

Gladman Developments Ltd

Mid Sussex District Council – Site Allocations DPD

**Response to the publication of updated Housing Land Supply
Statement (MSDC06a) and Updated Local Plan Trajectory
(MSDC06b)**



June 2021

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1 FIVE-YEAR HOUSING LAND SUPPLY

1.1 Mid Sussex DC – Five-Year Housing Requirement

1.1.1 Mid Sussex District Council (MSDC) calculate their five-year housing land supply requirement over the five-year period 1st April 2021 – 31st March 2026 by using the following:

- Basic annual average target -> 894 dpa x 3 years + 1,090 dpa x 2 years = 4,808 dwellings
- Accumulated shortfall 1st April 2014 – 31st March 2021 = 99 dwellings
- Shortfall spread out over the remaining years of the plan period = 50 dwellings (99 / 10 x 5)
- Application of a 5% buffer -> 242 dwellings (4,858 dwellings x 1.05)
- Overall five-year supply requirement -> 5,100 dwellings (4,808+50+242)
- Annual average target 1st April 2021 – 31st March 2026 -> 1,020 dwellings
- MSDC claim a deliverable supply of 5,701 dwellings (a surplus of 601 dwellings) over the 1st April 2021 – 31st March 2026 five-year period which equates to a 5.59 years supply.

1.1.2 Gladman raise a minor issue in relation to the MSDC's deliverable supply over the five-year period (1st April 2021 – 31st March 2026). MSDC currently claim a deliverable supply of 5,701 dwellings under section 5 of its Five-Year Housing Land Supply Statement. However in the overall Year 1-5 total table at the bottom of the deliverable sites list, this states a deliverable supply figure of 5,715 dwellings. Gladman have reviewed MSDC's five-year deliverable supply in more detail and are satisfied that the correct figure is 5,715 dwellings.

1.1.3 In light of the above, MSDC's claimed five-year housing land supply position over the five-year period improves very marginally from 5.59 years to 5.60 years and the surplus against the minimum five-year requirement increases from 601 dwellings to 616 dwellings.

1.1.4 As noted at paragraph 4.11 in the Five-Year Housing Land Supply Statement, MSDC have not requested for the Inspector to fix their five-year housing land supply through the examination of the Site Allocations DPD. Therefore, the application of a 10% buffer is currently not 'in play'. However, if the Inspector was minded to fix MSDC's five-year housing land supply position, Gladman would request an additional consultation period in order to respond directly.

1.2 Errors identified within MSDC's Five-Year Land Supply Statement

1.2.1 Gladman have noticed several mathematical and formulaic errors within MSDC's updated Five-Year Housing Land Supply Statement (MSDC06a). In the 'Major Sites' (10+ units) with Full Planning or Reserved Matters Permission not yet commenced' table, the Year 1-5 total is calculated to be 548 dwellings. However, if one adds up the overall totals in the columns 2021/22 – 2025/26 this calculates only 270 dwellings. The mathematical and formulaic errors are highlighted in Table 1 below:

Year	Council Dwelling Figures	Actual Dwelling Figures	Comments
2022/23	150	187	
2023/24	100	251	
2024/25	20	73	
2025/26	0	37	
Total	270	548	

Table 1: 'Major Sites (10+ units) with Full Planning or Reserved Matter Permission not yet commenced' - Corrected Figures.

1.2.2 The corrections identified in Table 1 above results in an additional +278 dwellings to be delivered from this component of MSDC's supply.

1.2.3 The overall housing completions totals table is incorrect. Firstly, the incorrect five-year period is used showing monitoring years 2020/21 – 2024/25. Secondly, the Year 1-5 total is calculated to be 5,715 dwellings from all the components of the deliverable supply, however if one adds up the overall anticipated completions from Years 1 to 5 this only calculates 4,912 dwellings (1162+1420+943+810+577) resulting in a difference of 803 dwellings from MSDC's claimed deliverable supply. Gladman believe this is primarily due to formulaic errors which have not been spotted by MSDC in earlier tables.

1.2.4 As alluded to in our paragraph 1.2.2, an additional 278 dwellings needs to be included from the 'Major Sites' (10+ units) with Full Planning or Reserved Matter Permission not yet commenced' component. This would increase MSDC's deliverable supply to 5,190 dwellings.

1.2.5 In regard to the overall housing completions table, Table 2 below sets out discrepancies within MSDC's evidence:

Year	MSDC Anticipated Completion Figures	Actual MSDC Anticipated Completion Figures	Comments
2021/22	1,162	1,162	
2022/23	1,420	1,457	
2023/24	943	1,094	
2024/25	810	1,203	
2025/26	577	799	
Total	4,912	5,715	These figures are taken from adding the anticipated completions from the individual sites.

