

# **Hearing Statement**

**Land west of Imberhorne Lane,  
East Grinstead**

**On behalf of Welbeck Strategic Land II LLP  
Respondent Ref. 20534**

Prepared jointly by DMH Stallard LLP and Barton Willmore

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Hearing Statement  
on Behalf of  
Welbeck Strategic Land II LLP

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October 2016

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## Background

DMH Stallard LLP (DMHS) and Barton Willmore (BW) act on behalf of Welbeck Strategic Land II LLP (Welbeck), respondent reference #20534, in relation to the promotion of land west of Imberhorne Lane, East Grinstead for c550 dwellings, care village, 2FE primary school, mixed use community hub and country park (to include strategic SANG).

Representations were made by DMHS in relation to the Mid Sussex District Plan Pre-Submission Consultation in January 2016. These representations, at the request of the Inspector, are not appended to this Hearing Statement but can be made available if necessary.

Welbeck have legal control over all the land required to bring forwards the development proposals, this position was secured early 2016. Prior to this agreement with the landowner, the Site had not been promoted, hence its inclusion within the Council's Sustainability Assessment (SA) at a late stage. However, this need not prevent its allocation within the Plan.

A copy of the new Vision Plan is at Appendix A, this differs from earlier submissions as the proposals no longer include land for the expansion of Imberhorne School. Welbeck are committed to delivering the necessary infrastructure, however, West Sussex County Council (WSCC) confirmed verbally at the Hearing into the East Grinstead Neighbourhood Plan (EGNP), that proposals for the consolidation of Imberhorne Schools could be accommodated within the existing site and that no additional land would be required.

Welbeck are members of the Mid Sussex Developments Forum, which was established in September 2016. The purpose of this agenda is set out in the Forum's own Hearing Statement, which is not intended to be site specific, it should be read in conjunction with this Hearing Statement and forms Welbeck's full submissions.

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## 1. Evidence Base

**Do the West Sussex SHMA (2009), the Northern West Sussex SHMA (2012), the Housing and Economic Development Needs Assessment (HEDNA) (February 2015), the HEDNA Update (November 2015) and the HEDNA Addendum (June 2016) constitute an adequate evidence basis for the assessment of the District's Objectively Assessed Housing Need (OAN)?**

- 1.1 The evidence base is not considered adequate for the assessment of OAN in MSDC, for a number of reasons.
- 1.2 Planning Practice Guidance (PPG)<sup>1</sup> states that CLG household projections represent the starting point estimate of OAN. The 2014-based CLG household projection shows growth of 714 households per annum (hpa) in MSDC, 2014-2031. Applying a vacancy rate (2.20%) results in a starting point of 730 dwellings per annum (dpa), 2014-2031. Barton Willmore (BW) agree with MSDC that this is the starting point estimate of OAN.
- 1.3 EP22 concludes that full OAN in MSDC is 754 dpa, 2014-2031, a minor 3% uplift from the starting point. This 3% uplift must take account of uplifts for household formation suppression<sup>2</sup>, recent demographic evidence<sup>3</sup>, worsening market signals<sup>4</sup>, and jobs growth<sup>5</sup>. BW's OAN (Appendix B to this statement) provides details why a 3% uplift is inadequate in meeting full OAN for MSDC.
- 1.4 BW's OAN report (Appendix B) provides sensitivity testing of more positive household formation rate assumptions, commuting ratios, job growth, and market signals responses. The assessment concludes that OAN for MSDC is 1,000 dpa, 2014-2031, based on reasonable assumptions required by PPG. In this context it is not considered that the evidence base documents listed above provide an adequate assessment of OAN in MSDC.
- 1.5 In addition the inconsistency in the Council's HEDNA reports<sup>6</sup> should be noted. A 10% uplift for market signals (EP20) was amended only 5 months later to 0% (June 2015 HEDNA). A third recommendation of 3% increase was subsequently recommended (EP21 and EP22). The June 2015 HEDNA confirmed that a 0% uplift was underpinned by the same data used to determine a 10% uplift in EP20. This outlines the confused nature of the HEDNA reports.

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<sup>1</sup> PPG, paragraph ID2a-015

<sup>2</sup> PPG, paragraph ID2a-015

<sup>3</sup> PPG, paragraph ID2a-016/017

<sup>4</sup> PPG, paragraph ID2a-019/020

<sup>5</sup> PPG, paragraph ID2a-018

<sup>6</sup> EP20, EP21, and EP22

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## 2. Calculation of the OAN

**Are the calculations that have led to the OAN starting point of 714dpa sound?**

- 2.1 The 714 figure is households. Applying a vacancy rate (2.20%) results in a starting point OAN of 730 dwellings per annum.
- 2.2 The household projection (714 hpa) is underpinned by 2014-based ONS Sub National Population Projections (SNPP). This provides the population used to determine projected household growth. Next, Household Formation Rates (HFRs) are applied to the population projection. The HFR is the probability of a person from a specific demographic group (based on geography, age group sex and relationship status) being considered the household reference person (HRP). The HRP is the individual taken to represent the household for statistical purposes. <sup>7</sup>
- 2.3 The 2014-based HFRs are calculated on a sound basis, but are underpinned by past trends alone. PPG identifies this, and how future demographic behaviour (such as household formation) may be affected by changing economic circumstances and government policies. <sup>8</sup>
- 2.4 The trends underpinning the 2014-based HFRs are from a period during which the affordability of housing worsened significantly, due in part to the recession. This has been well documented in the national press and has particularly affected first-time buyers, the majority of whom are represented by younger age groups. This is reflected by a 99% increase in concealed families, 2001-2011 in MSDC.<sup>9</sup>
- 2.5 In this context PPG states that the HFRS of CLG projections may require adjustment to reflect factors not captured in past trends, i.e. under-supply and worsening affordability of housing. <sup>10</sup>
- 2.6 In respect of under-supply, Table 1, annexe 1 of BW's OAN report (Appendix B to this statement) shows how net completions have been lower than planned supply in each of the last 10 years. Cumulative under-supply is approximately 3,500 dwellings, the first factor suppressing household formation.

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<sup>7</sup> Glossary, page 31-33, Household Projections 2014-based: Methodological Report, CLG, July 2016

<sup>8</sup> PPG, paragraph ID2a-015

<sup>9</sup> What does the 2011 Census tell us about concealed families living in multi-family households in England and Wales? ONS, 06 February 2014 – A concealed family is one living in a multi-family household in addition to the primary family, such as a young couple living with parents.

<sup>10</sup> PPG, paragraph ID2a-015

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- 2.7 Second, MSDC’s lower quartile affordability ratio rose by 130%, 1997-2013, from 4.1-10.2 times lower quartile earnings. This compared to 81% nationally, from 3.6-6.5, and 103% regionally, from 4.7-7.5. Paragraphs 1.9-1.16 of annexe 1 of Appendix B provides detail in this respect.
- 2.8 Furthermore recent CLG revisions shows the ratio to have risen by 17% in three years (2013-2015), from 10.8-12.6. This means a worker earning a lower quartile salary would need 12.6 times their earnings to afford a lower quartile house. This compares with a national increase of only 5%, from 6.7-7.0.
- 2.9 These factors have had the most pronounced effect on the 25-34 and 35-44 age groups in MSDC, as Figure 3.1 (page 14) of Appendix B illustrates. HFRs in these age groups are projected by the 2014-based CLG household projections to be lower over the MSDC Plan period than the 2008-based HFRs. The 2008-based HFRs were underpinned by past trends over a period in which housing was more affordable. They therefore provide a robust benchmark against which an uplift from the 2014-based CLG HFRs can be based.
- 2.10 BW have therefore applied two sensitivity scenarios; a 50% and 100% return to 2008-based HFRs in the 25-34 and 35-44 age groups. The 2014-based HFRs remain as published in the 15-24 and 44+ age groups, despite some of these age groups also showing some suppression when compared against 2008-based HFRs. However as set out above the suppression is most pronounced in the 25-34 and 35-44 age groups.
- 2.11 This approach results in an uplift to the starting point estimate to a demographic-led starting position of between 769 and 809 dpa, 2014-2031. BW consider this to be a more robust starting position than the 2014-based HFRs in order to ensure that the NPPF policies to ‘significantly boost housing supply’, and ‘positively prepare’ Local Plans are met.
- 2.12 This does not account for unmet housing need from surrounding local authorities.

**Have appropriate adjustments been made to the starting point of the OAN to reflect market signals? In particular, is the figure of 24dpa adequate to reflect affordability issues and trends?**

- 2.13 A 3% uplift for HFR suppression/market signals is considered wholly inappropriate. The acute affordability problems in MSDC are summarised in paragraphs 2.1.6-2.1.7 above. The full range of market signals required to be assessed by PPG11 are detailed in annexe 1 of Appendix B to this statement.

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<sup>11</sup> PPG, paragraph ID2a-019

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Market signals analysis and how this affects OAN for MSDC is detailed in paragraphs 5.18-5.26 of Appendix B.

- 2.14 In summary, significant under-supply of housing, acute worsening of housing affordability, significant median house price increase, and a higher increase in concealed households compared to national and regional averages points to requirement for a significant increase to demographic-led OAN (determined by BW to be between 769 and 809 dpa, 2014-2031) beyond 3% to meet PPG requirements. PPG advises that a worsening trend in any of the six market signal indicators will require adjustment to planned housing numbers based solely on household projections. 12
- 2.15 BW's comparison of Planning Inspectorate conclusions in Eastleigh (10%), Canterbury (20%), and Cambridge (30%)<sup>13</sup> lead to a conclusion that at least 25% uplift should be applied in MSDC. This should also be considered in the context of MSDC initially considering an uplift of 10% to be appropriate. A 25% uplift to BW's demographic-led OAN would lead to a range of OAN between 961 to 1,011 dpa, 2014-2031.
- 2.16 Furthermore, the recommended PPG OAN assessment of the Local Plans Expert Group (LPEG) would require a 25% increase for market signals. 14
- 2.17 MSDC's letter of response to the Inspector (29 September 2016, page 6) refers to the Inspector's report following the Horsham Local Plan Examination (October 2015), and his decision not to uplift housing numbers for market signals. In response, BW's analysis in Annexe 1 of Appendix B provides clear evidence to show how market signals have worsened significantly when compared to regional, national, and HMA averages. BW would reiterate the justification for a market signals uplift of at least 25%.
- 2.18 This does not account for unmet housing need from surrounding local authorities.

**Do the calculations adequately reflect projected jobs growth?**

- 2.19 Appendix B, paragraphs 4.13-4.18 reviews MSDC's approach to jobs growth. Paragraphs 5.11-5.17 set out the process by which BW has assessed OAN based on jobs growth.
- 2.20 In summary EP22 states MSDC's OAN (754 dpa, 2014-2031) will support 323 jobs per annum (jpa), and the housing requirement (800 dpa) will support 370 jpa.

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<sup>12</sup> PPG, paragraph ID2a-020

<sup>13</sup> See paragraphs 5.18-5.26, page 27-29, BW OAN report, Appendix 1

<sup>14</sup> See BW's LPEG calculation, page 31, Appendix 1

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- 2.21 The most recent comprehensive economic assessment to cover MSDC was the Northern West Sussex Economic Growth Assessment (EP35 (i)) which projected 521 new jpa, 2011-2031 . However the Council also published a localised Burgess Hill Employment Site Study (EP36, March 2015) following EP35, which referred to a more recent Experian forecast for job growth of 478 jpa, 2011-2031. The November 2015 HEDNA report therefore stated the baseline jobs forecast from Experian had reduced from 521 jobs per annum to 478 jobs per annum, 2011-2031.
- 2.22 EP36 lists the number of jobs in 2011 and the number of jobs in 2030. The table lists 73,029 jobs in 2030. However BW has clarified that the number of jobs projected for 2030 is 76,120 jobs; significantly higher than the figure quoted in EP36. BW have confirmed this with the publishers of the forecast, Experian Economics (see annexe 2 to Appendix B). The result is that the projected job growth for MSDC is actually 647 jobs per annum (2011-2030) or 644 jobs per annum (2011-2031).
- 2.23 The range of job growth to be tested is therefore considered to be 521-644 jobs per annum. As paragraphs 5.11-5.17 of Appendix B sets out, BW have considered two commuting sensitivity scenarios sourced from the 2011 Census and the Annual Population Survey (APS). Applied to the two sensitivity scenarios for household formation recovery, Table 5.2 (page 27 of Appendix B) shows that OAN of between 918 and 1,101 dpa, 2014-2031 would be required to meet this range of job growth. The average of this range is approximately 1,000 dpa, which is considered by BW to represent a reasonable OAN figure for MSDC.
- 2.24 This does not account for unmet housing need from surrounding local authorities.

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### 3. The Duty to Co-operate

**Can it be demonstrated that active cooperation has taken place on strategic cross boundary issues, especially in respect of the assessment of wider and unmet housing needs?**

- 3.1 The Localism Act 2011 and Planning and Compulsory Purchase Act 2004 places a legal duty on local planning authorities (LPAs), county councils and public bodies, to *“engage constructively, actively and on an ongoing basis”* to ensure effective planning of strategic cross boundary matters. It is acknowledged that the duty to cooperate is not a duty to agree.
- 3.2 Welbeck make no comment in respect of the Council’s legal duty to cooperate, this is for MSDC to demonstrate in accordance with the above. However, it is submitted that whilst MSDC may have met the legal duty to cooperate, they have not sought to address the unmet housing needs of neighbouring authorities. Our submissions on this matter are set out in Section 4.

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## 4. Unmet Needs

**What factors should determine the amount of provision that should be made in Mid Sussex to accommodate the unmet needs of other authorities, notably Brighton and Hove, and Crawley?**

- 4.1 Examination document BP5 (Table 14, page 56) sets out the significant unmet need from other neighbouring authorities, which amounts to 37,733 dwellings over 20 years (1,887 dwellings per annum). This significant unmet need has been acknowledged by MSDC.
- 4.2 In the context of this unmet need, the first factor is that many Local Plans near to MSDC are now adopted, placing greater emphasis on MSDC to make provision for unmet needs. Arguably, MSDC does not suffer the same level of geographical and environmental constraints of neighbouring authorities.
- 4.3 The Horsham District Planning Framework (HDPF) was adopted on the basis of Horsham meeting 150 dwellings per annum (dpa) of Crawley's unmet need. MSDC identify themselves within the Northern Housing Market Area (HMA) consisting of Crawley, Horsham and Mid Sussex, on this basis, it could be assumed that there is a requirement for MSDC to meet the remaining 185 dpa of Crawley's unmet need (335dpa total). However this is just a starting point for the consideration of the unmet needs of neighbouring authorities.
- 4.4 The Inspector in relation to the Brighton & Hove City Plan (Part One) concluded that: *"The City Plan Part One, as proposed to be modified, seeks to meet only 44% of the objectively assessed need for new housing. This is very significant shortfall which has important implications for the social dimension of sustainable development. However, as noted above, the City is subject to significant constraints in finding land for new development."* (Paragraph 37 of the Inspectors Report – Appendix C of this Statement). These constraints are largely a result of Brighton & Hove's location between the Channel and South Downs National Park. Given the geographical proximity of Mid Sussex to Brighton & Hove, as well as the commuter patterns, it would seem appropriate for MSDC to accommodate a proportion of Brighton & Hove's unmet needs. The unmet needs of Brighton & Hove amount to 16,920 or 846dpa.
- 4.5 Paragraph 7.83 of the SA (BP5) suggests that the strong community and migration links are with Brighton & Hove and Crawley. The information provided in Table 14, page 56 (BP5) provides a split of internal migration and travel to work data. This is useful in seeking to determine the unmet need applicable to MSDC in respect of the two authorities listed in this question, Crawley and Brighton & Hove. As set out above, the acknowledged unmet needs are now known to be 185 dpa for Crawley (as Horsham as accounted

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for 150 dpa) and 846 dpa for Brighton. Unmet needs based on a higher (travel to work data) and lower (internal migration data) would be as follows:

- Brighton & Hove (Unmet needs) (of which internal migration is 20.37% and travel to work is 37.1%): **172 - 313 dpa**
- Crawley (Unmet needs) (of which internal migration is 34.5% and travel to work is 63.5%) : **64 - 117 dpa**

4.6 The Schedule of Further Modifications (August 2016) (BP4) states (at Page 2) that as a consequence of recalculating the OAN, a residual amount of 46dpa remains to assist with the unmet needs of neighbouring authorities. This is considered woefully inadequate.

**What calculations have taken place on a cross-boundary basis to arrive at that provision?**

4.7 There is no evidence that the provision for unmet housing needs (46dpa) is derived from a calculation of the appropriate assistance, or a sustainability appraisal of the effects of accommodating these needs. The Further Modifications document (BP4) (page 2) highlights that a new calculation of OAN has resulted in a reduction in a contribution towards unmet needs of neighbouring authorities from 105dpa to 46dpa. It therefore appears to be a residual amount and not a calculation of what level of unmet need Mid Sussex should accommodate. As set out 4.1-4.6 above, it is considered that unmet need from Brighton & Hove/Crawley amounts to between 236 and 430 dpa.

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## 5. Affordable Housing

**Will the housing requirement be sufficient to ensure that the District's affordable housing needs are met?**

- 5.1 The requirement of 800 dpa will not be sufficient to meet affordable housing need in full. Paragraphs 4.19-4.37 of Appendix B consider MSDC's methodology for assessing affordable housing need in detail. In summary, the Council's Northern West Sussex Housing Market Area Affordable Housing Need Model Update (EP26, October 2014) considered gross household formation in both the 16-44 and 16+ age groups for the purposes of calculating affordable need, resulting in range of 116-474 affordable dpa<sup>15</sup>.
- 5.2 BW consider that only the 16-44 age group should be considered – this being the core age group who typically form a new household. An affordable need model which allows for household formation across all age groups (including the dissolution of households in older age groups) effectively double counts the resupply of affordable units brought about by dissolved households. However the Council's HEDNAs argue against the use of a gross household formation calculation limited to the 16-44 age cohort.
- 5.3 The latest 2014-based household projections, project gross household formation of 1,209 per annum (during the first 5 years of the Plan). Adjusting the EP22's calculation of affordable need to account for this results in a revised net affordable need range of between 371 and 474 units per annum.

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<sup>15</sup> Table 13, page 69, EP26

## 6. The ability of the market to deliver

### Can the market deliver the requirement set out in the submitted plan?

- 6.1 Yes. It is considered that the market can deliver the 800dpa set out in the submitted District Plan. The Housing Implementation Plan (HIP) (BP18) identifies that in the period 2015/2016 (April – April), 868 units were delivered. Furthermore, as set out in the Hearing Statement of the Forum (paragraph ??), analysis of Energy Performance Certificates suggest that c960 units have been delivered in the year September 2015 – September 2016.
- 6.2 In the adjoining authority of Horsham, within the same HMA, the past 2 year housing completions have been 879 (2013/2014) and 898 (2014/2015). The estimated completions in future years are as follows:

|                              | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20<br>20 |
|------------------------------|---------|---------|---------|---------|---------------|
| <b>Projected completions</b> | 1074    | 1348    | 1324    | 1087    | 896           |

Taken from HDC Authority Monitoring Report Mid Yearly Update May 2016

- 6.3 Horsham is a District characterised by a single town (Horsham), Mid Sussex is a District characterised by 3 large towns (Burgess Hill, East Grinstead and Haywards Heath). It is submitted, that if the adjoining authority of Horsham, within the same HMA, can deliver housing in excess of 800dpa, then the market within Mid Sussex can equally deliver 800dpa, the requirement set out within the District Plan.

### What would be the implications of a higher housing requirement for market deliverability?

- 6.4 As set out in paragraphs 6.1-6.3 above, and within the Hearing Statement of the Forum, the market can deliver housing at 800dpa and in excess of this.
- 6.5 Additionally, the current spatial strategy of the District Plan results in ‘gaps’ in delivery, in areas such as East Grinstead. The District Plan fails to allocate any housing to East Grinstead, one of the three main towns within the District. The housing market in East Grinstead could therefore accommodate additional housing without effecting market deliverability.

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## 7. Past Under-Delivery

**Should the housing requirement be adjusted to compensate for a degree of under-provision against the South East Plan prior to 2014?**

- 7.1 BW consider that the significant under-provision is one of the factors which justifies the 25% market signals uplift to demographic-led OAN. This is due to the PPG HEDNA which states the following in respect of the 'rate of development':

*"A meaningful period should be used to measure supply. If the historic rate of development shows that actual supply falls below planned supply, future supply should be increased to reflect the likelihood of under-delivery of a plan." (paragraph ID2a-019)*

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## 8. Site Selection and Housing Distribution

### **Are the methodologies described in the Strategic Site Selection Paper and the SHLAA sound?**

- 8.1 No. We submit that the methodology used within the SHLAA and Strategic Site Selection Paper is unsound. The MSDC SHLAA fails to consider the implications of identified constraints and whether these are truly constraints to development or whether there is suitable mitigation to overcome such constraints. The NPPG (Para 022 Ref 10.3 – 022-20140306) deals specifically with this issue. It states that *“where constraints have been identified, the assessment should consider what action would be needed to remove them.... Actions might include the need for investment in new infrastructure...”*.
- 8.2 For example, the SHLAA assessment of land west of Imberhorne Lane (Ref. 770), promoted by Welbeck (Appendix D), is identified as being a ‘relatively unconstrained site’ as well as being ‘easily accessible to services’. However, it concludes that it cannot be considered suitable until it is demonstrated that the impact on the strategic highway network can be successfully be mitigated. MSDC have dismissed the site without further consideration of how appropriate mitigation could come forwards following identification of a single constraint. The Atkins Reports (Stages 1-3) identify improvements to the A22 corridor which would mitigate highways impacts, funds are currently being pooled from development to deliver these projects. A Transport Strategy has been prepared to support development on land west of Imberhorne Lane (Appendix E), which has been recently been submitted to MSDC and WSCC for consideration. This demonstrates that, with appropriate mitigation and a sustainable transport strategy, the site could come forwards for development. On this basis, the SHLAA assessment should conclude that the identified constraint could be overcome.
- 8.3 Furthermore, it is noted that the strategic allocation of land at Pease Pottage (SHLAA Ref ID 666) is not subject to a full SHLAA assessment, being considered an ‘existing commitment’. This is considered unsound, the site is within the AONB and should be subject to considerable site assessment. There is no extant planning permission for the site and the allocation is draft. The SHLAA should include an assessment of the site which would need to address the AONB location of the site and how, if possible, the impact on the countryside could be overcome.
- 8.4 It is considered that the SHLAA is contrived to evidence the allocations identified by MSDC and excludes sustainable and deliverable development proposals without full justification. It therefore restricts the true scale of deliverable housing sites.

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- 8.5 The Strategic Site Selection Paper (EP23) sets out criteria for assessing sites. This uses a traffic light system of assessment, where a number of major constraints are applied, this results in a negative score by which sites are then assessed. We submit that the criteria levels are inappropriate; a site's location adjacent to a SNCI or SSSI is considered to be as negative, as a site within the AONB, the levels of impact cannot be considered remotely similar. This results in poor performance for sites which could easily mitigation their location adjacent to an SNCI or SSSI, such as land west of Imberhorne Lane.
- 8.6 The assessment of strategic sites concludes at Table 1, on the basis of flawed methodology, that Hardriding Farm, Pease Pottage is ranked 1<sup>st</sup> of strategic sites, notwithstanding its location within the AONB. Paragraph 116 of the NPPF requires that development in such areas should not be approved unless in exceptional circumstances and where it can be demonstrated it is in the public interest, furthermore that the alternatives should be considered. The inclusion of the Site within the AONB is classed as a negative in the Paper, but is not given sufficient weight.
- 8.7 Additionally, the Strategic Site Selection Paper suggests that the Strategic Site west of Burgess Hill ranks 4<sup>th</sup>. There is no consideration given to the environmental impacts of cumulative environmental effects of a total of 5,980 dwellings on the edges of Burgess Hill (Sites A, B and D) and the social implications of not distributing housing across the district. It would be inappropriate to allocate land west of Burgess Hill without consideration of the cumulative impacts.

**Is there any value in the concept of 'environmental capacity' and the 'tipping point' in the context of the whole district?**

- 8.8 No. It is considered that the environmental capacity of the district and the so called 'tipping point' cannot relate to the district as a whole. The spatial strategy contained within the District Plan, is to accommodate a significant proportion of the housing need within the Burgess Hill Northern Arc. However, further development in the north of the District, at East Grinstead for example, is relatively unaffected by development in the south of the District and could accommodate further development. It is considered, particularly in light of landscape impacts, that East Grinstead could accommodate further development that would not exceed an environmental capacity or trigger a 'tipping point'.
- 8.9 The SA (BP5) assesses a spatial strategy, it concludes, that Option D, is most appropriate and scores well against sustainability criteria. This concludes that development should be focused on the main towns (Burgess Hill, Haywards Heath and East Grinstead), as well as other large villages. It also suggests that development will be focused in areas able to address unmet needs of neighbouring authorities. However, the District Plan does not allocate any land at East Grinstead, one of the three main towns. It is not
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evidenced why therefore, the spatial strategy contained within the District Plan, which excludes East Grinstead from the development strategy, reflects the environmental capacity of the District.

- 8.10 Furthermore, the SA (BP5) considers the sustainability of broad locations. This assessment concludes that development at each of the three main towns would have similar environmental impacts, yet the District Plan fails to allocate land at East Grinstead. Of particular concern, is the scoring given to development south of Crawley, ie. Pease Pottage, which scores poorly against other broad locations, however, MSDC consider this to be an appropriate allocation of land. The allocation at Pease Pottage is within the AONB, Para 115 of the NPPF states that great weight should be given to conserving such landscapes. The development of this site is likely to have significantly greater environmental harm than non-AONB sites. MSDC fail to fully consider the alternatives.
- 8.11 The SA methodology is flawed, and as such, makes an incorrect assertion of the District's Environmental capacity. The SA assesses identified strategic development sites, such as land west of Imberhorne Lane, East Grinstead (Site Q). In its assessment of contribution towards decent and affordable homes, it references strategic highways concerns, this should not form part of the assessment of the sites contribution towards housing needs and is reflected elsewhere in the assessment. Furthermore, the site (Site Q) performs significantly better than the allocation of land at Pease Pottage (Site M), which is considered within the environmental capacity of the District. The Council's own SA suggests that development at East Grinstead would have a lesser effect on the environmental capacity of the district, and could therefore come forwards, to meet housing needs, without triggering a 'tipping point'. The SA in conclusion of these strategic sites, makes no reference to the sustainability, and therefore environmental effects, of an allocation of land west of Imberhorne Lane, East Grinstead, which is scored negatively in few areas.

**Will the district's environmental constraints make the housing requirement undeliverable?**

- 8.12 Approximately 60% of the district is AONB, however the remaining 40% could accommodate further development. Such designations of national importance should be protected at all costs. There are sites, such as that at East Grinstead, which are not within the AONB or other primary constraints, which have been dismissed. However the District Plan allocates land at Pease Pottage.
- 8.13 It is not considered that MSDC have fully considered the environmental constraints of all housing sites or broad locations, but have concluded that there is an environmental capacity or tipping point, without evidence.

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It has not been demonstrated how development at East Grinstead, outside the would significantly harm the environment and breach a 'tipping point'. The submitted SA demonstrates that development of land at East Grinstead, particularly Site Q, land west of Imberhorne Lane, would score more positively than other options identified within the District Plan.

**What would the environmental implications be of raising the housing requirement?**

- 8.14 This should be considered on the basis of the spatial strategy. If the District Plan allocated land within areas which are relatively unconstrained, there would be few environmental implications arising from further development. East Grinstead, which is one of the main towns, could accommodate development, with appropriate mitigation which would serve to improve the highways capacity within the town, thus making an improvement on the baseline. Development to the west of the town, is considered in MSDC's evidence base (Landscape Capacity Study 2007 – EP48 and Capacity of Mid Sussex District to Accommodate Development 2014 – EP47) to have medium – high capacity for development.
- 8.15 The SA suggests that Site Q could have a negative effect on biodiversity by virtue of adjoining Ancient Woodland. The development could be accommodated with significant woodland buffers. Additionally, it is proposed that the development would deliver a strategic SANG and country park, which would make positive environmental and biodiversity contributions.
- 8.16 It is considered that subject to the appropriate spatial strategy, which should distribute housing throughout the main towns and villages, there will be negligible environmental effects.

**How far have the SHLAA and site selection methodologies taken into account the ability of development impacts to be mitigated through local landscape and infrastructure measures?**

- 8.17 As set out in paras 8.1 – 8.4 above, the SHLAA fails to consider how constraints to development could be overcome. Land west of East Grinstead is considered to have medium – high capacity for development and would not require landscape mitigation. However, as demonstrated in the appended Transport Strategy, highways constraints can be overcome and mitigated.

***To what extent is the Sustainability Appraisal preferred option (Focus development within or adjacent to Burgess Hill, East Grinstead and Haywards Heath, but encourage both larger villages and smaller villages to take growth to support the provision of additional services and meet***

---

***local needs*) reflected in the distribution of strategic allocations and the overall spatial strategy of the submitted plan?**

- 8.18 It is not considered that the preferred option is reflected in the distribution of strategic allocations. The Plan fails to allocate any development in Haywards Heath or East Grinstead or any of the villages. On this basis, the District Plan cannot be considered sound.

**Can the allocation of the Pease Pottage site be reconciled with the SA and SHLAA findings? How is the site expected to relate to Crawley in terms of connectivity?**

- 8.19 As set out in paras 8.3 and 8.10, the allocation of land at Pease Pottage cannot be found to accord with the SA and SHLAA methodology and findings.

- 8.20 The site is considered lacking in connectivity, it is separated from Crawley by the M/A23 and Tilgate Park Forest. Correspondence from Crawley Borough Council, in response to the planning application (Appendix F) fully endorses this concern.

**Does the Plan need an expressly stated spatial strategy for the District with target figures for each area to provide guidance for neighbourhood plans and for any future site allocations plan? What are the implications of not having such a strategy?**

- 8.21 It is considered that in order to meet the OAN of 1,000 dpa and to ensure a rolling 5 year supply of housing, a strong spatial strategy is required, in accordance with the approach set out in the SA. However, the majority of Neighbourhood Plans are now made and allocate very little housing.

- 8.22 MSDC have failed to deliver housing against previous development plan targets, furthermore, development plan preparation has been slow. It is considered that the MSDC District Plan should identify a spatial strategy to meet the OAN of 1,000 dpa as well as allocating sufficient sites.

---

## 9. Trajectories

**What are the housing delivery trajectories overall and a reasonable estimate from neighbourhood plans?**

9.1 It is considered that this is a question for MSDC to respond to.

**What are the reasons for the proposed timing of the allocations plan?**

9.2 This is for MSDC to respond to.

9.3 However, we strongly feel that adequate allocations should be made within the District Plan and not as part of a future allocations plan. As set out in Section 10, MSDC cannot demonstrate a 5 year housing land supply (HLS) on adoption of the Plan and as such, it should allocate further housing from the outset.

9.4 Furthermore, the commitment to producing an allocations document is at odds with the Council's assertion that there are no other available sites. As set out in Section 8, we do not consider this is the case.

---

## 10. Five Year Housing Land Supply

**Given the advice in the PPG, what reason does the Council have for favouring the Liverpool methodology?**

10.1 Given the persistent historic under-delivery of housing against the relevant housing targets (over 10 years, see Appendix G), the 'Sedgefield' method is the most appropriate to manage past under-delivery. This accords with the NPPG which is clear that LPAs should deliver an undersupply within the first 5 years (Para 35 Ref ID 3-035-20140306).

10.2 MSDC acknowledge a persistent level of under delivery by adopting a 20% buffer on their 5 year housing land supply. This would indicate that the undersupply should be dealt with as soon as possible, there appears to be no justification for the use of the Liverpool method.

**What is a realistic estimate for the contribution of from deliverable sites in the next 5 years?**

10.3 We have adjusted MSDC's figures to form a realistic picture of deliverable sites based on industry knowledge. MSDC submit that there are 4,869 units deliverable within the 5 year period (HIP – BP18). This is set out in our Appendix H and I. We have adjusted these figures as follows:

- Land west of Copthorne – MSDC's delivery rate is optimistic, this has been reduced to 90 in the 5yr period.
- Sewerage Works, Burgess Hill – Unlikely to come forwards for development based on the need for considerable infrastructure.
- Rookery Farm, Haywards Heath - This site has been allocated since 2004, it is not considered realistic to include it in the future trajectory.
- Land north of Victoria Road, Burgess Hill – Generally these sites have planning permission and are counted elsewhere in the Council's list of deliverable sites.
- Leylands Park, Burgess Hill – This is included within the Burgess Hill Northern Arc.
- Burgess Hill Northern Arc – The Northern Arc Consortium have suggested that delivery over the 5 year period is likely to be in the order of 250, not 515 as suggested by MSDC.

- Pease Pottage – This site is not considered appropriate or sustainable, it is AONB and would have a negative impact of national importance, this has been removed from our adjusted supply.

10.4 Our adjustments suggest that there is supply of 3,939 units over the 5 year period, 930 lower than MSDC’s proposed figures.

**What is the level of under provision from the start date of 2014?**

10.5 Our position on housing delivery over the Plan Period is set out at Appendix G. This also sets out MSDC’s position on the shortfall against their OAN figure of 800dpa.

10.6 As set out in MSDC’s evidence (and our Appendix H), completions for the period 2014-2016, was 1,498. Against MSDC’s OAN of 800dpa, this represents a shortfall of 102 dwellings from the start date of 2014.

10.7 However, using BW’s evidence of OAN, which suggests the true figure is c1,000dpa, the shortfall is 502 dwellings from the start date of 2014.

**With regards to the ‘buffer’, what is the Districts record of housing provision over the economic cycle?**

10.8 Since 2006, MSDC have failed to meet their housing target in all periods except 2015-2016, this is set out in our Appendix G. MSDC have identified that a 20% buffer should be applied to the 5 year supply, we support this approach.

**Having regard to the above, what is the 5 year housing land supply using the Sedgefield methodology?**

10.9 Our 5 year supply evidence is set out in Appendix H and I. This demonstrates 4 scenarios based on the Sedgefield approach. A summary of these 5 year housing land supply positions is set out below:

|           | 800dpa               |                      | 1000dpa              |                      |
|-----------|----------------------|----------------------|----------------------|----------------------|
|           | MSDC supply position | DMHS supply position | MSDC supply position | DMHS supply position |
| 5year HLS | 4.95yrs              | 4.00yrs              | 3.69yrs              | 2.98yrs              |

10.10 At best, MSDC can demonstrate a 4.95yr HLS It is not clear how MSDC can demonstrate 5.02yr HLS, the evidence within the HIP does not reflect the housing figures in the Council’s 5yr HLS calculations. At worst, MSDC have

---

a 2.98yr supply of housing on adoption of the District Plan. Each of these scenarios result in an unsound plan.

**Will the Plan's strategic allocations and policies , together with allocations from Neighbourhood Plans and any future site allocations plan, ensure that sufficient sites are available for a 5 year supply of deliverable land to be maintained into the future? What adjustments might be made to the Plan to ensure a reliable supply?**

- 10.11 It is clear from the evidence above, that the District Plan's allocations and policies will not deliver a Plan able to demonstrate a 5yr HLS. This would render the Plan out of date as soon as it is adopted and as such is unsound in its current drafting.
- 10.12 Given the Councils historic rates of under-delivery against housing targets, it is considered that the Plan should be modified during the examination process to include further allocations of land which would address the shortfall in housing delivery.
- 10.13 Land west of Imberhorne Farm, East Grinstead, is 5<sup>th</sup> in the Council's SA of Strategic Sites, behind allocated sites and a further allocation of 2,500 units west of Burgess Hill. It would not be sound to allocate approximately one third of the District's housing provision at Burgess Hill, this would have significant environmental effects as well as social effects elsewhere in the District, by distributing housing needs across the northern area. As such, the next available and deliverable site is land west of Imberhorne Lane, East Grinstead.
- 10.14 Furthermore, the and west of Imberhorne Lane could deliver at least 100 dwellings within the first 5 year period. Welbeck have already undertaken significant background site investigation and could progress a proposal accordingly.

