Ansty Garden Community

Economic statement

October 2023

volterra.co.uk

Fairfax Properties

Contents

Need for housing

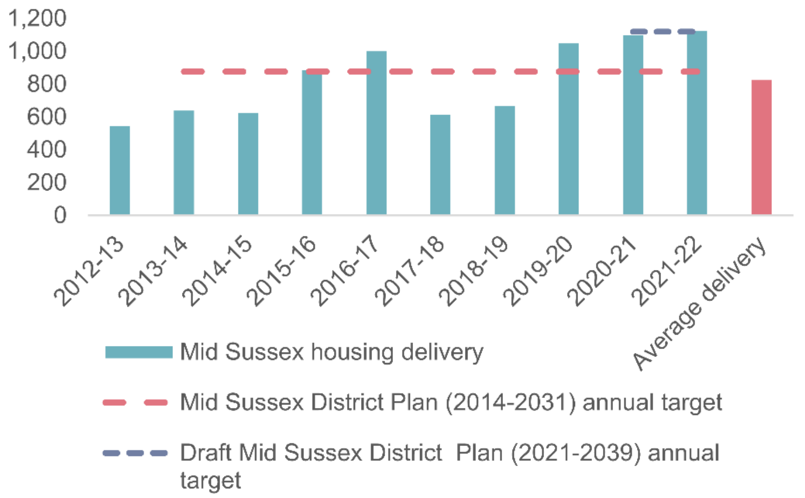
6%

Based on the last decade of housing delivery, Mid Sussex is projected to fall short of the current net additional dwelling target outlined in its exisiting District Plan by 6%.

Mid Sussex has only met the draft affordable housing target only once in the last decade. A significant uplift on historic delivery is required to meet this ambitious target moving forward.

House Price to earnings ratio in the Local Authority of Mid Sussex is 11.9 times higher than average earnings, this is higher than regional (10.4) and national (8.3) rates.

Net additional housing delivery per annum since 2011/12



Source: DLUHC, 2022. Live tables on housing supply: net additional dwellings; Mid Sussex District Council . 2022. Draft Mid Sussex District Plan (2021-2039)

Rising demand for elderly care housing

- There is a need for approximately 1,900 additional dwellings that provide support or care over the Draft Plan period.
- There is expected to be a growth in the over 65 population in Mid Sussex of 37% by 2038, equal to 12,000 overall, significantly increasing the demand for care home provision.
- The under supply of elderly care beds is expected to grow by 925 between 2021-2035 across Mid Sussex.

The Draft Mid Sussex District Plan sets the target of approximately 1,119 net additional dwellings per annum.

Average housing delivery per annum in Mid Sussex over the last decade is approximately 55 dwellings below the exisiting relevant District Plan targets.

If delivery of affordable housing continued at the same rate as between 2011/12 and 2021/22 up until 2039, there would be a 47% shortfall relative to targets.

Average house prices in Mid Sussex have grown by 73% between 2012 and 2022.

The Local Area of the Proposed Development ranks in the third most deprived decile in the UK in terms of Barriers to Housing Services.

DLUHC, 2022. Net additional dwellings and all dwellings estimates by local authority district
DLUHC. 2022. Live tables on rents, lettings, and tenancies
ONS, 2021. Annual Survey of Hours and Earnings; Median House Prices for Administrative Geographies
ONS. 2022. Private Rental Market Statistics
Mid Sussex District Council, 2022. Mid Sussex District Plan (2021 – 2039)

Contribution of the Proposed Development

1,450

Net additional dwellings

The Proposed Development will offer between **1,015 market units** and **435 affordable homes**.

7%

Of the net additional dwellings required in Draft plan period

will be provided by the Proposed Development.

7%

Of total affordable housing target

The 435 affordable housing units represent 7**% of total affordable housing delivery target outlined by Draft Mid Sussex District Plan (2021 -2039)**.

The 90-unit care home will meet **5% of the total target for additional dwellings with support or care.**

The affordable housing offer is also in line with policy recommendations providing **25% First Homes (affordable ownership) and 75% social or affordable rented.**

Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021 – 2039)
ONS, 2023. Annual Survey of Hours and Earnings

Economic impacts generated by the Proposed Development

Construction phase

The construction phase of the Proposed Development will result in increased levels of economic activity.

490 construction jobs

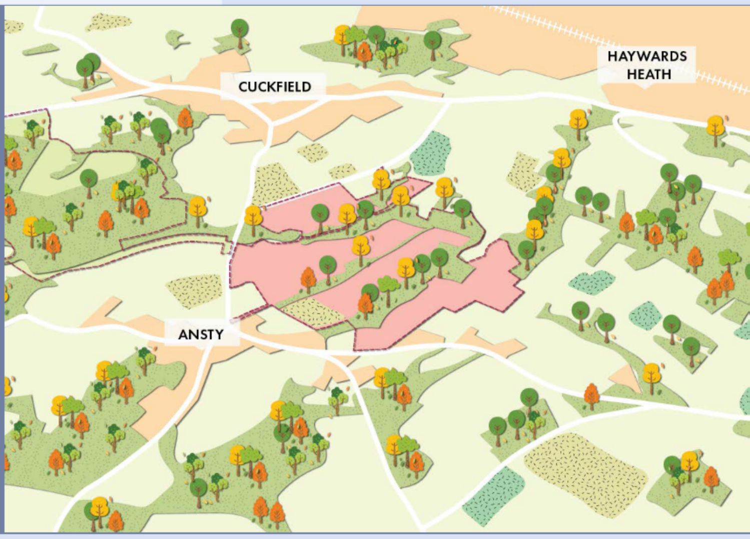
Supported onsite per over the 6.5-year construction period. This is equivalent 12% of the 2021 construction workforce in Mid Sussex.

£7.7m

Total construction worker expenditure in the local area , equivalent to approx. £1.2m annually. This annual expenditure is equal to 63% of total annual spend currently in Cuckfield.

Operational Phase

Upon completion of the construction phase, the Proposed Development will move into its operational phase. In operation, the Proposed Development is expected to generate multiple economic benefits through services such as the schools and commercial areas provided. There will also be benefits generated in terms of direct and net additional employment by the Proposed Development.



235 Direct Jobs

Provided by the Proposed Development through office, retail, health and education industries.

£360,000 - £400,000

Spent per year by operational employees in the Local Area.

Up to £32.4m

Total residential expenditure per year from homes provided by Proposed Development, **up to £737,000 retained locally per annum.**

1,015 Jobs

Net additional jobs (730 – 735 FTEs) generated by the Proposed Development once multiplier, and leakage factors are considered.

£12.0m

Additional economic output (GVA) supported by the new workforce per year. This is equivalent to **0.2% of the areas current GVA.**

£2.6m

In annual council tax receipts generated by the Proposed Development. **This will generate an uplift of council tax for the Local authority of approximately 7%.**

HCA, 2015. Employment Densities Guide.
ONS, 2021. Regional gross value added (balanced) by industry.
ONS, 2022. Business Register and Employment Survey.
ONS. 2022. Household expenditure by countries and regions.
ONS, 2021. Gross value added.

Wider impacts

Alleviating constraints on local schools

- The Proposed Development includes the provision of a new 2.5FE primary school and SEND school, which will alleviate local existing capacity constraints and fully support residents at the Proposed Development.
- The primary school will also include a nursery, which will completely support the early-age residents at the Proposed Development.
- The local centre will include a health hub, which will be designed to best meet the needs of the community and at a minimum will mitigate the increased demand in healthcare from the new residents.

New open spaces

- Publicly accessible open space at the Proposed Development will amount to 28ha including allotments, artificial turf pitches, equipped play areas, amenity green space, parks and gardens, teenage areas, and tennis courts.
- The creation of a central village common and formal open space provides a valuable community space for residents, as well as a sporting opportunity.

Community cohesion, social integration and placemaking

- The Proposed Development offers an opportunity to create a **vibrant and inclusive community**. This includes the integration of parks, green spaces to create a more accessible neighbourhood.
- The approach to placemaking revolves around **living with nature, creating a cohesive place, and embracing the characteristics of Ansty** while prioritising cultural spaces and community interactions.
- The creation of a new open spaces and the parkland reserve offers several community benefits, particularly in **addressing mental health outcomes, loneliness, and social isolation**.
- The design of the Proposed Development prioritises psychological well-being by incorporating greenspaces that connect residents to nature, which can reduce stress and anxiety.
- The inclusion of a **recreation network, including sports facilities, encourages physical activity and social interaction**. This approach aims to counteract the high rates of loneliness in the region.

Local retail revitalisation

- Cuckfield is **one of five key village centres** in the district and is the nearest retail centre to the Site. It currently offers a handful of independently owned restaurants, cafes and pubs and shops in an attractive environment.
- Cuckfield has the lowest convenience expenditure out of all village centres, representing only **1% of total convenience goods expenditure** out of all five village centres. Comparison stores are well represented with a popular offer.
- **Cuckfield also has the lowest retail and leisure employment density** of all village centres in the district.
- Cuckfield has the 4th lowest average ratable value for retail floorspace of all 5 village centres outlined in the Draft Mid Sussex District Plan (2021-2039).
- Additional expenditure generated by the Proposed Development represents 60% of what is currently spent in Cuckfield.
- The Proposed Development includes a new local centre which will include a range of community, retail, office and leisure uses to serve the new residential population.

Kit Campbell Associates, 2006. Mid Sussex PPG17 Assessment of Open Space, Sport and Recreation

Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021-2039)

2. Introduction

Purpose of the report

2.1 Volterra Partners LLP ('Volterra') has been commissioned by Fairfax Properties ('the Applicant') to assess the socio-economic case for residential development at Ansty Garden Community in Mid Sussex ('the Proposed Development'). This study assesses the socio-economic impacts of providing up to 1,450 residential units, a 90-bed care home, and a new mixed-use local centre. The Proposed Development

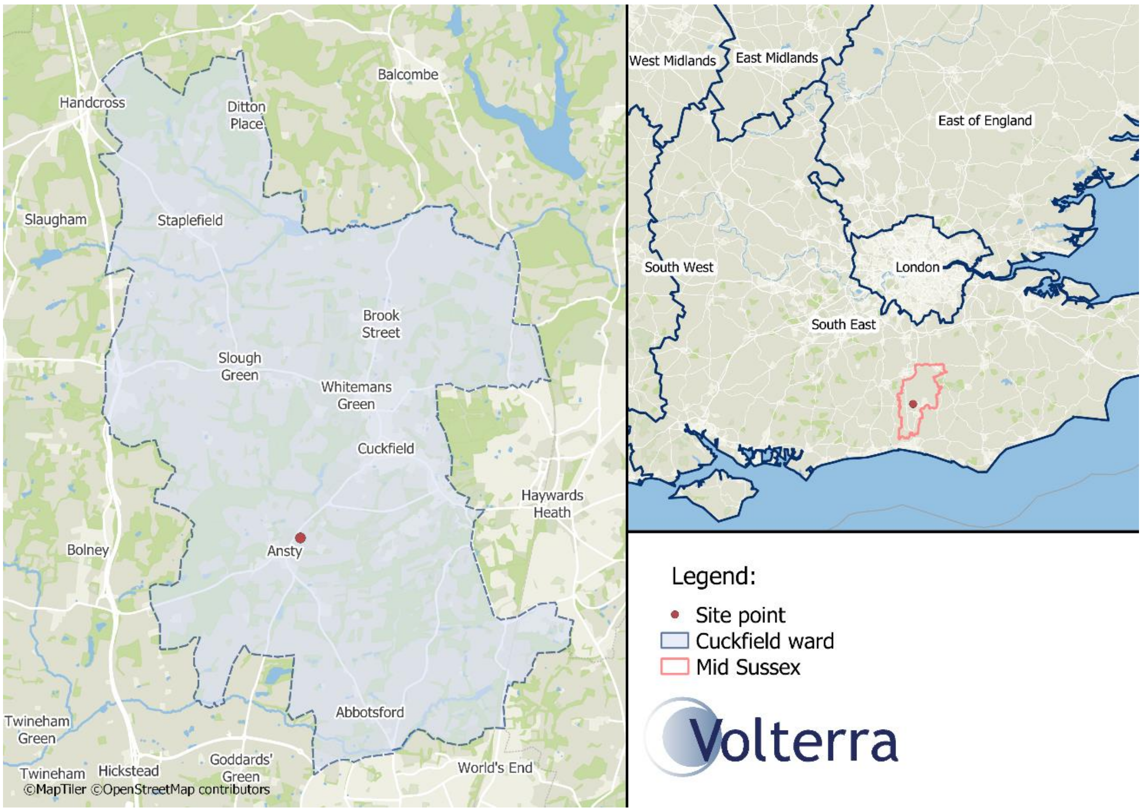
2.2 The scheme will offer the opportunity to create up to 1,450 new homes with supporting facilities. A mix of types and tenures of homes suitable for all groups including families, older people, and disabled people. Up to 435 genuine affordable new homes will be provided, whilst the new village centre will include a wide range of local facilities that includes a new health hub. Elsewhere across the masterplan, a new primary school and a new special educational needs (SEND) school will be provided, alongside sports facilities that include all weather hockey pitches and a new tennis centre. . More specifically, the application is for the following development:

Outline planning application for the redevelopment of land to the east of Ansty to create a new Garden Community, comprising of the erection of up to 1,450 homes (including 30% affordable housing), up to 90 residential care (C2 units), a primary school, new SEND school, sports facilities including all weather hockey pitches and tennis centre, allotments, retail, community and employment uses together with ancillary and associated development including new and enhanced pedestrian/cycle routes, open spaces, and landscaping.