Table 2: Total anticipated housing delivery – Corrected Figures

1.2.6 The overall total of the anticipated housing completion figures is $1162+1457+1094+1203+799 = 5,715$ dwellings which is the five-year deliverable supply claimed by MSDC in their Year 1-5 total.

1.3 Lack of clear evidence provided to support Category B sites

1.3.1 It is pertinent to note that MSDC has not provided any clear evidence in the form of either completed site proformas or Statements of Common Ground (SoCG) with developers / agents / landowners / site promoters to demonstrate the deliverability of its Category B sites.

1.3.2 Category B sites are those that involve major development without a detailed planning permission: for example, a site with an allocation for housing development or an extant outline planning permission. These are sites that are inherently less certain of delivery within the five-year period given a detailed permission must still be applied for and approved, before homes can be delivered. Consequently, in accordance with the NPPF, the Council must prepare site specific 'clear evidence' for these sites to be considered deliverable.

- 1.3.3 The only SoCGs which have been completed to date are on the four Strategic sites (DM8-DM11) which have only very recently been agreed between MSDC and the developers who are in control of them.
- 1.3.4 Annex 2 of the NPPF defines what constitutes a developable site. In demonstrating that there is a 'reasonable prospect' plan-makers can use evidence such as (but not exclusively):
- written commitment or agreement that relevant funding is likely to come forward within the timescale indicated, such as an award of grant funding;
 - written evidence of agreement between the local planning authority and the site developer(s) which confirms the developers' delivery intentions and anticipated start and build-out rates;
 - likely buildout rates based on sites with similar characteristics; and
 - current planning status - for example, a larger scale site with only outline permission where there is supporting evidence that the site is suitable and available, may indicate development could be completed within the next 6-10 years.
- 1.3.5 Gladman do not dispute the delivery of any sites listed in the 'Major Sites (10+ units) with Full Planning Permission under construction' component of the deliverable supply. There are two sites listed under the 'Sites that do not involve major development with Planning permission (9 - 5 units)' which we dispute and these are analysed in more detail under section 1.4.

1.4 MSDC Deliverable Supply – Gladman disputed sites

Day Centre Royal, George Road, Burgess Hill (8 dwellings)

- 1.4.1 MSDC's comments section on this site states that MSDC have received email confirmation that 6 or 7 dwellings were completed by 31st March 2021. However, MSDC have included all 8 dwellings to be completed in monitoring year 2021/22. The email correspondence submitted by the applicant has not been made publicly available by MSDC.
- 1.4.2 Therefore, Gladman have removed 7 dwellings from the deliverable supply and conclude there is only 1 dwelling left to be completed in monitoring year 2021/22.

Palmers Autocentre, Turners Hill Road, Crawley (8 dwellings)

- 1.4.3 MSDC comments section for this site states that construction commenced in 2019/20 but the site has not been active since March 2020. However, MSDC anticipate completions in monitoring year 2021/22.

1.4.4 MSDC do not include any delivery from this site in 21/22 and instead anticipate 4 completions in 2022/23 and 4 completions in 2023/24. It is likely that building work has stopped since the COVID-19 pandemic and the housebuilder is not seeking to carry on with the construction of the new housing on this site.

1.4.5 Therefore, Gladman have removed all 8 dwellings delivery from this site out of MSDC's deliverable supply.

Hardriding Farm, Pease Potage Phase 4 onwards (277 dwellings)

1.4.6 Outline permission was granted on this phase of the strategic site post the 1st April 2021 base date (26/05/2021) and therefore should be included in the next annual Five-Year Housing Land Supply Statement with a 1st April 2022 base date. If this site was to be included, this would skew the five-year requirement figure.

1.4.7 Therefore, Gladman have removed all 277 dwellings from this site out of MSDC's deliverable supply.

Phase 1, North Arc, Burgess Hill (914 dwellings)

1.4.8 It is accepted that Burgess Hill can accommodate significant residential growth as can be seen over recent decades. The forecasted delivery rates, however, are overly optimistic and do not reflect both national and local evidence on delivery rates. As set out in Appendix 1 to MSDC – 06a Response to AP4 Matter 3.4, current evidence on delivery rates in Burgess Hill on permitted strategic sites ranges from 32dpa to 76 dpa, at an average of approximately 50dpa. Even allowing for multiple sales outlets on this strategic site, it is unclear how MSDC anticipates this site to be capable of consistently delivering more than 200dpa on a strategic site within the authority.

1.4.9 As set out in our Matter 3 Hearing Statement, substantive evidence prepared by Lichfields indicates that delivery rates on a strategic site of a similar nature average 160dpa. Local evidence indicates consistent delivery of around 50dpa per sales outlet in Burgess Hill. Gladman contend that delivery rates of 272dpa and 335dpa as suggested by MSDC are entirely unrealistic and will not be achieved or delivered.