Appendix A

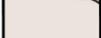
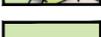
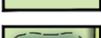
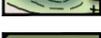
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The scaling of this drawing cannot be assured

Revision \_\_\_\_\_ Date \_\_\_\_\_ Drn \_\_\_\_\_ Ckd \_\_\_\_\_



| Residential        |        |
|--------------------|--------|
| 1                  | 1.2 Ha |
| 2                  | 2.5 Ha |
| 3                  | 1.0 Ha |
| 4                  | 1.9 Ha |
| 5                  | 1.3 Ha |
| 6                  | 0.8 Ha |
| 7                  | 2.6 Ha |
| 8                  | 2.6 Ha |
| 9                  | 1.1 Ha |
| 10                 | 1.0 Ha |
| TOTAL = 16 Ha      |        |
| Mixed Use Elements |        |
| 1                  | 0.5 Ha |
| 2                  | 2.5 Ha |
| 3                  | 2.2 Ha |

-  Vehicular Access Point
-  Primary Vehicular Movement Route
-  Vehicular Movement Link
-  Pedestrian/Cycle link
-  Residential Development
-  Mixed Use Hub
-  Primary School
-  Care Village
-  Green Corridors, incorporating existing Bridleway and Worth Way
-  Public Open Space including Country Park/SANG Provision
-  Potential Area for Attenuation
-  Potential Area for Allotments

WORK IN PROGRESS - Plan subject to continued detailed survey and technical input  
All areas provided are approximate

Project  
**Imberhome Farm**  
**East Grinstead**

Drawing Title  
**Vision Plan**  
**DRAFT - WORK IN PROGRESS**

|            |             |          |          |
|------------|-------------|----------|----------|
| Date       | Scale       | Drawn by | Check by |
| 07.11.16   | 1:5000 @ A3 | CDB      | JdH      |
| Project No | Drawing No  | Revision |          |
| 25626      | 9310        | B        |          |



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WORK IN PROGRESS - Plan subject to continued detailed survey and technical input  
 All areas provided are approximate

Dwellings calculated using 35dph average density

| Phasing                            |   |
|------------------------------------|---|
| 1                                  | 3.7 Ha/130 dwellings                        |
| 2                                  | 4.2 Ha/147 dwellings<br>0.5ha mixed use     |
| 3                                  | 0.8 Ha/28 dwellings<br>2.5ha care home      |
| 4                                  | 2.6 Ha/91 dwellings<br>2.2ha primary school |
| 5                                  | 2.1 Ha/74 dwellings                         |
| 6                                  | 2.6 Ha/91 dwellings                         |
| <b>TOTAL = 16 Ha/561 dwellings</b> |   |



Project  
**Imberhome Farm**  
**East Grinstead**

Drawing Title  
**Phasing Plan**  
**DRAFT - WORK IN PROGRESS**

|            |             |          |          |
|------------|-------------|----------|----------|
| Date       | Scale       | Drawn by | Check by |
| 07.11.16   | 1:5000 @ A3 | CDB      | JdH      |
| Project No | Drawing No  | Revision |          |
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Appendix B

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**MID SUSSEX DISTRICT**

**OBJECTIVE ASSESSMENT  
OF OVERALL HOUSING NEED (OAN)**

NOVEMBER 2016 UPDATE

**MID SUSSEX DISTRICT**  
**OBJECTIVE ASSESSMENT OF OVERALL HOUSING NEED**  
**NOVEMBER 2016 UPDATE**

|                       |             |
|-----------------------|-------------|
| <b>Project Ref:</b>   | 25694/A5/DU |
| <b>Status:</b>        | Final       |
| <b>Issue/Rev:</b>     | 01          |
| <b>Date:</b>          | 07/11/2016  |
| <b>Prepared by:</b>   | DU/DM/SH    |
| <b>Checked by:</b>    | SM/DM       |
| <b>Authorised by:</b> | DU          |

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Ref: 25694/A5/DU/djg  
Date: 07 November 2016

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## **ANNEXES**

**ANNEXE 1: MARKET SIGNALS ANALYSIS**

**ANNEXE 2: EXPERIAN ECONOMICS EMAIL (17 OCTOBER 2016)**



## 1.0 INTRODUCTION

- 1.1 This report has been prepared by Barton Willmore's National Research Team on behalf of Welbeck Strategic Land LLP to review the objective assessment of overall housing need (OAN) underpinning the housing target of Mid Sussex District Council (MSDC), as set out in their District Plan and supporting evidence base. The MSDC District Plan was submitted to Government for public examination on 17 August 2016.
- 1.2 This November 2016 report provides an update to the previous OAN report prepared for Welbeck Land by Barton Willmore in December 2015, and should be read in conjunction with the December 2015 report. This update provides a focussed assessment of relevant issues arising since the December 2015 report.
- 1.3 The review has been undertaken in the context of the requirements of the National Planning Policy Framework (NPPF) and its accompanying Planning Practice Guidance (PPG).
- 1.4 The report is structured as follows:

**Section 2: OAN Policy Update.** This section summarises the NPPF and PPG context in which the OAN should be prepared. Alongside the NPPF and PPG context, this section introduces the proposed changes to the PPG recommended by the Local Plans Expert Group (LPEG) in their report to Government in March 2016;

**Section 3: Official ONS and CLG Demographics Update:** This section provides a focussed review of the 2014-based ONS Sub National Population Projections (SNPP); 2014-based CLG household projections; and 2015-based Mid-Year Population Estimates. These three sets of data were published in 2016;

**Section 4: MSDC OAN Evidence Base Review Update.** This section incorporates a thorough technical review of the 'Addendum to the Housing and Economic Development Needs Assessment' report published by the Council in June 2016. This should also be read in conjunction with the review of MSDC's OAN evidence published prior to Barton Willmore's previous December 2015 report;

**Section 5: OAN for MSDC:** This section summarises Barton Willmore's own approach to establishing OAN for MSDC;

**Section 6: Local Plans Expert Group OAN:** Although we note that LPEG's proposed changes to the PPG's HEDNA section have not been confirmed by CLG, and do not represent

adopted guidance, we provide a calculation of what the OAN for MSDC would be based on LPEG's recommendations for information purposes.

**Section 7: Summary and Conclusions.** This section draws together the policy requirements of the NPPF and supporting PPG to conclude whether full OAN has been established.

## 2.0 PLANNING POLICY UPDATE

### NATIONAL PLANNING POLICY AND GUIDANCE

#### i) Introduction

- 2.1 The National Planning Policy Framework (NPPF, 27 March 2012) and the accompanying Planning Practice Guidance (PPG, 06 March 2014) set out the requirements within which local planning authorities should be setting their overall housing targets as part of a full objective assessment of housing need (OAN).
- 2.2 Our December 2015 report outlined the national policy in relation to OAN in detail. Given there have been no fundamental changes to NPPF and PPG in relation to OAN, we only provide a summary of the existing national policy below.
- 2.3 However, since the publication of our December 2015 report, the Local Plans Expert Group (LPEG) has produced a series of recommendations for local plan making which includes a revised methodology for calculating OAN. The LPEG recommendations are presented later in this section.

#### ii) National Planning Policy Framework (27 March 2012)

- 2.4 The NPPF confirms that Local Planning Authorities should do the following:
- make every effort to objectively identify and then meet housing needs, taking account of market signals (paragraph 17);
  - boost significantly the supply of housing (paragraph 47);
  - use their evidence base to ensure that their Local Plan meets the full OAN for market and affordable housing in the HMA (paragraph 47);
  - plan for housing based on current and future demographic trends (paragraph 50);
  - base Local Plans on adequate, up to date and relevant evidence, taking full account of relevant market and economic signals (paragraph 158).
  - Prepare a Strategic Housing Market Assessment to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries; The SHMA should identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period which:
    - Meets household and population projections, taking account of migration and demographic change;

- o Addresses the need for all types of housing, including affordable housing and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes)."<sup>1</sup>

**iii) Planning Practice Guidance (PPG, 06 March 2014)**

2.5 The Housing and Economic Development Needs Assessments (HEDNA) section of the PPG (ID 2a) includes the SHMA requirement set out in NPPF and supersedes all previous published SHMA practice guidance (CLG, 2007). The PPG HEDNA also outlines the methodology for assessing OAN, which is summarised in Figure 2.1.

**Figure 2.1: PPG OAN Guidance**

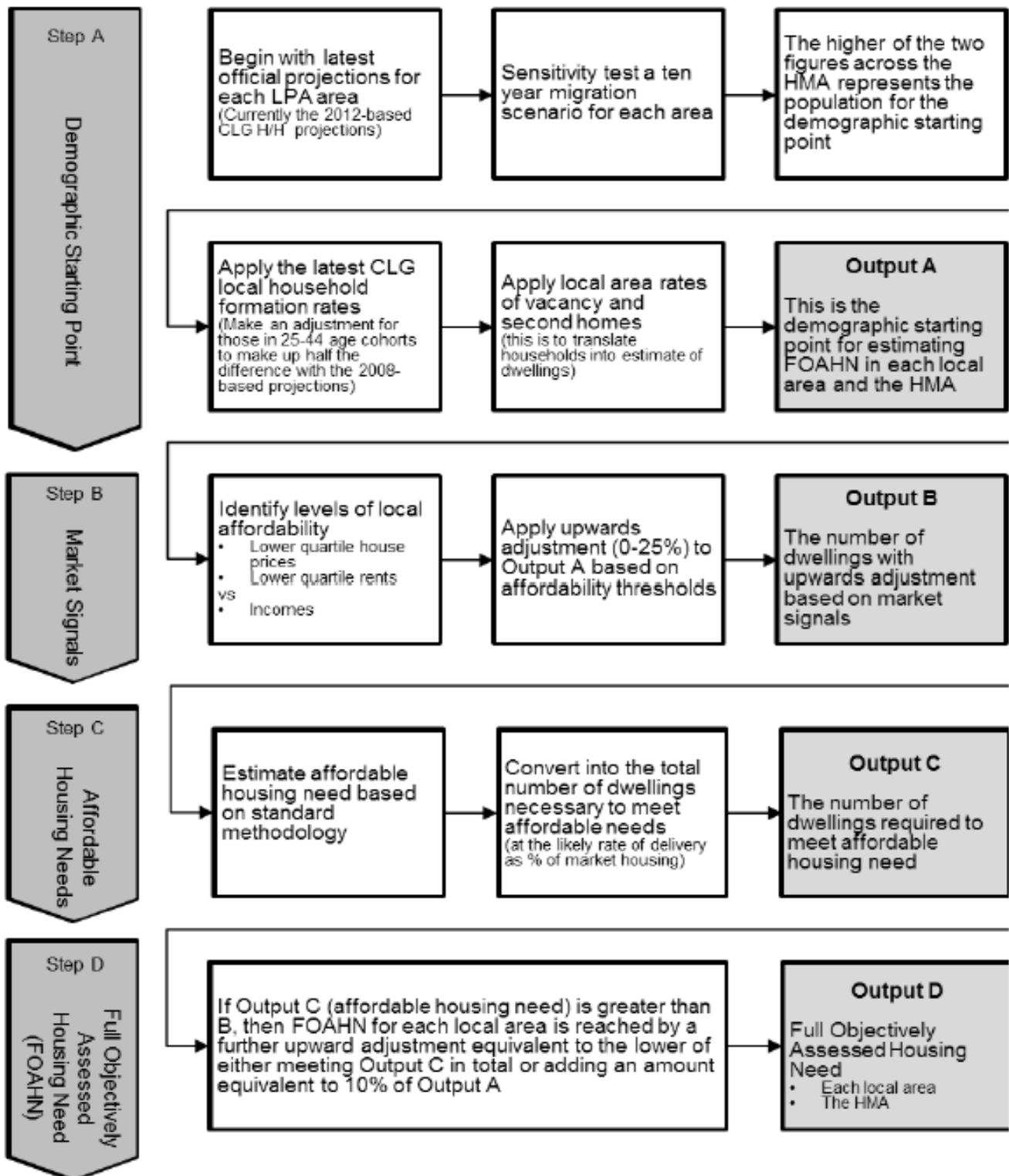
| PPG ID 2a 015 to 020                                  |  |
|---|--|
| Latest CLG household projections starting point       |  |
| <b>Adjustments to starting point projections</b>      | <p><b>1. Demography</b></p> <p><b>A. Household formation</b> (ID2a 015, 016) <i>may have been suppressed historically by undersupply and worsening affordability of housing. As a result, the CLG household formation rate projections may also be suppressed. If so they must be adjusted upwards so that the suppression is removed.</i></p> <p><b>B. Migration and population change</b> (ID2a 016, 017). <i>Sensitivity testing of local migration and population change, taking account of the most recent demographic evidence from ONS.</i></p> <p style="text-align: right;"><b>1. Gives rise to the 'demographic OAN'</b></p> |
|   | <p><b>2. Future job growth</b> (ID2a 018) <i>based on past trends and or projections should be taken into account. The OAN must be capable of accommodating the supply of working age population that is economically active (labour force supply), if it does not them it should be adjusted upwards.</i></p> <p style="text-align: right;"><b>2. Gives rise to the 'future jobs OAN'</b></p>   |
|   | <p><b>3. Market signals</b> (ID2a 019, 020) <i>of undersupply relative to demand that are worsening trigger an upward adjustment to planned housing numbers that are based solely on household projections. The more significant the affordability constraints, the larger the additional supply response should be.</i></p> <p style="text-align: right;"><b>3. Gives rise to the 'market signals uplift'</b></p>   |
| <b>Full objectively assessed housing need (FOAHN)</b> |  |

<sup>1</sup> Paragraph 159, National Planning Policy Framework, 27 March 2012;

**iv) Local Plans Expert Group (LPEG) – Report to the Communities Secretary and to the Minister of Housing and Planning (16 March 2016)**

- 2.10 The LPEG was established by the then Communities Secretary, Greg Clark and the Minister for Housing and Planning, Brandon Lewis MP, in September 2015, with a remit to consider how local plan making can be made more efficient and effective.
- 2.11 In March 2016 the LPEG report and its appendices were published by DCLG. Representations were invited from the public in response to the recommendations of LPEG, with a deadline of 27 April 2016 for representations to be received.
- 2.12 The main report of the LPEG identified two main problems for local authorities when attempting to establish the full OAN for their administrative area and surrounding HMA, as required by paragraph 159 of the NPPF. The two main problems are listed in the LPEG report as follows:
- **There is no pre-set determination of the boundaries of Housing Market Areas;**
  - **There is no definitive guidance on the way in which to prepare a SHMA, leading to significant disagreement and uncertainty over housing numbers, which then affects every stage of the plan making progress.** (paragraph 3.3, page 15)
- 2.13 In this context, the LPEG report includes Appendix 6: 'Housing and Economic Development Needs Assessment – Revised PPG Text', which recommends changes to the existing HEDNA methodology section of the PPG in order to deliver the objectives of the LPEG report. Appendix 6 therefore presents a revised version of the existing HEDNA PPG, identifying the proposed additions/deletions.
- 2.14 Figure 2.2 provides the revised OAN methodology proposed by LPEG. Below Figure 2.2 we describe the proposed changes in the context of the existing PPG methodology. In Section 6 of this Report, we have included an assessment of the OAN for Mid Sussex using the LPEG methodology for illustrative purposes. Although LPEG's recommendations for the revised PPG are yet to be adopted, a decision could potentially be made in late 2016/early 2017. It is therefore considered appropriate to establish what the OAN for Mid Sussex would be based on LPEG's recommendations.

Figure 2.2: LPEG Revised PPG OAN Methodology



Source: Page 09, Local Plans Expert Group Report: Appendix 6, 16 March 2016.

### ***Step A and Output A – Demographic Starting Point***

- 2.15 Step A of the revised HEDNA methodology outlines the first step in establishing full OAN; the demographic starting point. The demographic starting point is currently outlined in paragraphs 15-17 of the existing PPG.
- 2.16 To reach the demographic starting point, the revised PPG HEDNA recommends that the calculation should begin with the most recent household projections published by DCLG. This remains the same as the existing PPG (paragraph 15).
- 2.17 The next stage in establishing the demographic starting point concerns the consideration of alternative migration trends. The existing PPG (paragraph 17) explains how plan makers may consider sensitivity testing, specific to their local circumstances, based on alternative assumptions in relation to the underlying demographic projections and household formation rates. However, the existing PPG does not provide specific guidance on what period of time should be considered in respect of alternative migration trends.
- 2.18 The revised HEDNA paragraph 17 clarifies how this adjustment should be made, as follows:
- “Plan makers should apply a sensitivity test based on a longer term, ten year migration trend, working back from latest Mid-Year Estimates, and using the migration data set out in the Components of Change in the Mid-Year Estimates.” (page 11)**
- 2.19 Once the ten year migration trend scenario has been undertaken, the revised HEDNA PPG recommends that the highest population and household growth of the two scenarios should be preferred.
- 2.20 The final stage in establishing demographic-led need in LPEG’s recommendations concerns household formation rates. The existing PPG HEDNA (paragraph 15) states how the official DCLG household projections may require adjustment to reflect factors affecting local demography and household formation rates. However, the existing PPG does not provide specific guidance on how an adjustment should be made. It is open to interpretation if an adjustment is required, and how to make it.
- 2.21 In contrast the recommendations of LPEG’s revised HEDNA guidance identifies the 25-44 age group as being the age group where an adjustment will need to be made. The revised PPG HEDNA (paragraph 15) identifies when an adjustment to the 25-44 age group will need to be made, as follows:

**“This adjustment should take the form of a comparison between the household representative rates set out in the 2008 and 2012- based projections. Where the rates for those in the 25-44 year age cohorts are lower in the 2012-based projections than was estimated in the 2008-based figures, the assessment should make adjustments to the rate for these cohorts to recover half of the difference in rates between the two sets of projections by 2033, and thereafter from that point trend forward the rate of change for that year from the 2012-based projections. Where the rates for these age cohorts in the 2012-based projections are higher than the 2008-based projections, no adjustment should be made.” (page 10)**

- 2.22 The proposed changes to the PPG HEDNA recommended by LPEG therefore make it very clear how an adjustment should be made, and in which age group (25-44) it should be made.
- 2.23 Once these stages have been completed, the demographic-led housing need (Output A) is established in LPEG’s revised PPG HEDNA.

### **Step B and Output B – Market Signals**

- 2.24 The next step recommended in LPEG’s revised PPG HEDNA concerns appropriate adjustments for market signals. The existing PPG (paragraphs 19 and 20) identifies how six market signals should be considered, and that a worsening trend in any of the market signals compared to similar geographical areas requires an upward adjustment to planned housing numbers which are based on household projections.
- 2.25 However, no specific guidance as to the level of upward adjustment is provided in the existing PPG, only that the adjustment be ‘reasonable’ in the context of how significant affordability constraints are.
- 2.26 LPEG’s revised PPG HEDNA (paragraph 19, page 12) recommends that only two market signals are considered, as follows:
- 1. House price affordability – the ratio of median quartile house prices to median earnings (‘The House Price Ratio’);**
  - 2. Rental affordability – lower quartile rental costs as a percent of lower quartile earnings (‘the Rental Affordability Ratio’).**
- 2.27 The revised paragraph 20 of LPEG’s PPG HEDNA recommendations then quantifies how the market signals adjustment should be made, as follows:

**“Based on the data published by DCLG, LPAs should apply an upward adjustment to the demographic starting point in line with the following benchmarks:**

- **Where the House Price Ratio is less than 5.3 and Rental Affordability Ratio is less than 25%, no uplift is required;**
- **Where HPR is at or above 5.3 and less than 7.0, AND/OR the RAR is at or above 25% and less than 30%, a 10% uplift should be applied;**
- **Where the HPR is at or above 7.0 and less than 8.7, AND/OR the RAR is at or above 30% and less than 35%, a 20% uplift should be applied; and**
- **Where the HPR is at or above 8.7, AND/OR the RAR is at or above 35%, a 25% uplift should be applied.**

**The demographic starting point with the market signals uplift is Output B in arriving at FOAHN.” (paragraph 20, page 13)**

### **Step C and Output C – Affordable Housing Need**

- 2.28 The third step in LPEG’s recommendations concerns affordable housing need. As outlined above, the existing PPG does not consider the calculation of affordable housing need within the same calculation as OAN.
- 2.29 However, the recommendations of LPEG outline an upward adjustment to Output B (market Signals) to account for affordable housing need. There are two stages to this step as follows:
1. **Establish affordable housing need based on standard methodology;**
  2. **Convert affordable housing need into the total number of dwellings necessary to meet affordable housing needs (at the likely rate of delivery as a % of market housing).**
- 2.30 Once this calculation has been made, an upward adjustment to Output B is made, based on the following approach.

**“Where the total number of homes that would be necessary to meet affordable housing is greater than the figure arrived at based on the demographic starting point and application of market signals (Output B), an upwards adjustment to Output B should be made of either 10% or to meet Output C in full if lower, to arrive at a figure for FOAHN (Output D). If the affordable housing need expressed as the total number of homes necessary is lower than the need figure arrived at based on market signals (Output B), the assumption is that affordable housing need will be addressed without further**

**adjustment, in which case FOAHN (Output D) will be equal to Output B.”**

2.31 This recommendation provides clear guidance on how an upward adjustment for affordable housing need would be calculated. Once this adjustment is made, full OAN is established as Output D.

**SUMMARY**

2.32 The NPPF and PPG requires that in planning for future levels of housing, local authorities should boost significantly the supply of housing in their area that meets in full, the objectively assessed need for market and affordable housing. In doing so local authorities should:

- Identify a scale of housing that meets household and population projections;
- Account for migration and demographic change in formulating housing requirements;
- Ensure that assessment of, and strategies for, housing, employment and other uses are integrated, and that they take full account of relevant market and economic signals; and
- Work closely with the business community to understand their changing needs and identify and address barriers to investment, including a lack of housing.

### 3.0 OFFICIAL ONS AND CLG PROJECTIONS UPDATE

#### i) Introduction

3.1 In the intervening period since Barton Willmore's December 2015 OAN report, the following data has been released by the ONS and CLG;

- ONS 2014-based sub national population projections (SNPP, 25 May 2016);
- ONS Population Estimates for UK, England and Wales, Scotland and Northern Ireland: mid-2015 (23 June 2016);
- CLG 2014-based household projections in England, 2014-2039 (12 July 2016).

3.2 These data sets affect the first stage in determining OAN for MSDC; the demographic-led OAN. In this context I summarise these data sets and what they mean for OAN in MSDC, in the context of the previous analysis from December 2015, below:

#### ii) ONS 2014-based SNPP

3.3 The ONS 2014-based SNPP (25 May 2016) update the 2012-based ONS SNPP and provide the official population projection which underpins the PPG's starting point estimate of OAN – the CLG household projection. The 2014-based ONS SNPP is summarised alongside the previous 2012-based ONS SNPP in Table 3.1 below.

**Table 3.1: ONS SNPP for MSDC, 2014-2031**

| Series     | 2014    | 2031    | 2014-2031         |
|------------|---------|---------|-------------------|
| 2014-based | 144,377 | 165,480 | 21,103<br>(1,241) |
| 2012-based | 142,891 | 159,973 | 17,082<br>(1,005) |

Source: ONS

3.4 Table 3.1 shows how the most recent 2014-based ONS SNPP represents a 24% increase from the 2012-based ONS SNPP over the Council's proposed plan period (2014-2031).

### iii) CLG 2014-based Household Projections

3.5 The ONS SNPP summarised in Table 3.1 underpin the CLG household projections summarised in Table 3.2. The 2014-based CLG projections were published on 12 July 2016 and represent the PPG's 'starting point estimate' of OAN. The 2014-based series updates the 2012-based projection which were the most up-to-date at the time of Barton Willmore's previous December 2015 report in respect of MSDC's OAN.

**Table 3.2: CLG Household Projections for MSDC, 2014-2031**

| Series     | 2014   | 2031   | 2014-2031       |
|------------|--------|--------|-----------------|
| 2014-based | 59,737 | 71,876 | 12,139<br>(714) |
| 2012-based | 59,364 | 70,508 | 11,144<br>(656) |

Source: ONS

3.6 Table 3.2 shows how the 2014-based CLG projection projects growth of 12,139 households in MSDC over the proposed Plan period (2014-2031). This equates to 714 households per annum and is a 9% increase from the previous 2012-based projection.

3.7 An adjustment for vacant and second homes needs to be applied. The latest data for MSDC shows an adjustment of 2.20% needs to be applied. This results in a revised starting point estimate of OAN of 12,406 dwellings, 2014-2031 (730 dwellings per annum).

### iv) Migration Trends

3.8 The CLG household projection forms the starting point estimate of OAN. In line with PPG, this should be considered in the context of more up-to-date demographic information. Migration trends were considered in detail in Barton Willmore's December 2015 OAN report, however ONS' 2015-based Mid-Year Population Estimates (MYPE) were published in June 2016 and provide a further year's evidence of demographic trends in MSDC.

3.9 The 2015-based MYPEs show net in-migration of 1,161 people to MSDC between mid-2014 and mid-2015. In 2012/13 and 2013/14 net in-migration was 1,384 and 1,299 people respectively. This is the third year in succession that net in-migration has exceeded 1,100 people.

3.10 This is an important observation, as the starting point estimate of OAN is underpinned by a 5-year period of net migration between 2009 and 2014. The beginning of this 5-year period was

influenced by the recession and average net in-migration over this 5-year period is only 934 people per annum. Similarly the longer 10-year trend shows average net in-migration of 946 people per annum. Both are considered to be conservative assumptions in the context of the past three-years migration trends.

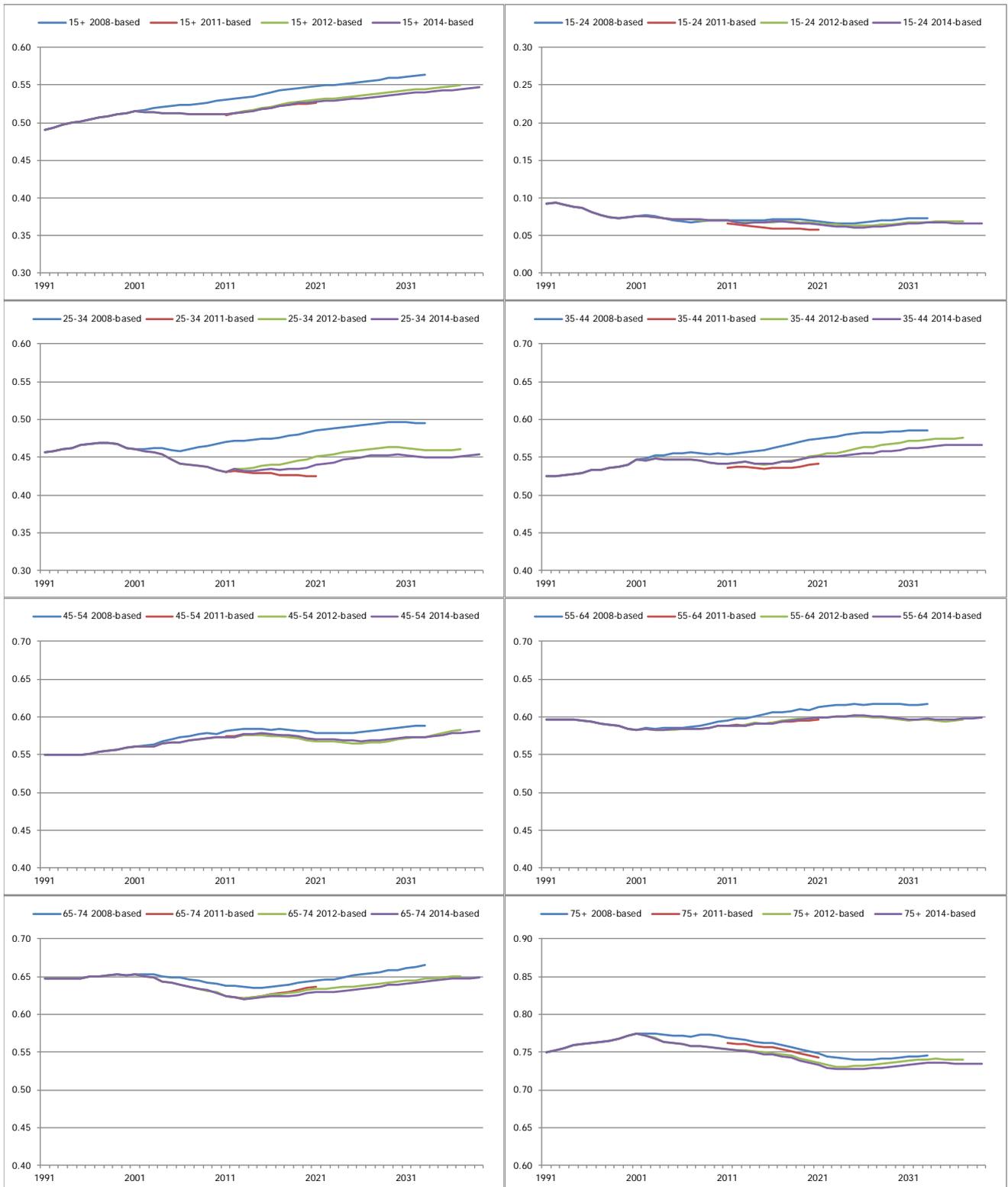
- 3.11 A further point to note is that the starting point estimate of OAN is underpinned by the 2014-based national population projections. These national population projections assume that net international migration to the UK will be 185,000 people per annum between 2014 and 2039. However the most recently recorded year (ending March 2016) has recorded net international migration of 327,000 people, nearly double the assumption underpinning the starting point estimate of OAN.
- 3.12 Net international migration has exceeded 320,000 people per annum in each of the last five quarters recorded by ONS. The last 10 years has averaged over 250,000 people per annum. The assumption underpinning the 2014-based ONS SNPP and CLG projections are therefore considered to be conservative.

#### **v) Household Formation Rates**

- 3.13 Household formation rates (HFRs) – the likelihood of individuals to form their own household – is a key assumption in demographic forecasting. As evidenced in Barton Willmore's December 2015 OAN report, the 2012-based CLG projections showed suppressed HFRs in the 25-34 and 35-44 age groups for which an adjustment was necessary to ensure the acute affordability problems evident in Mid Sussex are improved and the policies of the NPPF are delivered.
- 3.14 Figure 3.1 shows how the 2014-based HFRs project a more acute level of suppression in the 25-34 and 35-44 age groups than the 2012-based projections showed. In this context it is considered even more important now to ensure that the suppression in these age groups is addressed.
- 3.15 As set out in the December 2015 OAN report, Barton Willmore's approach is to provide a return to 2008-based HFRs in this age group. Failure to provide a response to the identified suppression would only serve to exacerbate the affordability problems in the District. The result of applying two approaches to HFR suppression is set out later in this report.

**Figure 3.1: HFR Comparison**

Local Authority: **Mid Sussex**



Source: CLG

## 4.0 REVIEW AND CRITIQUE OF THE COUNCIL'S EVIDENCE BASE NOVEMBER 2016 UPDATE

### i) Introduction

- 4.1 This section provides a focussed technical review of the Council's Housing and Economic Development Needs Assessment Addendum Report (HEDNA addendum) published in August 2016 to support the submission of the District Plan. The HEDNA addendum follows previous HEDNA reports (February, June, and November 2015) which addressed OAN for MSDC. The August 2016 HEDNA addendum has been prepared to consider the 2014-based CLG household projections which have been summarised in section 3 of this report.
- 4.2 Barton Willmore appraised the previous HEDNA reports in the December 2015 OAN report. This section therefore focusses on the 2016 HEDNA addendum and refers to previous HEDNAs to provide context where necessary.

### ii) MSDC Housing and Economic Development Needs Assessment Addendum Report (HEDNA addendum); August 2016

#### *Demographic-led OAN*

- 4.3 Paragraph ID2a-015 of the PPG states that the CLG household projections *'may require adjustment to reflect factors affecting local demography and **household formation rates** which are not captured in past trends. For example, formation rates may have been suppressed historically by under-supply and worsening affordability of housing'*.
- 4.4 The 2012-based and 2014-based CLG household projections are based on trends captured over the recessionary period (2007-2012 and 2009-2014 respectively), during which the ability of (particularly) first-time buyers to form their own independent households worsened significantly due to a lack of availability and the worsening affordability of housing.
- 4.5 In MSDC this suppression is evident in the 25-34 and 35-44 age groups in the 2012-based household formation rates (HFRs), as evidence in Figure 3.1 (above). The 2014-based household projections are based on nearly identical HFRs to the previous 2012-based HFRs, although the suppression is slightly more acute in the latest 2014-based projections. Notwithstanding this continued evidence of HFR suppression, MSDC make no demographic adjustment for more positive HFRs in these age groups in the HEDNA addendum.

- 4.6 Adjustments for increased household formation in the 25-34/35-44 age groups, and an increase to the net-migration assumption, would lead to an increase above the current 2014-based CLG starting point estimate (730 dpa, 2014-2031).

### ***Market Signals***

- 4.7 PPG ID2a-019 and 020 states how *'housing need numbers suggested by household projections (the starting point) should be adjusted to reflect appropriate market signals. A worsening trend in any of the market signals will require upward adjustment to planned housing numbers compared to ones based solely on household projections.'* A detailed up-to-date assessment of market signals is presented in Annexe 1 to this report and outlines the significant market pressure evident in the District.
- 4.8 MSDC's view on the extent of a market signals uplift is contradictory. The original February 2015 HEDNA considered a 10% uplift to the baseline OAN was required. This elevated MSDC's 'baseline' OAN from 570 dpa to 627 dpa at that time.
- 4.9 In contrast, the June 2015 HEDNA Update determined that no adjustment was required for market signals pressure. In less than six months MSDC's view had completely changed. This was despite the June 2015 HEDNA Update stating how the information on market signals contained in the original February 2015 HEDNA report remained valid and up-to-date.
- 4.10 The decision to apply no adjustment in June 2015 was justified based on the extent of deliverable sites in MSDC's SHLAA. This approach wholly conflicts with the PPG, which states how constraints should not be applied to the OAN, such as limitations imposed by the supply of land for new development (ID2a-004).
- 4.11 The *third* HEDNA Update report (November 2015) revisited the market signals issue to make a third conclusion. This third view determined that an uplift was again required to alleviate worsening market signals data. However the adjustment was made to household formation rates in the 20-34 age group; an adjustment which BW consider should be made separately as a demographic adjustment.
- 4.12 Notwithstanding this the adjustment made in the November 2015 HEDNA report equated to an additional 24 dpa above the starting point estimate; an increase of just 3%, as opposed to the 10% adjustment applied in the February 2015 HEDNA. This step reached the OAN of 695 dpa in November 2015.

4.13 The August 2016 HEDNA addendum maintains this 3% uplift for market signals/HFR suppression, resulting in MSDC's determination of OAN as being 754 dpa, 2014-2031. It is interesting to note how the 10% uplift applied in the February 2015 HEDNA would result in an OAN of 803 dpa. However the market signals adjustment necessary in MSDC is considered to be significantly higher than 10%, as I set out in the following section of this report.

### *Homes and Jobs*

4.14 As identified in Barton Willmore's December 2015 OAN report, the Council's most recent comprehensive economic assessment was presented in the Northern West Sussex Economic Growth Assessment (EGA, April 2014). The EGA projected growth of 521 jobs per annum over the 2011-2031 period.

4.15 We note that the Council had also published a localised Burgess Hill Employment Site Study (BHES, March 2015) following the EGA, which referred to a more recent Experian forecast for job growth in Mid Sussex totalling 478 jobs per annum, 2011-2031. The November 2015 HEDNA report therefore stated that the baseline jobs forecast from Experian had reduced from 521 jobs per annum to 478 jobs per annum, 2011-2031.<sup>2</sup>

4.16 However further analysis of the job growth forecast presented in the BHES report shows how the calculation of 478 jobs per annum, 2011-2031, is incorrect.

