



HOUSING NEEDS ASSESSMENT

Determining an appropriate housing scale for Warnham

February 2018



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Housing Scale and Location

- 1.1 A key objective of the Horsham District Planning Framework (HDPF) is to provide a range of housing developments across the district that: deliver the target number of new homes; respects the scale and character of existing places; and so far as is possible caters for the needs of all residents, including the delivery of a range of housing sizes and types including affordable housing.
- 1.2 Provision is made in the HDPF for the development of at least 16,000 homes and associated infrastructure within the period 2011-2031, at an average of 800 homes per annum. This figure will be achieved by:
 - Housing completions for the period 2011 – 2015.
 - Homes that are already permitted or agreed for release.
 - Strategic Sites: a. At least 2,500 homes at Land North of Horsham; b. Around 600 homes at Land West of Southwater; c. Around 150 homes at Land South of Billingshurst.
 - The provision of at least 1500 homes throughout the district in accordance with the settlement hierarchy, allocated through Neighbourhood Planning.
 - 750 windfall units.
- 1.3 There is an expectation that Warnham will provide some housing during the lifespan of the Plan, primarily to meet locally defined needs, but also to contribute to the wider need as set out in 1.2.
- 1.4 As Horsham District Council (HDC) does not allocate a definitive housing number to Warnham, an independent planning consultancy¹ was commissioned to examine the potential 'unconstrained' number of dwellings that the Neighbourhood Plan might seek to accommodate by applying a series of assessments to determine possible housing need scenarios. However, Planning Practice Guidance (PPG) states that 'establishing future need for housing is not an exact science and no single approach will provide a definitive answer'². The guidance is primarily aimed at local planning authorities preparing Strategic Housing Market Assessments (SHMA) at the district level although the procedures can be utilised at a neighbourhood level in a proportionate manner. Accordingly, a range of housing assessments have been identified to accord with the approach endorsed by the PPG.
- 1.5 The HNA considered four data sets as follows:
 1. The Horsham District Planning Framework 'settlement hierarchy' minimum derived figure (HDPF) 2011-31

¹ Housing Needs Assessment; AECOM; November 2017

² PPG Housing and economic development needs assessment Para. 014Ref.ID2a-014-20140306

2. Housing Need in Horsham 2015 (SHMA), a proportional share drawn from an Objectively Assessed Need
3. DCLG Household projections
4. A projection derived from homes growth between 2001 and 2016.

In addition, it applied a series of market signals to the data, for instance, migration in and out, employment trends and overcrowding which might also impact on the need for housing in the parish.

- 1.6 The datasets provide a range of housing numbers for Warnham's NDP, from 18 to 206 dwellings, to be delivered over the Plan Period. This is a wide range on which to base a Neighbourhood Plan and hence further interrogation of the assessments is warranted. Importantly, HDC have provided guidance to AECOM³, in developing their assessment, that greater weight should be given to the Local Plan-derived housing target for Warnham, i.e. the 'fair-share' of the 1,500 dwellings to be delivered through Neighbourhood Plans in accordance with the settlement hierarchy, because the Local Plan has been through examination and been adopted.
- 1.7 The assessments provide top-down 'unconstrained' figures and do not take into account: the local strategic planning policies, local environmental constraints and site allocations, locally derived housing need, the views of local people, or issues relating to the supply side. These points are therefore explored in further detail below to enable a fuller interpretation of figures.

Local strategic planning framework

- 1.8 It is important to consider the number of houses appropriate to a rural parish such as Warnham. The HDPF is clear in its approach to sustainable development, stating in Policy 2 (5) that its overarching strategy is to 'continue to support in principle the sustainable development of settlements through an appropriate scale of development which retains the existing settlement pattern over the plan period.'
- 1.9 Policy 15 (4) of the HDPF sets out that at least 1,500 homes throughout the district in accordance with the settlement hierarchy, will be allocated through Neighbourhood Planning.
- 1.10 Policy 3 states that development will be permitted within towns and villages which have defined built-up areas. Any infilling and redevelopment will be required to demonstrate that it is of an appropriate nature and scale to maintain characteristics and function of the settlement in accordance with the settlement hierarchy.
- 1.11 HDC's review of Settlement Sustainability⁴, which informs Policy 3 of the HDPF, classifies Warnham as a medium village. Such settlements have a moderate level of services and facilities and community networks, together with some access to public transport. They provide some day to day needs for residents, but rely on small market towns and larger settlements to meet a number of their requirements. The smaller hamlet of Kingsfold is an unclassified settlement, meaning it has few or no facilities or social networks and limited accessibility, and is reliant on other villages and towns to meet the needs of residents.
- 1.12 As stated in the HDPF, proposals for new housing will need to ensure that development is of a scale that can retain the character and role of the settlement in terms of the range of services and facilities and community cohesion, as set out in the Settlement Sustainability Review background document. This approach will make it possible to meet the identified local needs of these settlements and provide an appropriate level of market and affordable housing, as well as