1.4.10 The delivery rates at this site are of critical importance for the health of the five-year housing land supply in Mid-Sussex over the next 10-15 years and therefore it is crucial that they are realistic and based on robust evidence. MSDC anticipate that there will be 135 housing completions in monitoring year 2022/23 on the Northern Arc (3,040 homes) site when currently no Reserved Matters application(s) have been lodged with MSDC. It takes on average 6-9 months for a Reserved Matters application to be determined and there is no indication of

when this application will be submitted other than within 100 days of the start of the Bellway Homes contract. Gladman have therefore reduced the number of completions in monitoring year 2022/23 to 80 dwellings which is more realistic and accounts for any slips or delays in the timescale of the site's delivery.

- 1.4.11 Gladman suggest that the following build out rates should be applied over the 1st April 2021 – 31st March 2026 five-year period. Our assessment applies a 20% uplift above the average build out rate established by Lichfields.

Monitoring Year	Mid-Sussex	Gladman	Difference
2021/22	0	0	0
2022/23	135	80	-55
2023/24	172	172	0
2024/25	272	200	-72
2025/26	335	200	-135
Total	914	707	-262

Table 3: Gladman suggested delivery rates

Hurst Farm, Hurstwood Lane, Haywards Heath (111 dwellings)

- 1.4.12 This site is allocated in the Haywards Heath Neighbourhood Plan. No evidence has been provided by MSDC to demonstrate the site's deliverability, who is in control of the site or when an outline / full planning application is expected to be submitted on the site.
- 1.4.13 Gladman have removed all 111 dwellings from this site out of MSDC's deliverable supply.

1.5 Update on progress with the Strategic sites (DP8-DP11)

- 1.5.1 Gladman acknowledge the completion of the four Statements of Common Ground (MSDC05 a-d) between MSDC and the developers involved on each of the strategic sites.

MSDC- 05a – Kingsway, Burgess Hill (513 dwellings)

- 1.5.2 Outline planning permission on this site was granted for up to 480 dwellings in May 2013 and the first completions were delivered in 2016/2017. The site is currently under construction by Persimmon Homes. Construction onsite has continued across phases 2 and 3, with phase 3b now nearing completion.
- 1.5.3 Phase 1 is nearly complete (2 dwellings remain to be completed), Phase 2a (95 dwellings) and Phase 3a (64 dwellings) are both complete with Phase 3b (39 dwellings are currently under construction and expected to be completed by March 2022). The anticipated delivery rates are similar to those on earlier phases on the site which saw 76 units complete during 2016/17, 33 units in 2017/18 and 62 units in 2018/19.

- 1.5.4 Following the expiry of the outline permission on the final phase of the site, a new full planning application was validated in April 2020 (application ref: DM/20/0886). This application is for 237 units and will increase the number of units delivered on the site to 513 an increase of 33 units.
- 1.5.5 It is anticipated that this application will be considered by planning committee in July/August 2021. Officers are confident that there should be nothing which fundamentally changes the positive view already given, including support for the increase in the number of units that can be accommodated on the site. Anticipated that the application will be recommended for approval. The housing trajectory anticipates 40 completions in 2022/23, with 60 completions in the remaining years up to 2026/27.
- 1.5.6 Gladman have no further comments to make on this site allocation and agree with the anticipated delivery rates set out in the signed SoCG between MSDC and the developer.

MSDC 05b – Northern Arc

- 1.5.7 In July 2018, a land deal and delivery partnership were confirmed which has seen Homes England take ownership of the site and become key master developer delivery lead. The involvement of Homes England and the use of the tools set out below has had a significant positive impact on the delivery mechanism of the site and the financial backing of the allocation.
- 1.5.8 Outline Planning consent for the 3,040 units was granted in October 2019 (application ref: DM/18/5114). Since then work has progressed with discharge of pre-commencement conditions and planning obligations, as well as applications for infrastructure to support site delivery. A full planning application for the Eastern Bridge and Link Road, which will link the Freeks Farm site with Isaacs Lane, was approved in January 2020 (application ref: DM/19/3313) and reserved matters for the Western Link Road, which will link the A2300 with Sussex Way, was approved in July 2020 (application ref: DM/20/0254).
- 1.5.9 It is now acknowledged by MSDC that only 2,310 homes will be delivered until the end of the plan period (March 2031), leaving 730 homes to be delivered outside this plan period. The housing trajectory prepared to support the Sites DPD and the Housing Land Supply Paper H2 both take this into account.
- 1.5.10 **Freeks Farm** - Outline planning permission was approved for up to 460 dwellings in July 2019. The Reserved Matters application for 460 dwellings was approved in December 2019. MSDC anticipate 56 dwellings being completed in 2021/22, then a much higher delivery rate of

between 120-138 dwellings in the following three years. Gladman have no further comments to make on this parcel and agree with the delivery rates as set out in the SoCG.