4.17 Table 3.11 on page 57 of the BHES report lists the number of jobs in 2011 and the number of jobs projected for 2030. The table lists 73,029 jobs in 2030. However Barton Willmore has clarified that the number of jobs projected for 2030 is actually 76,120 jobs; significantly higher than the figure quoted in Table 3.11 of the BHES report. Barton Willmore have confirmed this with the publishers of the forecast, Experian Economics (see Annexe 2). The result is that the projected job growth for MSDC is actually 647 jobs per annum (2011-2030) or 644 jobs per annum (2011-2031).

4.18 The November 2015 HEDNA Update stated that an OAN of 695 dpa would support only 210 jobs per annum (jpa) in MSDC. A sensitivity analysis set out in Table 20 of the November 2015 HEDNA update demonstrated that provision of 750 dpa would support jobs of 273 jpa, 800 dpa (330 jpa) and 1,000 dpa (556 jpa).

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<sup>2</sup> Paragraph 7.11, page 28, Mid Sussex District Council: Housing and Economic Development Needs Assessment (HEDNA) – Update, November 2015

- 4.19 We note that the HEDNA Addendum revisits this exercise, and now confirm that provision of 754 dpa would provide for 323 jpa – some 50 jobs per annum more than the previous HEDNA Update. The HEDNA Addendum, and Submission Draft Plan go on to assert that as the Council are planning to provide for 800 homes per annum (the housing target), it will actually provide for 370 jobs per annum.<sup>3</sup> This of course ignores the fact that the figure of 800 dpa includes an element of (albeit decreasing) unmet needs from surrounding authorities which were associated with the OAN (and economic needs) of those individual local authorities. As such Mid Sussex District Council are in danger of double counting the availability of future labour force growth. This in itself demonstrates the need for a comprehensive housing and economic evidence base across the housing and functional economic area.
- 4.20 BW assessed the level of housing required to support 521 jobs per annum as part of the December 2015 OAN report, and determined that this would require OAN of 1,014 dpa in MSDC, a similar level to that deemed necessary by the Council in November 2015. In the following section of this report we consider job growth of 521 jobs per annum and 644 jobs per annum, 2011-2031.

### ***Affordable Housing Need***

- 4.21 Paragraph 2a-022 of the Government's Planning Practice Guidance (PPG) clarifies how affordable housing need should be calculated, stating that Plan makers will need to estimate the number of households and projected households who lack their own housing or live in unsuitable housing and who cannot afford to meet their housing needs in the market. It confirms that this calculation involves adding together the current unmet housing need and projected future housing need and then subtracting this from the current supply of affordable housing stock.
- 4.22 The PPG subsequently defines the types of households considered to be in affordable housing need, comprising:
- Homeless households or insecure tenure (defined as housing that is too expensive compared to disposable income);
  - Households where there is a mismatch between the housing needed and the actual dwelling (defined to include overcrowded households);

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<sup>3</sup> Table 9, page 10, Mid Sussex District Council: Housing and Economic Development Needs Assessment (HEDNA) – Addendum, August 2016

- Households containing people with social or physical impairment or other specific needs living in unsuitable dwellings (e.g. access via steps) which cannot be made suitable in situ;
- Households that lack basic facilities (e.g a bathroom or kitchen) and those subject to major disrepair or that are unfit for habitation
- Households containing people with particular social needs (e.g. escaping harrasment) which cannot be resolved except through a move.

4.23 We review both the Northern West Sussex Housing Market Area Affordable Housing Need Model Update (October 2014), as well as Mid Sussex District Council's Housing and Economic Development Needs Assessment (HEDNA) Update (November 2015), and subsequent HEDNA Addendum of August 2015 below.

Northern West Sussex Housing Market Area Affordable Housing Need Model Update, October 2014

4.24 The Report, prepared by Chilmark Consulting on behalf of the three local authorities of Mid Sussex, Horsham and Crawley (which combined form the Northern West Sussex Housing Market Area) sought to assess affordable housing need, confirming that within Mid Sussex it stood at between 116 and 474 units per annum.

4.25 The following table summarises the net affordable need resulting from each of the four scenarios tested, alongside the the key assumptions associated with each sensitivity.

**Table 4.1 – Summary of Net Affordable Need Calculations (Northern West Sussex – Affordable Needs Update, October 2014)**

| Scenarios  | Future Annual Household Formation        | Waiting List                      | Mid Sussex – Net Affordable Need Per Annum |
|--|--|-----------------------------------|--|
| Scenario A – CLG Projection, Reasonable Preference Groups (Low Estimate)                 | 546 (formation all cohorts)              | 314 (reasonable preference group) | <b>116</b>                                 |
| Scenario B – 16-44 Years Cohort Constrained, Reasonable Preference Groups (Low Estimate) | 1113 (gross formation aged 16-44 cohort) | 314 (reasonable preference group) | <b>367</b>                                 |
| Scenario C – CLG Projection, Total Waiting List (High Estimate)                          | 546 (formation all cohorts)              | 1383 (full waiting list)          | <b>223</b>                                 |
| Scenarion D – 16-44 Years Cohort Constrained, Total Waiting List (High Estimate)         | 1113 (gross formation aged 16-44 cohort) | 1383 (full waiting list)          | <b>474</b>                                 |

Source: Appendix 1, Chilmark Consulting, Northern West Sussex HMA – Affordable Housing Needs Update, October 2014

4.26 The broad range of need identified reflects the differing treatment to household formation and waiting lists within each of the Scenarios as follows:

#### Household Formation

- 4.27 Gross household formation levels inform the basis of future affordable need calculations. The first set of sensitivities (Scenarios B and D) assess gross household formation based on changes to household formation in those aged 16 to 44 – this being the core age group who typically form a new household. The second set of scenarios (Scenarios A and C) assess household formation across all age cohorts. The effect of this is to reflect a net level of household formation, as it will include the dissolution of households in older age groups (offsetting at least in part the gross formation seen in younger age groups).
- 4.28 Paragraph 4.66 of the Report explains that two different household formation figures were used (Scenarios B and D) *'because it is important to recognise and reflect on the different interpretations of the NPPG Guidance [PPG] as to what constitute Gross New Household Formation'*. PPG paragraph 2a-026 does however refer to the need to assess gross annual need, and that this account for newly formed households. The Report goes on to summarise the positives and negatives of both approaches, concluding that it was right to model both.
- 4.29 However, when considered in its totality an affordable need model which allows for household formation across all age groups (including the dissolution of households in older age groups) effectively double counts the resupply of affordable units brought about by dissolved households, as the model has also accounted for this in its resupply calculation (affordable housing resupply is assumed to occur within rows 3.6 and 3.7 of the affordable need tables contained in Appendix A). As such we consider it more appropriate to calculate gross need based upon a gross household formation of those within the 16-44 age cohort. The effect of this would be to limit the range of affordable need identified within the Report to between 367 and 474 units per annum.
- 4.30 Notwithstanding this, the Report also confirms (sourcing CACI Paycheck data – 2014<sup>4</sup>) that 62.7% of households within Mid Sussex are unable to afford to buy a home without financial assistance, whilst 44.2% are unable to rent without assistance, highlighting the significance of the affordability issue within the District.

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<sup>4</sup> Figure 19, Northern West Sussex HMS – Affordable Housing Needs Update, October 2014

Mid Sussex Housing and Economic Development Needs Assessment Update (November 2015)

- 4.31 Mid Sussex District Council has subsequently prepared a district-wide assessment of objectively assessed housing needs and subsequent update – HEDNA Addendum), both of which include an assessment of affordable need. The Housing and Economic Development Needs Assessment Update (HEDNA Update) was published in November 2015. This Note focuses on the affordable need calculations within the HEDNA Update, which also draw on the earlier affordable need calculations by Chilmark Consulting (detailed above), as well as those within the Council's HEDNA Report of February 2015.
- 4.32 In commenting on the appropriate method for establishing gross household formation the HEDNA Update draws from paragraphs 4.161 to 4.164 of the HEDNA (February 2015), where the Council argue against the use of a gross household formation calculation limited to the 16-44 age cohort, as this will not take account of formation in older age groups arising from changing household circumstances, and does not take account of the dissolution of households arising from deaths in older age groups. As a result the Council consider that this approach may present an artificially high net annual housing need figure.
- 4.33 However, for the reasons we have identified above, the dissolution of households in older age groups and changes to household formation in those age cohorts 44+ which may free up of affordable housing stock should already be reflected in the Council's supply calculation (as part of the net affordable need calculation), and we note that rows 3.6 and 3.7 of the detailed net affordable need calculations included within Appendix A of the HEDNA Update includes such an allowance for what is termed '*Annual supply of social relets (net)*', and '*Annual supply of intermediate affordable housing for sale/ let at sub-market level*'. The purpose of these two rows is to establish the extent of existing affordable housing stock which can be brought back into use each and every year, and as such we consider that by arguing for the dissolution of households to be included within the calculation of household formation that the Council are double counting its effect.
- 4.34 Notwithstanding, the key differentiating assumptions of the affordable housing calculating within the HEDNA Update and earlier Northern West Sussex HMA – Affordable Housing Needs Update, October 2014 relate to the following:
- use of more recent (2012-based) household projections increasing newly arising need (when compared to the same scenario in the earlier Chilmark Consulting Report), by 54 units;

- reduction in the full waiting list by some 107 people, of which there is a reduction in the reasonable preference group by 59 people; and
- increase in committed supply by +317 units.

4.35 The cumulative effects of these revised assumptions result in a net affordable housing need ranging between 127 and 230 units per annum.

4.36 The latest 2014-based household projections, project gross household formation of 1,209 per annum (during the first 5 years of the Plan). Adjusting the HEDNA Update's calculation of affordable need to account for this results in a revised net affordable need range of between 371 and 474 units per annum.

4.37 On the basis of the Council's stated affordable delivery rate of 40%, it would be necessary to plan for the delivery of between 928 and 1,185 dpa in order for affordable need to be met in full. Clearly any reduction in this affordable delivery rate would increase the level of housing required. A sensitivity test based on 35% indicates an increased need for between 1,060 and 1,354 dpa.

4.38 We note that the Council's affordable need calculation also includes a committed supply figure of 1,223 units. This will have the effect of suppressing the overall level of affordable need.

4.39 Whilst we note that the Council has updated its affordable housing calculation in the HEDNA Addendum 2016 insufficient detail is given to support these calculations, and as such it is not possible to establish the impact of appropriately accounting for grossly forming households.

### iii) Summary

4.40 BW's analysis shows how 754 dpa, 2014-2031 in Mid Sussex would fail to deliver full OAN based on the steps identified by section ID2a of the PPG. Whilst growth of 754 dpa would now meet the level of household growth identified by the latest 2014-based CLG household projections, Barton Willmore's analysis confirms that MSDC have failed to fully account for the following factors:

- household suppression issues;
- market signals;
- job growth;
- affordable housing need.

- 4.41 An uplift of just 3% from the starting point estimate of OAN for household formation suppression/market signals is not considered adequate to meet full OAN in MSDC. Barton Willmore's own demographic modelling in the following section of this report shows how an uplift of at least 5% is required solely to assist in alleviating household formation suppression.
- 4.42 A further separate uplift is considered appropriate in MSDC in order to address acute and worsening market signals in MSDC. The level of this uplift is set out in the following section of this report.
- 4.43 In respect of job growth, BW's analysis has shown how the Council's March 2015 BHES report incorrectly calculates growth of 478 jobs per annum (2011-2031) in MSDC. The correct figure (confirmed by Experian Economics in Annexe 2) revises this to 644 jobs per annum, 2011-2031. This has important consequences for the calculation of OAN in MSDC as I outline in the following section of this report.
- 4.44 The analysis of affordable housing need undertaken by Barton Willmore shows affordable need of between 371 and 474 affordable dwellings per annum. This would require OAN of between 928 dpa and 1,354 dpa based on a range of affordable housing provision between 35% and 40%.
- 4.45 The following section of this report presents Barton Willmore's OAN for MSDC.



## 5.0 OBJECTIVELY ASSESSED HOUSING NEED (OAN) FOR MSDC

### i) Introduction

5.1 The previous section of this report provided a summary critique of MSDC's evidence base, set out in a series of HEDNA reports dating from February 2015 to August 2016. The key points from the critique are as follows:

- The MSDC calculation of OAN (754 dpa) is only a 3% increase (24 dpa) from the PPG's starting point estimate of OAN (730 dpa). It is not considered to represent full OAN for MSDC;
- The 3% uplift to the starting point estimate is described in the HEDNA addendum as being a 'market signals' uplift to improve housing for the 20-34 age group. An uplift of only 24 dpa is not considered adequate in alleviating household formation suppression and market signals pressure in MSDC;
- The two most recent economic assessments produced by the Council show a range of job growth between 521 and 644 jobs per annum, 2011-2031. The HEDNA addendum states that their OAN (754 dpa) will support 323 jobs per annum;
- Affordable housing need in Mid Sussex ranges from between 371 and 474 affordable dwellings per annum. To meet this, OAN would need to range between 928 dpa and 1,354 dpa based on a range of affordable housing provision between 35% and 40%.

5.2 In the context of this, Barton Willmore's OAN for MSDC is as follows:

### ii) Demographic-led OAN

5.3 PPG ID2a-015-017 identify how the latest CLG household projection should represent the starting point estimate of OAN. The starting point estimate should then be considered in the context of the most recent demographic evidence including the latest ONS Mid-Year Population Estimates; and sensitivity testing in respect of household formation rates (HFRs).

#### Household Formation Rates

5.4 Figure 3.1 (above) shows how the latest 2014-based CLG projections project suppressed HFRs when compared to the 2008-based HFRs, in all age groups. The HFRs in this latest 2014-based series are also lower than the 2012-based series, which also projected suppressed HFRs. Although the 2014-based HFRs are suppressed in all age groups when compared to the more positive 2008-based HFRs, the suppression in the 25-34 and 35-44 age groups is considered to

be significant, and Barton Willmore consider two sensitivity scenarios in respect of more positive HFRs in these two age groups.

- 5.5 The first sensitivity scenario applies a gradual 50% return to 2008-based HFRs over the Plan period in the 25-44 age group, with the second applying a 100% return. The 15-24 and 44+ age groups continue to be underpinned by the 2014-based HFRs as published.
- 5.6 The first sensitivity scenario (50% return) aligns with the Local Plans Expert Group (LPEG) recommendations of how the PPG's HEDNA section should be amended.

### Migration

- 5.7 The starting point estimate of OAN is underpinned by migration trends from the last 5 years. We have also considered a 10-year trend sensitivity scenario which also aligns with the LPEG recommendations.
- 5.8 The 5 and 10-year trends are similar in terms of overall net migration, as set out in section 3 of this report. However as Table 5.1 shows, the starting point estimate exceeds the 10-year trend, and remains the preferred starting point of demographic-led OAN for MSDC. This approach aligns with the LPEG recommendations outlined in section 2 of this report.

**Table 5.1: Demographic-led OAN for MSDC**

|           |  | DEMOGRAPHIC-LED HOUSING NEED                 |                                    |  |
|-----------|--|--|------------------------------------|--|
| OAN Stage | OAN Step                                     | Total Growth 2014-2031<br>(growth per annum) |                                    |  |
| A         | DCLG 2014-based <b>household</b> projection  | 12,139<br>(714)                              |                                    |  |
|           | Vacant/Second Homes Adjustment               | 2.20%  |                                    |  |
|           | OAN STARTING POINT - <b>Dwellings</b>        | 12,406<br>(730)                              |                                    |  |
|           |  | Household Formation Rate (HFR) scenario      |                                    |  |
|           |  | 2014 HFRs<br>(per annum)                     | 50% Return<br>25-44<br>(per annum) | Full Return<br>HFRs 25-44<br>(per annum) |
| B         | Starting Point OAN - <b>Dwellings</b>        | 12,418<br>(730)                              | 13,071<br>(769)                    | 13,750<br>(809)                          |
|           | Long-Term Migration Trend - <b>Dwellings</b> | 11,915<br>(701)                              | 12,571<br>(739)                    | 13,253<br>(780)                          |
| =         | <b>DEMOGRAPHIC-LED HOUSING NEED</b>          | <b>12,418<br/>(730)</b>                      | <b>13,071<br/>(769)</b>            | <b>13,750<br/>(809)</b>                  |

Source: Barton Willmore demographic modelling

- 5.9 Table 5.1 shows how the demographic-led OAN for MSDC is 730 dwellings per annum, 2014-2031, based on the 2014-based HFRs as published. However to provide a response to suppressed HFRs in the 25-44 age group, the range is between 769 and 809 dwellings per annum, 2014-2031.
- 5.10 Solely accounting for HFR suppression increases the starting point estimate between 5% and 11%. This should be considered in the context of the 3% uplift applied by MSDC which is considered to account for all additional factors to be considered in establishing full OAN.

### **iii) Economic-led OAN**

- 5.11 Paragraph ID2a-018 of the PPG advises how the OAN may need to be increased to ensure that the economically active (labour force) population aligns with projected job growth. Barton Willmore's analysis in section 5 of this report shows a range of projected job growth of between 521 and 644 jobs per annum, 2011-2031, in the Council's evidence base. We have therefore sought to establish the level of OAN required to support this range, based on the 2014-based HFRs as published, and the two sensitivity scenarios outlined above.
- 5.12 In addition, Barton Willmore have considered two approaches to commuting assumptions. The first applies the commuting ratio recorded by the 2011 Census (1.19). The second applies the average commuting ratio recorded by the Annual Population Survey (APS) over the last 5 years (1.25). A ratio over 1.0 means the area is a net exporter of labour. In respect of the above ratios, this means that for every 100 jobs, 119-125 economically active people will be required.
- 5.13 Barton Willmore apply the economic activity rate projections of the Office for Budget Responsibility (OBR). This approach is followed by MSDC in their HENDA addendum.
- 5.14 The results of this approach are set out in Table 5.2:

**Table 5.2: Economic-led OAN for MSDC**

| OAN Stage | OAN Step                                    | ECONOMIC-LED HOUSING NEED                    |  |  |
|-----------|---|--|--|--|
|           |   | Total Growth 2014-2031<br>(growth per annum) |  |  |
| C         | Jobs supported by demographic-led OAN       | 5,939 – 6,381<br>(349 – 375)                 |  |  |
|           | Housing need: 521 Jobs per annum, 2011-2031 | 14,917 – 15,320<br>(877 – 901)               | 15,609 – 16,017<br>(918 – 942)           | 16,327 – 16,742<br>(960 – 985)           |
|           | Housing need: 644 Jobs per annum, 2011-2031 | 16,742 – 17,239<br>(985 – 1,014)             | 17,461 – 17,965<br>(1,027 – 1,057)       | 18,207 – 18,718<br>(1,071 – 1,101)       |
| =         | <b>ECONOMIC-LED HOUSING NEED</b>            | <b>14,917 – 17,239<br/>(877 – 1,014)</b>     | <b>15,609 – 17,965<br/>(918 – 1,057)</b> | <b>16,237 – 18,718<br/>(960 – 1,101)</b> |

Note: Range of housing need based on commuting assumptions of 1.19 to 1.25.

- 5.15 Table 5.2 shows how OAN of between 877 and 1,014 dwellings per annum would be required based on the 2014-based CLG HFRs. However this range makes no adjustment for HFR suppression.
- 5.16 The application of our two approaches to HFR suppression leads to a range of between 918 and 1,101 dwellings per annum, 2014-2031. **The average of this would lead to an OAN of 1,010 dwellings per annum, 2014-2031.** This is comparable with the OAN of 1,014 dwellings per annum presented by Barton Willmore in our December 2015 OAN report.
- 5.17 In this context it is considered that the sensitivity scenarios show that OAN of approximately 1,000 dwellings per annum, 2014-2031 would be reasonable.

#### iv) Market Signals

- 5.18 Paragraphs ID2a-019 to 020 identify how market signals should be analysed when considering OAN, and that worsening trends in any of the six market signals justifies an increase to planned housing numbers which are based solely on household projections.
- 5.19 Annexe 1 of this report provides a detailed assessment of market signals for MSDC, the key headlines of which are as follows:
- Assessed against the target of the South East Plan (855 dpa) and the latest District Plan proposed housing requirement (800 dpa), there has been a persistent deficit in delivery between 2005 and 2015. This equates to total undersupply of 3,596 dwellings;

- Median house prices in MSDC have increased by 445% between 1995 and 2015. This is higher than Crawley (424%), Horsham (429%), the South East average (420%), and the national average (386%).
- The lower quartile affordability ratio rose by 132% between 1997 (4.4) and 2013 (10.2). This exceeded both Horsham (124%) and Crawley (92%), and the regional (103%) and national (81%) averages;
- Revised data published by CLG shows the lower quartile affordability ratio to have risen from 10.75 in 2013 to 12.59 in 2015, an increase of 17% in three years. This compares with a national increase of only 5%;
- Concealed families – those wishing to form their own household but being unable to afford to – rose by 99% in MSDC between the 2001 and 2011 Census'. This compares with Horsham (83%), the South East average (71%), and the national average (71%).

5.20 In short, the market signals illustrate the acute pressures in MSDC. The PPG does not provide guidance on how much of an uplift should be applied to help alleviate worsening market signals. Furthermore there are only a handful of Planning Inspectorate decisions which suggest a quantitative uplift. Three of these decisions which suggested differing adjustments are summarised as follows:

- Eastleigh Local Plan – In Eastleigh, the Inspector concluded that an uplift of 10% should be applied to the demographic-led OAN. However he stated how this was a “cautious” approach based on “modest” market signals pressure. The Inspector specifically referred to a 97% increase in the lower quartile affordability ratio between 1997 and 2012;
- Canterbury Local Plan – In Canterbury the Inspector considered that an uplift of 20% would be reasonable based on market signals pressure being ‘more than modest’;
- Cambridge Local Plan – The emerging Cambridge Local Plan proposes a 30% uplift due to acute affordability and the latest CLG household projections showing a decline in projected households.

5.21 The Eastleigh Local Plan Inspector’s decision was made on the basis of the lower quartile affordability ratio increasing by 97% between 1997 and 2012. In comparison the ratio in MSDC increased by 134% over the same period. In this context it is considered that it is reasonable to conclude that the pressure is more than modest in Eastleigh.

- 5.22 Furthermore in Canterbury, the lower quartile affordability ratio in 2013 was only 9.1 compared with 10.2 in MSDC. The increase in Canterbury between 1997 and 2013 was only 89% compared with 130% in MSDC. The median house price in MSDC has also increased to a greater extent (445%) than Canterbury (438%). The updated CLG approach to calculating the lower quartile affordability ratio also shows an increase of 13%, from 9.57 in 2013 to 10.80 in 2015. This compares with the increase of 17% in MSDC from 10.75 in 2013 to 12.59 in 2015.
- 5.23 This comparison leads us to conclude that a market signals adjustment in excess of 20% is justified in MSDC.
- 5.24 The third example is Cambridge, where the increase in the lower quartile ratio was an identical 130% between 1997 and 2013. However the ratio was slightly higher in 2013 at 10.3. However the revised CLG approach shows an increase from 10.69 in 2013 to 13.02 in 2015, a more significant increase of 22%. However median house prices have increased by 575% compared with only 445% in MSDC.
- 5.25 In summary it is considered that a reasonable adjustment in MSDC would be between 25% and 30%. For the purposes of the OAN we present here, we have considered the lower end of this range (25%). Applied to the demographic-led OAN incorporating an uplift for household formation in the 25-44 age group, this would result in a range of 961 to 1,011 dwellings per annum, 2014-2031.
- 5.26 It is important to note that the same increase of 25% would be applied to the demographic-led OAN under LPEG's proposed changes to the PPG HEDNA.

#### **v) Affordable Housing Need**

- 5.27 As discussed in section 5 of this report it is considered that affordable housing need in MSDC ranges from 371 to 474 affordable dwellings per annum. Based on a range of provision between 35% and 40% this would require OAN between 928 and 1,354 dpa. A reasonable mid-point would be 1,141 dpa.

#### **vi) Summary**

- 5.28 The OAN prepared by Barton Willmore in this report shows how economic-led OAN for MSDC would require a range of OAN between 918 and 1,101 dwellings per annum, 2014-2031. This would support some reversal in household formation suppression in the 25-44 age group, and is based on the range of job growth identified in the Council's evidence base (521-644 jobs per

annum) and two calculations of commuting. **The mid-point of this range is 1,010 dwellings per annum, 2014-2031.**

- 5.29 Barton Willmore's analysis is also considered to justify a market signals uplift of at least 25%. We have therefore applied a 25% market signals uplift to the demographic-led OAN range adjusted for household formation suppression. This would result in a range of between 961 and 1,011 dwellings per annum, a **mid-point of which would be 986 dwellings per annum, 2014-2031.**
- 5.30 In the context of the affordable housing need identified by Barton Willmore (371 to 474 affordable dwellings per annum) and a range of provision between 35% and 40%, OAN would require OAN between 928 and 1,354 dpa. **A reasonable mid-point would be 1,141 dpa.**
- 5.31 **In the context of the three mid-point calculations set out above, Barton Willmore consider OAN for MSDC to be a minimum of 1,000 dwellings per annum, 2014-2031.**



## 6.0 LOCAL PLANS EXPERT GROUP (LPEG) OAN CALCULATION

- 6.1 Section 2 of this report identifies how the LPEG was established by the Communities Secretary, Greg Clark and the Minister for Housing and Planning, Brandon Lewis MP, in September 2015, with a remit to consider how local plan making could be made more efficient and effective.
- 6.2 As part of their recommendations, Appendix 6 of the LPEG report provided a revised Planning Practice Guidance (PPG) 'Housing and Economic Development Need Assessment' (HEDNA) methodology from which to establish the objective assessment of overall housing need (OAN). Representations were invited by DCLG in respect of these proposed changes by 27<sup>th</sup> April 2016, however a final decision on the LPEG recommendations is yet to be made by Central Government.
- 6.3 Although a decision on the LPEG recommendations is yet to be made, it is considered appropriate to provide a calculation of OAN on the basis of the LPEG methodology, for information purposes.
- 6.4 Table 6.1 shows how my calculation of OAN based on the LPEG recommendations would result in a requirement for **1,057 dwellings per annum in MSDC, 2014-2031**.

**Table 6.1: LPEG OAN Calculation for Mid Sussex District Council, 2014-2031**

| Stage                         | Step | OAN Process   | Growth 2014-2031 (per annum)             |
|-------------------------------|------|---|--|
| A. Demographic Starting Point | 1.   | Latest DCLG household projection <u>population</u> (2014-based ONS SNPP)  | 21,103<br>(1,241)                        |
|                               | 2.   | 10-year migration scenario <u>population</u>  | 19,954<br>(1,174)                        |
|                               | 3.   | Highest <u>population</u> (DCLG projection or 10-year Migration)  | 21,103<br>(1,241)                        |
|                               | 4.   | 2014-based household projections (2014 HFRs unadjusted) <u>households</u>   | 12,139<br>(714)                          |
|                               | 5.   | 2014-based household projections (50% 25-44 HFR return to 2008-based HFRs) <u>households</u>  | 12,784<br>(752)                          |
|                               | 6.   | Vacant and second homes adjustment  | 2.20%                                    |
|                               | 7.   | <b>OUTPUT A: Demographic starting point (<u>Dwellings</u>)</b>  | <b>13,071<br/>(769)</b>                  |
| B. Market Signals             | 1.   | Ratio of median quartile house prices to median earnings (3 year average)   | 10.84                                    |
|                               | 2.   | Upward adjustment required to Output A  | 25%                                      |
|                               | 3.   | <b>OUTPUT B: Demographic starting point plus market signals adjustment - <u>dwellings</u></b>   | <b>16,339<br/>(961)</b>                  |
| C. Affordable Housing Need    | 1.   | Estimate affordable need based on standard methodology ( <u>dwellings</u> )   | 6,307 – 8,058*<br>(371 – 474)*           |
|                               | 2.   | Total number of dwellings necessary to meet affordable needs (as the likely rate of delivery as % of market housing) <u>dwellings</u> . | 15,776 – 23,018<br>(928 – 1,354)         |
|                               | 3.   | <b>OUTPUT C: Number of dwellings required to meet affordable housing need (<u>dwellings</u>)</b>  | <b>15,776 – 23,018<br/>(928 – 1,354)</b> |
| D. FULL OAN                   | 1.   | Is Output C greater than Output B?  | Yes                                      |
|                               | 2.   | Is an uplift for affordable housing need required?  | Yes                                      |
|                               | 3.   | How much uplift is required based on LPEG guidance?   | 10% of Output B                          |
|                               | 4.   | <b>FULL OBJECTIVELY ASSESSED HOUSING NEED FOR MID SUSSEX DISTRICT, 2014-2031</b>  | <b>17,973<br/>(1,057)</b>                |

\*This is based on affordable housing need of between 371 and 474 affordable dpa, as informed by the Council's evidence base.

\*\*This range is based on delivering affordable need at an average rate of between 35% and 40%. This is based on the draft Plan target of 40% and a sensitivity scenario of 35% to allow for deviation in the planned target.

## 7.0 SUMMARY AND CONCLUSIONS

### i) Introduction

7.1 The Objective Assessment of Overall Housing Need (OAN) should be underpinned by an unconstrained, 'policy off' calculation which determines the overall housing need for the local authority and the relevant Housing Market Area (HMA). The step-by-step methodology for identifying the OAN is set out in section ID2a – 'Housing and Economic Development Needs Assessments' (HEDNA) of the Planning Practice Guidance (PPG). Section ID2a of the PPG provides the guidance for delivering the OAN policies of the National Planning Policy Framework, which identifies how Local Plans should be 'positively prepared' and should seek to meet OAN in full.

### ii) Mid Sussex District Council (MSDC) OAN

7.2 MSDC's OAN evidence base is represented by a series of HEDNA reports published between February 2015 and August 2016 and determines OAN for MSDC is 754 dwellings per annum, 2014-2031. Section 4 of this report provides an appraisal of the Council's HEDNA reports, focussing on the most recent August 2016 report submitted with the Local Plan. In short, Barton Willmore do not consider that 754 dpa represents full OAN for MSDC. This is based on the reasons set out in section 4 of this report and summarised in brief as follows:

- A 3% uplift from the PPG's starting point estimate of OAN (the 2014-based CLG household projection) is inadequate in alleviating clear household formation suppression in the 25-44 age group;
- Market signals pressure in MSDC is acute in the context of local, regional, and national comparators. In this context an increase of 3% for both market signals and household formation suppression is inadequate. This should be considered in the context of MSDC promoting the application of a 10% uplift in previous HEDNA reports;
- Experian Economics have confirmed that the job growth forecast in MSDC's Burgess Hill Employment Site Study (BHES, March 2015) is incorrect. The projected job growth range in the Council's evidence base ranges from 521 – 644 jobs per annum, 2011-2031. The Council's OAN evidence shows that 754 dpa will only support 323 jobs per annum;
- Barton Willmore's analysis concludes that the calculation of affordable housing need in the Council's evidence base is inaccurate, and affordable need ranges from 371 to 474 dpa.

## iii) Barton Willmore's OAN for MSDC

7.3 Barton Willmore's calculation of OAN is presented in Table 7.1.

**Table 7.1: Barton Willmore's OAN for MSDC, 2014-2031**

|           |  | DEMOGRAPHIC-LED HOUSING NEED                 |  |  |
|-----------|--|--|--|--|
| OAN Stage | OAN Step   | Total Growth 2014-2031<br>(growth per annum) |  |  |
| A         | DCLG 2014-based household projection                 | 12,139<br>(714)                              |  |  |
|           | <i>Vacant/Second Homes Adjustment</i>                | 2.20%  |  |  |
|           | OAN STARTING POINT Dwellings                         | 12,406<br>(730)                              |  |  |
|           |  | 2014 HFRs<br>(per annum)                     | Household Formation Rate<br>(HFR) sensitivity scenario |  |
|           |  |  | 50% Return<br>25-44<br>(per annum)                     | Full Return<br>HFRs 25-44<br>(per annum) |
| B         | Starting Point OAN - Dwellings                       | 12,418<br>(730)                              | 13,071<br>(769)  | 13,750<br>(809)                          |
|           | Long-Term Migration Trend - Dwellings                | 11,915<br>(701)                              | 12,571<br>(739)  | 13,253<br>(780)                          |
| =         | DEMOGRAPHIC-LED OAN                                  | 12,418<br>(730)                              | 13,071<br>(769)  | 13,750<br>(809)                          |
|           |  | ECONOMIC-LED HOUSING NEED                    |  |  |
|           |  | Total Growth 2014-2031<br>(growth per annum) |  |  |
| C         | Jobs supported by demographic-led OAN                | 5,939 – 6,381<br>(349 – 375)                 |  |  |
|           | Housing need: 521 Jobs per annum, 2011-2031          | 14,917 – 15,320<br>(877 – 901)               | 15,609 – 16,017<br>(918 – 942)                         | 16,327 – 16,742<br>(960 – 985)           |
|           | Housing need: 644 Jobs per annum, 2011-2031          | 16,742 – 17,239<br>(985 – 1,014)             | 17,461 – 17,965<br>(1,027 – 1,057)                     | 18,207 – 18,718<br>(1,071 – 1,101)       |
| =         | ECONOMIC-LED OAN                                     | 14,917 – 17,239<br>(877 – 1,014)             | 15,609 – 17,965<br>(918 – 1,057)                       | 16,237 – 18,718<br>(960 – 1,101)         |
|           |  | MARKET SIGNALS                               |  |  |
| D         | Market Signals Uplift applied to demographic-led OAN | 25%  |  |  |
| =         | MARKET SIGNALS OAN                                   | 15,523<br>(913)                              | 16,339<br>(961)  | 17,188<br>(1,011)                        |

- 7.4 The analysis in this OAN report follows a previous OAN report (December 2015). Alongside the critique of the Council's evidence base, this report provides a revised OAN from the December 2015 report, incorporating a range of sensitivity testing in respect of household formation rates, commuting, market signals, and jobs growth, summarised in Table 7.1.
- 7.5 Table 7.1 (steps A and B) shows how OAN based solely on demographic factors would require between 769 and 809 dpa, 2014-2031, based on two approaches to addressing household formation suppression in the 25-44 year age group. However this would not generate the level of housing need required to support the range of job growth identified in the Council's evidence based (521 – 644 jobs per annum, 2011-2031).
- 7.6 Step C of Table 7.1 shows that to support this range of job growth, between 877 and 1,014 dpa would be required based on the unadjusted 2014-based CLG household formation rates. However providing a response to household formation suppression in 25-44 year olds would require a range between 918 and 1,101. The average of this range is 1,010 dpa.
- 7.7 Step D provides a calculation based on a 25% increase for market signals. This increase is applied to the demographic starting point of OAN (Step B), resulting in a range of 961 to 1,011 dpa where account is taken of household formation suppression in 25-44 year olds. The average of this range is 986 dpa.
- 7.8 Furthermore as a sensitivity test, section 6 of this report outlines Barton Willmore's calculation of the OAN on the basis of LPEG's proposed changes to the PPG's HEDNA section. This results in OAN of 1,057 dpa, 2014-2031.
- 7.9 In conclusion and in the context of the OAN scenarios presented in this report, it is considered that an OAN of 1,000 dpa, 2014-2031 in MSDC would be a prudent assumption based on meeting demographic need, accommodating future job growth, and on reasonable assumptions improving the acute affordability problems in MSDC.**



**ANNEXE 1**

**MARKET SIGNALS ANALYSIS**



## 1.0 MARKET SIGNALS

- 1.1 This chapter analyses in detail the key housing market characteristics and trends relating to Mid Sussex, and identifies the extent to which the supply of dwellings over recent years has kept pace with demand.
- 1.2 The problems arising from historic under-delivery of housing across the country can be observed locally through analysis of market signals. Five key market signals have been taken into consideration – Rate of Development, House Prices, Affordability, Residential Rents and Overcrowding.
- 1.3 The findings of this analysis inform the extent to which the OAN may need to be adjusted to take into account market dysfunction observed through analysis of market signals.

### i) Rate of Development

- 1.4 The PPG states how a meaningful period should be used to measure supply. If the historic rate of development shows that actual supply falls below planned supply, future supply should be increased to reflect the likely under-delivery of a plan. Table 1 sets out the annual net completions recorded by Mid Sussex Council over the period 2005/06 to 2014/15 against the housing target, identifying any surplus or shortfall. The housing target for the years 2005/06 to 2013/14 reflect the South East Plan figure but the 2014/15 is updated by the Mid Sussex HEDNA and the submitted Plan's housing policies.