Site context

2.3 The Site is located at an attractive and accessible location to the east and north of Ansty in the Local Authority of Mid Sussex, South East of England. The Site is located in the Cuckfield ward, which also acts as the nearest retail village centre offering a small range of independent shops, restaurants, and amenities.

Figure 1 - The Site is located within the nearby the village of Ansty in the Cuckfield Ward



Geographical study areas

2.4 There are multiple study areas that are used within this assessment as set out in **Table 1** and **Figure 1**.

Table 1 - Geographical definitions

Geographical level	Definition
Local Area	The immediate area surrounding the Site. In most instances this will be the **Cuckfield ward**, although a bespoke Local Area definition is utilised for the assessment of impacts on specific types of social infrastructure, such as in the assessment of GPs, whereby practice-specific catchment areas are used.
Local Authority	Mid-Sussex District Council ('MSDC')
Regional	South East of England
National	England

Structure of the report

2.5 The report focuses on three important contributions that the Proposed Development would have on the surrounding Local Area and Mid Sussex. Firstly, the Proposed Development will contribute to meeting local housing need in Mid Sussex. Secondly, a focus is placed on the economic impacts that will be generated by the Proposed Development. Finally, the wider impacts of the Proposed Development are considered.

2.6 The main body of this report is split into the following sections:

- **Need for housing** – this section focuses on the contribution of the Proposed Development towards the need for housing in Mid Sussex. The section also discusses how the units at the Proposed Development will help to address affordability issues in the Local Area and provide the type of residential units that residents across Mid Sussex are seeking. There is also an assessment of care home need, in the Local Area specifically.
- **Economic impacts** - estimates the additional economic impacts that will occur during both the construction and operational phase of the Proposed Development.
- **Wider impacts** – this section focuses on social infrastructure provision in the Local Area and the impact the Proposed Development will have on this. It also considers open space, placemaking, community cohesion, employment and skills, and public realm benefits generated by the Proposed Development.

3. Need for housing

Need for housing

National supply context

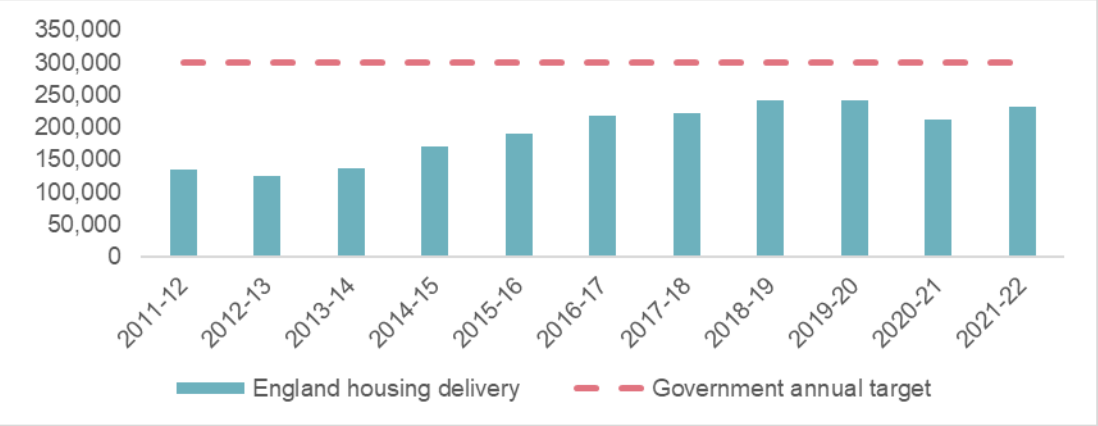
3.1 It is well-recognised that the UK is suffering from a severe housing crisis, driven by soaring house prices, increasing mortgage rates and a fundamental lack of housing supply.[1] The need for housing nationally manifests itself in various ways and can lead to increased levels of homelessness, more young people living with their parents for longer periods, increased levels of overcrowding, health implications, and impaired labour mobility.

3.2 The Conservative 2019 manifesto pledged to "continue to increase the number of homes being built" and referred to a need to rebalance the housing market towards more home ownership.[2] The aim was to meet a target of 300,000 additional homes per year by the mid-2020s. The Public Accounts and Housing, Communities, and Local Government Committees have queried how this target was ascertained. However, Michael Gove, the Secretary of State for the DLUHC at the time, **reconfirmed in 2022 that a commitment was in place to provide 300,000 new homes every year by the mid-2020s.** Despite progress being made towards this target, **current housing supply is lower than the Government's ambition of 300,000 new homes per year, with this target never being met in the last decade.**[3]

3.3 In the last decade, annual total housing delivery has averaged approximately 193,000 net additional homes per year – 36% below targeted delivery of 300,0000 net additional homes per annum. Delivery peaked in 2019/20 at 244,000 net additional homes, as shown in **Figure 2.**

Figure 2 - Since the Conservative government outlined a target of 300,000 new homes per annum, progress has been made, but the target has not been met

Net additional dwellings delivered in England (2011/12 – 2021/22)



[1] Centre for Cities, 2022. The housebuilding crisis the UK's 4 million missing homes

[2] Barton et al, 2023. Tackling the under-supply of housing in England

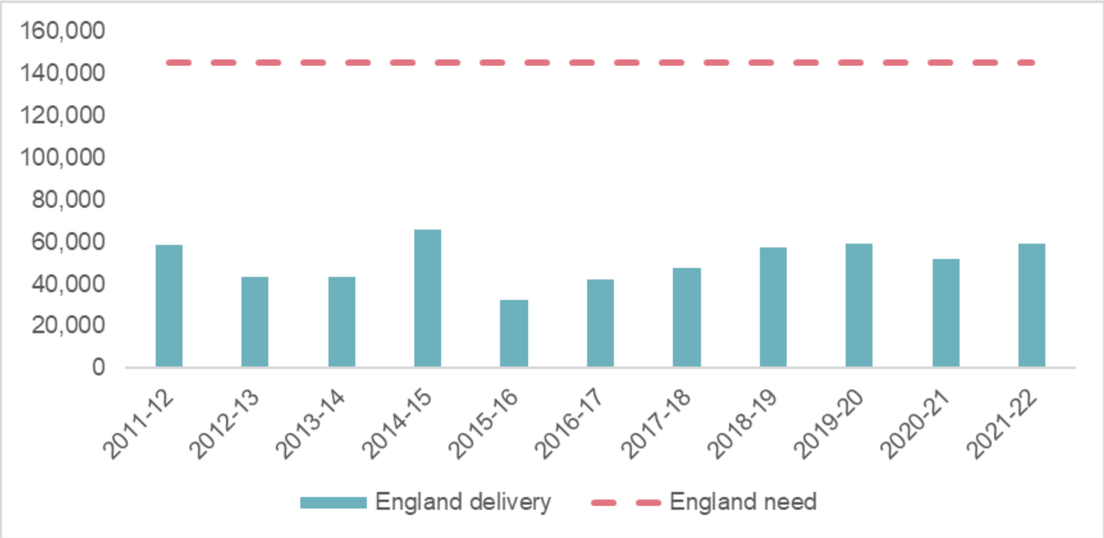
[3] House of Commons Library, 2022. Tackling the under-supply of housing in England

DLUHC, 2023. Live Tables on Housing Supply, Net Additional Dwellings

3.4 Research commissioned by the National Housing Federation and the charity Crisis, produced by Heriot-Watt University, identified a need for 145,000 new affordable homes each year in England to 2031.[4] As illustrated in **Figure 3,** current delivery of affordable housing across England is falling significantly short of this need, with average annual affordable housing delivery (50,200 over the last decade) only making up 35% of the annual identified need during this period.[5]

Figure 3 - Affordable housing delivery in England consistently falls short of what has been deemed an appropriate 'need' per annum

Net additional affordable dwellings per annum (2011/12 – 2021/22)



Source: DLUHC. 2022. Live tables on affordable housing supply; Barton et al, 2023. Tackling the under-supply of housing in England

Affordability crisis

3.5 Whilst a lack of supply of housing in England is a critical component of the national housing crisis, the problem is also underpinned by a longstanding affordability crisis. Decades of undersupply in housing delivery combined with increasing demand for housing has resulted in house prices increasing faster than average earnings. The house price to average earnings (resident-based) ratio across England is currently around 8.3.[6] This means that house prices are over eight times the average annual resident earnings across the country. This house price to earnings ratio has grown by approximately 62% over the last decade since 2012.

3.6 Affordability issues have been exacerbated by the cost-of-living crisis, and the Bank of England's response to hold interest rates at 5.25%, at the time of writing.[7] This has made it considerably harder for home owners

[4] Barton et al, 2023. Tackling the under-supply of housing in England

[5] DLUHC. 2022. Live tables on affordable housing supply; Barton et al, 2023. Tackling the under-supply of housing in England

[6] ONS, 2023. House price to residence-based earnings ratio

[7] Bank of England, 2023. Interest Rate and Bank Rates

to afford their mortgage repayment, as well as those in need of a mortgage to get on the property ladder through borrowing.

3.7 Without affordable housing, many households fail to obtain housing of an acceptable standard due to being priced out of the market.[8] As a result of the excessive inflationary pressures within the housing market, England contains some of the least affordable areas in the whole OECD (The Organisation for Economic Co-operation and Development).[9]

3.8 It is clear that a significant part of solving the national housing crisis lies within tackling affordability issues. The national Government recognises there is a need for more affordable housing, announcing a £11.5bn Affordable Homes Programme from 2021 to 2026.[10] This fund aims to support the total delivery of 180,000 new affordable homes over the period.

3.9 Specifically, there is a rising need for more social housing, with evidence suggesting that England needs at least 90,000 net additional social rent homes a year.[11] Homes for social rent are making up a declining proportion of overall affordable housing supply – **in 2011/12 social rent made up approximately 65% of all new affordable housing, compared with 13% in 2021/22**.

