

MSDC 06a – response to AP4 – Matter 3.4 Housing Land Supply – 5 yr. HLS

MSDC 06a, supported by MSDC 05a, b, c, and d, looks to demonstrate a 5 yr. HLS upon adoption, and is an update on the information contained in H2 (Aug 2020), the HLS Statement (Dec 2020), MSDC 01 (March 2021), and MSDC02 (c) (table 5) (May 2021).

Based on the assumption that the current shortfall (99 dwellings) is addressed over the remaining plan period (para 4.3), MSDC 06 a, in section 5 indicates a 5.59yr supply (based on a 5% buffer) and a 5.34yr supply (based on a 10% buffer). The surplus being 601 and 358 dwellings, respectively.

Whilst we note that this now includes some 525 dwellings allocated through the Site allocations DPD, including SA12 and 13 which we note are to be subject to further examination, such that the HLS calculation may need to be updated following the additional hearing sessions, it would appear, given the SoCG that have now been signed in respect of the strategic allocations DP 8, 9, 10, and 11 that MSDC do have a 5 yr. HLS upon adoption – albeit this is in our view marginal and any slippage would we believe call this into jeopardy.

In this regard, despite the SOCG with Taylor Wimpey for DP11 (Clayton Mills) we continue to question whether, as a RM application is not due to be submitted until end of July 2021¹, completions in 2022/23 – which is just 12 months away, are realistic given the need for the RM to be approved and any DoC to be cleared, especially in the light of previous legal challenges.

Likewise, in noting the SoCG with Thakeham on DP10 (Land east of Pease Pottage), we also note that the 187 predicted for 2020/21 in MSDC 01 did not come to fruition.

Turning to the SoCG with Homes England on DP9 (NW Burges Hill), it is of note that whilst Freaks Farm (phase 1 of the NW Burgess Hill development) is still predicted to deliver all 460 over the next 5 years, the trajectory itself has changed to reflect lower build rates in the first year. It is also of note that of the rest of phase 1, Bellway have yet to submit and gain approval for their 247 unit phase 1b development, the same being true of MMC, albeit the number of units to be delivered on their phase 1C development is not set out in the SoCG. It is thus somewhat surprising that the SoCG suggests that phase 1b [and c] will be delivering 135 units in 2022/23 – i.e. in under 12 months. In this regard the rest of phase 1 of the NW Burges Hill is according to the site B list in MSDC 06a, scheduled to deliver some 914 dwellings over the 5 year period², such that any slippage will impact the 5 yr. HLS.

In the context of the above it is of note that all 4 of the SoCG demonstrate that in all instances completions have fallen short of predictions set out in the DP/ MSDC 01, calling into question the proposed trajectories, and raising the need in our opinion for some flexibility to be introduced to address any undersupply. To this end we would refer again to

¹ NB MSDC 01 suggested June 2021

² Notwithstanding the SOCG we remain to be convinced that anything above 600 dwellings would, given what HE says, be delivered in the rest of phase 1 by 2025/16. This in itself is still considerably more than empirical evidence suggested by Lichfields Start to Finish (second edition) and would generate a deficit of 314 dwellings, which we believe will impact not just the 5 year HLS but the trajectory going forward – see comments on MSDC 06b.

para 37 of the District Plan Inspectors report and the need for ‘resilience’ and suggest that in order to provide for resilience/ some form of flexibility, additional small/ medium sites are allocated to protect MSDC’s 5 yr. HLS position.

MSDC 06b – response to AP4 – Matter 3.4 Updated Housing Land Supply Trajectory

MSDC 06b, supported by MSDC 05a, b, c, and d, looks to demonstrate how MSDC will, with the Site Allocations DPD, be able to provide for the minimum requirement set out in policy DP4 of the District Plan, and is an update on the information contained in H2 (Aug 2020), the HLS Statement (Dec 2020), MSDC 01 (March 2021), and MSDC02 (c) (table 5) (May 2021).

MSDC 06b indicates that given completions, commitments, windfalls, and the proposed allocations in the Site Allocation DPD, the total supply during the plan period is 17,327 dwellings, an oversupply of 937 dwellings. This is 5.7% above the minimum District requirement of 16,390, and 9.05% above the outstanding requirement that exists when completions to date have been accounted for³.