³ Para. 24, Housing Needs Assessment; AECOM; November 2017

⁴ https://www.horsham.gov.uk/data/assets/pdf_file/0016/9313/CD_GC_01_Settlement-Sustainability-Review2014.pdf

maintaining the viability of the smaller villages and towns, for example supporting local schools, or local shops. It will also ensure that the settlement function and pattern of the district is retained, retaining the rural character of the district beyond these settlements.

1.13 Bearing this strategic context in mind, and in particular the focus on sustainable development, it can be determined that Warnham village, with a built-up area boundary and classified as a medium village, might be appropriate for limited infill development or extension. As Kingsfold has no defined built-up area, it is inappropriate to allocate additional housing at that location as it would be contrary to the HDPF.

Locally derived housing need

1.14 Horsham has 671⁵ on the waiting list for housing (November 2017) and a 'fair share' could be accorded to Warnham. Warnham has 1.6% of the district's total number of dwellings⁶ and a 1.6% share of 671 to Warnham is **11**. Policy 16 of the HDPF sets out the affordable housing requirements as follows:

- On sites of 15 or more dwellings, or on sites over 0.5 hectares, the Council will require 35% of dwellings to be affordable; and
- On sites of 5 to 14 dwellings, the Council will require 20% of dwellings to be affordable (or where on-site provision is not achievable a financial contribution equivalent to the cost of the developer providing the units on site)

1.15 The NDP supports these minimum requirements for affordable housing; without strict adherence to this requirement the objective of the Plan to achieve a better balanced community will be undermined. At 20% to 35% affordable this would give an allocation to Warnham of **31 to 55** dwellings.

1.16 A Local Housing Needs Survey for Warnham parish was undertaken by Action in Rural Sussex in 2015. It concluded that there is an unmet need for some affordable housing for those with a local connection to the parish. In particular it demonstrated a need for more dwellings in Warnham that are affordable, are suitable for those wishing to downsize, those looking for their first home, and those couples with growing families. At the time of the survey, it was recommended that **up to 15 units of affordable housing** would be most appropriate to develop during the lifespan of the NDP. This is in line with the figures derived from the HDC waiting list. At 20% to 35% affordable this would give an allocation to Warnham of **43 to 75** dwellings.

1.17 It should be noted that the Local Housing Needs Survey provides a snapshot of housing need and therefore may need to be updated in the lifespan of the Neighbourhood Plan to reflect a changing picture of need.

Findings from the local engagement process

1.18 The views of local residents need to be considered when determining how much housing is appropriate to a neighbourhood area.

1.19 The Neighbourhood Development Plan Parish Community Survey for Warnham revealed the following key community aspirations about future housing provision in the parish:

⁵ AECOM Para.133

⁶ AECOM Para. 133

- 81% felt that that minimum number of open-market houses should be built to enable the required provision of affordable homes;
- 77% believe that there is a need for homes suited to the needs of first time buyers, such as Starter Homes;
- 81% would like to see more homes to which older people could downsize;
- 63% want to maintain the nature and character of the existing countryside; and
- 63% want to minimise adverse impacts of development on landscape, topography and views.

1.20 In essence, local people would accept a limited number of homes that meet a local need and enable the continuing viability of the parish, but that do not erode the character of the parish or the separation of the individual settlements, and which do not overstretch the infrastructure capacity of the parish.

Supply side factors

1.21 There are numerous supply-side considerations, including local environmental constraints, the location and characteristics of deliverable, suitable land, and capacity work carried out by HDC, including but not limited to the SHELAA and Local Call for Sites, that will inform the number of dwellings appropriate to be delivered in the parish, bearing in mind that Warnham village itself is the only settlement with a defined boundary hence any allocations will be centred here.