**Table 1: Mid Sussex - Net Completions Vs Housing Targets**

| Year  | Housing Target | Net Completions | Surplus / Deficit |
|-------|----------------|-----------------|-------------------|
| 05/06 | 855            | 611             | -244              |
| 06/07 | 855            | 337             | -518              |
| 07/08 | 855            | 502             | -353              |
| 08/09 | 855            | 480             | -375              |
| 09/10 | 855            | 353             | -502              |
| 10/11 | 855            | 179             | -676              |
| 11/12 | 855            | 522             | -333              |
| 12/13 | 855            | 749             | -106              |
| 13/14 | 855            | 536             | -319              |
| 14/15 | 800            | 630             | -170              |

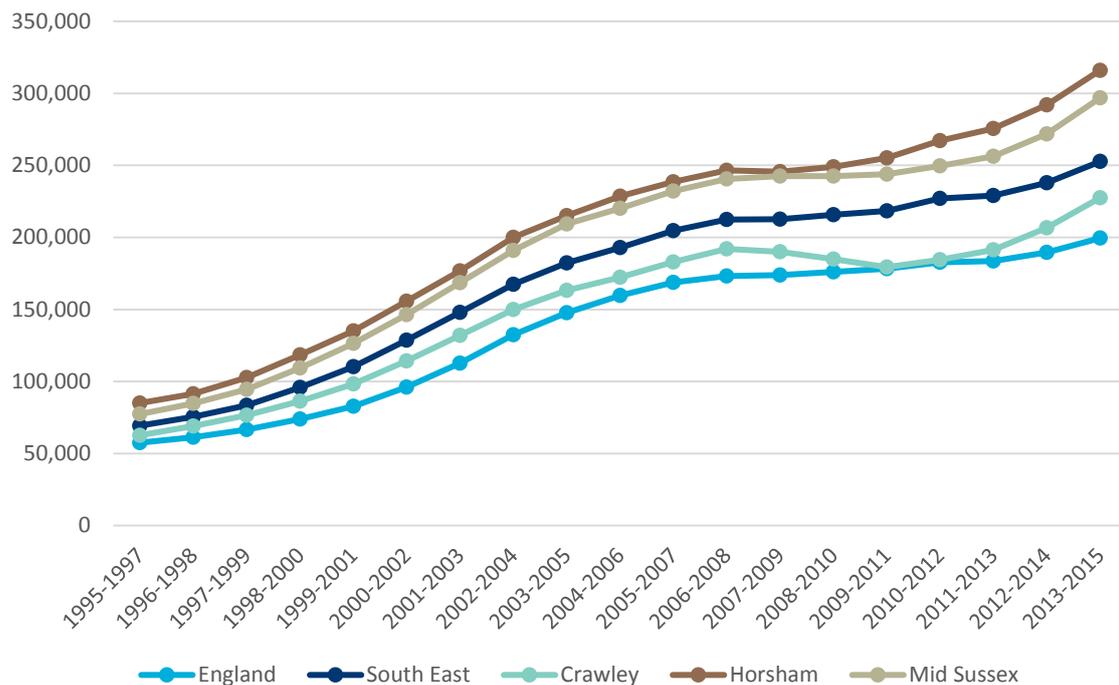
Source: South East Plan / Mid Sussex HEDNA

1.5 Table 1 shows that there has been a continual shortfall in completions in Mid Sussex over the past 10 years. This overall lack of supply will have had an impact on household formation potentially resulting in an increase in overcrowding/concealed households. A market signals adjustment would need to consider this significant undersupply of 3,500 dwellings.

**ii) House Prices**

1.6 The second indicator taken into account is median house price. House prices are influenced by a wide variety of factors and can vary significantly within a district; the median house price has been used to limit the influence of extreme high and low values. Figure 1 tracks the median house price over the period 1995-2015 (demonstrated as a three year rolling average), whilst Table 2 summarises absolute and rates of change over the same period, the two tests required by PPG.

**Figure 1: Median House Price 1995-2015**



Source: Office for National Statistics/ House Price Statistics for Small Areas, Dataset 9

**Table 2: Increases in Median House Price 1995-2015**

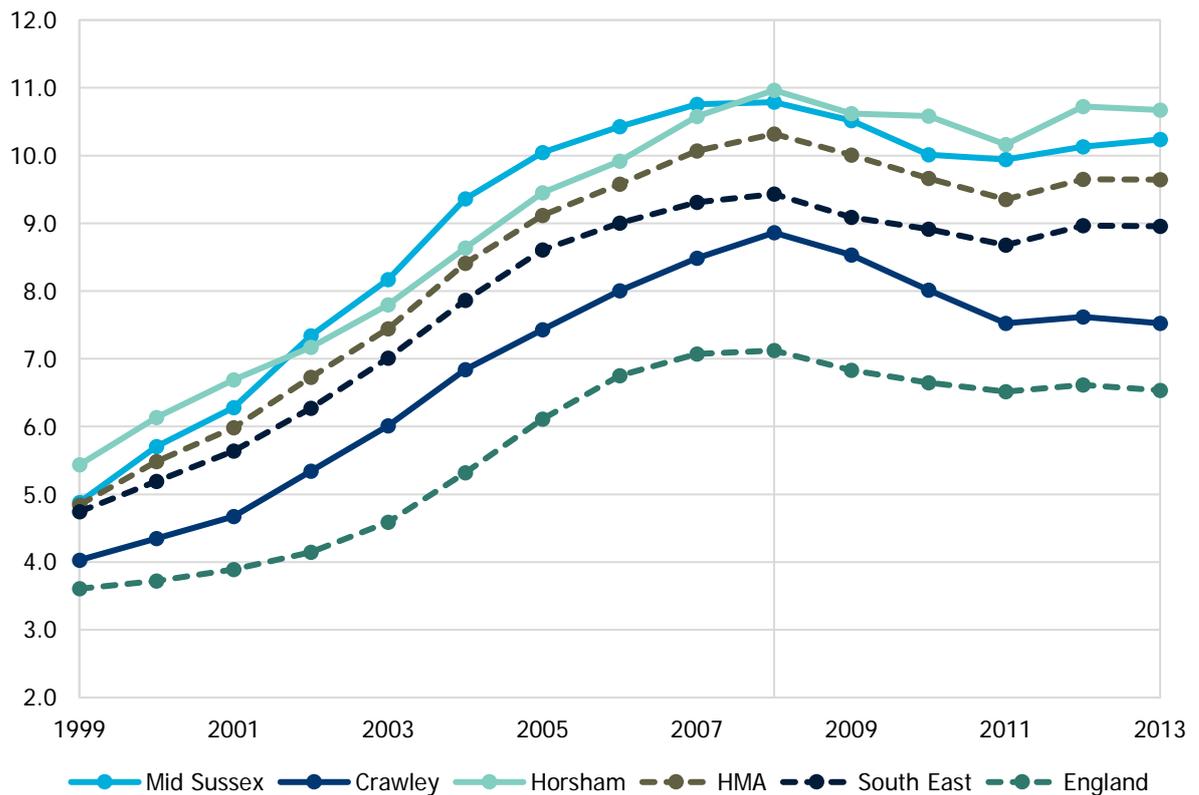
|                   | Average House Price 1995 | Average House Price 2015 | Absolute Change 1995-2015 | Index (England = 100) | % Change 1995-2015 | Index (England = 100) | Peak    | Peak Year |
|-------------------|--------------------------|--------------------------|---------------------------|-----------------------|--------------------|-----------------------|---------|-----------|
| <b>Mid Sussex</b> | 73,000                   | 325,000                  | 252,000                   | 160                   | 445%               | 115                   | 325,000 | 2015      |
| <b>Crawley</b>    | 59,000                   | 250,000                  | 191,000                   | 121                   | 424%               | 110                   | 250,000 | 2015      |
| <b>Horsham</b>    | 80,500                   | 345,000                  | 264,500                   | 168                   | 429%               | 111                   | 345,000 | 2015      |
| <b>South East</b> | 65,000                   | 273,000                  | 208,000                   | 132                   | 420%               | 109                   | 273,000 | 2015      |
| <b>England</b>    | 55,000                   | 212,500                  | 157,500                   | 100                   | 386%               | 100                   | 212,500 | 2015      |

Source: Office for National Statistics/House Price Statistics for Small Areas, Dataset 9

- 1.7 Median house prices have increased by 445% in Mid Sussex over the 20-year period. This represents a higher rate of change than the national average (386%) and a higher rate of change than the regional average (420%). Mid Sussex has experienced the highest increase in percentage of median house prices of all of the authorities within the HMA which comprises Mid Sussex, Crawley and Horsham.
- 1.8 Alongside the rate of change, PPG requires the absolute levels of change to be analysed. The Mid Sussex median house price has increased by £252,000 over 20 years. This is higher than both the regional average (£208,000) and national average (£157,500) by a considerable margin.

### iii) Affordability – Lower Quartile

- 1.9 The third indicator taken into account is affordability, assessed using the ratio between lower quartile house prices and lower quartile earnings. This indicator is particularly salient given the well-publicised barriers to ownership faced by many first time buyers and low-earners.
- 1.10 Figure 2 tracks the affordability ratio over the period 1997-2013. Given that the ratio is a product of two independent data sources, a three year rolling average has been used to limit the effects of volatility in either data source.

**Figure 2: Lower Quartile Affordability, Absolute Change 1997 to 2013**

Source: Office for National Statistics/Land Registry, via CLG Live Table 57

- 1.11 Figure 2 shows that in 1997, the affordability ratio for Mid Sussex (4.1) was notably higher than the typical mortgage borrowing multiplier of 3.5, meaning that for many buying a house was a challenge. However, by 2007 (the pre-recession peak in many areas) the affordability ratio had reached 11.4 in Mid Sussex, an unattainable level for most newly forming households, and higher than the regional peak (9.6) and HMA peak (10.7) in 2007. This was also 60% higher than the national ratio.
- 1.12 In 2013, the Mid Sussex affordability ratio had decreased slightly to 10.2, but was again higher than the regional average (9.0) and the HMA average (9.7). Furthermore Figure 2 shows that the ratio in Mid Sussex has been steadily increasing again since 2011, compared with a declining or level trend in neighbouring authorities, the region, and nationally.
- 1.13 In terms of the tests required by PPG (absolute levels and rates of change), Table 3 shows how the affordability ratio has increased by 130% between 1997 and 2013 in Mid Sussex. This rate of change exceeds the national rate (81%), the regional rate (103%) and the combined HMA rate (119%). The absolute change in the ratio has been 5.8 in Mid Sussex which is higher than the regional average (4.6) and nationally (2.9).

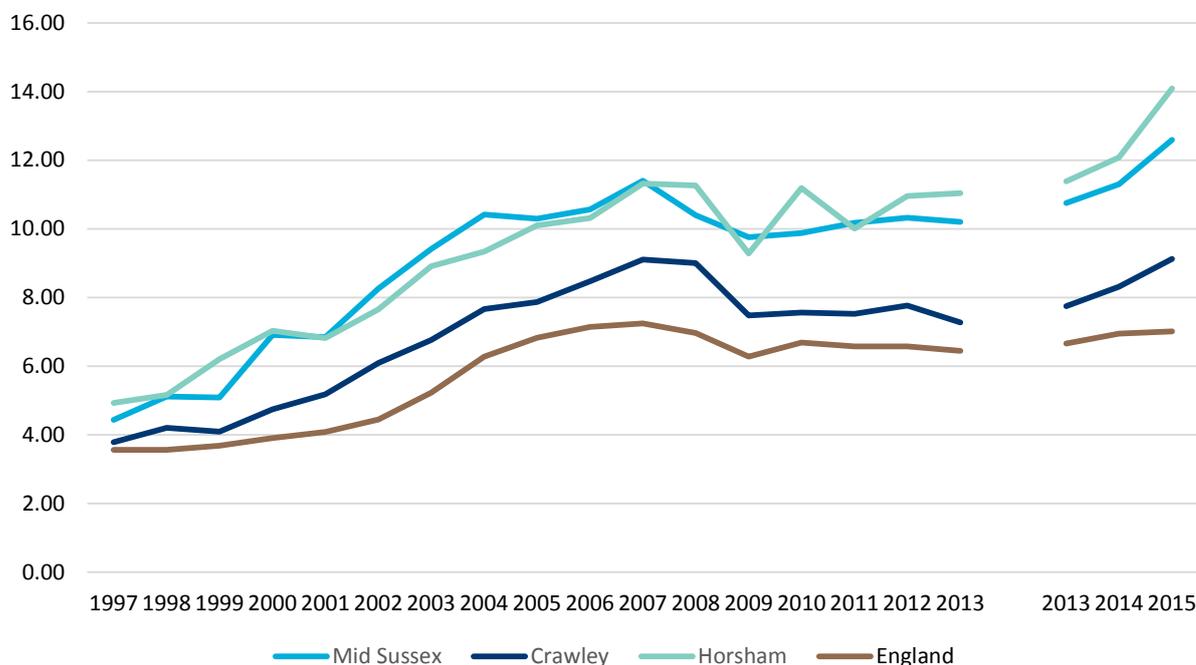
**Table 3: Affordability ratio change 1997-2013**

|            | Absolute Change 1997-2013 | Index (England = 100) | % Change 1997-2013 | Index (England = 100) | Peak | Peak Year |
|------------|---------------------------|-----------------------|--------------------|-----------------------|------|-----------|
| Mid Sussex | 5.8                       | 200                   | 130%               | 160                   | 11.4 | 2007      |
| Crawley    | 3.5                       | 121                   | 92%                | 114                   | 9.1  | 2007      |
| Horsham    | 6.1                       | 212                   | 124%               | 153                   | 11.3 | 2007      |
| HMA*       | 5.3                       | 182                   | 119%               | 147                   | 10.7 | 2007      |
| South East | 4.6                       | 159                   | 103%               | 127                   | 9.6  | 2007      |
| England    | 2.9                       | 100                   | 81%                | 100                   | 7.2  | 2007      |

\*HMA combines Mid Sussex, Crawley and Horsham

Source: Office for National Statistics/Land Registry, via CLG Live Table 576

- 1.14 The ONS have published more recent affordability ratios for years 2013, 2014 and 2015 using a different source of house price data to that used to produce the ratios presented in Figure 2 and Table 3 above. The new methodology leads to slight differences in the distribution of affordability ratios over time. Accordingly, the affordability time series shown in Figure 3 is presented in 2 blocks, the first (old method) up to 2013 and the second (new method) from 2013.

**Figure 3: Lower Quartile Affordability, Absolute Change 1997 to 2015**

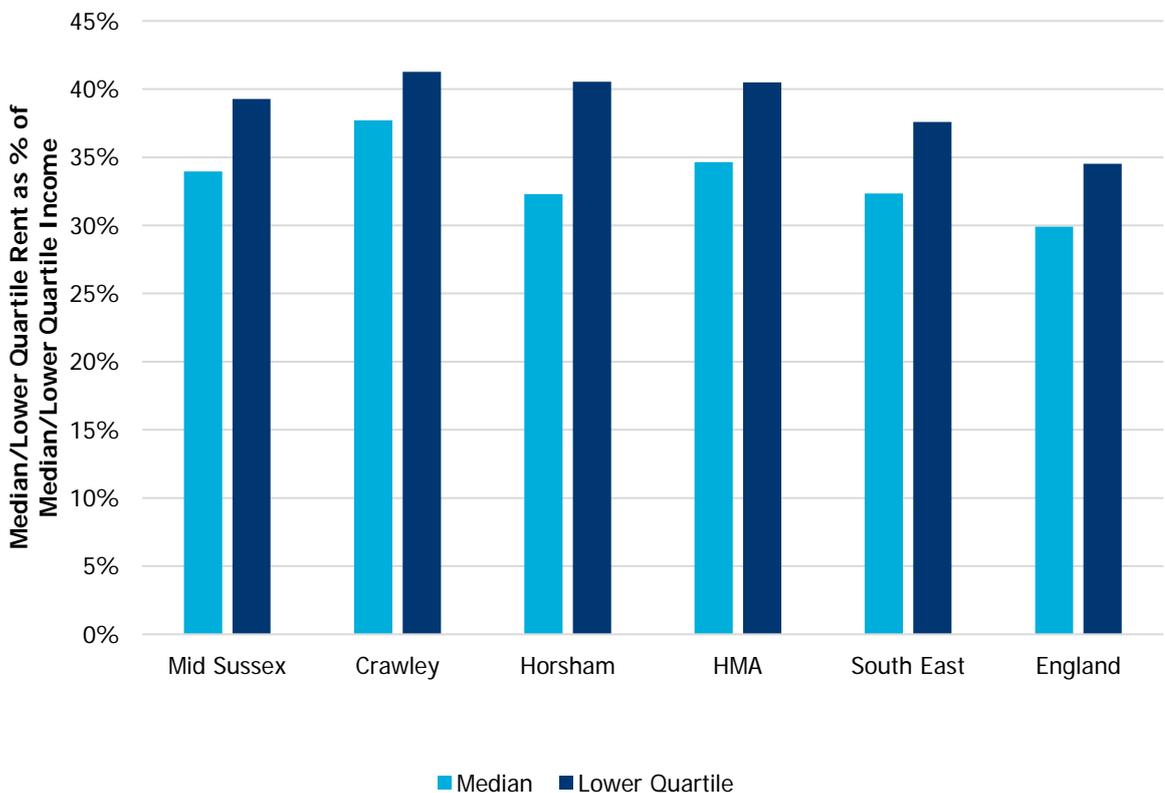
Source: Office for National Statistics/Land Registry, via CLG Live Table 576

- 1.15 Over the period 2013 to 2015, the Mid Sussex affordability ratio has increased from 10.8 to 12.6. This is a 17% increase over 3 years and remains significantly higher than the regional (14%) and national average increases (5%).

**iv) Residential Rents**

- 1.16 The fourth indicator taken into account is residential rent. Figure 4 shows the ratio between Median/Lower Quartile personal income and Median/Lower Quartile private rent, both annualised.
- 1.17 In Mid Sussex, a Lower Quartile private rented property costs (on average) 39% of Lower Quartile Earnings (on the same basis as the purchase affordability calculation shown in Figure 2) – marginally lower than the HMA but higher than the regional and national averages. Median rents in relation to median earnings in Mid Sussex also follow a similar trend. Table 4 analyses growth in lower quartile/median residential rents between 2010/11 and 2014/15.

**Figure 4: Median/Lower Quartile Rent as % of Median/Lower Quartile Income**



Source: Valuation Office Agency

**Table 4: Residential Rents Change (£) 2010/11 – 2014/15**

|              | Median  |         |                            |     | Lower Quartile |         |                            |     |
|--------------|---------|---------|----------------------------|-----|----------------|---------|----------------------------|-----|
|              | 2010-11 | 2014-15 | Change 2010-11/<br>2014-15 |     | 2010-11        | 2014-15 | Change 2010-11/<br>2014-15 |     |
| Mid Sussex   | 795     | 875     | 80                         | 10% | 650            | 741     | 91                         | 14% |
| Crawley      | 750     | 900     | 150                        | 20% | 625            | 750     | 125                        | 20% |
| Horsham      | 795     | 875     | 80                         | 10% | 650            | 725     | 75                         | 12% |
| HMA*         | 780     | 885     | 105                        | 13% | 642            | 740     | 98                         | 15% |
| South East** | 700     | 779     | 79                         | 11% | 565            | 625     | 60                         | 11% |
| England      | 570     | 600     | 30                         | 5%  | 450            | 475     | 25                         | 6%  |

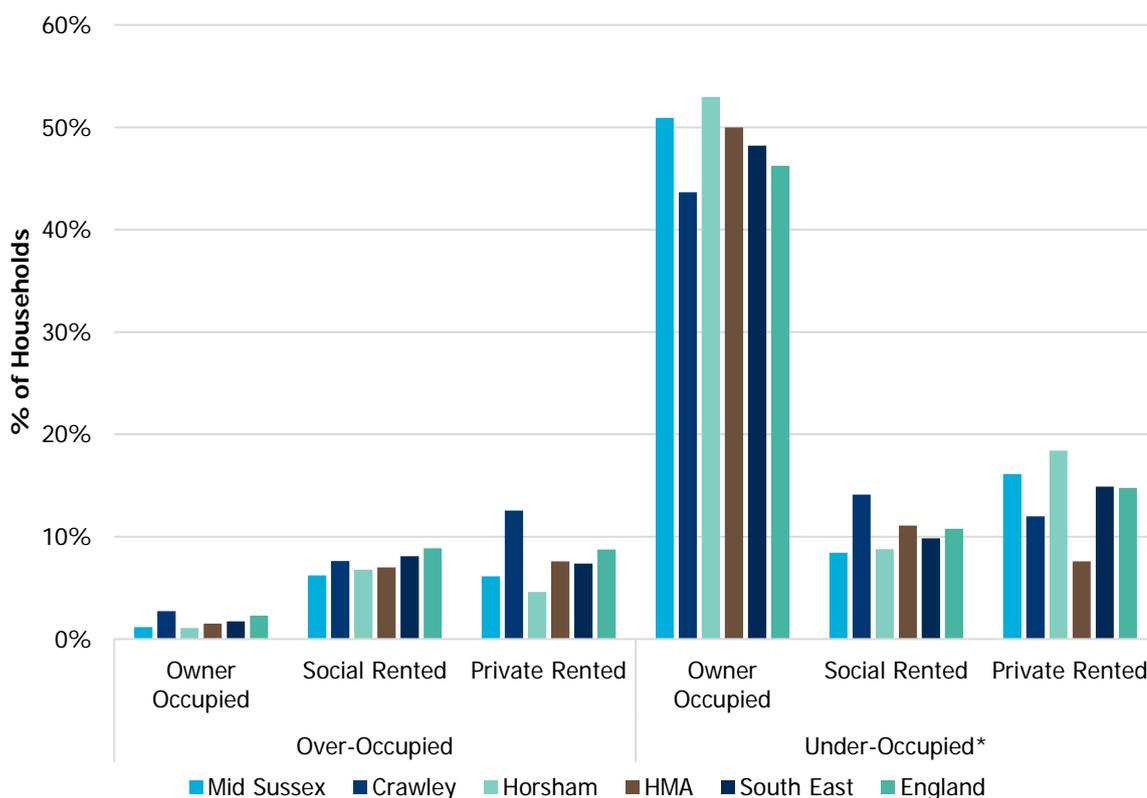
\*HMA combines Mid Sussex, Crawley and Horsham and averages data

Source: Valuation Office Agency, Private Rental Market Statistics – All property types, data for year ending 30<sup>th</sup> September.

- 1.18 The comparison set out in Table 4 shows that all areas examined have experienced increases in rentable values based on both median and lower quartiles. Crawley stands out as the district experiencing the greatest rent increases, but all areas have undergone rent increases considerably higher than the national average, at either median or lower quartile.

#### v) Overcrowding

- 1.19 The final indicator is overcrowding, taking into account the proportion of households which are over-occupied (i.e. having fewer rooms than required for the number of usual residents) and concealed households (multiple households living in a single dwelling). This market signal is considered to illustrate the problems created by the worsening affordability situation indicated earlier in this section of the study.
- 1.20 Figure 5 below compares the proportion of households classified as over and under occupied in the 2011 Census.

**Figure 5: Over and under-occupation, 2011**

\*Under-occupied by 2+ bedrooms

Source: Office for National Statistics, Census 2011

- 1.21 As Figure 5 shows, the Mid Sussex level of over-occupation – where there are fewer bedrooms than required – is proportionally lower than the regional and national averages. The level of over-occupation is relatively comparable with Horsham but in Crawley the level is markedly higher.
- 1.22 In terms of overcrowding, the ONS have recently published data to show a 71% increase in concealed households across the country between 2001 and 2011. Table 5 summarises the number of concealed families within Mid Sussex compared with the other authorities in the HMA, the region and nationally.

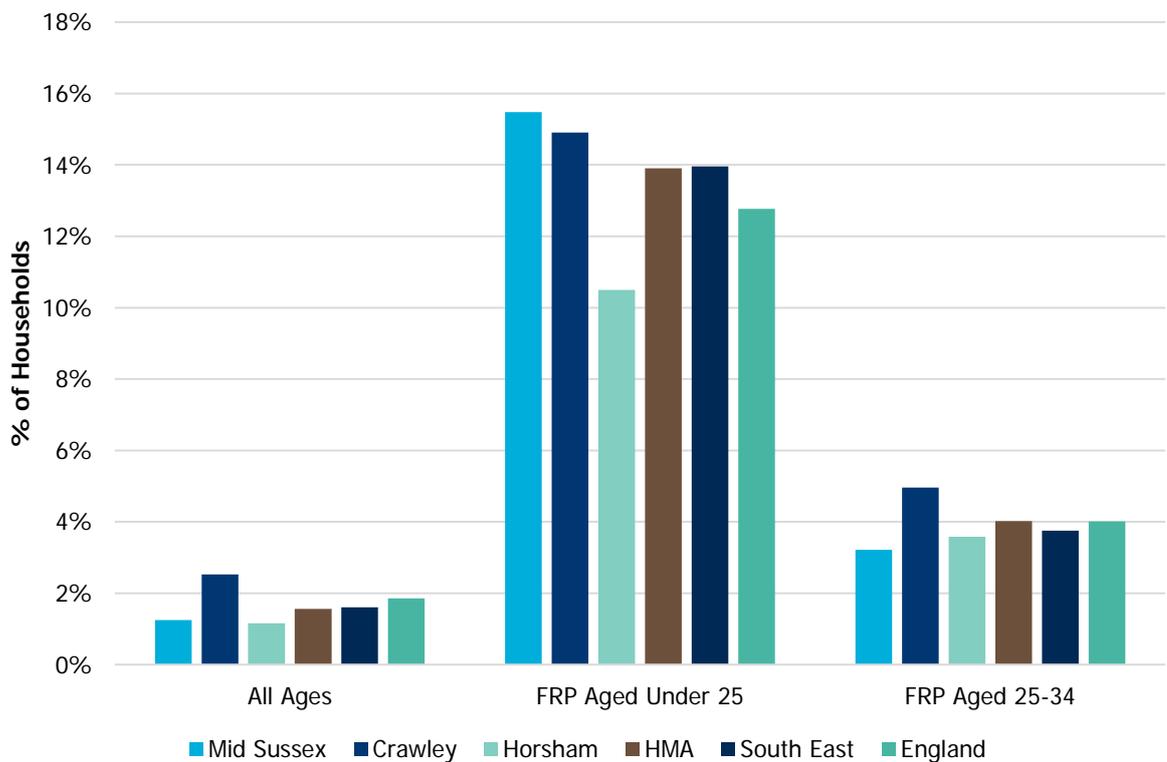
**Table 5: Concealed Households, 2001-2011**

|                   | Concealed Families 2001 | Concealed Families 2011 | % Change | Absolute Change |
|-------------------|-------------------------|-------------------------|----------|-----------------|
| <b>Mid Sussex</b> | 256                     | 509                     | 99%      | 253             |
| <b>Crawley</b>    | 360                     | 755                     | 110%     | 395             |
| <b>Horsham</b>    | 246                     | 451                     | 83%      | 205             |
| <b>HMA*</b>       | 862                     | 1,715                   | 99%      | 853             |
| <b>South East</b> | 23,063                  | 39,465                  | 71%      | 16,402          |
| <b>England</b>    | 161,254                 | 275,954                 | 71%      | 114,700         |

\*HMA combines Mid Sussex, Crawley and Horsham and averages data  
 Source: ONS, Census 2001/11

- 1.23 The number of concealed families in Mid Sussex has increased by 99% between 2001 and 2011, which is representative of the HMA as a whole but higher than the regional and national average which both indicate a 71% increase over the period. In absolute terms the number of concealed families in Mid Sussex has increased by 253 between 2001 and 2011.
- 1.24 Figure 6 provides more detail in respect of the proportion of concealed households by age.

**Figure 6: Concealed families, 2011**



Source: ONS

- 1.25 Figure 6 illustrates how the highest proportion of concealed families in Mid Sussex is within younger households where the age of the family reference person is under the age of 25 years. 15% of all households where the FRP is under 25 years are concealed in Mid Sussex, which is 2% higher than the national average.
- 1.26 Nonetheless, the worsening affordability of housing is leading to a much larger number of people having to share with others, and not being able to form their own households. This is particularly so in younger age groups where the housing market is inaccessible to first time buyers.

1.27 In addition to concealed families, there are many concealed individuals who would like to form their own household but have not been able to due to the recession. Whilst it is not possible to derive the number of these individuals from the Census, research by Bramley et al. (2010) suggests that single adults account for around half of concealed households<sup>1</sup>.

#### vi) Summary of Market Signals

1.28 The market signals issues within Mid Sussex are summarised in Table 6.

**Table 6: Summary of market signals when compared with Mid Sussex**

| Worsening trend? |   |         | Market Signal       |              |               |                   |                                     |
|------------------|---|---------|---------------------|--------------|---------------|-------------------|-------------------------------------|
|                  |   |         | Rate of development | House prices | Affordability | Residential rents | Overcrowding / concealed households |
| Absolute         | Mid Sussex                                |         | Y                   | Y            | Y             | Y                 | Y                                   |
|                  | More acute worsening than comparison with | Crawley | n/a                 | Y            | Y             | X                 | X                                   |
|                  |   | Horsham | n/a                 | X            | X             | Y                 | Y                                   |
|                  |   | HMA     | n/a                 | n/a          | Y             | X                 | X                                   |
|                  |   | Region  | n/a                 | Y            | Y             | Y                 | X                                   |
|                  |   | England | n/a                 | Y            | Y             | Y                 | X                                   |
| Rate             | Mid Sussex                                |         | n/a                 | Y            | Y             | Y                 | Y                                   |
|                  | More acute worsening than comparison with | Crawley | n/a                 | Y            | Y             | X                 | X                                   |
|                  |   | Horsham | n/a                 | Y            | Y             | Y                 | Y                                   |
|                  |   | HMA     | n/a                 | n/a          | Y             | X                 | =                                   |
|                  |   | Region  | n/a                 | Y            | Y             | Y                 | Y                                   |
|                  |   | England | n/a                 | Y            | Y             | Y                 | Y                                   |

1.29 Worsening trends have been observed in Mid Sussex in relation to PPGs market signals indicators. They can be summarised as follows:

- **Housing completions:** Over a 10-year period, there has been a continual shortfall in housing completions in Mid Sussex resulting in a total shortfall of 3,596 dwellings;
- **House prices:** Prices have risen significantly in Mid Sussex between 1995 and 2015; higher in both absolute and real terms than experienced across the region as a whole;
- **Affordability:** Housing is now significantly less affordable than in the late 1990s, which has caused some suppression in household formation. The affordability ratio in Mid

<sup>1</sup> Bramley et al. (2010), Estimating housing need, Department for Communities and Local Government

Sussex is currently<sup>2</sup> 12.6 meaning that a lower quartile priced house costs 12.6 times more than lower quartile earnings. This is unsustainable. Between 1997 and 2013 the Mid Sussex affordability ratio increased by 5.8 (+130%) which is higher than the regional and national averages in absolute and percentage terms;

- **Private Rents:** Both lower and median quartile private rents in Mid Sussex have experienced increases with a 10% increase at median and a 14% increase at lower quartile;
- **Overcrowding and Concealed Families:** Mid Sussex has experienced a notably higher percentage increase in the number of concealed families between 2001 and 2011 (99%) than the regional and national averages (both 71%). This is a reflection of the inability of many families to form their own independent household due to acute affordability problems.

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<sup>2</sup> As at 2015



**ANNEXE 2**

**EXPERIAN ECONOMICS EMAIL (17 OCTOBER 2016)**



## Dan Usher

---

**From:** Suleman, Mohammed <Mohammed.Suleman@experian.com>  
**Sent:** 17 October 2016 13:43  
**To:** Simon Macklen; Rawson, Jon  
**Cc:** Dan Usher  
**Subject:** RE: Mid Sussex - Experian Regional Planner Forecast December 2014

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Hi Simon,

Looking at our December 2014 database, we can't find those total job numbers for Mid Sussex either (the 73,029 in 2030), but we can see the 76,120 that you mentioned.

We're not exactly sure what numbers the council are quoting in the report.

If you have any further questions on this please feel free to get in touch.

Kind regards,

Mohammed

---

**From:** Simon Macklen [mailto:Simon.Macklen@bartonwillmore.co.uk]  
**Sent:** 14 October 2016 17:27  
**To:** Rawson, Jon; Suleman, Mohammed  
**Cc:** Dan Usher  
**Subject:** Mid Sussex - Experian Regional Planner Forecast December 2014

Hi Jon and Mohammed

I hope you might be able to help with a quick query.

We are currently in the process of reviewing some evidence submitted by Mid Sussex District Council to inform its Local Plan, and as part of the Burgess Hill Employment Sites Study the Council has quoted Experian workforce jobs from your December 2014 series. Link below, Tables 3.6 , 3.7 and 3.11

[http://www.midsussex.gov.uk/media/3476/bh\\_sesfinal\\_2015\\_web.pdf](http://www.midsussex.gov.uk/media/3476/bh_sesfinal_2015_web.pdf)

Having reviewed the figures I believe that the Council has misquoted your December 2014 forecast. As the extracted Table 3.11 below shows the Council have reported job growth of 73,029 in 2030, I believe Experian December 2014 forecast reported a figure of 76,120.

Would it be possible to check and confirm whether the Council are correct in quoting the figure of 73,029.

Table 3.11: Total Employment Forecasts for Mid Sussex (Experian, December 2014 and Oxford Economics January 2015. Workforce based definition)

| Forecast          | Total Employment (Workforce-Based) |               |             |                  |
|-------------------|------------------------------------|---------------|-------------|------------------|
|                   | 2011                               | 2014          | 2030*       | Change 2014-2030 |
| Experian          | 63,825                             | 66,542        | 73,029      | 6,487            |
| Oxford Economics  | 63,682                             | 67,966        | 73,871      | 5,905            |
| <b>Difference</b> | <b>+143</b>                        | <b>-1,424</b> | <b>-842</b> | <b>+582</b>      |

Source: Experian, December 2014, Workforce Basis; Oxford Economics, January 2015

\* Oxford Economics forecast to 2030 and Experian to 2031, so 2030-year used for comparison purposes.

Many thanks

Kind Regards

**Simon Macklen**  
Director

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Appendix C

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The Planning Inspectorate

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# Report to Brighton and Hove City Council

by Laura Graham BSc MA MRTPI

an Inspector appointed by the Secretary of State for Communities and Local Government

Date: 5<sup>th</sup> February 2016

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PLANNING AND COMPULSORY PURCHASE ACT 2004 (AS AMENDED)  
SECTION 20

REPORT ON THE EXAMINATION INTO  
THE BRIGHTON and HOVE CITY PLAN PART ONE

Document submitted for examination on 28 June 2013

Examination hearings held between 22 and 31 October 2013

File Ref: PINS/Q1445/429/5

## Abbreviations Used in this Report

|           |  |
|-----------|--|
| AA        | Appropriate Assessment   |
| AHVA      | Affordable Housing Viability Assessment                              |
| BREEAM    | Building Research Establishment Environmental Assessment Methodology |
| CSH       | Code for Sustainable Homes   |
| CWSGBSPB  | Coastal West Sussex and Greater Brighton Strategic Planning Board    |
| Dpa       | Dwellings per annum  |
| DtC       | Duty to Co-operate   |
| Framework | National Planning Policy Framework                                   |
| HIS       | Housing Implementation Strategy                                      |
| HMA       | Housing Market Area  |
| LDS       | Local Development Scheme   |
| LP        | Local Plan   |
| MM        | Main Modification  |
| OAN       | Objectively assessed need  |
| PPG       | Planning Policy Guidance   |
| SA        | Sustainability Appraisal   |

## Non-Technical Summary

This report concludes that the Brighton and Hove City Plan Part One provides an appropriate basis for the planning of the City providing a number of modifications are made to the plan. Brighton and Hove City Council has specifically requested me to recommend any modifications necessary to enable the plan to be adopted. Almost all of the modifications to address this were proposed by the Council, but where necessary I have amended detailed wording and/or added consequential modifications where necessary, and I have recommended their inclusion after considering the representations from other parties on these issues.