3.10 The South East of England is noted as being a particularly unaffordable area. According to a recent Savills report, only a fifth of households can afford to buy the average new home in the South East of England.[12] According to this report, if house prices in the South East of England were to be considered genuinely affordable, then they should cost on average no more than £250,000. In 2023, average house prices in the South East of England are £385,000 and in the Local Authority are £435,000, 74% higher than what is considered to be affordable in the region (£250,000). **House price to average residential-based earnings ratio in the South East increased from 6.1 times average earnings in 2012, to 10.4 times average earnings in 2022. This represents a 70% increase in house price unaffordability.**

Local supply context

Historic delivery

3.11 The annual housing target outlined in the Draft Mid Sussex District Plan (2021-2039)[13] is 1,119 net additional dwellings per annum. Mid Sussex have broadly met this housing provision target in the two years that have passed since the start of the draft plan period (2021) – delivering 1,120 net additional dwellings in the latest recorded year of delivery (2021/22), marginally above the 1,098 dwellings delivered the year before.[14] However, Mid Sussex's historic delivery would not have met this target at any point in the last decade before this, if it was active. **If the target outlined in the Draft Mid Sussex District Plan had been active over the last decade, the Local Authority would have fallen short of this target by approximately 26%.**

3.12 Average housing delivery over the last decade in Mid Sussex has equated to 825 net additional dwellings per annum, slightly below the annual target of 876 (this rises to 1,090 dwellings per annum between the years 2024/25 to 2030/31) established by the Mid Sussex District Plan 2014-2031, which has been active

[8] UK Parliament, 2021. Research Briefing – 'What is Affordable Housing?'

[9] Homes England, 2018. Strategic Plan 2018/19-2022/23

[10] UK Parliament, 2023. Affordable Homes Programme (AHP)

[11] Housing, Communities and Local Government Committee, 2019. Building more social housing.

[12] Kollewe, 2017. Affordable homes in south-east England should cost £250,000 or less, says study, available at: https://www.theguardian.com/business/2017/oct/04/affordable-homes-south-east-england-savills-report

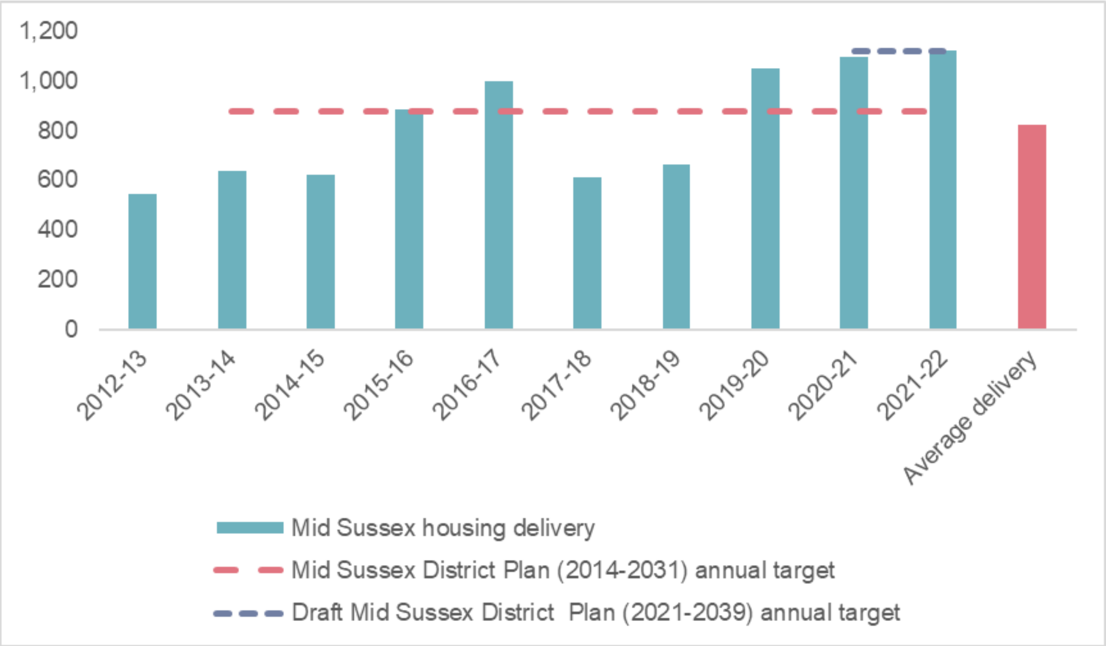
[13] Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021 – 2039)

[14] DLUHC, 2023. Live tables on housing supply: net additional dwellings

across the majority of this period.[15] This calculation assumes that the plan has a 17-year period from 2014 to 2031.

Figure 4 - Mid Sussex has been inconsistent in meeting net additional dwellings targets

Net additional housing delivery in Mid Sussex (2011/12 – 2021/22)



Source: DLUHC, 2023. Live tables on housing supply: net additional dwellings. Note that the adopted District Plan's target rises to 1,090 each year from 2024/25 onwards, although not shown on this graph.

How has Mid Sussex delivered on its housing requirements historically?

3.13 Historic housing delivery in Mid Sussex has been primarily driven by a wide mixture of residential schemes. From a review of publicly available information[16], it appears that in the last decade there has been one large-scale housing development ('Brookleigh' also known as the 'Northern Arc Burgess Hill') of approximately 3,500 homes (accounting for around one third of net additional housing delivery), whilst the second largest scheme contained approximately 400 homes.[17] Whilst this mixture in scale of delivery has sufficed to meet the current local authority housing target, the step change in the housing target (to 1,119 homes per annum) outlined in the Draft Mid Sussex District Plan will also require a step change in the type of residential delivery in Mid Sussex. Larger housing developments can contribute substantial amounts

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[15] Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021 – 2039)

[16] Consultation & Monitoring - Mid Sussex District Council – Housing land supply completions.

[17] It should be noted that the Housing Land Supply Completions monitoring reports split larger development into phases in some cases (e.g. 'Keymer Tile Works Nye Road Burgess Hill Phase 2' development). Therefore, it's likely that some phased developments would be larger than 400 homes in total, but these are split by phase for the purposes of the monitoring reports and hence carried forward individually in this analysis.

towards meeting annual housing targets. The Proposed Development represents an opportunity to act as one of these large scale anchors for housing delivery in the local authority.

3.14 The Brookleigh development at Burgess Hill is set to provide up to 3,500 residential units. In addition to this provision, the development will provide three new schools, and employment hub, and open space provision. The overall delivery of this development is therefore largely similar to what is on offer at the Proposed Development. Residents have already started moving in to the Brookleigh development, indicating a real demand for larger-scale housing developments as per the Proposed Development.

Future delivery

3.15 In terms of future housing requirements, the latest Mid Sussex Five Year Housing Land Supply Statement (published in July 2023)[18] provides a more recent picture of the housing market in the local authority. It is valuable to note its conclusion. The assessment concludes that housing supply in the 5 years after the assessment was produced was expected to exceed housing requirement. The total housing supply identified in the assessment period was estimated to be able to deliver 5.09 years of housing requirement. This comparison of supply against requirement would, however, be calculated on the current target of 1,090 homes per annum, compared to the draft new target of 1,119 homes per annum. It is also worth noting that more recently in the Land south of Henfield Road, Albourne appeal decision (APP/D3830/W/23/3319542) Mid Sussex's housing supply was confirmed to be equivalent 5.04 years of housing requirement, compared to the 1,090 target rather than the 1,119 figure.[19]

3.16 If taking the Council's estimated housing five-year supply of 5,821 homes in total (as of April 2023), then when applying the draft District Plan higher target of 1,119 homes per year (plus a 5% buffer for historic under delivery), the housing land supply position would fall to 4.95 years.

3.17 The Mid Sussex Strategic Housing Market Assessment (2021) includes a variety of conclusions regarding the need for the provision of certain types of housing in the district. Key takeaways of the report include:[20]

- **Housing need** – minimum housing need figure calculated through the standard method of 1,093 homes per annum up until 2038.
- **Affordable housing** – 470 affordable rent homes and 455 affordable home ownership units per annum needed up to 2038.
- **Older persons housing** – 816 units of housing with support and 1,071 units of housing with care up until 2038.
- **Family sized homes** – the focus on new market housing provision will be on 2- and 3-bed propertied from continued demand for family housing.

3.18 The Urban Capacity Study (2022)[21] quantifies the potential for accommodating new homes across Mid Sussex, which supplements the council's Strategic Housing and Economic Land Availability Assessment (SHELAA).[22] The study identifies 268 sites, of which 87 are considered suitable for housing development, resulting in an estimated capacity for new homes of between 868-1,597 in total that are not already allocated within the District Plan. The study states that whilst capacity exists for new homes across the district in additional areas identified by the Urban Capacity Study**, further options will need to be explored to accommodate new homes.**

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[18] Mid Sussex District Council, July 2023. Housing Land Supply – 5 year Housing Land Supply Statement. Position as at 1st April 2023.

[19] Planning Inspectorate, 2023. Appeal Ref: APP/D3830/W/23/3319542 Land south of Henfield Road, Albourne

[20] Iceni on behalf of MSDC, 2021. Strategic Housing Market Assessment

[21] Mid Sussex District Council, 2022. Urban Capacity Study.

[22] Mid Sussex District Council, 2022. Strategic Housing and Economic Land Availability Assessment (SHELAA)

Need for affordable housing

Affordable housing delivery

3.19 The Mid Sussex District Plan (2014-2031) and the Draft Mid Sussex District Plan (2021-2039) both outline an affordable housing target of 30% of total additional housing provision.[23,24] This equates to approximately 265 new affordable dwellings per annum for the Mid Sussex District Plan (2014 -2031), rising to around 325 per year from 2024/25 due to the stepped target, and 335 new affordable dwellings per annum for the Draft Mid Sussex District Plan (2021 -2039).

3.20 Delivery of affordable dwellings in the latest year of delivery (2021/2022) in Mid Sussex exceeded the draft affordable housing target of 335 new affordable dwellings, with approximately 400 affordable dwellings delivered, meeting the target outlined in the Draft Mid Sussex District Plan (2021 -2039).[25] However, prior to this latest year of affordable housing delivery, between 2011/12 and 2020/21, Mid Sussex would have failed to meet this affordable dwelling delivery target on every occasion if the target was active. Overall**, if average affordable housing delivery was to continue at the same rate to 2039 (the end of the draft plan period), delivery would be 47% below the total target.** Furthermore, the latest Mid Sussex Strategic Housing Market Assessment (2021) states:[26]

"A notable need for affordable housing, and it is clear that provision of new affordable housing is an important and pressing issue in the area."

3.21 Overall, it is clear that there is a significant need for affordable housing in the district and the provision of new affordable housing is an important and pressing issue in the area. The report states that in terms of affordable housing, there is an estimated annual need for 470 rented affordable homes in the District.[27] There is also a need for the delivery of 445 affordable ownership dwellings per annum. In total, this means that there is a total need in the district for the delivery of approximately 925 affordable dwellings per annum.

3.22 There is a specific need for affordable and social rented housing as it is estimated that 39% of households living in the private rented sector have an income below which they cannot afford to rent privately. Home ownership is less of a problem across Mid Sussex, with access to owner-occupation largely driven by restricted access to capital.

[23] Mid Sussex District Council, 2018. Mid Sussex District Plan (2014 – 2031)

[24] Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021 – 2039)

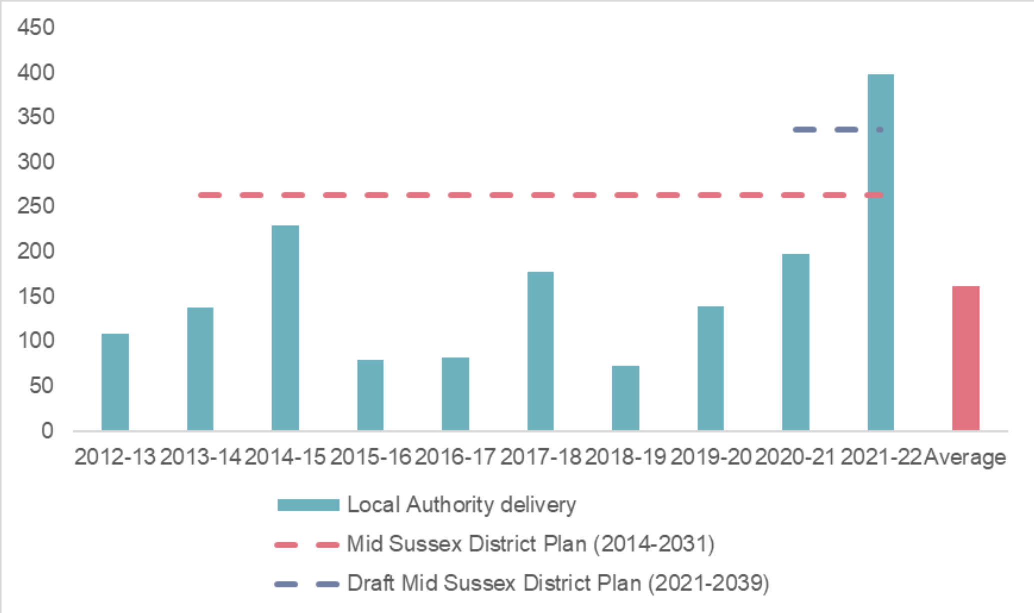
[25] DLUHC, 2023. Live tables on affordable housing supply

[26] Iceni on behalf of MSDC, 2021. Strategic Housing Market Assessment

[27] Iceni on behalf of MSDC, 2021. Strategic Housing Market Assessment

Figure 5 - Affordable housing delivery in Mid Sussex has only achieved its annual target on one occasion since 2011/12

Net additional affordable housing delivery per annum since 2011/12



Source: DLUHC. 2022. Live tables on affordable housing supply

3.23 In terms of specific affordable housing policy need, Policy DPH31 in the Draft Mid Sussex District Plan (2021-2039)[28] states that up to 25% of additional affordable housing provision should be First Homes.[29] The remaining 75% should be provided as affordable rented homes. **Table 2** shows MSDC's targeted mix of dwelling types to support the delivery of sustainable, mixed, and balanced communities across the district – showing a clear need for smaller sized homes.