1.22 The Neighbourhood Plan Steering Group undertook a local Call for Sites and 15 sites were submitted. Alongside the 14 sites already identified through the HDC's SHELAA, all sites were assessed using a methodology agreed with HDC. This assessment provides evidence that the sites selected are the most appropriate for development - that they are in the sustainable, they are in conformity with the strategic policies of the HDPF, and that there is a good prospect that they will be delivered. The process led to a short-listing of six sites, two of which were not considered further for inclusion in the NDP as they are small rural sites remote from Warnham's built-up area boundary and in unsustainable locations, and hence contrary to policy. One site, the Glebe, Church Street, has been granted planning permission for 14 additional dwellings – DC/17/0566. The remaining three sites are all owned by one landowner. Two of these have been allocated in the NDP (WN23 and WN24). The third, Land South of Bell Road (SHELAA SA071) has not been allocated in the NDP because the landowner/developer's proposal for the site is to develop in larger scale plots for self-build and does not meet the identified local housing need in terms of housing size and mix. Additionally, the allocated sites can provide the housing needs identified in the NDP.

Summary of assessments

To establish an appropriate level of housing for the period covered by the Warnham Neighbourhood Plan, the research undertaken by AECOM have been examined and weighted according its relevance at the local level bearing in mind the points made in this report. Table 1 sets out the findings, and Figure 1 displays these graphically.

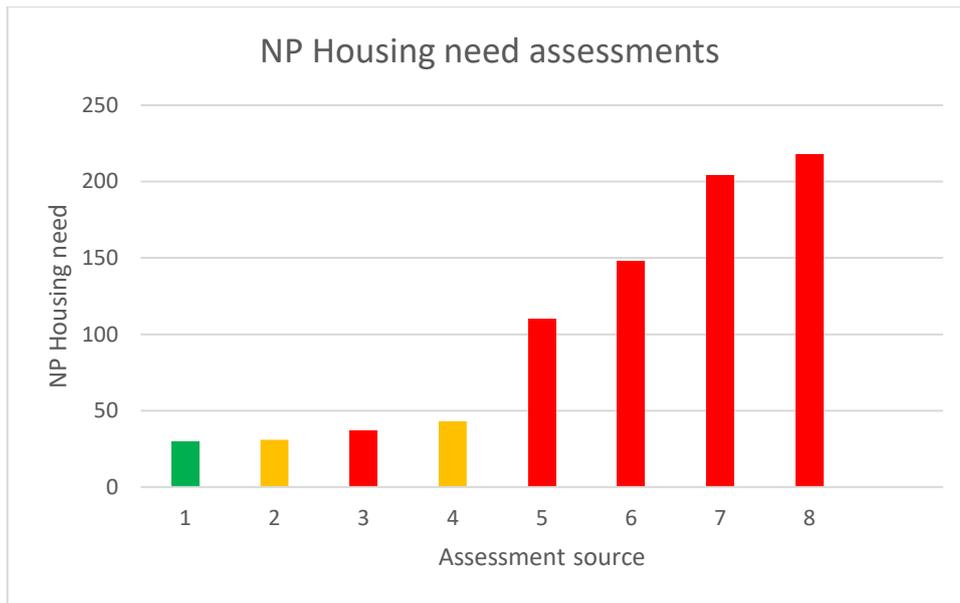
Table 1: Commentary on the assessments and relative weighting at the neighbourhood level

No.	Source	Assessment basis	Assessment	Commentary	Weighting
1	HDPF/ AECOM Para 86	Local Plan Settlement Hierarchy	NPs to provide at least 1,500 dwellings; Warnham to have a 'fair share'. Fair	NPs need to be compliant with the Local Plan.	High

