

## Mid Sussex District Plan EIP

### Matter 2: The Housing Requirement

Whether enough housing land has been allocated to ensure that, along with existing permissions and commitments, enough housing land will come forward to meet the housing requirement through the life of the plan and that a 5-year housing land supply will be maintained.

- a) Anticipated housing supply over the plan period
- b) The amount of potential supply headroom over and above the housing requirement
- c) The supply trajectory over the plan period
- d) The potential for lower than anticipated supply arising from delivery impediments, longer lead in times and slower build out rates
- e) The resilience of the plan against such contingencies
- f) The 5-year housing land supply position at adoption
- g) The ability to maintain a rolling 5-year housing land supply

#### ***Anticipated housing supply over the plan period***

On the basis of table MS-TP2 housing supply over the plan period 2021/22 to 2039/40 will be 21,241 homes. Should the plan period be amended as suggested in our matter 1 statement housing supply for the plan period 2023/24 to 2039/40 would be 19,001 homes and for 2025/26 to 2039/40 would be 16,917 homes.

However, as to whether the anticipated supply is deliverable over the plan period it is not possible to say as no detailed housing trajectory has been provided setting out when sites are expected to come forward and the rate at which they will be built out. As stated in our matter 1 statement a more detailed trajectory was published on the 12<sup>th</sup> of February (H8), but this was too late to provide comment in these statements. It may be helpful to provide further written statement prior to the hearings on H8, and we hope the inspector will be amenable to accepting these given the trajectory was published so close to the deadline for statements.

#### ***The amount of potential supply headroom over and above the housing requirement***

The headroom will depend on the housing requirement. As set out in our matter 1 statement the headroom will be removed if the approach to housing needs, and the period over which it is considered, is applied in a manner that is consistent with national planning policy and guidance. However, even if it was considered appropriate for the plan to be adopted with a requirement of 1,088 dpa the headroom would be relatively small at 567 dwellings – just 2.7% of the overall requirement. This would not appear to be sufficient given the reliance on strategic sites that will deliver the majority of homes in the second half of the plan period alongside a windfall allowance of 147 dpa. While the recent track record of delivery in Mid Sussex has been good HBF would suggest that a headroom of closer to 10% would be more appropriate and provide the certainty the strategy is deliverable over the plan period.

***The supply trajectory over the plan period.***

A more detailed trajectory was published on the 12th of February (H8), but this was too late to provide comment in these statements. It may be helpful to provide further written statement prior to the hearings on H8, and we hope the inspector will be amenable to accepting these given the trajectory was published so close to the deadline for statements.

***The potential for lower than anticipated supply arising from delivery impediments, longer lead in times and slower build out rates***

Without a detailed trajectory setting out when each site is expected to come forward and the rate at which they will deliver new homes it is difficult to comment on whether the expectations are overly ambitious and reflect evidence such as Start to Finish published by Lichfields or evidence on past delivery rates in Mid Sussex on similar sites. HBF are not aware of any specific impediments to the delivery of any of the sites allocated in the local plan. However, where there is a reliance on large strategic sites to meet housing needs, the impact of a delay to one site can have a significant impact on housing supply. For this reason, it is important the sufficient headroom is provided in the local plan to take account of any unforeseen impediments to supply.

In terms of lead in the times, the time it takes to get through planning, even on allocated sites, can take a number of years. The latest Start to Finish report published by Lichfields, the median timeframe for sites of over 1,000 units is around 5 years and around 3.5 year for sites of between 500 and 1,000 units. Start to Finish also references the Competition and Market Authority (CMA), which has also undertaken analysis into the length of time it takes land promoters and house builders to obtain outline planning permission. Based on information from land promoters, the CMA found that of the outline permissions obtained in 2022, 43.4% of them were obtained within five years or less, with 97.4% in nine years or less. However, this time frame includes pre-application promotion work and explains the significant difference with the work undertaken by Lichfields. The CMA report goes on to estimate that the time

taken to gain planning permission is on average 3 to 4.5 years.

However, it must also be noted that these are median figures. The Lichfield report notes that securing a planning permission can be quicker on strategic sites but also slower with the upper quartile timescales for planning on sites of 1,000 homes or more being around 8 years. Therefore, whilst a site might move more quickly through the planning system there is a risk that it will take longer.

Once planning has been obtained Start to Finish outlines that it then takes around 1.5 years before the first home is built on larger sites. The length of time taken post planning decision is due to the increasing amount of pre commencement conditions, statutory approvals and complex site specific matters that arise. While these can be specific, they are increasingly being used in relation to drainage, environmental health and ecological surveys, all of which can cause delays.

This risk in terms of decision making on planning applications and the discharger of conditions may be greater as local authorities move through local government reform with district and countries merging to create unitary authorities. This has the potential to impact on decision making in the next few years as planning departments and committees are re configured. However, while there are risks there may also be improvements in decision making as we move away from the two-tier local government in Sussex – however we would not anticipate these improvements in the short term.

### ***The resilience of the plan against such contingencies***

As set out above, the resilience of the plan to some sites not delivering as expected is relatively limited with a headroom based of just 567 homes using a requirement of 999dpa over the plan period 2021/22 to 2039/40. However, as set out in our matter 1 statement HBF does not consider use of this requirement and plan period to be justified. Table 2 in our matter 1 statement indicates that using a sound approach there will mean the headroom in supply to address unmet needs elsewhere and provide sufficient contingency is much lower than that suggested by the Council.

### ***The 5 year housing land supply position at adoption and the ability to maintain a rolling 5 year housing land supply***

It is not possible to comment on the five-year land supply as a detailed trajectory has not been provided. As stated above and in our matter 1 statement a more detailed trajectory was published on the 12<sup>th</sup> of February (H8), but this was too late to provide comment in these statements. It may be helpful to provide further written statement prior to the hearings on H8, and we hope the inspector will be amenable to accepting these given the trajectory was published so close to the deadline for statements.

**Mark Behrendt**

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