Table 2 - Mid Sussex has a focus on delivering two bed affordable housing options

Housing mix split guidance

Tenure type	One bed	Two bed	Three bed	Four+ bed
Affordable ownership (first homes)	10-15%	50-55%	25-30%	5-10%
Affordable rented	30-35%	40-45%	15-20%	5-10%

Source: Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021 – 2039)

[28] Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021 – 2039)

[29] Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021 – 2039)

Rising unaffordability

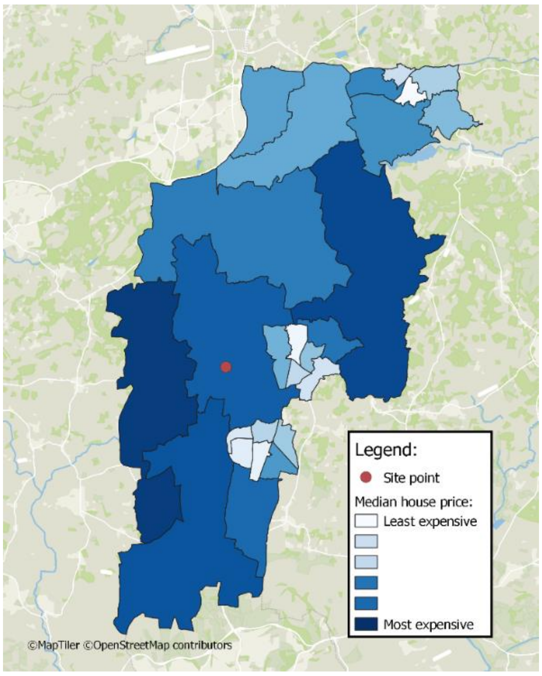
3.24 The latest median house price in Mid Sussex is £435,000 (March 2023).[30] This figure is 13% higher than what is recorded across the South East (£385,000) and 50% higher than what was recorded across England (£290,000). The growth in median house prices since 2012 has been substantial in Mid-Sussex, increasing by 67% over the last decade, 57% across England.

3.25 The issue of rising unaffordability is particularly acute in the Local Area surrounding the Proposed Development. The latest median house price in the Local Area is £530,000 (March 2023).[31] This means that whilst the issue of unaffordability is already serious across the District of Mid Sussex as a whole, when assessed against geographical comparators, the issue of unaffordability in the Local Area of the Proposed Development is 22% worse than what is recorded across the rest of Mid Sussex. **Out of all 26 wards that make up the district of Mid Sussex, Cuckfield has the fifth highest median house price according to the most recent data.**

3.26 In 2022, the house price to earnings ratio in Mid Sussex is 11.9, higher than rates recorded across the South East (10.4) and England (8.3). **This means that the median house price in Mid Sussex in 2022 are approximately 12 times higher than median incomes – highlighting its unaffordability as a residential location.** The issue of unaffordability in Mid Sussex becomes even more stark when looking at the ratio of house prices to work-place based earnings, where the ratio was 12.95 in 2022.

Figure 6 – The Cuckfield ward ranks as the 5th most expensive of all wards within Mid Sussex

Median house price (2022) by ward in Mid Sussex



Source: ONS, 2023. Median house prices by ward: HPSSA dataset 37

[30] ONS, 2023. House price to residence-based earnings ratio

[31] ONS, 2023. Median house prices by ward: HPSSA dataset 37

3.27 It is clear that whilst historic housing delivery has been reasonable across Mid Sussex, this has failed to make housing more affordable, specifically around the Local Area. **Therefore, a continued significant level of housing delivery will be required in the local authority to help alleviate housing affordability issues.**

Table 3 – House prices in Mid Sussex relative to average earnings are growing faster than in geographical comparators

House price to earnings ratio across geographical comparators

Geographical Area	Median House Price			Median House Price to Residential Earnings Ratio		
	2012	2022	Growth (%)	2012	2022	Growth (%)
Cuckfield ward	£325,000	£530,000	63%	N/A	N/A	N/A
Local Authority	£248,400	£430,000	73%	6.8	11.9	74%
Region	£225,000	£370,000	64%	6.1	10.4	70%
Nation	£181,500	£275,000	52%	5.1	8.3	62%

Source: ONS, 2023. House price to residence-based earnings ratio. September 2012 house prices presented for Mid Sussex, regional and national averages.

3.28 At a more local level, median house price growth across the Local Area has also been significant. In 2012, the median house price in the Cuckfield ward was £325,000. This figure has grown to £530,000 in 2023, representing a 63% growth in median house prices, which is slightly lower than Mid Sussex (74%) level.

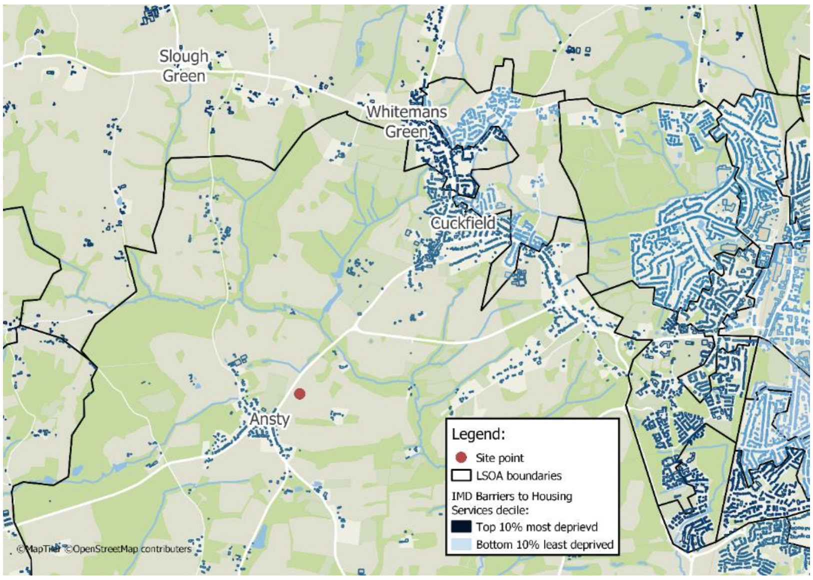
Deprivation

3.29 The Index of Multiple Deprivation (IMD) combines seven domains of deprivation – Employment, Income, Health, Education, Crime, Barriers to Housing and Services, and the Living Environment – to measure the level of deprivation experienced by residents of neighbourhoods. Two of these are relevant to health.

3.30 The Barriers to Housing and Services Domain measures the physical and financial accessibility of housing and local services. **In this domain the Local Area of the Proposed Development ranks in the 3rd most deprived decile nationally**. This compares negatively to the rest of Mid Sussex, which ranks in the 6th most deprived decile. More specifically, the underlying indicators within the Barriers to Housing and Services domain whereby the Local Area of the Proposed Development performs relatively worse mainly stems from affordability and the distances to local amenities such as: post office, primary schools, general stores or supermarkets, and GP surgeries.

Figure 7 - The Local Area of the Proposed Development scores poorly in terms of Barriers to Housing and Services in the IMD

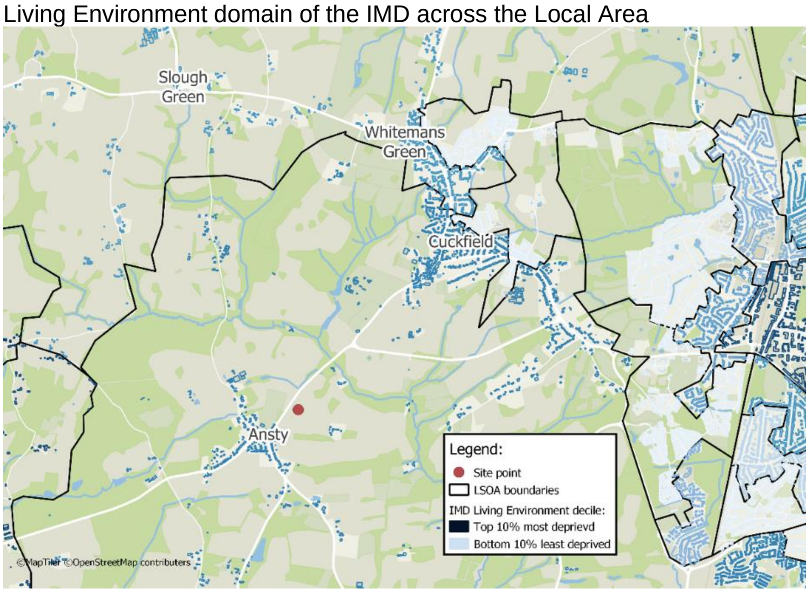
Barriers to Housing and Services domain of the IMD across the Local Area



3.31 Similarly, the Living Environment Deprivation domain measures the quality of the local environment. In this domain the Local Area of the Proposed Development ranks in 6th most deprived decile, compared to the Local Authority average falling in the 8th most deprived decile. **It is clear that in terms of housing related deprivation, the Local Area of the Proposed Development represents an area of need within Mid Sussex.**

Figure 8 - The Local Area of the Proposed Development performs negatively in comparison to Mid Sussex in the Living Environment domain of the IMD

Living Environment domain of the IMD across the Local Area



Need for specialist housing for older people

Policy context

3.32 The Draft Mid Sussex District Plan 'Policy DPH26: Older Persons' Housing and Specialist Accommodation' states that:

"Over the Plan Period there is an estimated need for 1,887 additional dwellings with support or care."[32]

3.33 **Table 4** outlines the specific need for elderly housing across Mid Sussex, including residential care bedspaces - with the majority of this concentrated in housing with support or care – making up over half of the identified need across the Plan period.

Table 4 - There is an identified need for more older persons' housing across Mid Sussex

Older Persons' housing need to 2039

Tenure type		Need (units/bedspaces)
Housing with Support (retirement living or sheltered housing)	Market	801
	Affordable	15
Housing with Care (extra care)	Market	857
	Affordable	214
Residential Care Bedspaces	n/a	300
Nursing Care Bedspaces	n/a	0
Total	**n/a**	**2,187**
Total (without Residential Care Bedspaces)	**n/a**	**1,887**

Source: Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021-2039). NB: There is currently an oversupply of Nursing Care Bedspaces across Mid Sussex hence the need is zero.

3.34 Policy DPH26 of the Draft Mid Sussex District Plan (2021-2039) also outlines specific requirements for new developments intending to provide older persons housing and specialist accommodation.[33] Specifically, proposals should ensure that the site is accessible by foot or public transport to local shops, services, community facilities, and the wider public transport network.