The Main Modifications can be summarised as follows:

- Increasing the objectively assessed need for new housing to 30,120;
- Increasing the housing requirement across the plan period to 13,200 new homes;
- Introducing greater flexibility to the redevelopment of land in employment use;
- Ensuring consistency with national policy in relation to technical standards for new dwellings;
- Removal of the reference to Brighton Marina as a District Centre and modifications to Policy DA2 to encourage a design-led approach to future development.

## Introduction

1. This report contains my assessment of the Brighton and Hove City Plan Part One in terms of Section 20(5) of the Planning & Compulsory Purchase Act 2004 (as amended). It considers first whether the Plan's preparation has complied with the duty to co-operate, in recognition that there is no scope to remedy any failure in this regard. It then considers whether the Plan is sound, and whether it is compliant with the legal requirements. The National Planning Policy Framework (paragraph 182) makes clear that, to be sound, a Local Plan should be positively prepared; justified; effective and consistent with national policy.
2. The starting point for the examination is the assumption that the local authority has submitted what it considers to be a sound plan. The basis for my examination is the submitted draft plan (June 2013) which is the same as the document published for consultation in February 2013.
3. My report deals with the main modifications that are needed to make the Plan sound and legally compliant, and they are identified in bold in the report (**MM**). In accordance with section 20(7C) of the 2004 Act the Council requested that I should make any modifications needed to rectify matters that make the Plan unsound/not legally compliant and thus incapable of being adopted. These main modifications are set out in the Appendix. Some of the modifications proposed by the Council are not needed for soundness and I have removed those from the Appendix. In some cases, a Main Modification to a policy or text includes a detail which, in isolation, is minor and not necessary for soundness, but for simplicity and clarity it is preferable to retain these within the Main Modifications. Within the limits prescribed by the Regulations, the Council can make additional minor modifications to the Plan at adoption.
4. I have added one Main Modification relating to the inclusion of a list of superseded policies which is necessary for legal compliance. With the exception of this modification, the Main Modifications that are necessary for soundness and legal compliance all relate to matters that were discussed at the Examination hearings or in written submissions.
5. Following the hearings in October 2013, I wrote to the Council to advise them of my preliminary findings<sup>1</sup>. A key concern at this stage was the failure of the Plan to meet the objectively assessed need for new housing. The Council undertook further work and consulted on proposed modifications in November and December 2014. Following the receipt of representations to these modifications, I invited written submissions on the further matters and issues I identified, arising from the consultation and also revised government policy, as set out in two Written Ministerial Statements (WMS)<sup>2</sup>. The Council proposed further modifications to ensure compliance with the two WMS, and these modifications were the subject of consultation between June and August 2015. In the light of the government's decision not to pursue zero carbon homes<sup>3</sup> and the WMS

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<sup>1</sup> Document ID21

<sup>2</sup> WMS by Brandon Lewis MP dated 28 November 2014; and WMS by Eric Pickles, Secretary of State for Communities and Local Government 25 March 2015

<sup>3</sup> Fixing the foundations: Creating a more prosperous nation July 2015

relating to wind energy development<sup>4</sup> the Council carried out consultation on further modifications to Policy CP8 Sustainable Buildings between September and November 2015. I have taken account of all the consultation responses in coming to my conclusions in this report.

## **6. Assessment of Duty to Co-operate**

7. Section s20(5)(c) of the 2004 Act requires that I consider whether the Council complied with any duty imposed on them by section 33A of the 2004 Act in relation to the Plan's preparation.
8. The Council's Duty to Cooperate Compliance Statement<sup>5</sup> outlines the steps the Council has undertaken to comply with the duty. The Statement provides details of meetings convened by the City Council. It confirms that the Council has worked with a number of neighbouring local authorities and other statutory providers, to address a number of strategic issues, most notably housing, employment and the regeneration of Shoreham harbour.
9. The Council has actively engaged at both officer and member level in a range of cross-boundary partnerships, most notably the Coastal West Sussex and Greater Brighton Strategic Planning Board (CWSGBSPB). Formal requests were sent to other Councils in the Sussex Coast Housing Market Area and beyond for assistance in meeting the City's housing need. No positive responses were forthcoming, mainly because other authorities are finding it difficult to meet their own needs as set out in the Draft Statement of Common Ground, which forms an appendix to the Duty to Cooperate Compliance Statement. However, the Duty to Cooperate is not a requirement to agree.
10. In all the circumstances, I consider that Brighton and Hove City Council has demonstrated that it has complied with the duty imposed by section 33A of the 2004 Act. Following submission of the City Plan Part One, the Council has continued to engage with other authorities, as evidenced in the Duty to Cooperate Update Paper<sup>6</sup>. Engagement with other local authorities has been through the CWSGBSPB, through participation in workshops and in some cases meetings directly with neighbouring authorities.

## **Assessment of Soundness**

### **Main Issues**

11. Taking account of all the representations, written evidence and the discussions that took place at the examination hearings I have identified 6 main issues upon which the soundness of the Plan depends.

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<sup>4</sup> Local Planning: Written Ministerial Statement by the Secretary of State for Communities and Local Government 18 June 2015

<sup>5</sup> BP/007 Duty to Cooperate Compliance Statement (Technical Paper) June 2013

<sup>6</sup> BP/049 Duty to Cooperate Statement Update October 2014

## Issue 1 – Overall spatial vision

*Is the spatial strategy soundly based and does it address the key issues for Brighton and Hove? Has it been positively prepared and will it deliver sustainable development in accordance with the policies of the Framework?*

12. Section 1 of the Plan identifies the context for the preparation of the Plan and the challenges facing Brighton and Hove which inform the strategic objectives set out in Section 2 of the Plan.
13. Paragraph 153 of the NPPF makes clear that the Government's preferred approach is for each local planning authority to prepare a single Local Plan for its area. Additional Local Plans should only be used where clearly justified. Planning Policy Guidance (ID 12-012) indicates that additional Local Plans can be produced, for example a separate site allocations document, but there should be a clear justification for doing so.
14. There have been a significant number of cases, where the Planning Inspectorate has accepted the submission of 'Core Strategies' for examination, after the publication of the Framework on the basis that work on them had already started and that additional local plans would be securely founded on the Core Strategy's strategic policies. These circumstances are clearly applicable to the Brighton and Hove City Plan Part One which sets the strategic context for site allocations and development management policies in Part Two of the Plan. There is no clear evidence that such an approach unacceptably compromises the ability of local residents to participate in the plan-making process.
15. The Plan recognises that new development in the City is constrained by its location between the sea and the South Downs National Park. In spatial terms, the Plan seeks to concentrate development in eight development areas. All except one of these areas are in the existing urban area of Brighton and Hove. The proposed greenfield development at Toad's Hole Valley and potential sites within the urban fringe are on the edge of the urban area which offers the potential for sustainable development.
16. The Plan recognises (paragraph 1.24) that poor air quality is a key issue for certain parts of the city, and that part of the city centre has been declared an Air Quality Management Area (AQMA). **MM58, MM61, MM62** and **MM105** are necessary to ensure that this important issue is taken into account when new development is proposed. Furthermore, this issue is addressed in relation to the Development Areas, which I consider later in this report.
17. Overall, I find that the Plan seeks to meet development needs, so far as is compatible with preserving the natural and built heritage of the City and its surroundings. I deal with specific aspects of the strategy in this report but I am satisfied that, subject to the inclusion of the MMs recommended in this report, the Plan will deliver sustainable development, in accordance with the objectives of the Framework.

*Is it clear what other strategic options were considered and why they were dismissed?*

18. The Sustainability Appraisal documents the various options considered by the Council through the process of plan preparation. These related to both the scale of development as well as different spatial approaches. There was criticism that an option involving greater levels of development, particularly in the urban fringe, was not adequately considered. However, I am satisfied that this issue has been addressed by the further work undertaken, including the review of urban fringe sites, see paragraphs 24 and 25 below, and the SA Addendum<sup>7</sup>.

*Is the Plan founded on a robust and credible evidence base? Is it flexible and able to be monitored? What are the trigger points/action to be taken if monitoring indicates that targets are not being met?*

19. The Plan is accompanied by a comprehensive evidence base. A number of representors criticised the Council's initial urban fringe study and for the reasons given in my initial conclusions<sup>8</sup> I shared some of those concerns. I consider this issue later in this report.
20. Annex 1 to the Plan contains the Implementation and Monitoring Plan. In many cases this document fails to provide clear targets or give any indication of what will be done if targets are not met. For example, in relation to housing delivery the targets are to monitor net housing completions and maintain a five year supply of deliverable sites, but there is no indication of what will be done in the event that a five year supply is not maintained. MM113 proposes a number of amendments to Annex 1 which seek to remedy these deficiencies. However, the action to be taken in the event that targets are not met remains generally vague. In many cases the action proposed is "Development Management Intervention" and it is unclear what is intended. Nonetheless I do not consider that this is sufficient to render the plan as a whole unsound, and it is a matter that can be addressed in the preparation of the City Plan Part Two.

## **Issue 2 – Housing**

*Objectively assessed housing need*

21. The submission plan includes a figure of 15,800 as the objectively-assessed need for new homes over the plan period. This figure has been revised during the Examination. The most recent study<sup>9</sup> assesses the need across the plan period (from 2010 to 2030) as 30,120 new homes. This study is based on the DCLG 2012 household projections and takes account of affordable housing need, assessed as being a net need of 810 dwellings per annum. Taking account of the evidence of market signals, of affordable housing need and of the demographic projections, the study

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<sup>7</sup> BP/050 Sustainability Appraisal Addendum October 2014

<sup>8</sup> ID21

<sup>9</sup> EP/069 Objectively Assessed Need for Housing: Brighton and Hove. June 2015 (G L Hearn)

finds that an uplift of 173 homes per annum would support an improvement in affordability. This is included in the figure of 30,120, which equates to an annual average of 1,506 new dwellings. There is broad support for this revised figure, included in **MM10**, which is necessary to ensure consistency with national policy and guidance.

#### *Housing requirement*

22. The submission plan proposes a housing requirement of 11,300 new homes during the plan period which is a significant shortfall against the assessed housing need. In my initial findings<sup>10</sup> I noted that Brighton and Hove is subject to significant constraints in finding land for new development. This is largely because of its location between the English Channel and the South Downs National Park, which limits the outward expansion of the City. Furthermore, there is a limited supply of vacant, derelict or underused brownfield sites within the urban area. However, I indicated that the Council should rigorously assess all opportunities to meet housing need and I drew attention to three potential sources: windfall sites; urban fringe sites; and land allocated for employment use, and I consider these further below.
23. The Council has proposed **MM72** which increased the housing requirement across the Plan period to 13,200 new homes. The modification revises the number of new homes to be delivered from various sources in accordance with the latest evidence available. There are consequent modifications to the policies for the Development Areas, which are set out below, and also to Policy SA1 (**MM56**).

#### *Windfall sites*

24. **MM11** and **MM72** include an increase in the expected contribution from small site development to 2,015 new homes, comprised of an estimated 1,250 units from small windfall sites and 765 units from identified small sites, across the plan period. This level of windfall development reflects past trends, and meets the requirements of paragraph 48 of the Framework. These modifications are necessary to assist in reducing the shortfall in the supply of new housing and to ensure consistency with national policy.

#### *Urban fringe sites*

25. In my early correspondence with the Council<sup>11</sup> and in my initial findings<sup>12</sup> I expressed concerns regarding the approach that had been taken to assessing the potential for development in the urban fringe, which had led to the very restrictive policy (policy SA4) contained in the submission plan. In response to these concerns, the Council instructed consultants to carry out a review of sites in the urban fringe<sup>13</sup>. This review concludes that about 1,000 new homes could be delivered in the urban fringe, and this is reflected in **MM64**.

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<sup>10</sup> ID21

<sup>11</sup> ID01

<sup>12</sup> ID21

<sup>13</sup> BP/048, BP/048a, BP/048b

26. Some representors oppose any development in the urban fringe and some have questioned the accuracy of some of the site assessments in this study. Others express the view that the Assessment does not reflect the full potential for development in the urban fringe. The City Plan Part One does not, with the exception of Toad's Hole Valley (see Development Area DA7 below), allocate urban fringe sites. The Council has indicated its intention to undertake a more detailed assessment of these sites through the preparation of Part Two of the City Plan. **MM64** allows for sites to come forward in advance of the adoption of Part Two of the Plan but any such proposals would be subject to scrutiny through the development management process in the usual way.
27. I am satisfied that the 2014 Urban Fringe Assessment provides a robust evidence base to guide the strategic level policy in the City Plan Part One. Decisions on whether individual sites should be developed will be made through the process of preparation of the City Plan Part Two or, in advance of that, through the development management process. I am confident that the Plan, as proposed to be modified, will strike the right balance between meeting the need for new housing and retaining open space and will provide an appropriate framework for the allocation of sites in Part Two of the Plan. **MM99**, **MM101** and **MM102** are necessary to ensure consistency between Policy SA4 and Policies CP16 Open Space and CP17 Sports Provision.

*Land allocated for employment use*

28. The City acts as an important economic growth hub for the wider sub-region. The Employment Land Study Review<sup>14</sup> found that vacancy rates are low and even sites with poor quality units were meeting employment needs at some level. The study concluded that there were no sites which should be released to other uses. The City Plan does not seek to accommodate all identified employment floorspace needs and this has been recognised as a Duty to Cooperate issue. However, the Council has accepted that there may be a need for greater flexibility, to take into account, in particular, viability issues. **MM75** and **MM76** are necessary to ensure adequate flexibility to ensure consistency with national policy.

*Are there other opportunities to increase the supply of housing and if so what are they?*

29. Given the physical and environmental constraints of the City there are very limited opportunities to increase the supply of land for housing. There may be scope for some further intensification through redevelopment of sites within the urban area but there is no evidence before me to indicate that such development would be likely to yield a significant uplift in housing land supply beyond that anticipated by the windfall allowance.

*Housing trajectory and five year housing land supply.*

30. The National Planning Policy Framework, paragraph 47, requires local planning authorities to ".....illustrate the expected rate of housing delivery

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<sup>14</sup> EP/010

through a housing trajectory for the plan period and set out a housing implementation strategy for the full range of housing describing how they will maintain delivery of a five-year supply of housing land to meet their housing target". Planning practice guidance advises that "LPAs should aim to deal with any undersupply within the first five years of the plan period where possible".

31. Annexe 3 of the City Plan, as proposed to be modified (MM116), comprises the Housing Implementation Strategy. The Plan's requirement of 13,200 new homes during the plan period implies an average rate of 660 new dwellings per year. Annual completions in the first four years of the plan period (2010 – 2014) were below this, although there was a slight improvement each year, giving rise to a shortfall of 1,238. Taking this into account, together with the fact that most sites proposed for development are brownfield sites within the urban area which have been particularly vulnerable to the effects of construction cost increases and development finance difficulties, the housing trajectory anticipates that annual completions will almost meet the annualised target from 2014 to 2019 (655 dwellings per annum (dpa)) and will then exceed it for the five years through to 2024 (856 dpa) before returning to a delivery rate just above the annualised requirement (712 dpa). In all the circumstances I consider the housing trajectory to be an ambitious but realistic expectation of housing delivery throughout the Plan period and that it is acceptable to base the five year housing requirement on this trajectory.
32. I have considered whether there is a record of persistent under delivery of housing such that the five year housing land supply should be 20% higher. However, a good rate of housing delivery was achieved between the mid- 1990s through to 2007. The lower rate of housing delivery since then is largely related to poor market conditions. Having regard to the advice in PPG that the assessment of a local delivery record is likely to be more robust if a longer term view is taken, I do not consider this to constitute a record of persistent under delivery and I therefore consider that the appropriate buffer is 5%.
33. Appendix B of the Housing Implementation Strategy (HIS) shows that the Council can only demonstrate a five year supply of land for housing if that calculation is based on the housing trajectory, rather than a simple annualised requirement, and that dealing with the under supply of 1,238 dwellings in the first four years of the plan period is spread over the rest of the plan period, rather than the first five years.
34. If the five year housing land supply requirement were based on the simple annualised requirement ( $660 \times 5 = 3300$ ) plus the shortfall (1238) and 5% buffer (227), it equates to a five year requirement of 4765, an annual target of 953 dwellings per annum. This exceeds the actual number of dwellings built in the City in all but three of the last twenty years. In current circumstances, where the economy is still recovering from a major recession it is unrealistic to think that levels of housebuilding will rise fast enough to meet this requirement.
35. If the five year requirement is based on the housing trajectory with the shortfall spread across the plan period, as shown in option C of Appendix

B to the HIS, the Council can demonstrate a housing land supply of 5.0 years. This provides very little flexibility, which is a significant weakness of the Plan. However, the adoption of the City Plan Part One will provide greater certainty for the allocations contained within this plan and will also facilitate the allocation of additional sites through the City Plan Part Two. In the light of the particular constraints faced by the City, I am not persuaded that this weakness is sufficient to render the whole plan unsound, but the Council will wish to give this matter very close consideration through the preparation of the City Plan Part Two.

36. I asked the Council to make some minor changes to the revised version of Annex 3, namely to clearly show the annual rates of proposed housing delivery, rather than relying on the bar graph. This is intended to make calculation of the five year housing land supply, throughout the plan period, more straightforward. This is a minor, factual alteration and I do not consider it necessary to carry out further consultation or SA. I have amended the wording of **MM116** to refer to the latest version of Annex 3.

#### *Overall conclusions on housing land supply*

37. The City Plan Part One, as proposed to be modified, seeks to meet only 44% of the objectively assessed need for new housing. This is a very significant shortfall which has important implications for the social dimension of sustainable development. However, as noted above, the City is subject to significant constraints in finding land for new development. The target of 13,200 new homes is expressed as a minimum, which offers scope for that number to be increased when more detailed consideration of individual sites is undertaken for the preparation of the City Plan Part Two.

#### *Affordable Housing*

38. It is generally recognised that there is considerable need for affordable housing in the City. Policy CP20 seeks to maximise the provision of affordable housing, and this approach is supported by the Affordable Housing Viability Study (AHVS)<sup>15</sup>. The Policy includes a degree of flexibility to allow site specific circumstances, including viability, to be taken into account.
39. The Council initially proposed modifications to ensure compliance with the WMS of 28 November 2014. Following the High Court judgement in *West Berkshire District Council and Reading Borough Council v SSCLG*, the WMS can no longer be treated as a material consideration, and the Council has withdrawn the modifications.

#### *Student accommodation*

40. The Plan notes the increasing demands for student accommodation but also recognises that this has to be balanced against the general need for new housing and the problems that can arise from a concentration of Houses in Multiple Occupation (HMOs). Notwithstanding the evident need

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<sup>15</sup> EP/001 Affordable Housing Viability Study Update 2012

for additional student accommodation, but bearing in mind the limited opportunities for new development, I consider the Plan strikes an acceptable balance between the need for student accommodation and general housing needs. **MM107** and **MM109** clarify the approach to be taken to proposals for purpose built student accommodation and to new HMOs. These modifications are necessary to ensure the Plan is effective.

#### *Provision for gypsies and travellers*

41. Policy CP22 identifies a need for 18 permanent pitches to meet assessed requirements to 2019 based on the work undertaken in the years 2007 – 2010 for the, later abandoned, partial review of the South East Plan. This evidence base is no longer up-to-date, and does not cover the full plan period for the City Plan Part One, but the plan recognises that a revised assessment will be necessary and the Council advised during the Examination that a new GTAA had been commissioned jointly with neighbouring authorities. This assessment was completed in November 2014<sup>16</sup>.
42. Policy CP22 safeguards existing sites, including the established transit site at Horsdean, and establishes criteria for the consideration of proposals for new sites. The Policy includes a commitment to make provision for additional or outstanding pitch requirements through site allocations in Part Two of the City Plan or through joint working with adjacent local authorities. It also makes reference to the potential requirement for an early review of Policy CP22 to incorporate pitch requirements over the full plan period.
43. It is less than ideal that the City Plan part One does not fully comply with the Framework and PPTS, notably the requirements to set pitch targets and identify a five year supply of deliverable sites and sites or broad locations in later years of the Plan period. However, the Council has provided evidence of work undertaken with the aim of identifying a site or sites to meet the need to 2019<sup>17</sup>, which provides a degree of confidence that the Council intends to address this issue in Part Two of the Plan. In all the circumstances, I consider that this issue is likely to be resolved more quickly through the adoption of the City Plan Part One which will enable the Council to move forward with Part Two of the Plan and, if necessary, an early review of Policy CP22.

#### *Housing Standards*

44. In response to the WMS of 25 March 2015 which introduced new national planning policy on the setting of technical standards for new dwellings, the Council has proposed **MM68**, **MM69**, **MM106**, and **MM120**. These modifications are necessary to ensure compliance with national policy.

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<sup>16</sup> EP068 Gypsy, Traveller and Travelling Showpeople Accommodation Needs Assessment – BHCC and SDNPA (November 2014)

<sup>17</sup> MD/007 Report and Papers to Council Cabinet Meeting March 2012

### Issue 3 – Employment

*Do the City Plan's policies and proposals adequately address the needs of all employment-generating sectors of the economy, and is there appropriate flexibility in the policies and proposals? Is the protection of the specified primary industrial estates and business parks for Class B uses fully justified?*

45. As noted above the City is an important employment hub. The Employment Land Survey Review<sup>18</sup> identifies the likely requirements for business space over the Plan period, including a significant requirement for business space. The Plan seeks to address this need primarily through the policies for the development areas. **MM73** and **MM77** are necessary to ensure that appropriate allocations for other (i.e. non B class) employment generating uses will be made in the City Plan Part Two. The Review also supports the retention of the primary industrial estates and business parks. **MM75** and **MM76**, allow for the location of waste management facilities in the established industrial estates and business parks. These modifications also introduce greater flexibility to allow a net loss of employment floorspace in mixed use redevelopments where it can be justified in accordance with the factors set out in the reasoned justification; and increased flexibility to allow the release of non-allocated sites where such sites are not suitable for alternative employment uses; and that redevelopment for housing will be considered in accordance with policy CP20 Affordable Housing, rather than simply giving preference to affordable housing.

### Issue 4 – Retail

*Hierarchy of centres*

46. The Council's own Retail Study<sup>19</sup> does not justify the designation of Brighton Marina as a District Centre, and the Council's aspirations for the area are not sufficient reason to designate it as such at the present time. **MM78** removes the Marina from the list of designated District Centres under Policy CP4 (see also consideration of Policy DA2 below).
47. The Retail Study is thorough and comprehensive, and there is no convincing evidence before me which would justify the designation of additional District Centres such as, for example, the Hove Station Area.

*Retail impact assessment threshold of 1,000 sq m*

48. The default threshold for requiring a retail impact assessment included in the Framework is 2,500 sq m. Policy CP4 establishes a locally set threshold of 1,000 sq m. Evidence produced for the Council<sup>20</sup> taking account of the advice in PPG, identifies various factors, including the relatively small size of both convenience and comparison goods stores, which indicate weaknesses in the Brighton Regional Shopping Centre

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<sup>18</sup> EP/010 Employment Land Study 2012

<sup>19</sup> EP/031 Brighton and Hove Retail Study Update 2011

<sup>20</sup> BHCC12 Statement in response to Matter 6 Retail Appendix 1 Section 5

which make it vulnerable to trade diversion from stores of 1,000 sq m net floorspace. **MM79** which changes the requirement from gross to net floorspace is necessary to ensure the Plan is justified and effective.

## **Issue 5 – Development Areas**

*Is the scale and mix of development proposed for the Development Areas (DA1 – DA7) appropriate to those areas and will the proposals assist in meeting the strategic objectives of the City Plan? Is there clear evidence that the proposals are viable and deliverable?*

### *DA1 Brighton Centre and Churchill Square Area*

49. Policy DA1 seeks the replacement of the Brighton Conference Centre and allows for the redevelopment of Churchill Square. The need for this regeneration is not disputed, although a number of respondents have requested detailed changes to the policy wording. The Council has proposed **MM12 – MM17** to address some of these concerns by introducing increased flexibility; specifying the minimum requirement for new retail development as a net requirement; and strengthening the requirements that the impact of development proposals on air quality are taken into account. Subject to the inclusion of these modifications, I consider the policy to be sound.

### *DA2 Brighton Marina, Gas Works and Black Rock Area*

50. Policy DA2 seeks to establish a co-ordinated approach to development in the Brighton Marina and nearby sites. The strategic allocation makes provision for a mix of uses within the Marina and on the Gas Works site. The Black Rock site is allocated for community leisure and recreation purposes.
51. Brighton Marina was established by the Brighton Marina Act 1968. The Act contains various restrictions on the nature and extent of development. One such restriction is that development should not breach the cliff height. The development plan cannot remove this restriction but the Act also includes provisions for the Council to grant a waiver to allow this restriction to be disregarded. The Council has done so in relation to the scheme which is currently under construction and which is referred to in policy DA2. There is no convincing evidence before me to support the contention that extant planning permissions cannot be implemented for legal reasons.
52. Given the failure to meet the objectively assessed need for new housing and the limited opportunities to increase the supply of new housing it is important that the Marina makes as significant a contribution to the provision of new housing as possible. There is convincing evidence that the cliff height restriction would threaten the viability of development because it would restrict the number of units that could be achieved. My attention was drawn to an appeal decision relating to a scheme which would have breached the cliff height. The appeal was dismissed because of the inadequacy of the accompanying legal agreement, but the

Secretary of State did not conclude that the breach of the cliff height was a reason to dismiss the appeal. Those conclusions were specific to that scheme but lend force to the view that a design-led approach will be preferable to restricting specific parameters of any future scheme. **MM19** removes the cliff height restriction in favour of highlighting this as one of the issues to be addressed. This MM is necessary to enable a viable scheme to come forward which can make a significant contribution to meeting housing needs whilst respecting the natural and built heritage assets in the surrounding area.

53. As noted above, the Council's own evidence does not support the designation of the Marina as a District Centre. **MM18**, **MM21**, **MM81**, and **MM112** remove references to the District Centre designation but encourage an increase in retail and other facilities to support the proposed increase in population.
54. **MM20**, **MM22**, and **MM23** all introduce further flexibility for development proposals which is necessary to aid viability and make the Plan effective.

#### *DA3 Lewes Road*

55. Policy DA3 seeks to reinforce the role of Lewes Road as the City's academic corridor. The Policy and development areas seek to make provision for a range of uses including new academic facilities and student accommodation. The policy is generally worded in quite flexible terms which will enable more detailed proposals to be developed within the overall parameters set out. The Council has proposed modifications **MM25**, **MM26**, **MM27**, **MM28**, **MM29**, **MM30**, **MM31**, **MM32** to ensure compatibility with policy CP8 Sustainable Buildings (see below); to reinforce the need to take account of air quality issues; to ensure the protection of groundwater sources; to introduce further flexibility in relation to the type and mix of development sought; to clarify the relationship with the already adopted Planning Brief for Preston Barracks and University of Brighton SA and the extant planning permission for the Falmer Released Land. The modifications are necessary to make the plan effective.

#### *DA4 New England Quarter and London Road Area*

56. Policy DA4 seeks to revitalise this area which is close to Brighton Station. Given its good transport links the Council takes the view that this should be the preferred location for new office development. The Policy also provides for other uses including residential and retail development. However, given the need for additional office development that has been identified in the Employment Land Study Review<sup>21</sup>, I do not consider it would be appropriate to change the policy to allow other uses, such as student housing, which could potentially reduce the contribution that the area could make to providing new office space.
57. The Council is proposing **MM33**, and **MM34** to reinforce the need to take air quality issues into account and to revise the minimum number of

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<sup>21</sup> EP010

residential units to be provided to take account of the latest information. These modifications are necessary to ensure the plan is effective.

#### *DA5 Eastern Road and Edward Street Area*

58. Policy DA5 seeks to secure significant improvements to the area and promote development on four identified sites, including the redevelopment of the Royal Sussex County Hospital to provide additional hospital floorspace. The Policy has a degree of flexibility and promotes mixed use development on the identified sites. I do not consider that the policy can be regarded as unduly restrictive. The Council is proposing **MM36, MM37, MM38, MM39, MM40, MM41, MM42** which clarify various matters including, the requirement for off-site water supply and sewerage systems; to ensure compatibility with policy CP8 (sustainable buildings); to include the most up to date assessment of the number of residential units that can be provided; and to clarify the likely timescales for development of the Freshfield Road Business park and Gala Bingo Hall allocation. I conclude these modifications are necessary to ensure the Plan is effective.

#### *DA6 Hove Station Area*

59. Policy DA6 seeks to encourage employment-led mixed use development. This approach is justified by the findings of the Employment Land Study Review<sup>22</sup> and the potential for sustainable transport links. The Council has proposed **MM43** which reduces the minimum number of residential units to be provided, having regard to the clear intentions of the owner of the Goldstone Retail Park to retain the site in its existing use. The Council has also proposed **MM44** which clarifies the relationship to the AQMA and the need to take account of air quality issues. These modifications are necessary to ensure the plan is effective.

#### *DA7 Toad's Hole Valley*

60. Policy DA7 allocates 37 hectares of land on the northern fringe of Brighton for development to include a minimum of 700 residential units, together with employment space, a new secondary school, public open space and ancillary uses such as shops, cafes and a community facility. A large number of representors sought the removal of this allocation and the site's designation as local green space.

61. The site abuts the boundary of the South Downs National Park and was expressly excluded from the Park after careful consideration by the Inspector who held the South Downs Inquiry in 2008. Nonetheless, it is part of the downland backdrop to Hove and the setting of the National Park. The Policy seeks to ensure that development respects the setting of the National Park. It is inevitable, however, that development of the scale envisaged in the Policy would have an adverse effect on views out of Hove and on the setting of the National Park. That harm to the environmental dimension of sustainable development has to be balanced against the benefits that would be derived from the provision of new homes.

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<sup>22</sup> EP/010

62. As a large site on the edge of the existing urban area there is potential to create a sustainable form of development, notwithstanding the challenges to overcome if existing bus routes are to be extended, which were drawn to my attention by some representors at the hearings<sup>23</sup>. In addition, the provision of some employment uses and a new secondary school will add to the sustainability of the proposals. The proposals also offer the opportunity to protect and improve the Site of Nature Conservation Importance which abuts the western boundary of the development area.
63. As noted above, the housing target in the Plan represents a very significant shortfall against the objectively assessed need for new housing. If this site were not to come forward for housing development, or if development were to be proposed at a lower density, the shortfall would be even greater. In all the circumstances, I consider that the benefits of the proposed development of the site to meet the need for new housing outweigh the likely harm to the landscape and the setting of the National Park. I recognise that this is a different conclusion to the one reached by the Inspector who held the inquiry into objections to the Hove Borough Local Plan Second Review in 1994, but the context for her decision, particularly in relation to the national and local policy context relating to the supply of land for housing, has changed significantly since that time.
64. The Council has proposed **MM45** which, amongst other things, ensures compatibility with policy CP8 (sustainable buildings). This modification is necessary to ensure the plan is effective.

*DA8 Shoreham Harbour*

65. Shoreham Harbour straddles the boundary between the administrative areas of Brighton and Hove City Council and Adur District Council. A Joint Area Action Plan (JAAP) is being developed by the two Councils together with West Sussex County Council. Policy DA8 provides a strategic context to guide the preparation of the JAAP, in so far as it relates to land within the City. The impact of new development on existing communities and on the character and appearance of surrounding areas, are matters that can be taken into account in the preparation of the JAAP.
66. The Council has proposed **MM46, MM47, MM48, MM49, MM50, MM51, MM52, MM53, MM54, MM55** which are intended to reflect the latest position in relation to preparation of the JAAP and other matters such as the safeguarding of mineral wharf facilities. Not all these modifications may be strictly necessary for soundness, but they aid clarity and the effectiveness of the Plan so for this reason I recommend their inclusion.

*Development Areas – overall conclusion*

67. Subject to the inclusion of the modifications I identify above, the scale and mix of development proposed for the Development Areas (DA1 – DA8) is appropriate and deliverable and will assist in meeting the strategic objectives of the City Plan.

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<sup>23</sup> See for example Rep-29-005

## **Issue 6 – Infrastructure, Developer contributions, Sustainable buildings, Viability**

*Does the Infrastructure Delivery Plan identify all key infrastructure requirements, including transport and water-related requirements?*

68. Annex 2 to the City Plan Part One forms the Infrastructure Delivery Plan which sets out key infrastructure requirements for the delivery of the Plan. MM114 and MM115 update the submission draft version and are necessary to ensure that the Plan is justified and effective.
69. In common with many other cities Brighton and Hove suffers from a degree of traffic congestion. Policy CP9 Sustainable Transport encourages the provision of an integrated sustainable transport strategy. There is no evidence before me to demonstrate that major new transport infrastructure is needed, or that such schemes would be a more effective way of addressing transport issues.
70. The Council has proposed MM90, MM91, MM92, MM93, and MM119 to clarify various aspects of Policy CP9 and to ensure that the approach to parking standards accords with the requirements of the Framework.
71. The Council has proposed a number of MMs, including MM84, to address the concerns of Southern Water. A number of other MMs relate to the Development Areas and are listed above. Others are listed below in relation to Policy CP8 and the IDP. I am not persuaded that there is a clear need or justification for a strategic policy to support the provision of water and wastewater infrastructure. If a clear need can be demonstrated for additional facilities to support new development, this can be addressed through the City Plan Part Two.

### *Sustainable Buildings (Policy CP8)*

72. Policy CP8 requires all new development to incorporate sustainable design features with reference to the Code for Sustainable Homes (CSH) and Building Research Establishment Environmental Assessment (BREEAM) standards. A WMS dated 25 March 2015 by Secretary of State for Communities and Local Government, set out new national planning policy on the setting of standards for new dwellings. The CSH was withdrawn by the WMS. For the specific issue of energy performance, local planning authorities are able to set and apply policies which require compliance with energy performance standards that exceed the requirements of Building Regulations up to the equivalent of CSH Level 4. MM85 replaces the submission draft policy CP8 with a requirement equivalent to the former CSH Level 4 (i.e. a 19% carbon reduction against Part L of the Building Regulations 2013).
73. The Sustainable Buildings Background Paper<sup>24</sup> sets out the local circumstances which justify imposition of this standard, including the City's high ecological footprint arising, in part, from the number of older

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<sup>24</sup> TP/003

buildings in the City. MM85 also establishes that new residential development will be expected to meet the national standard for water efficiency, which is justified by the evidence in the South Downs National Park Authority Water Cycle Study, the relevant sections of which are included in the Council's Statement<sup>25</sup>. In addition the MM removes the requirement for residential conversions to meet a BREEAM standard. MM85 is necessary to ensure compliance with national policy.

*Is there clear evidence that the combined requirements for developer contributions and/or CIL will not render development unviable?*

74. The Council's Combined Policy Viability Study, which was not finalised until after the plan was submitted for examination, found that the combined requirements of the plan raised serious doubts about the viability of development across the Plan area. The Council argued that the flexibility in the policies would enable development to come forward. Whilst it is useful to have sufficient flexibility to allow for site specific issues to be taken into consideration, it is not an acceptable substitute for ensuring that the Plan facilitates development throughout the economic cycle, as required by the Framework.
75. A significant factor affecting viability was the CSH requirements included in the submission policy CP8. The Brighton and Hove combined Policy Viability Study Update 2014<sup>26</sup> found that reducing the CSH target from Level 5 to Level 4 (see paragraph 72 above and MM85), ensured that development across the large majority of the City would be viable and deliverable. The study identified that some development typologies, notably flatted developments in some areas of the City, were unviable in certain circumstances due to market conditions. In these particular circumstances, the flexibility in the policies should enable sites to be developed.

