support MSDC not being required to meet their full share of Crawley's unmet need. If one were to take the view that the assumptions relating to scenario 5 are firm, then the appropriate unmet need for MSDC would be 92 dpa over 16 years or a total of 1472 homes on top of MSDC's OAN. My own preference is for scenario 3 which does not take account of the ARM/Trajectory forecasts at this early stage in the plan period but takes account of the relatively firm figure of Crawley's own supply provision of 5541 dwellings and assumes both MSDC and Horsham will meet their planned housing by 2029/30 and this will allow for any adjustment to be made at the first 5 year Examination Review in 2024 when housing numbers in the ARM at that stage will be somewhat firmer than now.

Finally, on the subject of the year in which a stepped trajectory is appropriate, I would argue that the step should take place in 2020/21 when Crawley start to fall behind against their OAN after adding 150 dpa from Horsham towards their unmet needs. Even looking at the combined annual HMA delivery against the annual OAN for the HMA, the step should take place in 2022/3 when the shortfall begins. MSDC are planning their step too late at 2024/5.

I must now give brief consideration to Appendix 3 of the Forum's paper of 7 July 2017.

(i) Para 2.1 quotes NPPF para 47 on a selective basis and omits the first clause which is that 'Local Planning Authorities should use their evidence base to ensure.....' and in this context, I would argue that the AMR forecasts/trajectories in MSDC 16 are an evidence base on which to consider unmet needs; what is clear is that speculation which you will see that the Forum has provided (and I will describe this shortly) is not evidence. In addition, NPPF para 47 ends with the clause '.....housing market area, as far as is consistent with the policies set out in the Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period': this clause would allow, for example, for an inability to meet the HMA OAN if a local planning authority could demonstrate that it was unable to provide sufficient sites which are both sustainable and deliverable in a local authority area to meet the unmet need. These are important parts of NPPF para 47 which the Forum have omitted to refer to.

(ii) Para 2.3. The maths and logic in this para are in my view wrong and are the same as set out in my paper to this Hearing of 29 May in which I set out the calculation which would reduce MSDC's unmet need to 119 dpa and which I rejected as not meeting Crawley's unmet need in full by 2029/30. The Forum states that after Horsham's unmet need provision of 3000 dwellings over the period 2011 - 2031, 'it leaves a residual unmet need of 2025 dwellings over the 15 year Crawley Local Plan period as not currently being met'. It then shows the calculation of the unmet need for Mid Sussex to deliver in footnote 1 of 119 dpa (the actual figure is 119.1176 dpa) but calculated over MSDC's Plan period of 17 years to 2031. The problem with this maths is that MSDC would not meet Crawley's unmet need by 2029/30 (the end of Crawley's 15 year Plan period). Crawley would only get 2850 dwellings from Horsham by 2029/30 and 119.1176×16 years from MSDC = 1906 giving a

total unmet need of $2850 + 1906 = 4756$ dwellings of unmet need against a requirement of 5025 dwellings leaving a combined shortfall of Crawley's unmet need of 269 dwellings. And this 269 dwellings shortfall is made up the 150 dpa that Horsham are providing in 2031 (one year after Crawley needs to have its unmet need provided) and MSDC likewise is providing 119 dpa in 2031 which is one year too late for Crawley's unmet needs. This is the very reason why in my paper to this Hearing, dated 29 May 2017, I rejected my similar calculation of 119 dpa and did not give it a scenario number in my paper.

(iii) Para 2.5 invites us to look at the argument in Footnote 2 which explains that Horsham and Mid Sussex are each providing 150 dpa to Crawley's unidentified unmet need in 2031 (one year beyond their only tested figures which are up to 2029/30 only). It then attempts to justify providing this total of unmet need for 2031 by praying in aid 2014 household projections of 540 households per annum (presumably from DCLG) and then goes onto making an assumption about an uplift for vacancies/suppressed demand to give Crawley's likely OAN for 2031 of 570 dpa. But all of this is based on assumptions and it is a fact that Crawley's OAN and possible unmet need for 2031 and beyond has not been calculated let alone tested at Examination and thus the Forum is entering the realms of speculation /best guessing and not evidence as the planning process specifies. If we are to speculate, I would point out that no one saw Brexit coming and this could result in a reduction in DCLG household projections if inward migration is reduced heavily. In addition, UK growth is at best stagnant and is projected to fall and we may experience a recession (especially with Brexit) and we may face another financial crash; all of which would reduce to demand for housing. Moreover, the NPPF may be changed by this government or another and in particular to remove the unmet need requirement on the basis that by requiring neighbouring authorities to meet the unmet needs of others will inevitably mean those having to provide housing to meet these large unmet need figures will themselves soon be faced with having to declare unmet needs themselves (i.e. the domino effect of more and more Districts will simply have no space and have to declare unmet needs). All of what I have speculated either will happen (Brexit) or has a more than reasonable chance of happening. But the point remains that speculation is not the same as evidence. And the fact remains that Crawley's OAN for 2030/31 to 2034/35 will emerge and be tested at its 5 year review stage and then, and only then, will we have tested figures to deal with.

For the avoidance of any doubt, I take the view that, logically, the housing need figure for MSDC in 2030/31 should be its OAN of 876 dpa with no speculative or guessed figure in respect of any addition whatsoever for Crawley's possible unmet need in 2030/31.

NEIL KERSLAKE

25 July 2017