Rising demand for elderly care housing

3.35 The Mid Sussex District Council Strategic Housing Market Assessment (SHMA) identifies a specific housing need for elderly and older persons.[34] The key driver of this need is the increasing proportion of older residents in the Mid Sussex, partially as a result of demographic factors such as growing life expectancy. In

[32] Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021 – 2039)

[33] Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021 – 2039)

[34] Iceni, 2021. Strategic Housing Market Assessment

the Local Area, the proportion of over 65s (19%) is slightly lower than what is recorded across the Mid Sussex (21%), however is the same as the South East (19%) and higher than rates recorded nationally (18%).[35] An ageing population means the number of residents requiring specialist accommodation or disability-accessible accommodation is likely to increase.

3.36 It is projected that there will be a substantial growth in the over 65 population across Mid Sussex up until 2039, with the number of elderly residents expected to grow by over 12,000, equal to 37% growth, also in line with national projections.[36,37] It is well known that England's population is ageing at a significant rate. Whilst this trend is in many ways something to celebrate, it also carries risks such as increase prevalence of illness and greater need for elderly accommodation.[38]

"We have the oldest housing stock in Europe, so there are many people living in non-decent and inappropriate homes. The homes are simply not suitable for people who are older".[39]

3.37 In 2021, there were approximately 800 households in Cuckfield where the household reference person (HRP) was over 65-years old.[40] This represents 30% of all households, which compares to the Mid Sussex proportion of 32%, the regional proportion of 30%, and the national proportion of 29%. Of the households where the HRP is aged over 65 years old, 47% were not living in a couple in Cuckfield, which was lower than Local Authority (50%), regional (52%), and national (54%) comparators.

Table 5 - Households where the HRP is aged 65+

Living arrangements by age across geographical comparators

	Cuckfield	Mid Sussex	South East	England
Households where the HRP is 65+	800	20,000	1.2m	6.7m
% of all households where HRP is 65+	30%	32%	30%	29%
% of these living in a couple	53%	50%	48%	46%
% of these not living in a couple	47%	50%	52%	54%

Source: ONS, 2023. Census 2021 - RM066: Living arrangements by sex and age – Households Reference Persons; Note: figures are rounded.

3.38 Under-occupancy is defined as having one or more spare bedrooms than is required by the household and is particularly common amongst residential accommodation where the household lead is an elderly person.

3.39 **Figure 9** illustrates that **87% of the Mid Sussex population live in houses with at least one spare bedroom, higher than what is recorded in the South East (84%) and nationally (83%).** This may be a

[35] ONS, 2023. Census 2021 - RM121 - Sex by age

[36] ONS, 2023. Population projections - local authority based by single year of age

[37] ONS, 2023. Census 2021 - TS007 - Age by single year

[38] The Health Foundation, 2021. Our ageing population

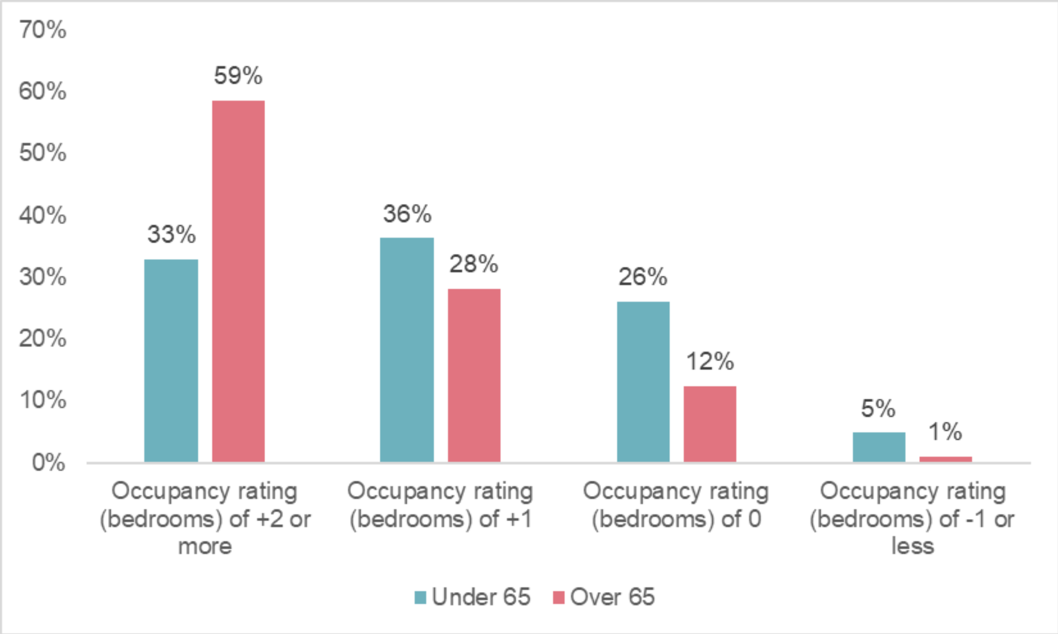
[39] ONS, 2022. Voices of our ageing population: Living longer lives

[40] ONS, 2023. Census 2021- RM066: Living arrangements by sex and age – Households Reference Persons

lifestyle choice but equally it may be that people would downsize if the appropriate accommodation options are available.[41] The over 65 population is significantly more likely to have a spare room than the under 65 population, given that only 69% of the under 65 population are living in homes with spare bedrooms.

Figure 9 – A greater proportion of over 65-year-olds in Mid Sussex live in homes with at least one spare bedroom compared to those aged under 65

Occupancy ratings for over and under 65-year-olds across Mid Sussex



Source: ONS, 2011. Census-DC1102EW: Living arrangements by sex and age – Households Reference Persons

3.40 **The Mid-Sussex Strategic Housing Market Assessment notes that there is a particular need within the borough for specialist housing for those aged over 75.**[42] In addition to this, according to a 2021 study entitled Care Home Need Assessment authored by Healthcare Property Consultants, there is a significant demand for further provision of care home bedspaces in Mid Sussex up to 2035.[43] The study does not expect supply of elderly care beds to grow between 2021 and 2035, whilst demand is expected to increase by 37%. As demand for elderly care beds increases in this time period, **the under supply of elderly care beds is expected to grow by 92% between 2021 and 2035.**

Table 6 – A growing undersupply of elderly care beds is projected across Mid Sussex

Supply/demand of elderly care beds in Mid Sussex

	Current (2021)	2025	2030	2035
Statistical Demand (elderly care beds)	1,750	2,025	2,220	2,400

[41] ONS, 2011. Census-DC1102EW: Living arrangements by sex and age – Households Reference Persons

[42] Mid Sussex District Council, 2021. Strategic Housing Market Assessment

[43] Healthcare Property Consultants, 2021. Care Home Need Assessment

	Current (2021)	2025	2030	2035
Current supply of Ensuite Bedrooms	1,040	1,040	1,040	1,040
Under Supply	710	985	1,180	1,360

Source: Healthcare Property Consultants, 2021. Care Home Need Assessment

3.41 The Mid Sussex Strategic Housing Market Assessment concludes that there is a need for 816 additional units of housing with support and 1,071 additional units of housing with care by 2039, which is broadly in line with (slightly below) the estimates of the study in the table presented above.[44]

Local Area context

3.42 There are two care homes located within the Local Area. Aniska Lodge Nursing Home is located approximately 3.5 miles away from the Site of the Proposed Development. Downlands Park Care Home is located approximately 3 miles away from the Proposed Development. The closest care home to the Site, Downlands Park Care Home, comprises 81 apartments, whilst Aniska Lodge operates with 49 rooms– combining to provide a total of just 130 care home rooms in the Local Area.

The contribution of the Proposed Development

The Proposed Development's offer

3.43 **The Proposed Development has the potential to deliver up to 1,450 total residential units, in addition to a 90-unit care home**.

3.44 The housing offer also includes **30% affordable housing in line with DPH32: Affordable Housing of the Draft Mid Sussex District Plan (2021-2039)**,45 which requires a minimum of 30% affordable housing to be provided onsite. The affordable housing tenure offer is also in line with policy recommendations **providing 25% First Homes (affordable ownership) and 75% affordable rented** as outlined in **Table 7.**

Table 7 - The Proposed Development will offer 30% affordable housing, in line with policy requirements

Proposed Development residential units split by tenure type

Tenure type	Quantum	Proportion
Market housing	1,015	70%
Affordable	435	30%
Total	1,450	100%
Split of total affordable housing		
Affordable ownership	109	25%*

[44] Iceni, 2021. Strategic Housing Market Assessment

[45] Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021 – 2039)

Tenure type	Quantum	Proportion
Affordable rented	326	75%*

*Source: * denotes percent of total affordable housing*

Contribution to housing supply

Overall contribution

3.45 The Proposed Development will make a significant contribution to the overall housing supply in Mid Sussex. Based on the annual target of 1,119 additional dwellings per annum, **the Proposed Development would deliver 130% of the annual target in Mid Sussex – that is, 1.3 years of the annual target**. This would amount to **approximately 7% of the minimum net additional dwellings required in Mid Sussex over the entire Draft Mid Sussex District Plan period (2021-2039)[46]** of 20,142 dwellings – a significant contribution for one single development. The Proposed Development is a prime example of the type of large-scale housing development required in Mid Sussex to help continue to meet the local authority's ambitious Local Plan housing target.

3.46 The Draft Mid Sussex District Plan (2021-2039)[47] outlines how the housing need of 20,142 new homes will be met over the plan period. The Proposed Development is no longer an allocated housing site within the Local Plan. Despite this, there is a housing requirement beyond the current allocated sites, evidenced by the reliance on windfall sites to meet the housing need target. The Proposed Development is able to contribute to this need in terms of quantum. For context, **the Proposed Development would contribute 85% of Mid Sussex's windfall allowance outlined in the Draft Mid Sussex District Plan (2021-2039)[48].**

Table 8 – There is a reliance on windfall sites to meet the housing need across Mid Sussex

Minimum housing need

Tenure type	Quantum	Proportion of minimum housing need (20,142)
Commitments (existing allocations and permissions)	10,786	54%
Completions 2021/22	1,187	6%
Allocated housing sites	6,757	34%
Windfall allowance[49]	1,714	9%
Total housing supply (2021-2039)	20,444	101%

Source: Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021-2039).

[46] Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021 – 2039)

[47] Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021 – 2039)

[48] Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021 – 2039)

[49] NB: Windfall sites are sites that are not specifically identified in the development plan, as defined by DLUHC's National Planning Policy Framework.

Affordable housing contribution

3.47 It is clear there is a critical need for more affordable housing in Mid Sussex, with average house prices well above comparators and a historic lack of delivery of new affordable homes evident in the data analysis. The Proposed Development would deliver over one years' worth of the annual affordable housing requirement across Mid Sussex. More specifically, the Proposed Development would deliver 435 affordable homes, equivalent to 129% of the annual target of 336 new affordable homes per annum or **7% of the total affordable housing requirement across the plan period.**

3.48 The proposed tenure split of the affordable housing at the Proposed Development is in line with local and national policy. In particular, affordable ownership units will allow younger residents to get themselves onto the property ladder. Furthermore, the Proposed Development is also aligning with the identified need for a more two-bed affordable homes in terms of bedrooms **(refer to paragraph 3.23),** with 55% and 45% of two-bed affordable ownership and affordable rented homes, respectively.

Contribution to specialist older persons accommodation

3.49 The Proposed Development will deliver an 90-unit Care Home, which will meet up to **5% of the total target for additional dwellings with support or care** based on policy DPH26: Older Persons' Housing and Specialist Accommodation of the Draft Mid Sussex District Plan (2021 – 2039).[50]

3.50 With respect to the Mid Sussex Care Home Needs Assessment[51] the Proposed Development could **increase the supply of elderly care beds across the District by 9%, contributing 6% to the potential under supply of 1,360 elderly care bedspaces by 2038.**

3.51 The provision of housing for elderly residents by the Proposed Development may also enable some older households to downsize from homes which no longer meet their housing needs in terms of size and are expensive to run. It will also provide an opportunity for older households to 'rightsize' which can help improve their quality of life, especially given the greater proportion of the elderly population in Mid Sussex living homes with spare bedrooms (**paragraph 3.39**).

3.52 Schemes that provide alternative housing accommodation options for the elderly, such as the Proposed Development, mitigate the need for family housing by allowing elderly people to downsize or 'rightsize' and move into the care home units on offer at the Proposed Development, thereby releasing existing family-sized units into the housing market. Therefore, there is potential for a substantial number of family homes to be returned to the housing market as a result of the care home provision of the Proposed Development.