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<sup>25</sup> BHCC39 Matter 3 Consistency with NPPF with Addendum

<sup>26</sup> EP/066

## Assessment of Legal Compliance

76. My examination of the compliance of the Plan with the legal requirements is summarised in the table below. I conclude that the Plan meets them all.

| LEGAL REQUIREMENTS  |   |
|---|---|
| Local Development Scheme (LDS)                                    | The City Plan Part One is identified within the approved LDS June 2014 which sets out an expectation that the plan will be adopted by July 2016. The City Plan Part One's content and timing are broadly compliant with the LDS.  |
| Statement of Community Involvement (SCI) and relevant regulations | The SCI was adopted in September 2006 and was updated in March 2015. Consultation has been compliant with the requirements therein, including the consultation on the post-submission proposed 'main modification' changes.   |
| Sustainability Appraisal (SA)                                     | SA has been carried out and is adequate. It is widely accepted that a Local Plan is likely to have significant environmental effects and that SEA will be required. Section 9 of the Environmental Assessment of Plans and Programmes Regulations 2004 requires a responsible authority to prepare a statement of its reasons if it determines that environmental assessment is not necessary. There is no requirement to prepare a statement of reasons where it determines that environmental assessment is necessary.  |
| Appropriate Assessment (AA)                                       | The Habitats Regulations AA Report (May 2012, updated July 2014) sets out why a full AA is not necessary and this is supported by Natural England   |
| National Policy   | The Local Plan complies with national policy except where indicated and modifications are recommended.  |
| 2004 Act (as amended) and 2012 Regulations.                       | Regulation 8(5) of the 2012 Regulations requires that where a local plan contains a policy that is intended to supersede another policy in the adopted development plan, it must state that fact and identify the superseded policy. The evidence base for the Local Plan contains a list of superseded policies (Document BP/018), which was in the public domain throughout the Examination. The Council has suggested some minor changes to BP/018 in Document BP/073. <b>MM117</b> is necessary to ensure that the list of superseded policies is contained within the Plan itself. These modifications have not been subject to public consultation or sustainability appraisal. However, I do not consider that anyone's interests are prejudiced, or that sustainability |

|  |  |
|--|--|
|  | <p>appraisal is required because of the factual nature of the information.</p> <p>Policy SA5 seeks to set priorities for land within the South Downs National Park that lie within the City Council's administrative boundary. The rationale for this is that the City Council is a key landowner. However, the City Council is not the planning authority for this area and it therefore has no authority under the Act or the Regulations to make planning policy that is intended to apply within the National Park. <b>MM65</b> and <b>MM66</b> rectify this issue. Subject to the inclusion of these <b>MMs</b> the City Plan Part One complies with the Act and the Regulations.</p> |
|--|--|

## Overall Conclusion and Recommendation

77. The Plan has a number of deficiencies in relation to soundness and/or legal compliance for the reasons set out above which mean that I recommend non-adoption of it as submitted, in accordance with Section 20(7A) of the 2004 Act. These deficiencies have been explored in the main issues set out above.
78. The Council has requested that I recommend main modifications to make the Plan sound and/or legally compliant and capable of adoption. I conclude that with the recommended main modifications set out in the Appendix the Brighton and Hove City Plan Part One satisfies the requirements of Section 20(5) of the 2004 Act and meets the criteria for soundness in the National Planning Policy Framework.

*Laura Graham*

Inspector

**This report is accompanied by the Appendix containing the Main Modifications**

## Appendix D

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|  |  |  |           |             |  |
|--|--|--|-----------|-------------|--|
| <b>Site Reference:</b>                 | 770 ()   | <b>Parish</b>  | EG        | <b>Ward</b> |  |
| <b>Site location</b>                   | Land south and west of Imberhorne Upper School, Imberhorne Lane, East Grinstead  |  |           |             |  |
| <b>Site use(s):</b>                    | U011 - Agriculture   | U083 - Education   |           |             |  |
| <b>Gross site area</b>                 | 51 hectares  |  |           |             |  |
| <b>Site Suitable:</b>                  | ✘  | In part the Mid Sussex Landscape Capacity Study considers this area as having a medium - high capacity for development. The eastern part of the site, incorporating land to the east of Imberhorne Farm, is considered to be the best related to the existing settlement of East Grinstead. The site is easily accessible to services although the western most part of the site is less accessible by foot. The majority of the site is within 800m of a bus stop but new routes could be considered as part of a larger development. The southern boundary is adjacent to a SNCI. There are small amounts of Ancient Woodland adjacent to the site and listed buildings that will require suitable mitigation. The impact of the development on the strategic highway network is a primary consideration for the development of this site. Until it can be demonstrated that the transport impacts can be successfully be mitigated the site is not considered suitable for development. |           |             |  |
| <b>Site Available:</b>                 | ✓  | The site has been promoted to the District Plan and is therefore considered to be available for development.   |           |             |  |
| <b>Site Achievable:</b>                | ✓  | The development of this greenfield site is considered to be achievable. The proposal involve the relocation of Imberhorne Lower School to the Upper School site at Imberhorne lane. It is anticipated that 4ha of land will be made available for this. However, this is unlikely to effect the viability of the scheme.   |           |             |  |
| <b>Constraints / Action required:</b>  | Would require Allocation through relevant DPD. Site is adjacent to listed buildings and will require mitigation. Major constraints include ancient woodland, SNCI, Unimproved Grassland. Buffer zones and enhancement required for Ancient Woodland and SNCI and other measures. Issues of site access and impact of development upon local road infrastructure. Impact of development in terms of visitor numbers and potential traffic increases upon Ashdown Forest SAC/SPA. Development will require a full package of transport infrastructure improvements including sustainable transport alternatives to the car. Site includes several listed buildings including the Grade II* 1-3 Imberhorne Farm Cottages and adjacent Gulledge. Site is within 7km of Ashdown Forest, a European designated area under the Habitats Directive, and development will require mitigation as set out in draft District Plan policy DP15. |  |           |             |  |
| <b>Net developable area (ha):</b> 15.2 |  | <b>Proposed site density (dph):</b> 1 Lower- 30  |           |             |  |
| <b>Deliverable (1-5 years)</b>         | ✘  | 0  | Dwellings |             |  |
| <b>Developable (6-10 years)</b>        | ✘  | 0  | Dwellings |             |  |
| <b>Developable (11 years +)</b>        | ✘  | 0  | Dwellings |             |  |
| <b>Not Currently developable</b>       | ✓  |  |           |             |  |
| <b>Overall Conclusion</b>              | The site is on the western edge of East Grinstead and is a relatively unconstrained site. Before the site can be considered suitable for development further information to demonstrate that the impact on the strategic highway network can be successfully mitigated. The proposal would facilitate the consolidation of Imberhorne School onto a single site at Imberhorne Lane.  |  |           |             |  |

## Appendix E

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# Land at Imberhorne Farm

## Outline Transport Appraisal

On behalf of



WELBECK LAND

Project Ref: 36408/001 | Rev: | Date: October 2016



## Document Control Sheet

**Project Name:** Imberhorne Farm  
**Project Ref:** 36408/001  
**Report Title:** Outline Transport Appraisal  
**Date:** October 2016

|  | Name | Position  | Signature | Date     |
|--|------|-----------|-----------|----------|
| <b>Prepared by:</b>                                    | CCN  | Associate |           | Oct 2016 |
| <b>Reviewed by:</b>                                    | CCN  | Associate |           | Oct 2016 |
| <b>Approved by:</b>                                    | TAA  | Partner   |           | Oct 2016 |
| <b>For and on behalf of Peter Brett Associates LLP</b> |      |           |           |          |

| Revision | Date | Description | Prepared | Reviewed | Approved |
|----------|------|-------------|----------|----------|----------|
|          |      |             |          |          |          |
|          |      |             |          |          |          |

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# 1 Introduction

- 1.1.1 This Outline Transport Appraisal provides an overview of the assessment work that has been undertaken in support of a proposal for predominantly residential development at Imberhorne Farm on the north-west side of East Grinstead in West Sussex. Although this is not in the form of a Transport Assessment that would accompany a planning application, it does contain a similar technically focussed approach, and is intended to establish the principle of residential led mixed use development proposals on the site at an early stage.
- 1.1.2 The appraisal recognises that there are already transport related concerns with regard to further development in and around East Grinstead, and therefore aims to provide robust evidence to support the promotion of the site as being appropriate and suitable for development. The appraisal provides evidence for the emerging Local Plan process in respect of the site, and seeks to pre-empt a formal scoping process with the highway authority by providing qualitative and quantitative assessment of the highways and transport network in the vicinity of the site.
- 1.1.3 The technical work undertaken as part of the appraisal is included in a series of technical appendices attached to this document, where much greater technical detail can be found in support of the site. The appraisal document provides an overview of the work completed, and is intended to provide an accessible report of the work undertaken and the results that have been obtained.

## Site description

- 1.1.4 The Imberhorne Farm site is located on the north-western edge of East Grinstead, in the district of Mid Sussex and close to existing residential, local primary and secondary education facilities and a range of local retail amenities, some of which have a sub-regional rather than local function. The proximity to the locally strategic A22 route means that there is access to a wider range of amenities than might typically be found adjacent to such a site, as there are local retail parks and employment centres that are related to the main road.
- 1.1.5 Meanwhile, the town of East Grinstead is only a short distance away, with its high street shops and amenities being approximately 2.5 km from the site, and the railway station lying between the site and the town, roughly 2.0km away. Both of these are conceivably accessible by local walking or cycling routes, and they can also be reached courtesy of local bus services. The station provides connections to the north and south for education, employment and other strategic activities.
- 1.1.6 The town also has a mature and comprehensive highway network, which also provides access to the local facilities and to other more strategic locations further afield. In common with numerous other similar towns in the South-east of England, the highway network comprises roads that have been developed at different times throughout the history of the town, and which consequently have a variety of characters and levels of provision. This results in some pinch points and congestion hot spots around the town, and the A22 itself passes through parts of the town (although it misses the town centre and high street by routing via the former railway cutting at Beeching Way).

1.1.7 The A22 and A264 strategic routes pass through East Grinstead as shown in Figure 1.1 on the right. The A22 stretches from Eastbourne on the south coast to Purley in South London. The A264 runs from Tunbridge Wells to the east to Junction 10 of the M23.



Figure 1-1 - Strategic Location

1.1.8 Figure 1.2 below shows the site in relation to the local road network including the A22 and A264 strategic routes. The site abuts Imberhorne Lane to the east, which connects to the A22 and A264 (via A22). An alternative route from Imberhorne Lane to the A22/A264 is via Heathcote Drive and Park Road.

1.1.9 East Grinstead has suffered from large volumes of traffic for many years, with persistent calls for a bypass to be provided from as far south as Forest Row all the way to the north and west of the town. However, these proposals have not come to fruition, and the town remains as a significant location along the A22 between the coast and London.

1.1.10 Previous traffic study reports have advised that the existing highway network in the town is generally at or over capacity during the morning and evening peak periods on a typical weekday, and that scope for physical improvements to key junctions is constrained – though not impossible.

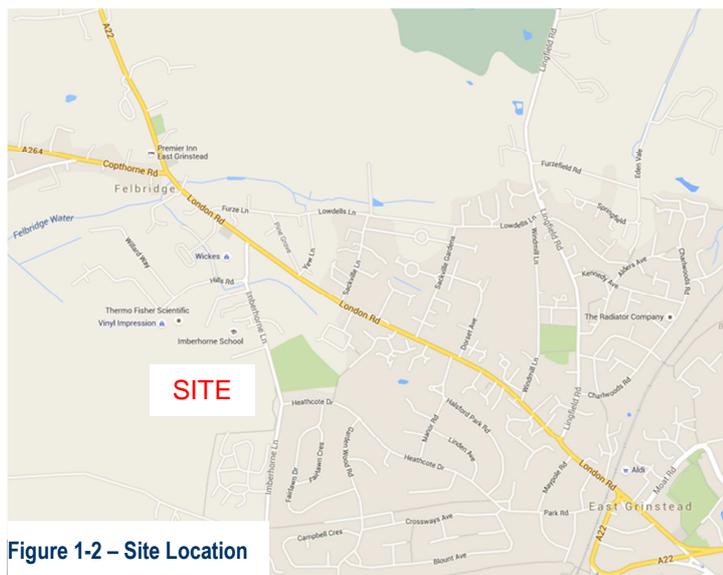


Figure 1-2 – Site Location

### Context of Growth

1.1.11 Although there may be limited options to increase capacity on the local road network, there remains an increasing population and a growing need for further housing locally. In this respect, East Grinstead is not unlike numerous other towns in the south-east of England.

1.1.12 It is likely, therefore, that any future growth will need to be accommodated through a more comprehensive and wider range approach than simply by seeking to meet the forecast demands of uncontrolled car usage. This approach has been taken successfully elsewhere, for example at the developments within the Ebbsfleet Garden City, where significant growth is planned on the basis of controls on car use and support for alternatives.

1.1.13 Critically this support for modes other than the single-occupant car is targeted not only at the new development areas, but also at providing more sustainable transport options to the existing communities in the area. This holistic approach, established with care and

appropriate checks and balances, can allow growth to take place in the context of a long-term management regime set alongside development.

1.1.14 Therefore, this appraisal does not rely purely on the provision of directly creating additional highway capacity as a necessity for development to take place. This is certainly part of the suite of techniques that is employed to support the case for the development, but it is complemented by other improvement measures. These are predicated on sustainable modes of travel that have the capacity to influence travel choices both by new and existing residents and so together formulate a viable strategy for growth in this location.

#### 1.1.15 **The planning context**

1.1.16 It is important to understand that the requirements of the planning process are to demonstrate that development should only have to deal with the direct impacts of the scheme. In this context, it would be possible to suggest that the opportunity to improve travel choice existing as well as future residents is going above and beyond the planning requirements of the scheme. However, the provision of mitigation for the development proposed should not be confused with the requirements in planning that a scheme is only required to deal with its own impacts.

1.1.17 In reality, the comprehensive approach that is developed in this appraisal is focussed on the management of the transport network as a whole, for the benefit of everyone who seeks to use it. In this context, it would be incongruous to target only certain individuals or residents as being the contributors of any impact, and not the wider travel demand that exists on the network as a whole.

1.1.18 Therefore, the use of wider transport initiatives that may have leverage on both new and existing trips to support increased levels of sustainable travel is a pragmatic and holistic way to tackle the impacts of much needed development in busy and mature locations. The potential to convert some existing car trips to more sustainable modes, to allow some necessary car trips from new development to be accommodated is a sensible use of resources and a positive management of the network as a whole.

1.1.19 It should be noted that National Planning Practice Guidance Framework (NPPF) refers to the cumulative impacts of multiple developments within a particular area when determining the impact of a development proposal and advises that it is important to give appropriate consideration to the cumulative impacts arising.

1.1.20 Whilst any development should not be expected to solve all of the existing transport problems in the area, these problems should not be wholly ignored. Therefore, to avoid the potential for “severe” impacts to occur, as envisaged by NPPF, any proposed measures should be focused both on tackling development impact but may also be targeted at bringing about improvements to indigenous transport problems too.

## 2 Transport Policy Context

- 2.1.1 There are a series of existing, and emerging, policy documents that have a bearing on the way that any development proposal on the site, and its transport impacts, should be considered.

### 2.2 Development Plan Documents

- 2.2.1 The 2004 Mid Sussex District Local Plan is the adopted and currently prevailing policy document for the District. The emerging East Grinstead Neighbourhood Plan (Neighbourhood Plan) has been assessed and prepared against this 2004 District Plan and therefore should be in general conformity with it.

- 2.2.2 Housing requirements in the adopted Local Plan were based on the West Sussex County Council (WSSCC) Structure Plan. The WSSCC Structure Plan sets out a housing provision figure for Mid Sussex of 10,175 homes in the period 2001 to 2016. Of this total, 2,810 are already committed on permitted sites, 4,415 are unidentified, 450 are small scale on greenfield and infill sites and around 2,500 are intended to be part of large scale allocations on green field sites to be identified.

- 2.2.3 Mid Sussex District Council (MSDC) is reviewing the adopted Local Plan and preparing a new replacement plan to cover the period to 2031. The new plan will be in the context of the Localism Act and the National Planning Policy Guidance (NPPF). The original timetable for the plan, following its submission to the Secretary of State in the summer of 2016, was for an examination in autumn 2016 and adoption in winter 2016. However, the Inspector has raised a series of queries with the draft plan, and so it is likely that this programme will be more protracted than envisaged. Once adopted the plan would provide an updated overriding framework for all planning documents and would most likely trigger a full review of the Neighbourhood Plan.

- 2.2.4 The Emerging District Plan sets a new housing provision figure of 11,050 homes in the period 2014 to 2031 with a build rate target of 650 per annum. As of 1<sup>st</sup> April 2015, there were 630 homes built, 5,405 committed within the planning process, leaving 5,301 to be identified. Of this, 3,500 new homes are proposed for delivery as part of the strategic development to the north and northwest of Burgess Hill, leaving a residual figure of 1,515. Again as set out in the District Plan, the preferred strategy is for these 1,515 new homes to be delivered through specific allocations emerging from the Neighbourhood Plans across the District.

- 2.2.5 The National Planning Policy Framework (“NPPF”) requires local planning authorities to produce a strategic housing land availability assessment (SHLAA) to identify sufficient land to meet their housing need over the plan period (NPPF, paragraph 159). In 2009, MSDC carried out a survey to obtain an update on housing delivery in the District. This information was used to update future housing requirements in five East Grinstead wards; Ashphlats, Baldwins, Herontye, Imberhorne and the town centre.

- 2.2.6 On land at Imberhorne Farm the SHLAA found that the site:

*‘Would require Allocation through relevant Neighbourhood Plan. Site includes and is adjacent to listed buildings and will require mitigation. Major Constraints: Ancient Woodland, SNCI, Unimproved Grassland. Buffer zones and enhancement required for Ancient Woodland and SNCI and other measures. Issues of site access and impact of development upon local road infrastructure. Impact of development in terms of visitor numbers and potential traffic increases upon Ashdown Forest SAC/SPA. Development will require a full package of transport infrastructure improvements including sustainable transport alternatives to the car. Site includes several listed buildings including the Grade II\* 1-3 Imberhorne Farm Cottages and adjacent Gullede. Site is within 7km of Ashdown Forest, a European designated area*

*under the Habitats Directive, and development will require mitigation as set out in draft District Plan policy DP15'*

- 2.2.7 WSCC, MSDC and East Grinstead Town Council have acknowledged in successive development plans the constraints to development across the town posed by the local highway network. The expectation is that future developments in East Grinstead can only be accommodated with the implementation of measures to improve capacity on the local highway network accompanied by sustainable travel measures.
- 2.2.8 A Draft Infrastructure Delivery Plan (June 2015) prepared by MSDC identifies all types of infrastructure and measures needed to support the planned quantum of new homes and business led economic growth in the District as set out in the emerging Local Plan. It is intended that this would ensure that there is a common understanding between service providers, developers, local communities, neighbouring authorities and the District Council as to local infrastructure needs and to ensure that infrastructure is properly planned for, funded and provided in tandem with planned development in the District.
- 2.2.9 The three main purposes of the Infrastructure Delivery Plan are:
- To provide evidence for the District Plan by identifying the infrastructure required to support the delivery of development during the plan period;
  - To provide evidence for the Community Infrastructure Levy by demonstrating a need for infrastructure investment in Mid Sussex and to form the basic justification for a CIL charge;
  - To provide evidence for Section 106 planning obligations by indicating suitable infrastructure schemes to which developer contributions can be directed in order to make a development acceptable in planning terms.
- 2.2.10 The Mid Sussex Community Infrastructure Levy Charging Schedule will be the main mechanism for delivering the necessary infrastructure to accompany new developments. This will be supplemented with negotiated section 106 agreements to secure affordable housing and additional on-site infrastructure, and section 278 agreements to secure site-specific highway works.
- 2.2.11 Studies have been carried out over time to examine the transport and highway capacity issues relating to future development in development plans and to inform the quantum of development that can acceptably be accommodated.

## **2.3 The Local Authorities Philosophy**

- 2.3.1 The Council's work to date has recognised that a balanced approach to physical infrastructure provision complemented by initiatives focused on the use of sustainable modes of travel is necessary. This approach recognises that to try and pursue an approach that relies simply on trying to meet potential demand is highly unlikely to be successful, and, in any case, there is probably insufficient space around key locations to allow such an option.
- 2.3.2 Transport measures should only be contemplated when circumstances dictate and they should be primarily aimed at reducing dependence on or usage of the private car, especially for single occupancy journeys, whilst increasing the convenience of public transport use and opportunities for walking and cycling.
- 2.3.3 At a local level the core philosophy on the implementation of transport measures should incorporate the following approach:
- There should be equal accessibility to travel for everyone, irrespective of age, demographic, disability or any other factors;

- The transport network should be utilised as efficiently as is practicable to maximise capacity;
- A holistic and coordinated approach to capacity and demand on the highway network should be adopted in order to achieve a sustainable transport network and minimise environmental impact.

## 3 Imberhorne Farm context and objectives

- 3.1.1 The approach set out in this transport appraisal is to seek to maximise the use of all available capacity and transport modes, in line with the emerging policy and the principles of sustainable development set out in the NPPF.
- 3.1.2 In order to promote a balanced approach to physical infrastructure provision complemented by initiatives focused on the use of non-car modes the principles adopted in the appraisal are to deliver:
- Measures that provide accessibility to local facilities for local people within and in the vicinity of the development;
  - The provision of information about a range of alternatives for journey-making and encouragement for sustainable personal decisions on travel behaviour;
  - The management of traffic to provide priority for other modes;
  - More efficient use of available public transport resources and the encouragement of better local transport services;
  - Measures that encourage more efficient car use and seek to reduce single occupancy car use;
  - The development of masterplans and scheme layouts that encourage local living and so reduce the need to travel;
  - Encourage a high standard of public transport that is integrated with the surrounding network as far as practicable;
  - Walking and cycling facilities within the development, and on the boundaries to connect to the wider networks that seek to maximise the opportunities for walking and cycling and enjoying the local travel environment;
  - Partnerships and collaborations with stakeholders to assist integration and delivery;
  - A programme of ongoing monitoring and review.
- 3.1.3 The delivery of the sustainable transport approach envisaged needs to be realistic, and measurable. Therefore, five key objectives have been developed that will be applied to the development to provide this certainty of delivery and measurability:

Table 3.1 – Core Objectives

| No. | Objectives   | Key Deliverables  | Measureable Element   |
|-----|--|---|---|
| 1   | <p>Development masterplan to be oriented towards public transport and 'soft measures' i.e. walking, cycling</p>  | <p>Infrastructure to accommodate bus route within the site should be considered with the possible options of:</p> <ul style="list-style-type: none"> <li>a) diversion of existing bus service through the site;</li> <li>b) Shuttle service to key locations (town centre, train station etc.)</li> </ul> <p>Consideration should be given to the viability of bus services, so that they can be self-perpetuating in the future, as far as possible.</p> <p>Good internal network of foot and cycle paths linking local facilities and amenities and connecting existing external paths.</p> <p>Foot and cycle paths should provide direct connections to all existing routes on the boundaries of the site, and onward connections to key local destinations.</p> | <p>An annual review of the public transport provision at the site is proposed, at least until it is established, to allow a best value exercise to be followed in supporting public transport services.</p> <p>Monitor the usage of public transport and use occasional travel demand and mode split surveys to determine levels of bus patronage, walk and cycle usage.</p> <p>Provide supporting information: Existing and proposed foot and cycle paths inventories.</p> |
| 2   | <p>Transport infrastructure within development masterplan to form part of a coordinated approach with neighbouring school, businesses and existing residential developments.</p> | <p>Options to be considered include:</p> <ul style="list-style-type: none"> <li>a) Bus – train connection hub;</li> <li>b) Train – cycle link hub;</li> <li>c) Cycle parking facilities;</li> <li>d) Car share hub;</li> <li>e) Car club.</li> </ul> <p>Walk and cycle route signage strategy (Imberhorne Lane to railway station).</p>   | <p>Monitor usage of facilities.</p>   |

| No. | Objectives  | Key Deliverables  | Measureable Element   |
|-----|---|---|---|
| 3   | Demonstrate an integrated approach to land use with accessibility to the wider East Grinstead provided in a legible manner. | <p>Proposals (plans) demonstrating legible walking, cycling, public transport and highway connections.</p> <p>Upgrade existing public right of ways (PROW) where necessary.</p> <p>Characteristics of internal roads should vary along its length, or along a particular journey route to vary driver perception of their environment so they adopt behaviour that is sympathetic to the location, and hence encourages permeability of highway network and the use of all modes.</p> | Speed survey to check designed vehicle speed against actual speed.                      |
| 4   | Imberhorne Lane and proposed development to be more accessible by public transport and 'soft' modes.                        | Encourage early take up of public transport, walk and cycle as modes of travel. Strategy to be framed by Travel Plan.   | Occasional travel surveys to identify origin and destination of visitors to facilities. |
| 5   | Unrestrained car use from proposed development to be limited and managed.   | Residential Travel Plans to frame the strategy for reducing car use.  | Traffic generation and reduce car trips measured through Travel Plan monitoring.        |

## 4 Local Facilities and Amenities

- 4.1.1 The intention of the transport approach is to deliver connections to local facilities and amenities to meet daily travel needs as far as possible by sustainable modes in as convenient a way as possible. This will have the effect of reducing the need to travel beyond comfortable walk and cycle distances and increasing the accessibility of facilities via readily available public transport. This is especially relevant for education, retail and social trips, but should also recognise that employment trips can be made to destinations further afield by sustainable modes, via convenient and timely connections to the railway station and strategic bus services. These multi-modal trips will be especially targeted by the strategy to be as accessible and easy as possible.
- 4.1.2 The masterplan approach will seek from the outset to make positive provisions to encourage walking and cycling as the “mode of first choice” for the most local trips and as the first element of longer distance trips, these progresses to the use of public transport services for more distant trips. The strategy is therefore predicated on the use of sustainable modes of travel to support the limited provision of additional highway capacity, and is resourced accordingly.
- 4.1.3 It will be important to engage with residents – both new ones within the development and those in the immediate area that could take advantage of the measures being provided. Therefore, this will require a combination of information sources targeted at new residents and the existing community. New residents will be targeted primarily through a residents ‘Travel Pack’, provided when they move in, and including plans identifying community, leisure and service facilities in relation to Imberhorne Farm, timetables and comprehensive information about local facilities and measures provided. These should be considered in terms of accessibility by sustainable modes of transport for residents that may need or wish to make use of these facilities.
- 4.1.4 For the wider community the information will be disseminated by a website (also available to residents) with links to relevant information and via social media campaigns to alert people to the existence of the measures and their ability to make use of them. This internet presence will be supported by leaflet drops to local housing and the commercial premises to point people to the information and facilities. It would be hoped that the school, adjacent to the site, could also be engaged to support pupils and staff in understanding the local travel context and, where appropriate, making use of the measures provided.
- 4.1.5 Appendix A identifies a series of key local facilities and amenities and shows their distance from the site and accessibility by sustainable modes of travel.
- 4.1.6 However, the site overall is considered to be in a highly sustainable location in terms of day to day needs:
- Imberhorne School is adjacent to the site, providing secondary school pupils with a walkable facility;
  - A primary school is proposed to be provided on the site;
  - The A22 corridor provides a range of facilities within easy walking distance – convenience shopping – including cafes, pharmacy and newspaper shop, larger scale retail warehouses, petrol station,
  - The Felbridge Hotel has a gym, spa and swimming pool as well as restaurants and meeting facilities
  - The adjacent industrial estate

- 4.1.7 All of these facilities offer potential employment opportunities to residents, as well as the immediate usage of these facilities.

## 5 Impact Assessment

- 5.1.1 In the context of the traffic situation around the town, it is considered important that any new proposals being put forward for the Imberhorne Farm site need to be able to demonstrate that they can be accommodated on the transport network. In order to do this, and unusually in advance of the preparation of a Transport Assessment, a suite of modelling has been undertaken to consider the highway situation both with and without the potential development. This allows the direct impacts to be seen, but also allows the effects of other changes in the area to be considered, and the possibility to provide mitigation for these changes – both from the development and generally.
- 5.1.2 This assessment has been undertaken in the context of the various previous studies that have been undertaken in the area – and these are detailed at Appendix B. In particular, information has been taken from the Atkins report, and the micro-simulation model that they prepared to assess the southbound approach to the town centre on the A22 around Lingfield Road has been updated and used to assess the various scenarios considered on this part of the highway network.

### 5.2 Assessment Base

- 5.2.1 Traffic flows have then been applied to the highway network using VISSIM micro-simulation modelling technique. This is an industry standard method accepted by highway authorities for modelling complex interactions of junctions and links on busy highway networks. Rather than simply relying on mathematical algorithms to simulate the demand and capacity of the network, micro-simulation models individual driver behaviour and uses graphical outputs to show the performance of the network. It also takes proper account of traffic interaction through the network, traffic demand, the variability of daily flow levels, types of vehicle and driver performance and so on.
- 5.2.2 Two micro-simulation models have been used to consider the various potential scenarios in the area. The first is the Atkins model that considers the southern section of the A22 approach to the town around Lingfield Road and the station. The second is a specific model produced by PBA that considers the northern section of the A22 between Felbridge and Lingfield Road. This second model also considers the section of the A264 as it approaches the A22, and also Imberhorne Lane between the proposed site access and the A22 junction.
- 5.2.3 Details on the extent of the two models are contained at Appendix B.

### 5.3 2015 model results

- 5.3.1 The models provide a series of statistical outputs, and these are included in detail at Appendix B. The model is calibrated to the existing performance of the network using a combination of overall flow levels, journey times and queue lengths. However, in considering the performance of a network, it is most common to consider the way that journey times are reflected by the model.

5.3.2 The 2016 models provided the following baseline network performance for the A22:

| Time period  | Journey   | Journey time (min:sec) |
|--|---|------------------------|
| <b>A22 Northern Section (Felbridge to Lingfield Road)</b>    |   |                        |
| AM Peak  | A22 Southbound - Felbridge to Lingfield Road    | 09:40                  |
|  | A22 Northbound - Lingfield Road to Felbridge    | 09:43                  |
| PM Peak  | A22 Southbound - Felbridge to Lingfield Road    | 05:07                  |
|  | A22 Northbound - Lingfield Road to Felbridge    | 06:15                  |
| <b>A22 Southern Section (Lingfield Road to Beeching Way)</b> |   |                        |
| AM Peak  | A22 Southbound - Lingfield Road to Beeching Way | 01:30                  |
|  | A22 Northbound - Beeching Way to Lingfield Road | 03:22                  |
| PM Peak  | A22 Southbound - Lingfield Road to Beeching Way | 01:32                  |
|  | A22 Northbound - Beeching Way to Lingfield Road | 02:14                  |

5.3.3 These journey times are considered to be consistent with the general performance of the highway network during the peak periods through this section of the A22. The similar journey times for the A264 and Imberhorne Lane were also considered to be appropriately representative of current performance.

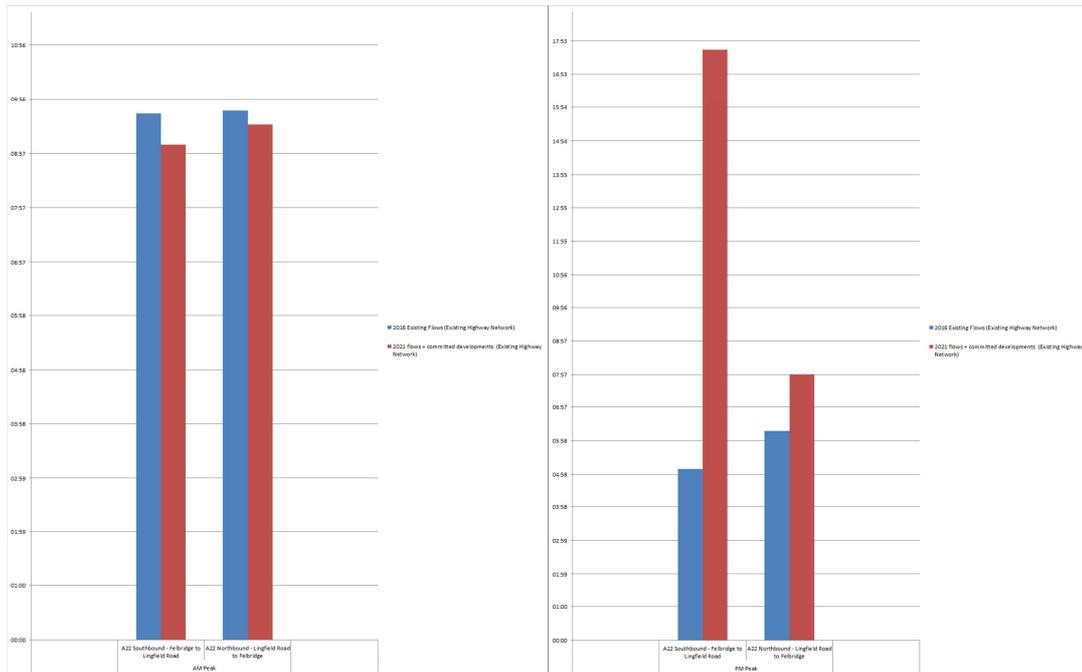
## 5.4 2021 Baseline Model Results

5.4.1 A similar exercise was undertaken for the future year flows, but in this case, a series of other development schemes in and around East Grinstead that are already consented, were also explicitly added to the model flows. This means that the model includes both an allowance for general background traffic growth, and the explicit inclusion of the local committed schemes.

5.4.2 The results of this analysis are included at Appendix B, but for ease of reference, are shown on the charts below compared to the 2016 case.

### A22 Northern Section – Felbridge to Lingfield Road

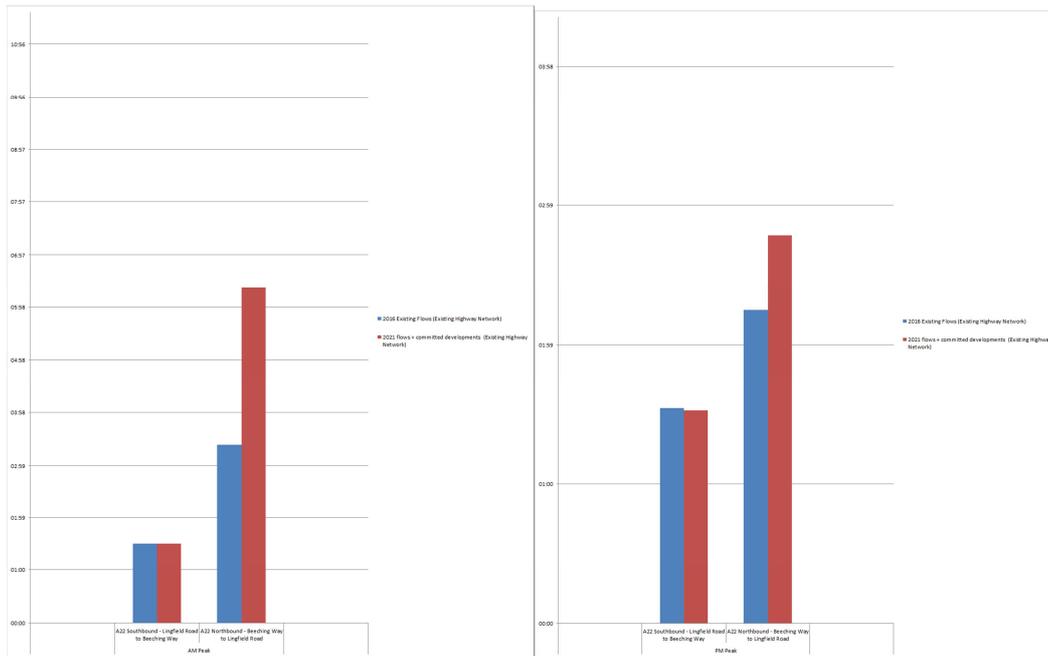
5.4.3 The morning peak period, shown on the chart to the left below, does not shown a significant change between the existing situation and the future year situation in 2021. This is most likely because the operation of the traffic signal junctions across the model can be optimised to manage the flows that are generated.



5.4.4 However, the evening peak period shows a wholly different result, with the journey times significantly impacted in the southbound direction, towards the town centre, and seeing a definite impact northbound. In fact, the journey is more than trebled in the southbound journey, from just over 5 minutes to in excess of 17 minutes. This would be unlikely to be tolerable in reality (and would be unlikely to occur in practice, as it is likely that many drivers would seek an alternative to this if it were the norm). Therefore, it is likely that some mitigation will be required to accommodate this situation on the existing network in the future.