- 1.5.11 **Northern Arc** - Outline planning permission approved for 3,040 dwellings in October 2019. It is anticipated that 135 dwellings will be completed in 2022/23, 172 dwellings in 2023/24, 272 dwellings in 2024/25 and 335 dwellings in 2025/26. As set out in paragraph 1.4.10 of this statement, these delivery rates are extremely ambitious and remain as such throughout the plan period.
- 1.5.12 Homes England has entered into a contract with Bellway Homes to deliver 247 homes at Phase 1B (parcels east of Isaacs Lane). As part of Bellway's contract, a Reserved Matters application is required to be submitted within 100 days from the start of the contract. A comprehensive pre-application meeting programme has been set via a Planning Performance Agreement (PPA) to ensure the Reserved Matters application is submitted within the timeframes. The SoCG does not provide the date of when the contract started so we are unsure when the 100 days expiry date will lapse for the submission of a Reserved Matters application. Homes England is currently in advanced contract negotiations for Phase 1C with a Modern Method of Construction (MMC) specialist partner. An example of Homes England using MMC developer partners can be seen at Northstowe where a 406 home, 100% MMC neighbourhood is being brought forward through a partnership between Urban Splash, Sekisui House and Homes England. This delivery partner will also be required through contract arrangements to submit the Reserved Matters application within 100 days from the start of contract.

MSDC 05c – Pease Pottage (600 dwellings)

- 1.5.13 Outline permission was granted for approximately 600 dwellings (capped at 619 by condition), a care facility, a community building, a café, a retail unit and a 1 form entry school in November 2016. All subsequent Reserved Matters applications have been approved by MSDC.
- 1.5.14 Construction on site is well underway with 199 dwellings (41 dwellings in 2019/20 and 158 dwellings in 2020/21) already complete. Construction rates on the site have remained strong during 2020/21 and it is notable that the 158 completions for last year were achieved notwithstanding that there was a 3-month period of underproduction due to Covid-19.
- 1.5.15 The site is running up to four individual build locations across the site to enable maximum build capacity and the site is operating as two outlets/products.
- 1.5.16 It is anticipated that the site will be complete by March 2024 with 202 completions anticipated in 2021/22 and 109 completions in 2022/23 and 2023/24. The completion of 202 dwellings on

the site in 2021/22 is not unrealistic following the 158 dwelling completions delivered in 2020/21, despite the 3-month pause for the enforced national lockdown.

- 1.5.17 Gladman have no further comments to make on this strategic allocation and agree with the anticipated delivery rates set out within the agreed SoCG between MSDC and the developer.

MSDC 05d – North of Clayton Mills, Hassocks (500 dwellings)

- 1.5.18 Outline permission for the Clayton Mills site was granted in 2020. However, the grant of permission was subject of an application for judicial review, which was not dismissed until December 2020. The permission has thus been upheld, but the challenge did cause an initial delay in the delivery of the site.
- 1.5.19 The site has been purchased by Taylor Wimpey who have engaged with MSDC's Development Management team and significant progress has been made in pre-application discussions regarding the detailed planning of site ahead of the submission of a Reserved Matters application. It is intended that the Reserved Matters application will be submitted by the end of July 2021.
- 1.5.20 The delivery build-out rate at 40dpa for a national house builder in 2022/23 seems reasonable, and for two outlets from Taylor Wimpey for the remaining construction years building at a delivery rate of 80dpa is reasonable.
- 1.5.21 GDL have no further comments on this strategic allocation and agree with the anticipated delivery rates set out in the agreed SoCG between MSDC and the developer.

1.6 Conclusions

- 1.6.1 Gladman have undertaken a detailed assessment of Mid Sussex District Council's updated Five-Year Housing Land Supply Statement (MSDC06a) which was published on 14th June 2021. As demonstrated in sections 1.1 and 1.2 of our response, we have identified several mathematical and formulaic errors within the updated Statement and believe MSDC's claimed five-year housing land supply position currently stands at 5.60 years with a deliverable supply of 5,715 dwellings over the five-year period 1st April 2021 – 31st March 2026.
- 1.6.2 Gladman dispute the delivery of a few sites included within MSDC's deliverable supply list and this results in an overall reduction of -666 dwellings from MSDC's deliverable supply which would equate to revised position of a 4.95 years supply (a shortfall of -51 dwellings against the requisite five-year requirement).

- 1.6.3 Taking into account our assessment of the Council's revised land supply position, we consider that there remains a clear case to support why the Plan should allocate more sites to increase its contingency against non-delivery.