Deprivation alleviation

3.53 As outlined in **paragraph 3.30**, the Local Area of the Proposed Development ranks poorly in the domain of Barriers to Housing and Services. The underlying indicators of this domain reveal that this is primarily a result of a long travel distance to amenities and issues related to affordability. **The provision of a new local centre, health hub, primary school, nursery and SEND school as part of the Proposed Development's offer will significantly improve the conditions in the Local Area in terms of travel distance to local amenities**. There will be a total provision of 435 affordable housing units at the Proposed Development, which should help to alleviate the issue of house price affordability in the District and reduce the existing barriers to housing.

[50] Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021-2039).

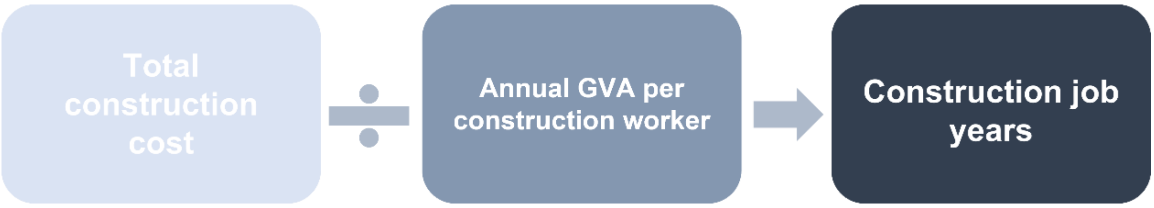
[51] Healthcare Property Consultants, 2021. Care Home Need Assessment

4. Economic impacts

Construction phase

Construction employment

4.1 The construction of the Proposed Development would result in additional economic activity in terms of construction jobs and spending. A standard method of estimating the number of construction workers at the site is to divide the expected cost of construction by the Gross Value Added (GVA) of the average construction worker.[52]



4.2 It is estimated that **the construction phase of the Proposed Development would support an average of 490 construction jobs over the 6.5-year construction period** (equivalent to 12% of the 2021 construction workforce in Mid Sussex).

Construction worker expenditure

4.3 Construction workers are one of the most mobile sectors of the workforce, travelling to wherever the work is. As a result, construction benefits are not generally viewed as having large local impacts. However, their expenditure does have a local impact. It is expected that **construction workers on-site would spend a total of £5.4m in the local area over the duration of the construction period (£836,000 per annum).**[53] **This annual expenditure by construction workers represents 44% of total annual spend currently in Cuckfield.**[54] Typical expenditure in the local area before, during, and after work can be on things such as food and beverages (e.g., lunch), after work activities and retail shopping at nearby stores.

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[52] ONS, 2022. Regional gross value added (balanced) by industry 2019; ONS, 2022. Business Register and Employment Survey 2019. Whilst 2020 GVA data is available, 2019 has been used here to account for the impacts of the coronavirus pandemic. Using the 2019 figure in this context provides a more conservative estimate.

[53] Assuming 76% of workers spend £11 per day for 220 days of the year. This is based on a GLA Economics study which found that office workers on average spent £13 a day in their local area – this has been uplifted to reflect earnings growth and differentials office and construction earnings and the South East compared to the London.

[54] Nexus Planning, 2022. Mid Sussex Retail Study

Operational phase

The existing Site

4.4 The Site of the Proposed Development comprises an area of 197 hectares which currently contains no residential or commercial floorspace. Therefore, all of the economic impacts outlined in this section are deemed additional compared to existing conditions.

Direct employment

4.5 The Proposed Development would bring significant additional economic activity and employment to the Site and the surrounding area. The majority of jobs will be created across the educational spaces, with a lesser amount in supporting ancillary facilities. The analysis presented in the following section reflects a potential mix of uses which have been assumed for the purposes of this assessment. These areas do not necessarily represent the exact split of the Proposed Development once operational but are instead representative of what the Proposed Development could offer, based on current market demand and conditions.

4.6 Jobs at the Proposed Development have been estimated using the relevant densities from the Employment Density Guide.[55] **Table 9** shows the breakdown of employment estimates by the type of floorspace. **It is estimated that the Proposed Development would support 180-185 Full-Time Equivalents (FTEs) across a range of industries, equivalent to approximately 235 jobs.**

Table 9 – There will be substantial direct employment generated by the Proposed Development, particularly in the education sector

Gross direct employment supported by the Proposed Development

Use	Floorspace sqm (NIA)	Employment density	FTEs	Jobs
2.5FE primary school	17,200	-	20	25
SEND school	16,150	-	35	45
Care home	14,051	-	20	30
Nursery (within primary school)	323	-	20	30
Two business to consumer units (B2C)	307	17.5	20	25
Three ground floor units (B2C or B2B)	194	12 (high employment estimate) 17.5 (low employment estimate)	10 - 15	15 – 20

[55] HCA, 2015. Employment Densities Guide.

Use	Floorspace sqm (NIA)	Employment density	FTEs	Jobs
Health hub	420	45 (GIA)	10	15
1st floor business to business units (B2B)	497	12	40	45
Total	**49,140**	**-**	**180 - 185**	**235**

Sources: Homes & Communities Agency (HCA), 2015. Employment Density Guide (3rd edition); GL Hearn, 2020. Note: Figures may not sum due to rounding.

Worker expenditure

4.7 The additional workers at the Proposed Development would bring greater spending to the Local Area. A 2020 GLA report found that office workers in London spent on average £13 a day in the local area around their place of work. This figure has been uplifted for earnings growth between 2020 and 2023, as well as for the lower average earnings of workers in different industries as well as in the South East of England compared to London. Once these differentials have been accounted for, it is estimated that per day the average worker spend for education is £8.05, health is £8.07, retail is £5.82, office is £14.05, and food and beverage is £4.38. **Combined, it is estimated that the Proposed Development would generate between £360,000 - £400,000 in additional worker expenditure per annum based on the employment scenario compared to the existing Site, which currently contains no residential or commercial floorspace.**

Residential expenditure

4.8 The Household Expenditure Survey estimates that a household in the South East spends on average £565 per week, whilst lower quartile household expenditure is £311. This is then adjusted to account for the difference in median and lower quartile earnings for Mid Sussex residents to derive a weekly expenditure (average and lower quartile) per household in Mid Sussex. The calculations account for the proportion of money that is spent online, which has increased since the coronavirus pandemic, which revises the weekly residential spend in Mid Sussex to £495 and £275 based on average and lower quartile expenditure, respectively. Lower quartile expenditure is uplifted by the number of affordable homes at the Proposed Development, whilst average earnings are uplifted by the market units. A leakage is then applied to account for residential expenditure that is retained within the Local Area based on the Mid Sussex Retail Study 2022. This equates to approximately 2% of total residential expenditure.

4.9 The expenditure of residents at the Care Home provided is calculated by utilising average expenditure where the household reference person is 65+, this equates to £420 per week. Differentials for Mid Sussex earnings, proportion spent online, and the leakage is then applied as above and uplifted by the number of Care Home units at the Proposed Development.

4.10 Based on this, **residents at the Proposed Development would be expected to spend £32.4m annually, with £737,000 spent locally.**

Total expenditure:

Once operational worker and residential expenditure is combined, it is expected that there will be a total annual spend of up to £32.8m. Of this, £1.1m is expected to be spent in the Local Area per annum. This represents between around 60% of annual spend that currently takes place in the Local Area.

Employment generation

4.11 This analysis has so far focused on estimating the gross direct jobs that would be created by the Proposed Development, i.e., the jobs that are supported by businesses on the Site of the Proposed Development itself. The Homes and Communities (HCA) Additionality Guide provides a framework that allows for the estimation of the net additional impacts of a development.[56] The four key factors used to determine the additional impacts and the justification for their values are provided in the following subsections.

Displacement

4.12 Displacement refers to the proportion of jobs supported on-site that would have occurred elsewhere in a given area in the absence of the Proposed Development.

- The types of jobs expected to be provided by the Proposed Development (mainly in the education and retail sectors) do not fall into categories whereby people are likely to relocate to gain employment in.
- Although there is office provision provided by the Proposed Development, companies are unlikely to relocate from elsewhere to Mid Sussex. This is because demand for office space is significantly higher in city centres due to factors such as access to a larger labour pool, and the effect of industry ecosystems whereby similar firms are located within a small geographical area. It is more likely that this office space will serve a local business or perform an administrative function within the masterplan.

4.13 Therefore, it has been determined that **a low regional displacement of 25%** is reasonable.

Multiplier

4.14 A composite multiplier is used to reflect the further economic activity (in this case jobs) that results from the income (arising from worker expenditure) and supply-chain impacts (purchases with linked firms along the supply chain) from the Proposed Development.

- The majority of the jobs generated by the Proposed Development in education and retail sectors do not typically produce a high amount of disposable income.
- Due to the extent of the scheme and its commercial provision, it is arguable that a large proportion of residential spending on things such as groceries would take place within the ecosystem of the Proposed Development rather than supporting businesses outside its boundaries.

4.15 Therefore, it has been determined that a **low multiplier effect (1.3)** is reasonable.

[56] HCA, 2014. Additionality Guide: Fourth Edition

4.16 Estimating net additional employment Table 10 sets out the net additional employment supported by the Proposed Development. **Overall, the Proposed Development will support between an estimated 1,015 net additional jobs (730 - 735 FTEs) across the UK.** Of these, between 920 jobs (665 FTEs) would be expected to go to residents of the South East and 540 jobs (385 FTEs) to Mid Sussex residents.

Table 10 – There will be over 1,000 net additional jobs generated by the Proposed Development, with a significant proportion going to residents of the South East and Mid Sussex

Net additional employment

	FTEs	Jobs
Gross direct jobs	180 -185	235
Net direct jobs (accounting for displacement)	135 -140	175 - 180
Indirect & induced jobs (accounting for the multiplier)	40	55
Residential induced	555	785
Net additional jobs	**730 – 735**	**1,015**
Net additional jobs - South East residents	665	920
Net additional jobs – Mid Sussex residents	385	540

Sources: HCA, 2014. Additionality Guide: Fourth Edition and ONS, 2012. Census 2011: Location of usual residence and place of work by method of travel to work (MSOA level). NB figures are rounded to the nearest five.

GVA and tax

GVA

4.17 GVA is the additional value generated by economic activity. The GVA impact of a development is estimated by multiplying the number of jobs in each sector by the annual GVA per job in that respective sector. **The Proposed Development will lead to an estimated additional output in GVA terms of up to an estimated £12.0m per year – equivalent to 0.2% of the value of West Sussex's (North East)[57] combined total GVA for retail, education, office, and healthcare sectors**.[58]

Tax revenues

4.18 By comparing national statistics on GVA in the years 1997 to 2017 with public sector receipts in each year, it can be estimated that tax revenues typically account for between 30% and 40% of GVA.[59] This is generated through business rates, VAT, corporate and income tax (among other smaller taxes). Applying this to the GVA calculation, it is estimated that **the Proposed Development would result in additional tax revenues of between £3.6m - £4.8m**.

[57] Mid Sussex falls into the "West Sussex (North East)" ITL3 area for GVA output data. This area is made up of the local authorities of Mid Sussex, Horsham, and Crawley.

[58] ONS, 2022. Regional GVA (balanced) by industry: all ITL regions

[59] ONS, 2019. Public sector finances and ONS, 2018. Regional gross value added (income approach)

Council tax receipts

4.19 The nature of the Proposed Development being a residential scheme means there will be expected to be additional tax revenues resulting from council tax payments. The tax revenue impact of the Proposed Development has been calculated by multiplying the average council tax band by the number of dwellings expected from the Proposed Development.

4.20 **The Proposed Development is expected to generate approximately £2.6m in council tax receipts each year.** Council tax revenue in Mid-Sussex is estimated to be £35.3m in 2022.[60] Therefore, this high level calculation suggests that the Proposed Development is expected to generate an uplift of council tax for the local authority of approximately 7%.