### A22 Southern Section – Lingfield Road to Beeching Way

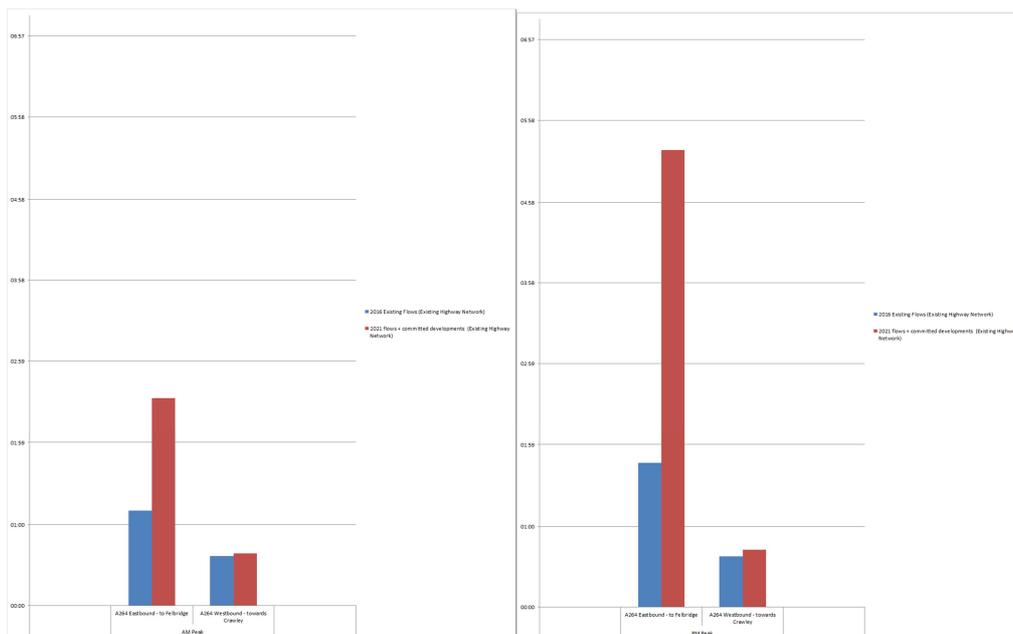
5.4.5 The southern section, towards the town centre, a similar picture is seen to the northern section, although to a lesser extent. In the morning peak period, in the chart on the left below, the southbound section remains the same, but the northbound journey almost doubles. However, in the evening peak period (to the right) the times remain almost the same (allowing for the different scales on the charts).



## A264

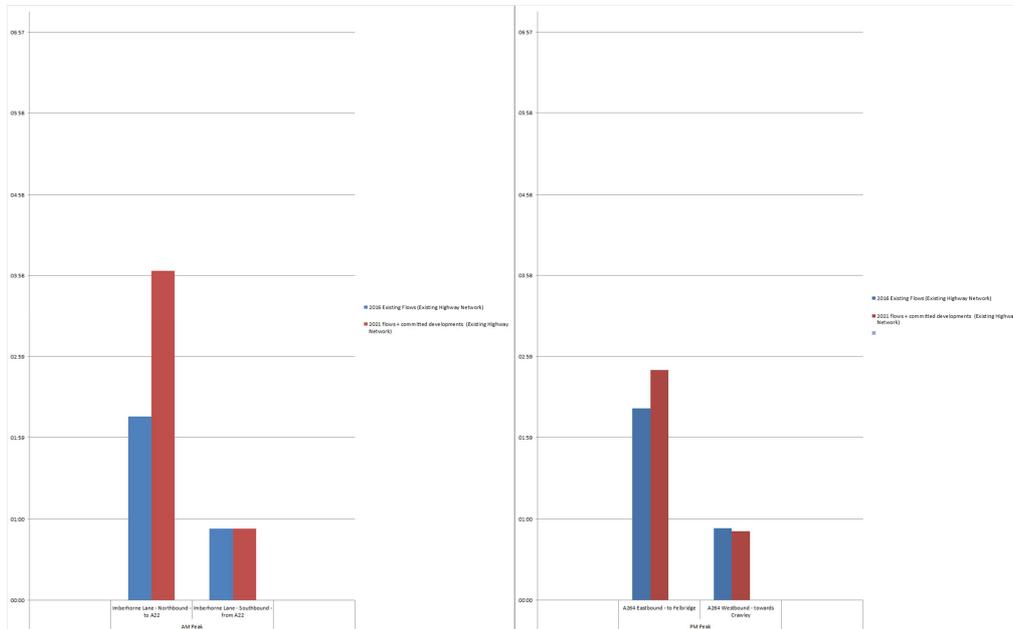
5.4.6 The A264 corridor, on the approach to the Felbridge junction, sees a doubling of the journey time eastbound, towards the A22, in the morning peak period, but is more impacted in the evening peak period. Here the eastbound time more than trebles to around five and half minutes.

5.4.7 This additional journey time is, perhaps, to be expected in the context of the additional delays seen on the A22 beyond the Felbridge junction. It is possible that mitigation on that section of road, as discussed above, would therefore see a reduction in the journey time on the A264.



## Imberhorne Lane

5.4.8 The Imberhorne Lane results show a different pattern to the A22 and A264, with a worsening situation in the morning peak period (the chart on the left below), but much less so in the evening peak (the chart on the right below).



5.4.9 It is likely that the increased journey time on the approach to the A22 in the morning is a function of greater volumes of commuting traffic seeking to access the major road, and the traffic signal junction at this location is constrained, and has already been upgraded to the maximum extent of the highway land available.

5.4.10 The journey time increases from two and quarter minutes to just over four minutes in the morning peak period. This is likely to be considerable tolerable as an increase by most drivers, but some peak spreading may be expected (i.e., people adjust their journey start time), some may seek alternative routes and some may seek alternative modes.

## 5.5 Development Proposals

5.5.1 Having considered the baseline situation, it is necessary to add the potential development traffic effects on to the network to assess any changes that may occur as a result.

5.5.2 The proposed development at Imberhorne Farm allows for up to 620 new dwellings with ancillary uses that are likely to comprise:

- 2FE primary school;
- Care Village;
- Mixed community use hub.

5.5.3 The development will be accessed from Imberhorne Lane, to the south of the recent housing development that has taken place on the west side of the road, where a new priority junction will be formed. However, other access points for walking and cycling will be provided towards Imberhorne Lane to the north, via the existing footpath alongside the school, and to the south and west via the Worth Valley Way.

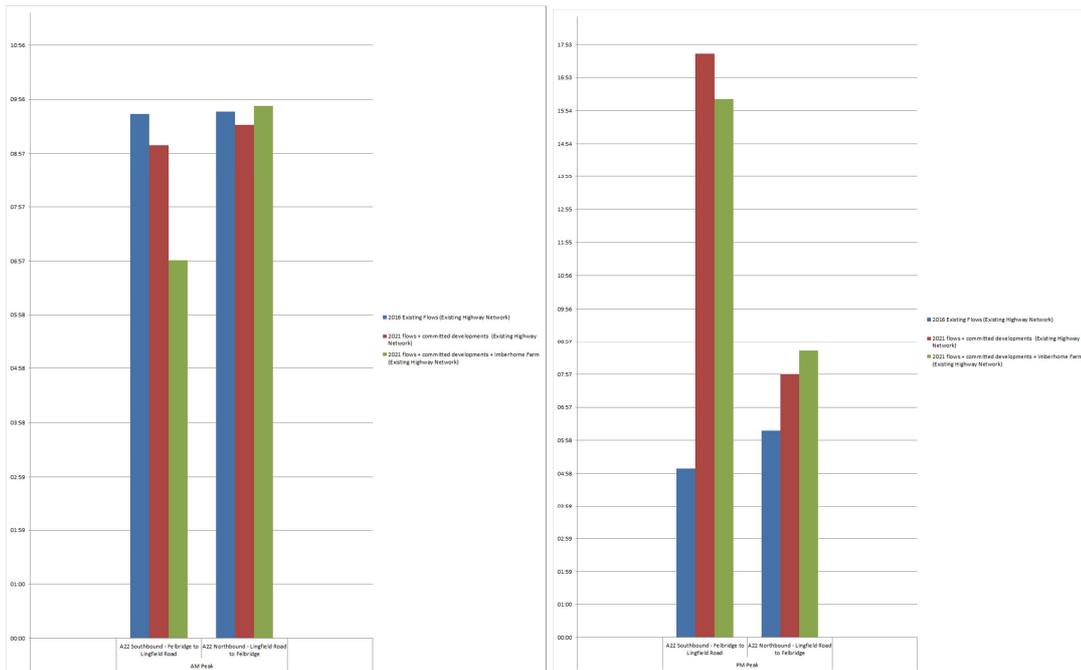
- 5.5.4 In order to provide forecast flows for the development, it is necessary to derive traffic generation rates and then distribute this to the highway network in the model. In order to do this, data was extracted from the TRICS database (an industry standard database of trip generation rates for all types of development and for different modes of travel) relevant to the development.
- 5.5.5 In order to allow a level of robustness in the assessment the Average trip rates for the Private Residential land use was adopted. This tends towards higher levels of car trip generation than would be the case with houses that are rented or in other forms of tenure. Although the site would be expected to have some social housing element within it this was ignored for the purposes of assessment to allow for a factor of safety in the assessment.
- 5.5.6 These trips were then applied to the highway network using data extracted from Nomis. This is a service provided by the Office for National Statistics, that gives access to the most detailed and up-to-date UK labour market statistics from a variety of official sources, such as the Census. As the assessment was based around the weekday peak hours, the use of journey to work data is a good proxy for flow distribution onto the highway network.
- 5.5.7 Details of the information extracted from the TRICS database and NOMIS is included at Appendix C.
- 5.5.8 No adjustment was made to the traffic generation rates used in the assessment to take account of any mitigation measures that may be applied that would seek to reduce reliance on the private car. As discussed in further sections of this appraisal, it is proposed that a comprehensive set of measures would be applied to the site in order to maximise opportunity for people to use modes other than the car, but this has been ignored for the purposes of the highway network assessment to provide a robust appraisal of the likely outcomes.

### Development Effects

- 5.5.9 Having applied the development traffic flows to the models, they were re-run to provide similar graphs to before, but including the development on top of the 2021 factored traffic flows and committed development traffic.
- 5.5.10 The results of this analysis are again included at Appendix B, but for ease of reference, are shown on the charts below compared to the 2015 and 2021 with committed developments cases.

### A22 Northern Section – Felbridge to Lingfield Road

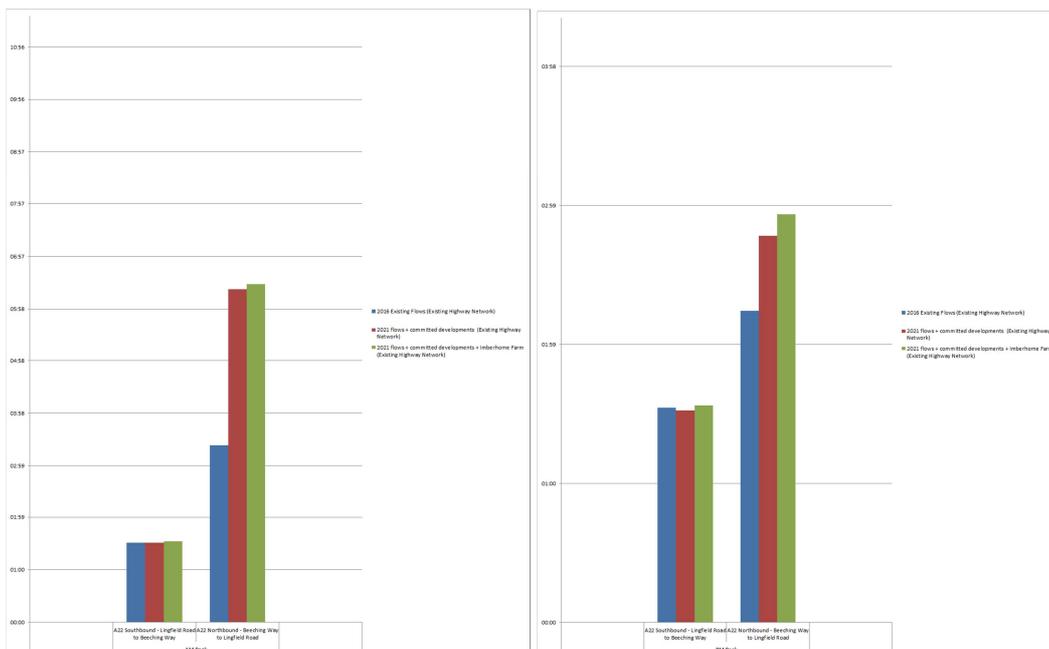
- 5.5.11 The morning peak period, shown on the chart to the left below, does not show a significant change with the development in place on the A22. Indeed, there is an improvement shown on the southbound section with the development in place. This is most likely a result of the model optimising signal timings with the revised flows and more time being allocated to the A22 corridor to seek to balance the situation.
- 5.5.12 There is relatively little change in the evening situation with the development in place, and the differences are unlikely to be discernible in practice on the ground.



5.5.13 The same situation occurs in the PM peak as for the 2021 committed development scenario, and so this would need a suitable mitigation and management strategy to deal with the background traffic effects. However, development flows do not make these worse.

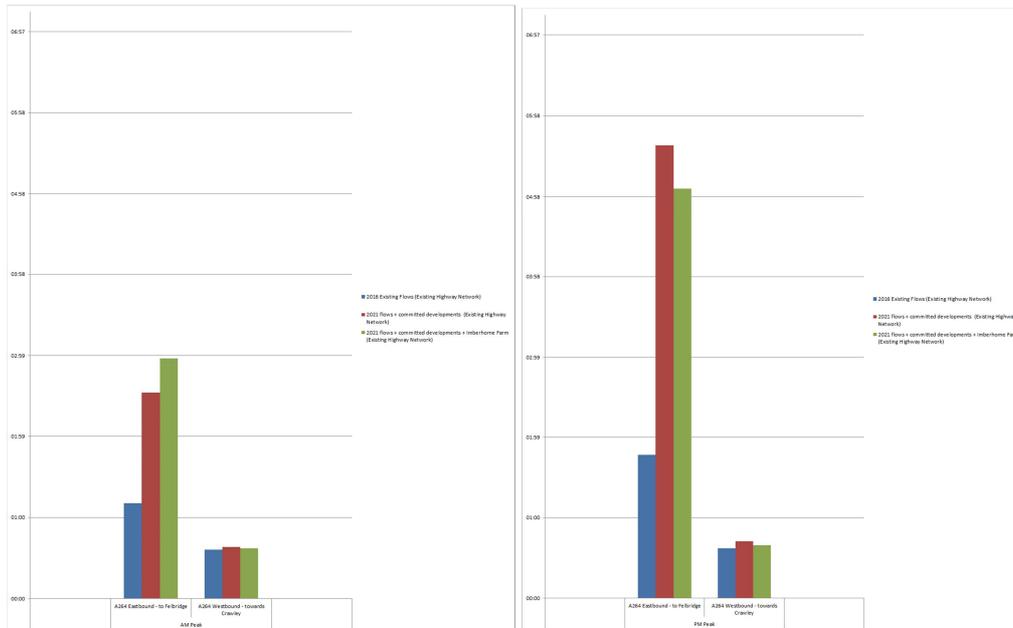
### A22 Southern Section – Lingfield Road to Beeching Way

5.5.14 The southern section, towards the town centre, is effectively unchanged by the addition of the development traffic flows. There are small increases in journey times, but these are unlikely to be discernible to users in practice. The same conclusions apply to the effects as in the 2021 committed developments case.



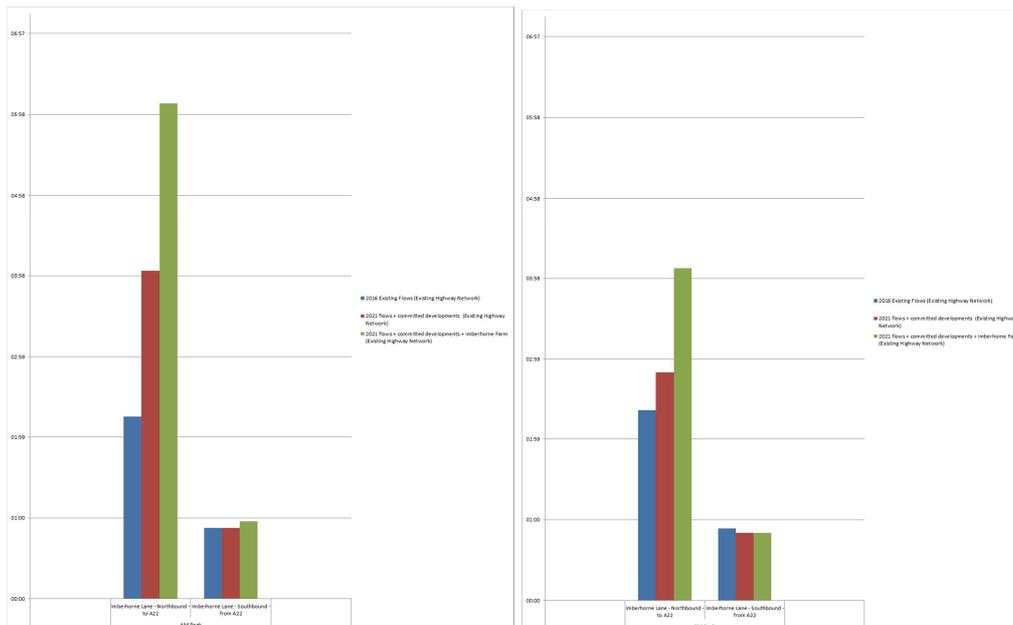
## A264

5.5.15 The effect of development traffic only impact the A264 corridor in the morning peak period towards the A22 where journey times are marginally increased. The development is unlikely to have any significant direct effect at this location, and so the effect seen is likely to relate to the re-apportionment of green time within the traffic signal operations to seek to balance capacity across the network.



## Imberhorne Lane

5.5.16 The Imberhorne Lane results again show a different pattern to the A22 and A264, with the same worsening situation in the morning peak period (the chart on the left below), but much less so in the evening peak (the chart on the right below).



5.5.17 The development flows have limited effects on the southbound journey times, away from the junction, but increase the journey towards the A22. This is unsurprising as the site access is on Imberhorne Lane and so the majority of traffic generated by the development will seek to join the wider network via the A22. This intersection has already been subject to improvements works, and there is limited scope to improve the junction further. The development flows in this location will therefore need mitigation through the application of measures to encourage alternative modes and more sustainable local travel.

## 5.6 Highway mitigation measures

5.6.1 Although significant sustainable transport improvements is to be proposed as part of the development, it is also relevant to consider if some highway mitigation measures can be implemented to allow more effective management of the highway network. A series of mitigation measures have therefore been considered and included in the modelling.

5.6.2 Improvement schemes have been considered at the following locations:

| Location                          | Do Minimum   |
|-----------------------------------|--|
| Felbridge Junction                | Physical and traffic signal optimisation scheme, including reconfiguration of pedestrian islands and provision of two-lane section on A22 southbound exit from junction. |
| A22 London Road / Imberhorne Lane | Signal timing optimisation to complement improvements at Felbridge Junction  |
| A22 London Road / Lingfield Road  | Replace mini-roundabout with simple traffic signal scheme  |

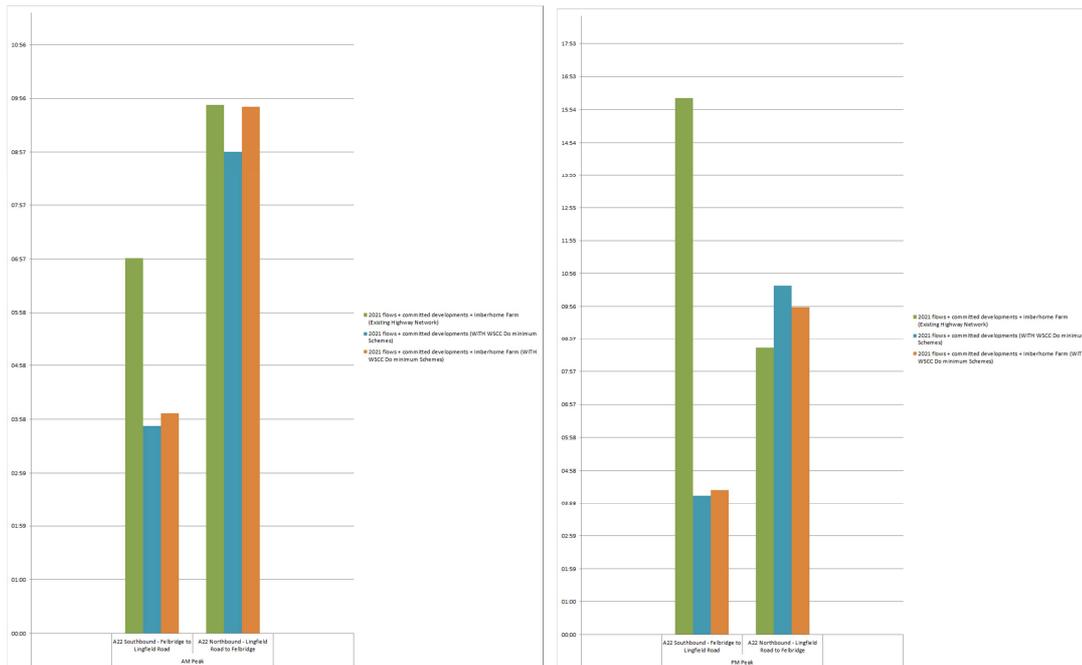
5.6.3 If these are included in the modelling then it allows better management of the network overall, and improved performance can be achieved.

5.6.4 The charts below show the results achieved with the mitigation schemes implemented, for scenarios with and without the Imberhorne Farm development added to the 2021 with committed development scenario. The graphs repeat the baseline 2021 with committed development and WITH the Imberhorne Farm scenario for ease of comparison with the mitigated outputs.

### A22 Northern Section – Felbridge to Lingfield Road

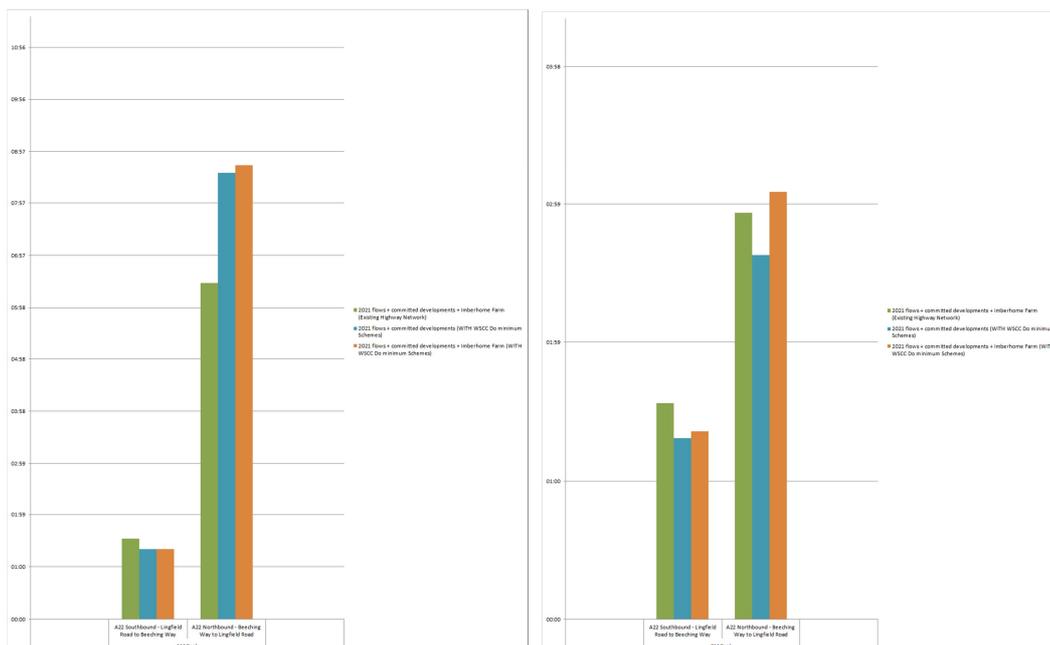
5.6.5 The combination of highway mitigation schemes is sufficient to achieve a nil detriment result for each of the scenarios except for the northbound A22 in the evening peak period. This is likely to be a function of the background growth that this corridor is likely to experience, and, although the mitigation schemes allow better management of the section, overall they are now sufficient to match this impact.

5.6.6 The additional journey time in 2021 would be about a minute – which is not likely to be discernible in practice, and the model suggests that there may be scope for better optimisation of the traffic signals as the with Imberhorne Farm scenario shows marginally improved results over the 2021 baseline.



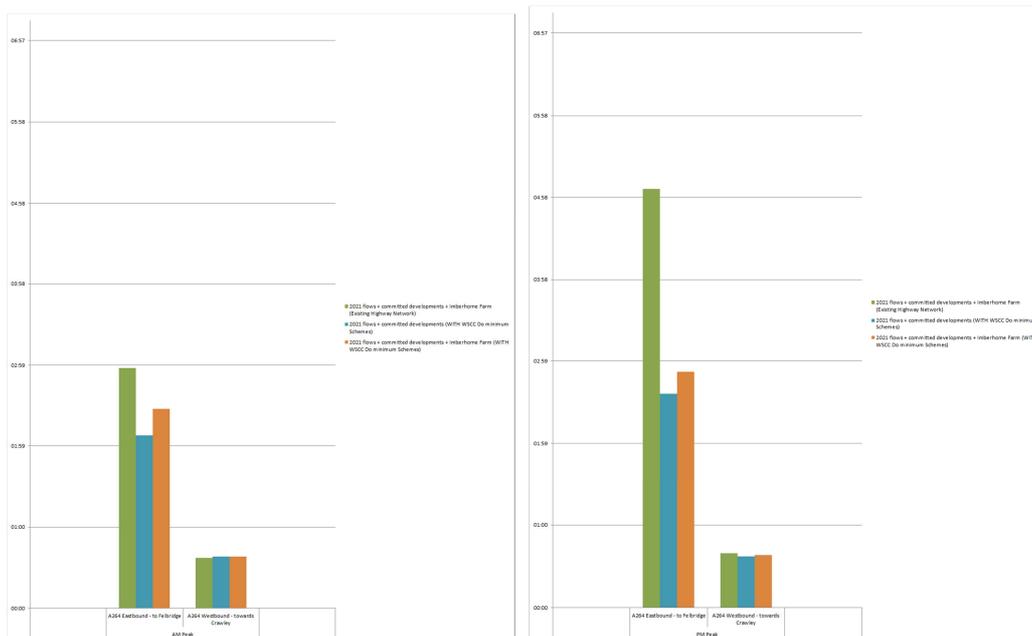
### A22 Southern Section – Lingfield Road to Beeching Way

- 5.6.7 On the southern section of the A22, a different picture emerges, with the mitigation schemes proving able to control journey time performance in the southbound direction in both the morning peak and evening peak, but not so well in the northbound direction around the one-way system – particularly in the morning peak period. This may be because this section of the network is subject to more frontage activity, including the station access and egress, and so is on a more volatile part of the urban network.
- 5.6.8 The introduction of traffic signals at the A22 / Lingfield Road junction is more effective in one than the other direction, and this would suggest that a greater emphasis would need giving to the green time that could be allocated to the northbound direction – effectively for traffic leaving the town centre, particularly in the morning peak period. This would need examining as part of the detailed design of the junction when this was undertaken.



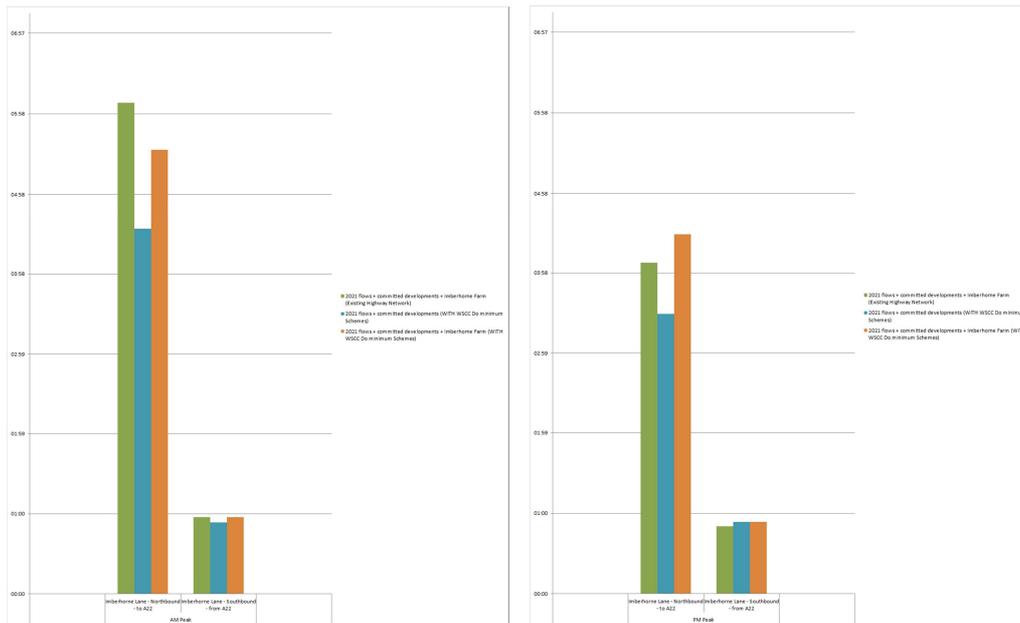
## A264

- 5.6.9 The A264 corridor sees little change in the westbound direction, away from the A22, but as this is a free-flow link this is to be expected.
- 5.6.10 However, the eastbound link towards the A22 junction sees a significant improvement with the mitigation schemes in place – both with and without the Imberhorne Farm development. This is an important output because it demonstrates that in congested and busy networks it can be difficult to resolve all of the issues, but that a net overall benefit may derive. Hence, although the A22 southbound link at Lingfield Road may require further work to improve performance here, nevertheless, in the context of the overall performance of the network, the mitigation schemes are able to provide benefits.



## Imberhorne Lane

- 5.6.11 The Imberhorne Lane results show that the mitigation schemes are able to address the impacts of both growth and the Imberhorne Farm development in the morning peak hour. However, this is not quite the case in the evening, with the schemes being able to mitigate the background growth, but seeing a marginal increase in journey time from addition of the Imberhorne Farm.
- 5.6.12 However, in reality this is only an increase in journey time of 20 seconds with the development in place, which is unlikely to be discernible in practice on a day-to-day basis.



## 5.7 Summary

- 5.7.1 The modelling assessment shows that the existing highway network has a series of congested locations, and that it is busy from Felbridge all the way into the town. In this respect, the model confirms the existing known and experienced situation. However, the model also shows that the network has a considerable degree of tidal flow, with the A22 corridor northbound away from the town centre being under particular stress.
- 5.7.2 The introduction of a series of highway mitigation measures does have a discernible beneficial effect across the network as a whole. Some parts of the network see definite improvements, whilst others remain much the same. The exception is the A22 northbound approach to Lingfield Road, which could usefully have further capacity improvements. This is constrained by the railway bridge immediately adjacent, and so it is more likely that the detailed design for the scheme here would include a more specific apportionment of signal timings to this approach to seek to redress the balance of benefits across the whole of the A22 approach to the town.

## 6 Sustainable Movement

- 6.1.1 The development at Imberhorne Farm would be on the principles of reducing the mode share of single occupancy car travel with a comprehensive package of sustainable transport choices. Although the trip rates used in the assessment are from other sites around the country, and therefore have some inherent allowance for peoples' mode choice, the intention would be to go further at Imberhorne Farm, recognising the unique and challenging location in transport terms.
- 6.1.2 The development is sufficiently close to a range of local facilities – school, retail, employment and within easy striking distance of East Grinstead town centre, with its railway station and bus services for viable alternatives to the car to be encouraged and promoted.
- 6.1.3 Local bus services provide connectivity between the site and local/regional amenities, the town centre, railway station and wider public transport links. The railway station provides a semi-strategic level of public transport service to the key destinations across the region and wider, potentially providing a less stressful alternative to the car for the longer journeys.

### Future Change

- 6.1.4 It should also be borne in mind that changes to vehicle technology are having an effect on highway capacity. The increasing autonomy of vehicles – set to increase in the future, is forecast to have the potential to increase network capacity by as much as 30%, as vehicles can travel closer together, platoon more efficiently, communicate with each other and use road space more effectively.
- 6.1.5 Whilst few transport assessments are taking this into account yet, and this appraisal does not include any allowance for autonomy, it is likely that this technology will play an increasing part in urban traffic management over the coming decades.

### Design Approach

- 6.1.6 The key to the movement of people is to arrive at a realistic and deliverable series of measures and infrastructure provision that meets the envisaged travel demand. This is increasingly focussed on a holistic approach to the transport network, and a recognition that it is impractical to seek to meet demand without imposing some degree of restraint on some parts of the network and trying to encourage easier and more accessible use of other elements.
- 6.1.7 If equilibrium can be achieved between car and non-car modes, where the available capacity of all networks is used equitably and efficiently, then sustainability is maximised. This also includes a pragmatic recognition that some car use is a necessity and a social and economic reality. The transition towards an equilibrium approach can be achieved through the layout of development and the facilities that are provided supplemented by specific measures that are intended to encourage travel choice.
- 6.1.8 The principles and philosophies set out in the Manual for Streets and Manual for Streets 2 would help to frame development layout design. However, in the particular circumstances in East Grinstead it is suggested that they may well need to go further. Design solutions that minimise the potential dominance of the car would be sought, thereby minimising the need for retrospective traffic regulation and enforcement.
- 6.1.9 For drivers, the impression should be of a series of connected spaces where distinct and comprehensive land uses and activity centres are evident from the outset. This principle will also reinforce truly permeable neighbourhoods creating a positive environment for walking, cycling and public transport, and making the car a second-class citizen, and drivers feel less confident that they have any sort of status or priority.

## 6.2 Sustainable Travel Interventions and Incentives

- 6.2.1 The need to manage transport in new developments is included within national and local policy. The need to reduce car dependency, increase travel choices and encourage sustainable travel is supported by the NPPF.
- 6.2.2 New housing development has typically been characterised by additional car trip generation. However, it is possible to introduce measures that will provide an incentive and encouragement to new residents to use non-car travel modes. These can be even more effective if they are configured to allow other local residents and occupiers to make use of them.
- 6.2.3 The approach to sustainability for transport measures will be made in accordance with the following Core Approach table:

| No. | Element  | Locus  |
|-----|--|--|
| 1.  | <p><b>Provision of Resources</b></p> <p>Transport related resources from Imberhorne Farm would be provided to fund off-site highways infrastructure, on-site infrastructure and a Transport Fund that will be targeted towards sustainable transport measures.</p> <p>The developer will retain responsibility for on-site elements, and for bringing forward Transport Fund measures in accordance with a Schedule of Commitments developed alongside the Transport Assessment and other obligations.</p> | <ul style="list-style-type: none"> <li>Local public transport provision has priority over new highway capacity, and resources should be allocated accordingly</li> <li>Public transport measures will be phased and developed incrementally from the first 50 dwellings, and funded from the Transport Fund.</li> <li>Mitigation measures to be drawn predominantly from “soft” measures and / or Traffic Management Toolkit.</li> <li>Highway mitigation measures to be provided at A22 / A264 Felbridge junction and A22 / Lingfield Road junction.</li> </ul> |
| 2.  | <p><b>Reduce reliance on the Private Car</b></p> <p>Imberhorne Farm development would make a positive response to reducing the necessity to use the private car.</p>   | <ul style="list-style-type: none"> <li>Traffic generation and mitigation measures to be managed against agreed target traffic levels based on the Transport Assessment to ensure that unfettered car use is not accommodated.</li> <li>Internal highway layouts will be configured to inconvenience the car and give emphasis to pedestrians, cyclists and public transport passengers.</li> <li>Parking provision to be appropriately managed to emphasise convenience of walking, cycling and bus use.</li> </ul>  |

|    |  |  |
|----|--|--|
| 3. | <p><b>Sustainable Travel Planning</b><br/>Best practice approach to Sustainable Travel Planning.</p> | <ul style="list-style-type: none"> <li>• A Transport Co-ordinator will be identified and appointed from the outset</li> <li>• Residential and community buildings will be subject to a best practice approach to community liaison and interaction.</li> </ul>   |
| 4. | <p><b>Local Living</b><br/>Aspire to deliver opportunities for local living.</p>                     | <ul style="list-style-type: none"> <li>• Street layouts provide genuine permeable grids and avoid “funnelling” of traffic or hierarchical approach to roads and streets.</li> <li>• Ensure that walkable facilities and amenities are appropriately served, inside and outside the site</li> <li>• Manage convenience of the car to reduce attractiveness of unfettered car use.</li> <li>• Ensure early accessibility to off-site facility clusters.</li> </ul> |

6.2.4 The Transport Fund will comprise an agreed fund that can be drawn down against core traffic management and sustainable travel measures in “real-time” to manage the transport demands of the development. Where these have been adopted elsewhere, they have typically been derived based on a per-unit contribution, with scope for some of the funds that accrue to be targeted at the initial requirements of sustainable transport.