As set out in our former statement we believe the council should be looking to deliver a buffer of at least 10% above the outstanding requirement that exists when completions to date have been accounted for i.e. circa 1,035 additional dwellings so as to provide a realistic level of flexibility to allow the plan to adapt to rapid change. Whilst MSDC 06b comes close to this, we would suggest, given our views on the commitments (see below), that additional allocations need to be provided to afford that final further layer of protection.

In this context we note that the SoCG provided at MSDC 05 a - d all demonstrate that completions have fallen short of predictions set out in the DP/ MSDC 01, and that as far as the land at NW Burgess Hill is concerned (see MSDC 05 b) the overall level of delivery proposed at NW Burgess Hill over the plan period has reduced from the 3,500 predicted in the District Plan, and the 2,787 predicted in MSDC 01 only a few months ago to 2,310⁴. We also note that in order to achieve 2,301 dwellings across the plan period build out rates have increased significantly above that previously predicted, with 403 dwellings anticipated in 2024/25 and 350 in 2025/26 as opposed to 266 and 283 respectively suggested in MSDC01. Even with Countryside on phase 1a, Bellway on phase 1b and MMC on phase 1c that is in our opinion quite a change and would buck industry norms⁵, such that we consider MSDC need to think seriously about protecting themselves against any potential slippage.

Given the above, the District Plan Inspectors comments at par 37 of his report, and the advice in paras 11a 16b and 35a of the NPPF we remain of the view that in order to be demonstrate that it is positively prepared, effective and consistent with national policy the Site Allocations DOD needs to provide for a few additional small to medium sites to add an element of flexibility to the housing trajectory and help maintain a rolling 5 yr. HLS.

³ $16390 - 6,033 = 10,357$. $937 / 10357 = 9.05\%$

⁴ 34% less than the 3,500 predicted in the District Plan, and 17% less than suggested in MSDC01.

⁵ See para 3.20 of our statement re Lichfields report - Start to Finish: How quickly do largescale housing sites deliver? Second edition Feb 2020. Given the evidence now proffered in the SOCG with HE, we would suggest that rather than 2,310 dwellings being delivered across the rest of the plan period the land at NW Burgess Hill is more likely to deliver circa 1,800 dwellings. This is still considerably more than empirical evidence suggested by Lichfields Start to Finish (second edition) and would generate a deficit of 510 dwellings across the plan period.

In our matter 3 statement we sought to compare the residual requirement with that proposed in the Site Allocations DPD and the need for additional allocations. We have updated that table below in the light of MSDC06b.

JAA updated table 7 – How policy SA10 compares to the policy DP4 of the adopted Development Plan, MSDC 06b and our position on the residual requirement.

		Adopted LP - Policy DP4	Site Allocations DPD - Policy SA10	June 2021 update given MSDC 06a and 06b	JAA position
a	District Plan Minimum Requirement	16,390	16,390	16,390	16,390
b	Completions	2,410 April 2014 to March 2019	4,917 April 2014 to March 2020	6,066 April 2014 to March 2021	6,066 April 2014 to March 2021
c	Outstanding requirement	13,980	11,473	10,357	10,357
d	Total Housing Commitments ⁶	7,091	9,689	9,140	8,630 ⁷
e	Strategic development north & north-west of Burgess Hill	3,500	Now in commitments	Now in commitments	Now in commitments
f	Land north of Clayton Mills, Hassocks	500	Now in commitments	Now in commitments	Now in commitments
g	Windfall Allowance	450	504	420	420
h	Sum of d to g	11,541	10,193	9,560	9,560 9,050
	Residual requirements/ Number of dwellings to be provided through a Site Allocations DPD c-h + buffer	2,439 No buffer	1,280 No buffer	797 No buffer	1,307 +10% (1,035) = 2,342
	Proposed Allocations in Site Allocations DPD		1,764	1,764	1,764
	Surplus / deficit		+484	+937	-578

⁶ Including sites with planning permission, strategic development at Kings Way, Burgess Hill (DP8) and Pease Pottage (DP10) and allocations in made Neighbourhood Plans.

⁷ MSDC and HE suggest BH delivers 914 units in phase 1 (minus the 460 from Freeks Farm) in yrs. 2021/22 to 2025/16 (1,374 with Freeks Farm), and 1396 in years 026/27 to 2030/31. Giving a total of 2310 dwellings across the plan period. We believe the figures to be 600 (1,060 with Freeks Farm), and 1,200 respectively; and 1,800 across the plan period. A shortfall of 314 and 196, or 510 across the plan period.