[60] DLUHC, 2022. Collection rates for Council Tax and non-domestic rates in England, 2021 to 2022 – Table 6.

5. Wider impacts

Social infrastructure

5.1 A full baseline of social infrastructure requirements locally is outlined in **ES Volume 1, Chapter 7: Socio-Economics.** For the purposes of this report, only the key baseline findings are outlined, before the impact of the Proposed Development is discussed.

Primary education

Key baseline findings:

- Primary schools in the Local Area of the Proposed Development are currently operating at 97% capacity.[61]
- This is viewed as overcapacity according to the Department of Education, given that guidance states that are considered full when they have more than 95% capacity (to allow a buffer for parental choice).[62]

Impact of the Proposed Development:

The Proposed Development will deliver a 2.5-Form Entry primary school which will have the potential to provide capacity for approximately 525 students. Therefore, the new primary school would completely support the new primary-age population arising from the Proposed Development as well as providing further capacity to support local demand created in the future through other nearby housing developments. It also must be noted that the Local Area of the Proposed Development is currently deprived in the IMD domain of Barriers of Housing and Services (see **paragraph 3.30**). The Proposed Development will significantly contribute to the alleviation of this deprivation by providing the crucial service of a primary school.

[61] Department for Education, 2022. All Establishment Data.

[62] Department for Transport, 2022. National Travel Survey.

SEND Provision

Key baseline findings:

- There are two SEND schools currently operating in Mid Sussex.[63]
- These SEND schools are currently operating at 106% and 107% capacity respectively and are therefore extremely constrained.
- The Mid Sussex Infrastructure Delivery Plan states that due to planned housing development, there is likely to be an increase in the number of SEND pupil school places demanded, further constraining SEND capacity.[64]

Impact of the Proposed Development:

The Proposed Development will deliver a SEND school on Site, providing capacity for approximately 132 students. Overall SEND operating capacity in the Local Area of the Proposed Development is expected to fall from 103% to 98-99% as a result of the Proposed Development. This is broadly in line with the recommendation to provide a school for 150 pupils as outlined in the Mid Sussex IDP.[65]

Early years education

Key baseline findings:

- There are two nurseries located within the Local Area of the Proposed Development, which are operating 74% over capacity. [66]
- In 2032, it is expected that these nurseries will be operating 70% over capacity.

Impact of the Proposed Development:

The Proposed Development will deliver a nursery with capacity of approximately 141 children, within the primary school facility as per the latest Department for Education guidance. It is expected that the Proposed Development will lead to additional demand of up to 115 early years places. Considering the nursery provision and increased early

[63] West Sussex County Council, 2023. Special Schools in West Sussex

[64] Mid Sussex District Council, 2022. Infrastructure delivery plan

[65] Mid Sussex District Council, 2022. Draft Infrastructure Delivery Plan.

[66] Daynurseries.co.uk

years demand created by the Proposed Development, the early years deficit in the Local Area would decrease from 37 places in 2032 to 12 places.

Open space

Key baseline findings:

- Based on analysis of open green space provision Ordnance Survey (OS) data, all quantity targets as set by Mid Sussex have been met, apart from the provision of bowling greens and tennis courts.[67]

Impact of the Proposed Development:

In total, the Proposed Development is expected to deliver 28ha of publicly accessible open space, which includes allotments, artificial turf pitches, equipped play areas, amenity green space, parks and gardens, teenage areas, and tennis courts. The Proposed Development will fully support its new residential population and their requirements for different types of open space. In particular, the provision of parks and gardens is over three times the suggested requirement, meaning that the provision will also benefits other local residents around Ansty in the future. The Parkland Reserve will also form part of the Proposed Development that will include a cycle trail, footpaths, and dog walking paths.

Secondary education

Key baseline findings:

- Secondary schools in the catchment area of the Proposed Development area currently operating at 95% capacity.[68]
- In 2032, secondary school capacity is expected to rise to 97%.

Impact of the Proposed Development:

The Proposed Development would lead to up to approximately 256 new residents aged between 11 and 15 years old that may require

[67] Ordnance Survey, 2023. OS Greenspace

[68] Department for Education, 2022. All Establishment Data.

secondary school places. It is estimated that secondary schools in the Local Area of the Proposed Development are expected to be operating at 104% capacity in the opening year of the Proposed Development. The Applicant will make a financial contribution to help the county council bring forward sufficient secondary school provision in the future.

Demand for healthcare

Key baseline findings:

- There is only one GP practice located within reasonable distance from the Site, which has a patient to GP FTE ratio below the averages of geographical comparators.
- However, the noted spare GP capacity is to be countered by the ageing demographic as well as challenges associated with accessibility – see the Health Impact Assessment for further details.

Impact of the Proposed Development:

Residents at the Proposed Development could require wider healthcare from services near the Site, increasing demand and putting pressure on wider health and social care services. Within the masterplan there is allocated space for health hub uses, of which the exact use is currently being determined through consultation with the local Integrated Care Board (ICB). The health space will be designed to best meet the needs of the community and will at a minimum mitigate the increased demand in healthcare from new residents at the Proposed Development.

Enhancing community cohesion and social interaction

5.2 Providing interactive open spaces where people can meet, exchange ideas, and learn from each other is crucial in fostering social connectivity and community development. Research has shown that such spaces provide opportunities for individuals to engage in face-to-face interactions, build relationships, and develop a sense of belonging.[69] These interactions facilitate the exchange of knowledge, experiences, and perspectives, promoting learning and personal growth.[70] By creating environments that encourage

[69] Jennings, 2019. The Relationship between Social Cohesion and Urban Green Space: An Avenue for Health Promotion

[70] Make, 2023. Knowledge exchange and social connection

interaction and collaboration, these spaces contribute to social capital formation, community resilience, and positive social outcomes.[71]

5.3 Furthermore, open spaces have strong links to improving health outcomes as research shows being surrounded by green spaces reduces anxiety, improves the immune system, and promotes better mental health.[72] Specifically living near a park, promotes physical activity, connection to nature and opportunities for engagement within the community.[73]

5.4 Residents at the Proposed Development will benefit from a plethora of new open spaces, which will be weaved through the new neighbourhoods, ensuring all residents are within a short walk of a park or green corridor. Multi-functional green spaces will cater for both nature and people, ensuring significant biodiversity net gain is achieved, whilst serving the local community as highly-valued amenity The overall design of the Proposed Development will ensure that the physical environment promotes psychological wellbeing. This will be achieved through the incorporation of greenspaces, and walking paths that will connect homes to the Parkland Reserve.

5.5 The inclusion of the internal recreation network, including facilities such as sports pitches, will encourage physical activity and social interaction, both of which will enhance residents mental and physical health outcomes.

5.6 According to the Community Life Survey 2020/21, the South East ranks as the third out of nine as the most prominent region for respondents feeling lonely either always, some of the time, or occasionally, with 49% of respondents falling into one of these categories.[74] The Proposed Development by contrast will contribute towards creating a strong sense of belonging and connection. This will be achieved through local centre which will sit at the heart of the new community as well as curated spaces for social interaction, be that in public open space or between residents' front gardens, creating a feeling of familiarity and security.

Contribution to local retail revitalisation

5.7 Cuckfield is one of five key village centres in Mid Sussex and is the nearest retail centre to the Site as defined within the Draft Mid Sussex District Plan (2021-2039)[75]. It currently offers a handful of independently owned restaurants, cafes, pubs, shops, and amenities and will be the nearest retail entre to future residents at the Proposed Development.

Table 11 – Retail hierarchy, Mid Sussex

Type of centre	Centres
Town centres	Burgess Hill
	East Grinstead
	Haywards Heath
Village centres	Crawley Down
	Cuckfield

[71] What works wellbeing, 2023. Places, spaces and social connection: five years of new learning

[72] Kings College London, 2022. How frequently visiting green space benefits out mental health.

[73] NC State University, 2022. How Parks and Green Spaces Can Improve Your Health

[74] Department For Culture, Media, and Sport.

[75] Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021 – 2039)

	Hassocks
	Hurstpierpoint
	Lindfield

Source: Mid Sussex District Council, 2022. Draft Mid Sussex District Plan (2021 – 2039)

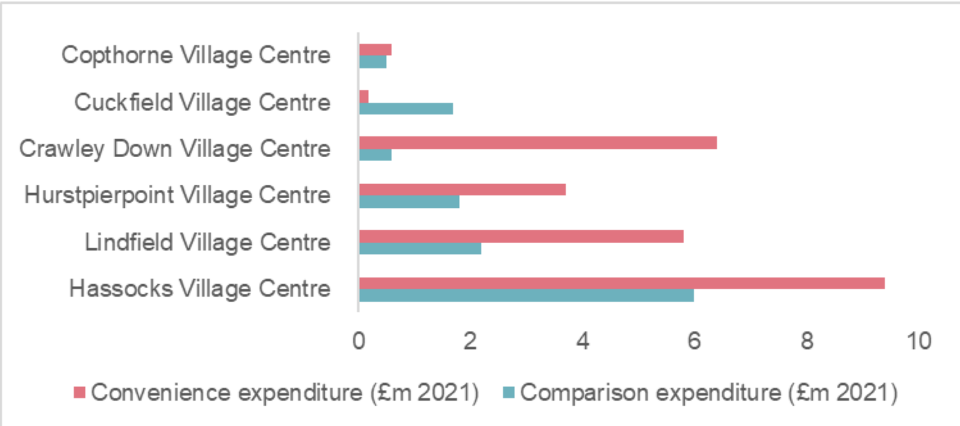
5.8 In terms of convenience expenditure, Cuckfield has the lowest out of all village centres in Mid Sussex – representing only 1% of total convenience expenditure of all village centres across the district.[76] Convenience stores only account for 6% of retail stores in Cuckfield, lower than the national average of 9%.

5.9 Alternatively, comparison stores are well represented in Cuckfield with a popular and well-used offer. Examples of comparison stores in Cuckfield include a range of independent stores including boutique style clothing stores, interior decoration stores, and an art gallery. This highlights the need for convenience stores in Cuckfield, which has been further supported by engagement with local residents.

5.10 **Figure 10** illustrates that in comparison to other notable village centres included in the Mid Sussex Retail Study, Cuckfield Village Centre performs well in terms of comparison expenditure with a total spend of £1.7m, ranking it fourth out of the listed village centres. However, **Cuckfield Village Centre ranks last out of all village centres included in the Mid Sussex in terms of convenience expenditure** with a total spend of £0.2m. This figure is significantly lower than the convenience expenditure recorded at other comparable village centres across Mid Sussex. This suggests that Cuckfield is in significant need of convenience retail provision.