### Core Measures - Bus

6.2.5 Public transport support will be at the heart of the proposals. This will be aimed at delivering a bus service into the site as early as possible, and certainly by the time it is complete. There are a number of ways that this could be delivered at Imberhorne Farm, as follows:

1. **Revenue support to divert existing services into the site and the local area.** This can be especially effective on the approach to a town where existing patronage can be boosted by a new settlement to sustain a more frequent or extensive service;
2. **Shuttle bus specific to the site and town.** If there is sufficient patronage between the site and the town centre, including both new residents and existing communities, then a new shuttle bus may be viable. This is considered worth investigation at Imberhorne Farm as the railway station lies between the town and the site, and provides potential opportunities for a viable, but locally focussed service. Such services, because they are locally focussed on a smaller area can be attractive as they can be coordinated with train times, school opening and closing times and so on.
3. **Direct patronage support.** Provision of bus passes and season tickets at no cost or reduced cost to encourage use of the service. “Taster” tickets can form part of this type of initiative to allow people to try the service at no cost to learn how and where it operates.

6.2.6 Experience at other similar sites suggests that a suitably reliable service, that meets peoples genuine travel needs, can achieve a mode share towards the local bus of between 10% and 25%. This provision can also remove some existing car trips from the network, as it is available to the area generally, thus reducing the net impacts of the new development that supports the bus service until it is established.

## Core measures – walking and cycling

6.2.7 Measures can be developed that specifically support walking and cycling at relatively low cost:

1. **TravelSmart campaign.** Provides one-to-one travel planning advice for residents (and other occupiers and the community as considered appropriate) to allow bespoke travel arrangements to be made, with opportunities to attempt alternative travel modes and routes in a supported way with a view to adopting a healthier, more sustainable or more convenient travel approach.
2. **Cycling subsidies.** Provision of resources to support cycle purchase, including necessary accessories (lock, helmet etc.) to encourage use of this mode.
3. **Walking bus.** Already a common provision for children heading to school, but this measure can be adapted and expanded for older children and adults to make walking to key facilities more pleasurable, social, healthier and with a better feeling of personal safety. For Imberhorne this option should exist in respect of the local schools and potentially to the railway station.

6.2.8 These “softer” inducements to adopt non-car travel are rarely implemented in a comprehensive and targeted way, and so the level of contribution that they can make is little understood. However, experience across other parts of Europe suggests that they can be significant. If applied as part of a considered package they could be considered to be a worthwhile measure, especially if they were to be made available not just to the development, but to the wider area.

## Core measures – Traffic and car

6.2.9 Measures are also available to manage and control single occupancy car use, and to try to reduce car ownership and hence reliance.

1. **Car Club.** These are becoming relatively easy to partake in as the Internet widens the accessibility to information about the facilities that are available. The site at Imberhorne Farm would not be large enough to support its own Car Club, and, in any event, this would not be the most effective use of resources. This would need to be a wider community initiative – potentially for East Grinstead as a whole, or a sub-set of it. Linkages to national providers may be appropriate to allow sufficient scale. The Imberhorne Farm, along with other developments in the area, could be a catalyst to this type of measure.
2. **Ring fence parking charges.** Some developments have a mechanism where additional parking spaces can be made available to residents, at a charge, and this income is ring-fenced to support sustainable transport measures – especially bus services.
3. **Car sharing.** This is likely to increase as routes become more congested and the Internet allows greater connections between people who may be able to share resources. Car sharing website is easily available.

## 6.3 Mode Split

6.3.1 Analysis of Census journey to work data for East Grinstead suggests that, for these trips at least, around 70% are currently made by the private car; either as driver or a passenger. Of the remaining 30%, about half are made by train (presumably commuting to London predominantly) and the rest mostly by walking and cycling. It is likely that overall, for all trips in the town, the level of car use is less than this, as it would be expected that more school and retail trips, for example, would be made by walking around the local area.

- 6.3.2 The highway capacity assessment undertaken as part of this appraisal uses TRICS database trip rates, and is likely to be broadly consistent with the situation that exists in East Grinstead – i.e., the trip rates will have been derived from similar locations where similar mode split was likely to be the prevailing case. Therefore, if the Imberhorne Farm site can better the 70% journey to work mode share by car, then the impact that has been assessed would be reduced, incrementally, as reliance on the car at the site and in the surrounding area was reduced.

## 7 Conclusions

- 7.1.1 This Transport Appraisal, and its associated technical appendices, considers the potential impacts of predominantly residential development at Imberhorne Farm on the north-west side of East Grinstead.
- 7.1.2 The appraisal recognises that the town has pre-existing traffic issues – and that the A22 corridor has been busy and congested at peak times for many years without a satisfactory resolution. However, it also notes that this situation is not uncommon for similar settlements in the south-east of England, and that there is an established need for further housing and growth.
- 7.1.3 Therefore, a sustainable approach to the transport issues of the development is proposed, where the network is considered in a holistic way to accommodate travel demand from the development. This means that the following essential elements of the strategy would be delivered alongside each other:
- Some car use is inevitable from the development, and this would be managed on the highway network by the provision of mitigation measures at the A22 / A264 junction in Felbridge and the A22 / Lingfield Road junction on the approach to the town. This mitigation would allow better management of the highway corridor as a whole, and hence allow the development to be accommodated;
  - A Transport Fund would be established, with funds ring-fenced to support local bus services to the benefit of the development and the local area. The resulting opportunity for new residents to use the bus, and for a small proportion of existing residents to switch from the car to the bus (or other supported modes) would further reduce the direct impact of development traffic;
  - The remaining Transport Fund resources would be deployed as development progressed on a range of sustainable transport measures that would be considered appropriate to seek to achieve the traffic generation levels adopted in the Transport Assessment submitted in support of the site.
- 7.1.4 The development will be designed in such a way as to promote sustainable transport, and not to facilitate the unfettered use of the private car. Consequently, the scheme will deliver walking and cycling connections to local facilities and amenities in as direct and convenient a way as possible.
- 7.1.5 Support for local buses may take a number of forms – and this will need to be subject to a suitable business case assessment at the time to define the most viable, and hence self-sustaining approach. Experience from elsewhere suggests that maintaining a degree of flexibility in the approach, whilst making a clear commitment to the procurement of local bus services and the provision of resources to do so, is the most appropriate means to tackle this issue. This allows the correct response to be made at the time the scheme is implemented, and allows this to be adapted and amended to maintain viability and usage over time.
- 7.1.6 However – the bus service will need to be provided at an early stage, and it is expected that it would be operational by the time of the 50<sup>th</sup> occupation on the site. The aim beyond that would be to configure it in such a way as to maintain it once the development was completed and thereafter.
- 7.1.7 The VISSIM modelling shows that the Imberhorne Farm development proposals would have an impact on journey times on the A22 corridor, and the associated road network in the vicinity of the site on the north-western side of East Grinstead. However, these impacts are not so significant that they change the conditions prevailing on the network compared to the forecast situation in 2021.

- 7.1.8 A series of interventions in the highway network have been proposed, and assessed using the model, and are considered to mitigate the effects of the development. Indeed, in some locations these measures would be expected to go beyond relieving the impacts of the development. These benefits must be set in the context of the locations where a limited benefit, or a detrimental effect remains as a result of committed developments and Imberhorne Farm. However, there is an overall benefit to the network – which, being a complex series of interlinked junctions on this side of the town, should be considered to be a significant step forwards in the management of the A22 corridor.
- 7.1.9 As there are no proposals to deliver any improvement schemes to the A22 corridor over this section as far as the current position is understood, the Imberhorne Farm proposals may be able to act as the catalyst for the delivery of these improvements, which otherwise have little chance of being progressed.
- 7.1.10 It should be noted that the modelling results do not take into account the reduction in vehicle trips from the sustainable travel measures proposed as part of the scheme, and so the assessment represents a worst case. It would be expected that the travel measures would have a beneficial effect, both on trip generation rates from the site itself and in allowing the opportunity for some existing trips to be removed from the network. This would improve the performance of the highway mitigation measures and the A22 corridor further compared to the assessment case.

## Appendix F

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EA DCCONSR



ECONOMIC AND ENVIRONMENTAL SERVICES

DM/15/4711

Contact: Mrs J. McPherson  
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Our Ref: CR/2015/0821/CON  
Email: development.control@crawley.gov.uk  
Date: 2 February 2016

Mid Sussex District Council  
Oaklands  
Oaklands Road  
Haywards Heath  
West Sussex  
RH16  
FAO Mr Stephen Ashdown

MID SUSSEX DC  
05 FEB 2016  
ENVIRONMENT DIVISION

Dear Sir/Madam

**TOWN AND COUNTRY PLANNING ACTS**

**PROPOSAL: CONSULTATION FROM MID SUSSEX DISTRICT COUNCIL FOR THE PHASED DEVELOPMENT OF APPROX 600 DWELLINGS (USE CLASS C3), (INCLUDING AFFORDABLE HOUSING), 48 BED CARE FACILITY (USE CLASS C2), COMMUNITY BUILDING (USE CLASS D1), CAFE (USE CLASS A3) AND RETAIL (USE CLASS A1) UP TO 1 FORM-ENTRY PRIMARY SCHOOL (USE CLASS D1), HARD/SOFT LANDSCAPING INCLUDING A NOISE BUND/FENCE, INFRASTRUCTURE PROVISION, CREATION OF ACCESSES AND CAR PARKING. THE APPLICATION INCLUDES DEMOLITION OF 2 DWELLING HOUSES, ANCILLARY AGRICULTURAL BUILDINGS, REMOVAL OF WASTE WATER FACILITY AND STOPPING UP EXISTING VEHICULAR ACCESS (POST CONSTRUCTION). (DM/15/4711)**

**LOCATION: LAND EAST OF BRIGHTON ROAD, PEASE POTTAGE, WEST SUSSEX**

I refer to the above Consultation received on 30 November 2015 and would advise you that the Council following consideration of the application at its Development Control Committee on the 1<sup>st</sup> February **OBJECT** for the following reasons:-

1. The application is a clear departure and contrary to the policies in the adopted Mid Sussex Local Plan 2004 which seek to protect this area as countryside and Area of Outstanding Natural Beauty and remains the starting point for the consideration of the application. There is no presumption in favour of sustainable development for this application. The applicants have not provided a robust argument for development in this location contrary to the adopted development plan policies and have not demonstrated that the site which is within the Area of Outstanding Natural Beauty is needed for housing in line with the guidance in paragraphs 115 and 116 'exceptions test' in the NPPF. Little weight should be afforded to the site's late inclusion as an allocation in the emerging Mid Sussex Local Plan as justification for the development as this is yet to be subject to public scrutiny as part of the Local Plan Examination and the representations made in respect of this allocation have not yet been properly considered.
2. The application has failed to demonstrate that it can provide adequate strategic infrastructure to deliver this development along with existing commitments within and 'at Crawley' in respect of matters including drainage and flooding, waste water, the strategic and local highway network, education and health provision without harm to the surrounding environment and infrastructure and services for Crawley residents. (The application is premature as it has been submitted ahead of the joint working needed to establish if, how, where and when such infrastructure can be delivered to enable further development 'at Crawley').



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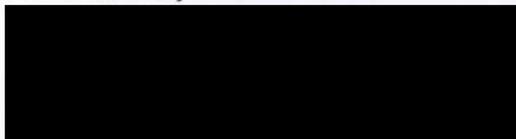
Town Hall  
The Boulevard  
Crawley  
West Sussex  
RH10 1UZ

3. The application due to its location and proposed built form constitutes an unsustainable and isolated form of development, harmful to landscape setting of Pease Pottage and Crawley and the wider Area of Outstanding Natural Beauty.
4. The application due to its location constitutes a form of development that is poorly related to existing settlements at Pease Pottage and neighbourhoods in Crawley and fails to provide suitable connectivity in terms of cycle/ footway and public transport linkages to encourage sustainable travel patterns. The facilities proposed would not create a sustainable community hub for future residents.
5. The application due to its low density and layout represents an inefficient use of countryside / Area of Outstanding Natural Beauty and results in unsustainable urban development. Furthermore, the application by virtue of its design and house types fails to deliver housing which meets Crawley's local needs or market demand.

**INFORMATIVES - IT IS ALSO RECOMMENDED THAT MID SUSSEX DISTRICT COUNCIL BE ADVISED THAT:**

1. Crawley Borough Council would welcome opportunity to comment further on this application should additional information be submitted by the applicants which seek to address the objections set out above.
2. Crawley Borough Council would welcome the opportunity to be involved in further discussion with Mid Sussex District Council regarding any S106 Agreement and infrastructure matters which impact upon the Borough in the event that Mid Sussex District Council are minded to approve the application.
3. A copy of the Committee report is attached for information.
4. The Committee voted unanimously in favour of the Officer's recommendation however, wish to make it clear that they have no objection in principle to the provision of a new hospice.

Yours faithfully



Clem Smith  
Head of Economic and Environmental Services

**HYBRID PLANNING APPLICATION**

**REFERENCE NUMBER CR/2015/0821/CON**

CONSULTATION FROM MID SUSSEX DISTRICT COUNCIL FOR THE PHASED DEVELOPMENT OF APPROX 600 DWELLINGS (USE CLASS C3), (INCLUDING AFFORDABLE HOUSING), 48 BED CARE FACILITY (USE CLASS C2), COMMUNITY BUILDING (USE CLASS D1), CAFE (USE CLASS A3) AND RETAIL (USE CLASS A1) UP TO 1 FORM-ENTRY PRIMARY SCHOOL (USE CLASS D1), HARD/SOFT LANDSCAPING INCLUDING A NOISE BUND/FENCE, INFRASTRUCTURE PROVISION, CREATION OF ACCESSES AND CAR PARKING. THE APPLICATION INCLUDES DEMOLITION OF 2 DWELLING HOUSES, ANCILLARY AGRICULTURAL BUILDINGS, REMOVAL OF WASTE WATER FACILITY AND STOPPING UP EXISTING VEHICULAR ACCESS (POST CONSTRUCTION). (DM/15/4711)

**REFERENCE NUMBER CR/2015/0811/CON**

CONSULTATION FROM MID SUSSEX DISTRICT COUNCIL FOR DEVELOPMENT OF 156 DWELLINGS (C3), CARE FACILITY (C2), SHOP (A1), CAFE (A3), AND COMMUNITY BUILDING (D1) AT LAND EAST OF BRIGHTON ROAD, PEASE POTTAGE (DM/15/4706)

**LOCATION:** LAND EAST OF BRIGHTON ROAD, PEASE POTTAGE, WEST SUSSEX

**TARGET DECISION DATE:** 21 December 2015

**CASE OFFICER:** Mrs J. McPherson

**APPLICANTS NAME:** Mid Sussex District Council

**AGENTS NAME:**

**PLANS & DRAWINGS CONSIDERED:**

The documents as displayed on the MSDC Website (based on the information available prior to 20/1/2016 when this report was prepared).

**BACKGROUND AND PUBLICITY:-**

- 0.1 Crawley Borough Council (CBC) as an adjoining authority and statutory consultee have been consulted on this application.
- 0.2 The consultations were published on the CBC weekly planning list and statutory planning register.
- 0.3 No internal consultees were required to be consulted on this application however, the report has been prepared in close liaison with the forward planning team.
- 0.4 The necessary publicity (neighbours and statutory consultees) has been carried out by MSDC. There were no neighbours within the CBC boundary consulted on this application.
- 0.5 No representations have been received directly by CBC about this application – all comments will have been made to MSDC as the determining planning authority.
- 0.6 This application is submitted as a hybrid planning application (part outline and part detailed). Crawley Borough Council has received 2 separate consultation letters from MSDC relating to different elements

which were registered separately CR/2015/0811/CON concerning the detailed design of 156 dwellings, care facility etc) and CR/2015/0821/CON for the principle in outline of 600 dwellings and associated infrastructure as set out above. This report has been prepared considering the application as a whole.

## **REASON FOR REPORTING TO COMMITTEE:-**

Request of Councillors

## **THE APPLICATION SITE:-**

- 1.1 The application site is 45 hectares of predominantly agricultural land and woodland located east of the M23 and east of Pease Pottage. Other uses within the site include two dwellings and a waste composting facility (in northwest corner). The site is bounded by the M23 to the northwest, the M23 Junction 11 southbound slip road/ Brighton road/ motorway service area to the west, Parish Lane to the south and woodland / Tilgate Plantation to the northeast and east. The site is adjacent to the Crawley Borough Boundary along its northwest edge.
- 1.2 The site is located within the High Weald Area of Outstanding Natural Beauty (AONB) and an area of Ancient Woodland abuts the northeast and eastern boundaries. Some of the site amounting to around 30.5 ha is identified as Grade 2 and Grade 3a agricultural land. The site appears relatively flat and open in the southwest corner and levels fall from this highest /flattest part of the site dropping down towards the east and north corners. Along the southern boundary where the land is highest there is a thinly treed boundary while the site is better contained and wooded to the east and north.
- 1.3 Formal access and vehicular access onto the site is from the west, no rights of way cross the site. The site is not within a flood zone however due to levels the land does drain towards Crawley Borough and into watercourses feeding Tilgate Park.

## **THE PROPOSED DEVELOPMENT:-**

- 2.1 The proposal is a hybrid planning application.
- 2.2 Permission is sought in outline for the phased development of residential units, care home facility, community building, café, retail, up to 1 form entry primary school, hard/soft landscaping including a noise bund/fence, infrastructure provision, creation of accesses and car parking. The applicants state that approval sought is for the principle of a residential-led mixed use development of approximately 600 dwellings (the supporting Environmental Statement assumes up to 620 units) along with the provision of 19.11 ha of accessible open space within the layout. 30% of the housing would be affordable of which this is proposed a 50/50 split between shared ownership and rented. The only detailed matter sought relates to access which is proposed from a new roundabout on Brighton Road with a secondary access provided onto Parish Lane. The existing site access (serving the composing site) is proposed to be stopped up post construction.
- 2.3 The outline part of the application is accompanied by a number of parameter plans which are proposed to be agreed as a basis on which the remaining part of the development would come forward subject to further reserved matter applications. These plans provide an indication on the development layout including access and movement, building heights, land uses and green infrastructure. The indicative plans show residential layout laid out around centrally within the site served by a central loop road. The centre of the development would contain a 'village green', while further substantial areas of open space would be provided in the northern and south east areas of the site. A school site is proposed in the northwest corner with the hospice and community hub located in south west portion of the development. Drainage swales are provided within landscaped areas towards the north, south and east boundaries of the site.
- 2.4 Detailed permission is sought for Phase 1 comprising 156 dwellings, care facility (for St Catherine's Hospice), shop, café and community building to be located in the southwest part of the site. The development is orientated facing road frontages within the layout with parking typically provided to the front or side of dwellings. A high proportion of the phase is proposed to comprise single and 2 storey buildings, the dwelling mix is 116 houses and 40 apartments. 48 units are proposed to be affordable of which 31 are flats and 17 are houses.

- 2.5 The development would be served off a new roundabout created opposite the service station access, the hospice and community hub would be accessible directly from the new access road further east within the site, these facilities would face onto the 'village green'.

### **PLANNING HISTORY:-**

- 3.1 CBC is not aware of any relevant planning history for this site however, a chronology of the background to this planning application is considered relevant in respect to the wider planning comments set out later in this report.
- 3.2 On the 30<sup>th</sup> September 2015 CBC was first made aware of this proposal when contacted by the applicant's agent as part of pre-application consultation.
- 3.3 On 15<sup>th</sup> October 2015 a meeting was held between officers at CBC and MSDC to discuss the emerging proposals and informal advice was exchanged on the constraints and opportunities of the site.
- 3.4 On the 30<sup>th</sup> October 2015 MSDC advised CBC that the application site is to be introduced into its emerging Local Plan as an allocation for 600 dwellings. The formal consultation period on the Pre-submission Draft Mid Sussex District Plan ran from 19<sup>th</sup> November 2015 to 15<sup>th</sup> January 2016. CBC has responded to this consultation in detail supporting in principle planned, neighbourhood scale, sustainable extensions to Crawley but raising a number of detailed concerns in relation to the allocation of this site in respect of:
- Crawley's unmet need: timing and location of strategic development;
  - infrastructure capacity and constraints;
  - site boundary & extent of allocation;
  - density, housing mix & housing need; and,
  - requesting involvement in the strategic planning and development processes formerly and informally to resolve cross boundary issues and implications arising from this proposed allocation.
- 3.5 On 27<sup>th</sup> November 2015 CBC received consultation notification on detailed part of hybrid application for 156 dwellings etc. (CR/2015/0811/CON) followed on 30<sup>th</sup> November 2015 by consultation notification on the outline part of hybrid application (CR/2015/0821/CON). It is this proposed response which is set out in this report.

### **PLANNING POLICY:-**

#### **NPPF**

- 4.1 The NPPF confirms (para.17) that planning should proactively drive and support sustainable economic development to deliver the homes, business and industrial units, infrastructure and thriving local places that the country needs. Every effort should be made to respond positively to wider opportunities for growth. This is supported by paragraph 49 which confirms that housing applications should be considered in the context of the presumption in favour of sustainable development.
- 4.2 Section 7 supports good design including the impact on neighbouring buildings and the local area more generally, the promotion of local distinctiveness and ensuring connections between people and places and the integration of new development into the natural, built and historic environment. Paragraph 64 states that permission should be refused for development of poor design that fails to take the opportunities available for improving the character and quality of an area and the way it functions.
- 4.3 Paragraph 32 requires decisions to take into account: if opportunities for sustainable transport modes have been taken up, ensuring safe and suitable access for all people; and if improvement to the highway network can be provided that effectively limit the significant impacts of a development it should only be prevented where the residual cumulative impacts are severe.

- 4.4 Paragraph 115 advises that great weight should be given to conserving landscape and scenic beauty in Areas of Outstanding Natural Beauty. Para 116 states:  
*"Planning permission should be refused for major developments in these designated areas except in exceptional circumstances and where it can be demonstrated they are in the public interest. Consideration of such applications should include an assessment of:*
- *The need for the development, in terms of any national considerations, and the impact of permitting it, or refusing it on the local economy;*
  - *The cost of, and scope for, developing outside the designated area, or meeting the need for it in some other way; and*
  - *Any detrimental effect on the environment, the landscape and recreational opportunities, and the extent to which that could be moderated".*
- 4.5 The overarching presumption in favour of sustainable development at the heart of NPPF for plan-making and decision taking is set out in paragraph 14. Within this paragraph footnote 9 states that this presumption does not apply to proposals within an AONB as this is a specific designation within the framework where development should be restricted.

#### Gatwick Diamond Local Strategic Statement

- 4.6 The Gatwick Diamond Local Strategic Statement commits the Gatwick Diamond Authorities to addressing housing needs whilst retaining the individual character of towns and villages and providing a sustainable environment for local communities to live and work in.

#### Duty to Cooperate

- 4.7 Under the current arrangements for seeking to meet the Duty to Cooperate, Crawley Borough Council along with Horsham District Council and Mid Sussex District Council have signed a Joint Position Statement, which reaches agreement across the northern West Sussex Housing Market Area to seek to meet the housing needs as a whole, taking into account local constraints, local aspirations and the need for sustainable development (Northern West Sussex Authorities Position Statement, Revised March 2015).
- 4.8 In addition, both local authorities have also signed a Memorandum of Understanding and Local Strategic Statement as part of the Gatwick Diamond Authorities (2012). This commits the Local Planning Authorities to work together on strategic planning and development issues and provide a broad but consistent strategic direction for the Gatwick Diamond area on planning and economic issues which cross local authority boundaries.

#### The Development Plan

- 4.9 The relevant development plan is the Mid Sussex Local Plan 2004 (MSLP). Within this document the site is designated as countryside, strategic gap and is within an Area of Outstanding Natural Beauty. The application is therefore a departure from the adopted Development Plan.
- 4.10 Mid Sussex are currently preparing a new local plan and have reached pre-submission stage. As set out in paragraph 3.3 above, this site has recently been included in the 'Mid Sussex 2014-2031 Focussed Amendments to the Pre-Submission Mid Sussex District Plan' as an allocated housing site for approximately 600 dwellings with around 150 to be delivered in the 1<sup>st</sup> 5 year plan period (proposed policy DP9A).

#### The Crawley Borough Local Plan 2015-2030 (CBLP)

- 4.11 The plan was adopted on 15<sup>th</sup> December 2015. It states that the housing need for the Borough within the plan period amounts to 10,125 dwellings (annualised average of 675 dpa) but has identified an actual supply-led capacity of 5,100 dwellings (within the Borough boundary) over the plan period (approximately half of the Borough's needs). The plan therefore commits CBC to working with neighbouring authorities in exploring opportunities and resolving the known infrastructure capacity and environmental constraints in order to meet the remaining unmet need of approximately 5,000 dwellings in sustainable locations including potential urban extensions to Crawley (policy H1).

## ECONOMIC AND ENVIRONMENTAL SERVICES



Contact: Mrs J. McPherson  
 Direct Line: [REDACTED]  
 Direct Fax: [REDACTED]

Our Ref: CR/2016/0254/CON & CR/2016/0255/CON  
 Email: development.control@crawley.gov.uk  
 Date: 14 July 2016

Mid Sussex District Council  
 Oaklands Road  
 Haywards Heath  
 West Sussex  
 RH16 1SS  
 FAO Mr Stephen Ashdown



Dear Sir/Madam

## TOWN AND COUNTRY PLANNING ACTS

CONSULTATION FROM MID SUSSEX DISTRICT COUNCIL OR THE PHASED DEVELOPMENT OF APPROX 600 DWELLINGS (USE CLASS C3), (INCLUDING AFFORDABLE HOUSING), 48 BED CARE FACILITY (USE CLASS C2), COMMUNITY BUILDING (USE CLASS D1), CAFE (USE CLASS A3) AND RETAIL (USE CLASS A1) UP TO 1 FORM-ENTRY PRIMARY SCHOOL (USE CLASS D1), HARD/SOFT LANDSCAPING INCLUDING A NOISE BUND/FENCE, INFRASTRUCTURE PROVISION, CREATION OF ACCESSES AND CAR PARKING. THE APPLICATION INCLUDES DEMOLITION OF 2 DWELLING HOUSES, ANCILLARY AGRICULTURAL BUILDINGS, REMOVAL OF WASTE WATER FACILITY AND STOPPING UP EXISTING VEHICULAR ACCESS (POST CONSTRUCTION). (DM/15/4711) (ADDITIONAL INFORMATION SUBMITTED 7TH MARCH 2016) & CONSULTATION FROM MID SUSSEX DISTRICT COUNCIL FOR DEVELOPMENT OF 156 DWELLINGS (C3), CARE FACILITY (C2), SHOP (A1), CAFE (A3), AND COMMUNITY BUILDING (D1) AT LAND EAST OF BRIGHTON ROAD, PEASE POTTAGE (DM/15/4706) (ADDITIONAL INFORMATION RECEIVED 7TH MARCH 2016)

## LOCATION: LAND EAST OF BRIGHTON ROAD, PEASE POTTAGE

I refer to the above re-consultations received on the 16<sup>th</sup> March 2016 and apologise for the delay in this response. After consideration of the application I can advise you that Crawley Borough Council continue to **OBJECT** to the applications for the all the reasons set out in its initial consultation response dated 2<sup>nd</sup> February 2016.

It is considered that the additional information provided by the applicants has failed to address any of the 5 grounds for objection raised by the Borough Council in its detailed response. The single paragraph provided by the applicant in their letter of 4<sup>th</sup> March that Crawley has 'unmet housing needs' is not considered a robust or defensible response given the detailed information that was provided in respect of Crawley's housing position and given the other very serious concerns raised about the overall suitability of this site for providing additional housing close to Crawley's boundary.

In addition, the CBC Environmental Health Division have also raised an additional objection as the application land incorporates a composting site run by KPS Composting Services which has been the subject of numerous odour complaints affecting nearby residents. Phase 1 of the development if permitted does not include the composting services site and if this operation were to continue, future residents in phase 1 would be subject to an undesirable odour source.



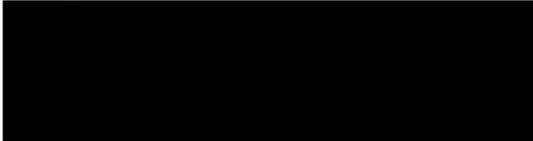
Switchboard: [REDACTED]  
 Main fax: [REDACTED]  
 Minicom: [REDACTED]  
 DX: 57139 Crawley 1  
[www.crawley.gov.uk](http://www.crawley.gov.uk)

Town Hall  
 The Boulevard  
 Crawley  
 West Sussex  
 RH10 1UZ

Other than via the consultation letter, the planning officers at Crawley have not had any further contact or discussion with representatives from Mid Sussex in respect of this application. I would like to take this opportunity to re-iterate that CBC would welcome further discussions to address its concerns and further involvement regarding any Section 106 Agreement and on infrastructure matters, both of which would seriously impact upon the Borough in the event planning permission is granted.

It is assumed that Mid Sussex District Council are seeking further information from the applicants to address the concerns raised by the Crawley Borough Council as the information so far provides no comfort these objections can be satisfactorily addressed. I would welcome the opportunity to comment further on any additional information received in respect of these matters.

Yours faithfully



Clem Smith  
Head of Economic and Environmental Services

Appendix G

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**Housing Delivery since 2006**

| Year    | Requirement      | Delivery | Shortfall | Cumulative shortfall |
|---------|------------------|----------|-----------|----------------------|
| 2006/7  | 855 <sup>1</sup> | 337      | -518      | -518                 |
| 2007/8  | 855              | 502      | -353      | -871                 |
| 2008/9  | 855              | 480      | -375      | -1246                |
| 2009/10 | 855              | 353      | -502      | -1748                |
| 2010/11 | 855              | 179      | -676      | -2424                |
| 2011/12 | 855              | 522      | -333      | -2757                |
| 2012/13 | 855              | 749      | -106      | -2863                |
| 2013/14 | 855              | 536      | -319      | -3182 <sup>2</sup>   |
| 2014/15 | 800 <sup>3</sup> | 630      | -170      | -170 <sup>4</sup>    |
| 2015/16 | 800              | 868      | +68       | -102                 |

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<sup>1</sup> South East Plan target

<sup>2</sup> This shortfall forms a market signal in calculating revised OAN of 1,000dpa (BW's evidence)

<sup>3</sup> District Plan OAN

<sup>4</sup> Start date of the District Plan

## Appendix H

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## MSDC 5 Yr Housing Land Supply – Sedgefield Approach – 800dpa

| Requirement  | MSDC         | DMHS Adjusted     |  |
|--|--------------|-------------------|--|
| District Plan housing requirement 2016 - 2021                            | 4,102        | 4,102             | Based on the plan requirement to achieve 800dpa (x5) +102 shortfall from the first 2 years of the plan (1498 dwellings were delivered against a requirement for 1600 (800x2)). |
| Annualised housing requirement with 20% buffer applied (years 1 -5 only) | 4,922        | 4,922             | 4,102 x 20% (820)  |
| <b>Supply</b>  |              |                   |  |
| <b>Commitments</b>   |              |                   |  |
| Large sites with Planning Permission                                     | 3433         | 3073 <sup>1</sup> |  |
| Large allocated sites without planning permission                        | 55           | 0 <sup>2</sup>    |  |
| NP sites without PP  | 160          | 60 <sup>3</sup>   |  |
| Sites identified in the SHLAA  | 239          | 239               |  |
| Small sites with planning permission (with 40% discount applied)         | 317          | 317               |  |
| District Plan allocation at Burgess Hill                                 | 515          | 250 <sup>4</sup>  |  |
| District Plan allocation at Pease Pottage                                | 150          | . <sup>5</sup>    |  |
| <b>Total Housing Supply in year 1 - 5</b>                                | <b>4,869</b> | <b>3,939</b>      |  |
| Five year supply   | 4.95         | 4.00              | Total supply / Total requirement x 5   |
| Deficit over the 5 year period   | -53          | -983              |  |

<sup>1</sup> Adjustments made in relation to Land West of Copthorne – likely 5yr delivery c90 and Land at the Sewerage Works, Burgess Hill which is unlikely to come forwards for development given infrastructure requirements and low marketability.

<sup>2</sup> Rookery Farm has been allocated since 2004 and has not been forthcoming – not deliverable.

<sup>3</sup> Sites north of Victoria Road generally have planning permission. Land at Leylands Park is within Burgess Hill Northern Arc.

<sup>4</sup> Adjusted figure to reflect Northern Arc Consortium position.

<sup>5</sup> The allocation of land at Pease Pottage is not supported and is unsustainable, should not be included within 5 year supply.

## Appendix I

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## MSDC 5 Yr Housing Land Supply – Sedgefield Approach – 1000dpa

| Requirement  | MSDC         | DMHS Adjusted     | Notes  |
|--|--------------|-------------------|--|
| District Plan housing requirement 2016 - 2021                            | 5,502        | 5,502             | Based on the plan requirement to achieve 100dpa (x5) + 502 shortfall from the first 2 years of the plan (1498 dwellings were delivered against a requirement for 2000 (1000x2)). |
| Annualised housing requirement with 20% buffer applied (years 1 -5 only) | 6,602        | 6,602             | 5,502 x 20%  |
| <b>Supply</b>  |              |                   |  |
| <b>Commitments</b>   |              |                   |  |
| Large sites with Planning Permission                                     | 3433         | 3073 <sup>1</sup> |  |
| Large allocated sites without planning permission                        | 55           | 0 <sup>2</sup>    |  |
| NP sites without PP  | 160          | 60 <sup>3</sup>   |  |
| Sites identified in the SHLAA  | 239          | 239               |  |
| Small sites with planning permission (with 40% discount applied)         | 317          | 317               |  |
| District Plan allocation at Burgess Hill                                 | 515          | 250 <sup>4</sup>  |  |
| District Plan allocation at Pease Pottage                                | 150          | - <sup>5</sup>    |  |
| <b>Total Housing Supply in year 1 - 5</b>                                | <b>4,869</b> | <b>3,939</b>      |  |
| Five year supply   | 3.69         | 2.98              | Total supply / Total requirement x 5   |
| Deficit over the 5 year period   | -1,733       | -2,663            |  |

<sup>1</sup> Adjustments made in relation to Land West of Copthorne – likely 5yr delivery c90 and Land at the Sewerage Works, Burgess Hill which is unlikely to come forwards for development given infrastructure requirements and low marketability.

<sup>2</sup> Rookery Farm has been allocated since 2004 and has not been forthcoming – not deliverable.

<sup>3</sup> Sites north of Victoria Road generally have planning permission. Land at Leylands Park is within Burgess Hill Northern Arc.

<sup>4</sup> Adjusted figure to reflect Northern Arc Consortium position.

<sup>5</sup> The allocation of land at Pease Pottage is not supported and is unsustainable, should not be included within 5 year supply.