Figure 10 - Comparison expenditure in Cuckfield Village Centre is significantly lower than other village centres across Mid Sussex

Comparison and convenience expenditure in Cuckfield Village Centre compared to other village centres included in the Mid Sussex Retail Study (£m 2021)



Source: Nexus Planning, 2022. Mid Sussex Retail Study

5.11 Volterra have assessed the performance of Cuckfield Village Centre to other village centres in Mid Sussex outlined lined in the Mid Sussex Retail Study **(see Figure 11).**[77] The relevant Lower Layer Super Output

[76] Mid Sussex Council, 2022. Mid Sussex Retail Study

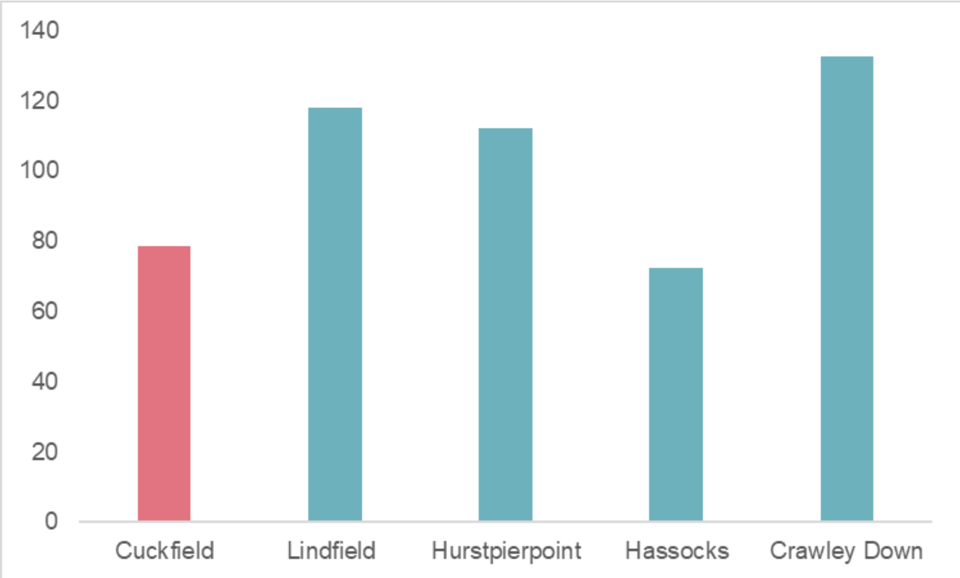
[77] Nexus Planning, 2022. Mid Sussex Retail Study

Areas (LSOAs) that make up each of the relevant village centres are identified to achieve an approximate specified geographical area for each neighbourhood centre.[78]

5.12 Using these defined locations and overlaying each location with data from the Valuation Office Agency (VOA) on the rateable value for retail and leisure units, gives us an indication of the quantity and quality of the retail offering in each centre.[79] It is expected that neighbourhood centres with higher average rateable values will be reflective of higher quality retail units. **On that basis, Cuckfield Village Centre is underperforming compared to other neighbourhood centres across Mid Sussex**. Specifically, out of the 5 identified village centres, **Cuckfield ranks 4th (where 1 is the highest) based on average rateable value of retail and leisure among village centres.**

Figure 11 - Cuckfield's average retail rateable value is low when compared to other village centres across the District

Average retail rateable value per sqm across geographical comparators



Source: VOA. 2023. NDR stock of properties tables.

5.13 The relevant retail and leisure employment densities are outlined in **Table 12**. A high employment density per hectare in retail and leisure sectors would be conducive of a lively, well-used retail offer in the respective village centre. **Cuckfield Village Centre has the lowest employment density per hectare of all comparative village centres outlined in the Mid Sussex Retail Study, indicating a lacking retail and leisure offer for local residents.**

Table 12 - Cuckfield has the lowest retail and leisure employment density of all village centres in the district

Retail and leisure employment densities across the village centres in Mid Sussex

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[78] Note: LSOA boundaries do not accurately align with the village centre boundaries, therefore the most accurate fit has been utilised.

[79] VOA. 2023. NDR stock of properties tables.

Village Centre	Retail/ leisure employment density per ha
Cuckfield	0.08
Lindfield	0.75
Hurstpierpoint	0.16
Hassocks	1.94
Crawley Down	0.15

Source: ONS, 2023. Business Register and Employment Survey

5.14 **The Proposed Development will contribute to this need by delivering a varied retail offer within the new local centre, including the potential provision for a local convenience store** – meeting an identified need in the vicinity of Cuckfield. The additional of the local centre to Cuckfield, will provide new high-quality commercial spaces that could be used for retail and leisure purposes, revitalising local retail in Cuckfield to become a more vibrant place and fully support its new and existing residents.

5.15 In addition to the new local centre provided by the Proposed Development, there will also be a significant impact generated by the additional operational residential and worker expenditure in the Local Area. It is expected that the Proposed Development will generate £1.1m of expenditure in the Local Area. **This additional operational expenditure represents approximately 60% of what is currently spent in the Local Area annually** and will be a significant benefit in revitalising Cuckfield village centre. This expenditure will not just be to the benefit of the new convenience store at the Proposed Development, but to existing retail in Cuckfield as well.

Reducing the burden on the NHS

Impact of the elderly population on the NHS

5.16 In the report, the NHS belongs to the people: A call to action, NHS England identifies the following evidence that growth in the elderly population will result is a significantly greater need for health care: [80]

> **“Nearly two-thirds of people admitted to hospital are over 65 years old. Hospital treatment for over 75s has increased by 65 per cent over the past decade (2002 to 2012) and someone over 85 is now 25 times more likely to spend a day in hospital than those under 65. The number of older people with a care need is predicted to rise by over 61% by 2030.”**

5.17 By using the Office for Budget Responsibility’s (OBR) forecast for spending per head on healthcare in 2020/21 by age, the cost of healthcare by person can be estimated as shown in **Table 13.**[81] The data shows that not only does age play a massive role in health spending but that the cost of care grows rapidly after

[80] NHS, 2013. The NHS belongs to the people: a call to action

[81] OBR, 2016. Fiscal sustainability analytical paper. Fiscal sustainability and public spending on health

the age of 65, with the **average cost of a person aged over 85 being six times that of a person of working age (£8,310 vs £1,370), compared to those aged over 65 costing approximately three times that of a working-age adult.**

Table 13 – Elderly residents cost the NHS more per year than other age groups

Average annual cost of healthcare by age group

Age group	Health cost by year	Cost relative to average	Cost relative to working age
Average – All	£1,950	1.0	1.4
0 – 17	£1,560	0.8	1.1
18 – 64	£1,370	0.7	1.0
65+	£4,580	2.4	3.3
85+	£8,310	4.3	6.0

Source: OBR, 2016. Fiscal sustainability analytical paper. Fiscal sustainability and public spending on health; Volterra calculations; Note: Figures have been rounded

5.18 As the forecast was released in 2016, it would not be able to account for how the coronavirus pandemic affected healthcare expenditure. The ONS estimate that the total healthcare expenditure in 2021 increased by 23% from 2019 and that the proportion of the gross domestic product attributed to healthcare also increased from 10.2% to 11.9% in the same time period.[82] With the coronavirus pandemic disproportionately affecting the elderly, it can be assumed that the average cost per person aged over 65 would likely be higher than the OBR's forecast.

5.19 **Furthermore, in 2013/14, 40% of the NHS budget was being spent on those aged over 65 and was forecast to increase by more than 50% by 2036 (from more than £40bn to more than £60bn).**[83] These estimates are likely to be very conservative as the cost per over 65 year person is more likely to increase as life expectancy continues to improve - these forecasts were also produced before the coronavirus pandemic, which has been proven to increase older people's need for care.

5.20 During the coronavirus pandemic, it was found that one in four older people's ability to do everyday activities had deteriorated and that muscles had weakened whilst decreased human contact and intellectual stimulation caused older people's dementia to also deteriorate.[84] **Recently the Parliamentary Select Committee has accepted that extra care housing has helped mitigate the burden placed on local health and social care. This is evidenced by various research**.[85]

5.21 **Figure 12** shows the Office for Budget Responsibility (OBR) health spending per capita model by age group forecast for 2020/21, broken down by the following services:

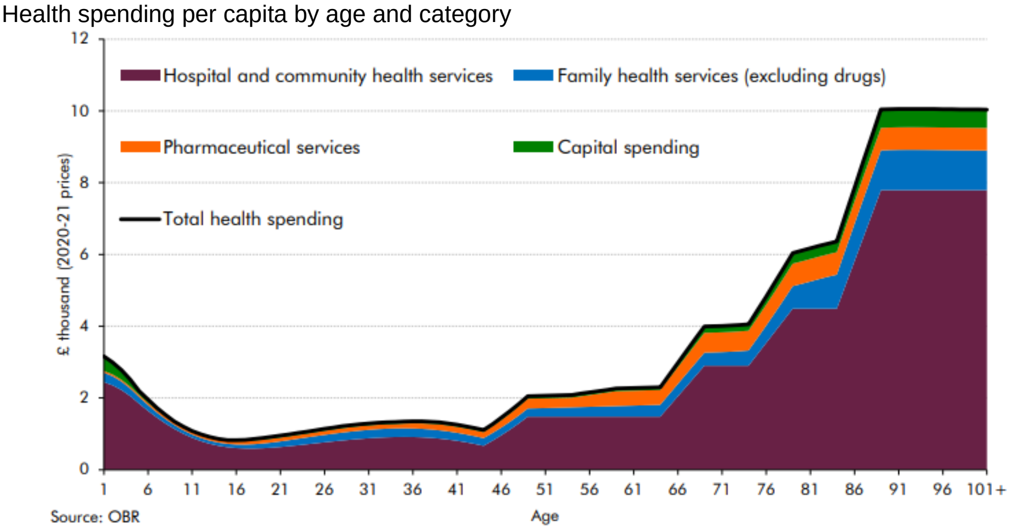
- **Family health services (excluding drugs)** – primary health care services, GP and dental services, but excludes pharmaceutical services;
- **Hospital and community health services** – secondary health care services (services provided after referral from primary care services), accounts for the majority of health spending;

[82] ONS, 2021. Healthcare expenditure, UK Health Accounts provisional estimates; 2020.
[83] Nuffield Trust Estimates
[84] Age UK, 2021. New analysis finds the pandemic has significantly increased older people's need for social care
[85] Housing LIN, 2019. The market for extra care housing

- **Pharmaceutical service** – includes elements of primary care related to drug prescriptions; and
- **Capital spending** – investment from central and local government.

5.22 The graph shows that per capita spending on all health care services increases with age. Whilst the report states that this is not the only cause of higher spending, it does show that the cost for caring for people increases with age.

Figure 12 – Health spending grows considerably with age



Source: OBR, 2016. Fiscal sustainability and public spending on health.

Impact of the Proposed Development

5.23 **The Care Home and the health hub at the Proposed Development, in addition to meeting the housing needs of the Local Area, will reduce the burden on the NHS through health cost-savings**. The service and facilities provided, including some on-site health services, will improve the physical and mental health of residents and so reduce their public need for care.

5.24 Furthermore, recent research by Barnet Hospital has found that the introduction of care home multi-disciplinary teams can reduce emergency admissions by 75%.[86] The Department for Health also found that integrated preventative services delivered a 47% reduction in overnight stays.[87]

5.25 An ExtraCare Charitable Trust study[88] also shows that care homes can have a significant impact on the reliance of elderly people on the NHS. The analysis found a 38% reduction in total NHS costs (GP visits, practice and district nurse visits and hospital appointments and admissions), resulting from the ExtraCare's integrated housing. The average cost to the NHS of someone over 65 is £5,940 per annum. Based on the

[86] BMC Health Services Research, 2022. Multidisciplinary residential home intervention to improve outcomes for frail residents.

[87] POPP, 2009. The National Evaluation of Partnerships for Older People.

[88] Aston University, 2015. Collaborative Research between Aston Research Centre for Healthy Ageing (ARCHA) and the ExtraCare Charitable Trust.

38% reduction in NHS costs, it is expected that the total reduction in costs of the Proposed Development to the NHS would be £320,400.

Employment and skills aims

5.26 The authors of this report recommend that the applicant partake in the 5% Club initiative – leading to the potential for 25 new construction apprenticeships resulting from the Proposed Development. The 5% Club is a UK-based initiative aimed at encouraging companies to invest in the development of young people through apprenticeships and other forms of formal training.[89] The name "5% Club" refers to the target set by the organisation for member companies to ensure that at least 5% of their workforce consists of apprentices, graduates, or sponsored students within five years of joining the initiative.

5.27 The 5% Club was launched in 2013 with a focus on addressing the skills gap and high levels of youth unemployment. By joining the initiative, companies commit to providing "earn and learn" opportunities to help young people gain skills, experience, and qualifications. These opportunities include apprenticeships, graduate programs, and other structured training schemes.

5.28 The initiative promotes the importance of investing in the next generation and aims to create a network of employers that share best practices, collaborate on training initiatives, and support each other's efforts in developing young talent. The 5% Club also advocates for the recognition of apprenticeships and technical training as valuable career paths.

5.29 Commuting patterns in the Local Area can be used to estimate how many jobs generated by the Proposed Development are expected to go to residents of Mid Sussex. It is estimated that of the 235 total jobs generated by the Proposed Development, that **approximately 130 will go to residents of Mid Sussex. This is equivalent to a 0.2% uplift on the future baseline position of economically active residents in Mid Sussex by 2032. Therefore, it is clear that the Proposed Development will contribute to employment related issues in the Local Authority.**

[89] The 5% Club, 2023. The 5% Club Initiative

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