			share determined pro rata to the number of dwellings in Warnham village (BUAB) to comparable number in all similar settlements in the district. Warnham's share: 1.97% of 1500 = 30 (See note 1)	This assessment is the most appropriate means of assessing Warnham's housing number in the NP.	
2	HDC/ AECOM Para 133	Housing Waiting List	Horsham have 671 on the housing list for housing and a 'fair share' could be accorded to Warnham. A 1.6% share to Warnham is 11. At 20% to 35% affordable this would give an allocation to Warnham of 31 to 55	Short listed sites will enable 35% affordable to be realised and hence the housing need from this assessment can be taken as the lower figure i.e. 31.	Medium
3	HDC/ AECOM Para. 102	Home growth since 2011	HDC records show that 12 homes were developed in the period April 2011 to March 2016. Projecting this growth rate to 2031 provides a growth figure of 37.	Historic parish growth rates provide little guidance on future housing needs to be accommodated in the NP.	Low
4	Action in rural Sussex	Local affordable housing needs	A survey was undertaken for the NP mainly to identify the local need for affordable housing i.e. those with family or employment connections to the parish. This showed a total need for 22 units but local transfers to new affordable housing would release 7 units. The net increase is 15 units. HDPF Policy 16 requires 20% to 35% of new developments to be affordable. Total number of homes to provide affordable housing: 43 to 75	The survey provides relevant local data but at a specific time. Short listed sites will enable 35% affordable to be realised and hence the housing need from this assessment can be taken as the lower figure i.e. 43	Medium
5	HDC/ AECOM Para. 103	Home growth 2001 to 2016	Combining the records 2001 to 2011 (below) and growth to 2016 (3, above) gives growth rate over a longer period and this	Historic growth trends vary widely depending on the time span considered and hence cannot be	Low

			leads to a future need of 110 .	used with confidence.	
6	Census/ AECOM Para. 101	Home growth 2001 to 2011	Records of housing growth 2001 to 2011 in Warnham parish shows 106 homes. Applying this growth rate to the period 2017 to 2031 provides a figure of 148 .	Figures record growth in the parish rather than the village of Warnham where growth will be focussed in accordance with policy. Growth of the village will be constrained by site availability. No logic to assuming village growth will be unlimited and continue at historic rates.	Low
7	Strategic Housing Market Assessment / AECOM Para. 91	Unconstrained Objectively Assessed Need	Projections of the growth in housing needs are based on a national forecast and local employment growth. A district requirement of 12720 units is identified. Warnham's share: 1.6% of 12750 = 204 (See Note 1)	The SMHA is a district wide assessment that does not take account of local circumstances i.e. the prior allocations of the strategic sites in the HDPF and the settlement hierarchy.	Low
8	DCLG /AECOM Para. 99	Household Projections	Dept. of Communities and Local Govt. produce forecasts of household growth. The projected total for Horsham district in 2031 is 66854. This leads to an allocation to Warnham of 218 homes. (See Note 1)	The SMHA is a district wide assessment that does not take account of local circumstances i.e. the prior allocations of the strategic sites in the HDPF and the settlement hierarchy.	Low

Note 1. In AECOM's analyses, gross figures have been reduced by 12 to take account of dwellings built in the parish between 2011 and 2016. However, these may be considered as individual windfall sites, not part of planned development meeting the specific allocations of the HDPF, and are excluded in the assessment of gross figures included in the table.



Key

Column	Housing need assessment	Weighting	Data sources
1	30	High	HDPF (Local Plan) – ‘fair share’ of at least 1500
2	31	Medium	HDC Housing Waiting List (at 35% affordable)
3	37	Low	HDC Home growth since 2011
4	43	Medium	AirS Warnham affordable housing needs (at 35% affordable)
5	110	Low	Home growth 2001 to 2016
6	148	Low	2011 Census - home growth 2001 to 2011
7	204	Low	Strategic Market Housing Assessment
8	218	Low	DCLG Household projections

Figure 1 Housing assessment from a range of data sources

1.23 In addition to quantitative assessments, the AECOM report also reviews market signals and applied judgement on how these may affect housing need⁷. These are summarised in Table 2 below and indicate the underlying trend in the need for housing development in the Neighbourhood Plan area.

Table 2 Market signals affecting housing need, drawn from the AECOM report

Factor	Impact assessment and direction	Assessment area
Employment trends	Moderate impact - upwards	Gatwick Diamond
Housing transactions (Prices)	Some impact - upwards	Warnham

⁷ AECOM Report Table 1

Housing transactions (Volume)	Some impact - upwards	Warnham
Migration and demographics	Some impact - upwards	London to Brighton
Overcrowding and concealment	Neutral	Warnham
Rate of development	Some impact - upwards	Warnham

1.24 In arriving at any final housing needs figure for Warnham, market signals evidence should be taken into consideration. In this instance, bearing in mind the balance of 'upwards' impact set out in Table 2 above, an increase in dwelling numbers to meet future need is appropriate.

1.25 In making numerical assessments there are three further considerations which contribute to overall numbers:

- i. 14 additional houses have been permitted (August 2017) at a site at the centre of the village – the Glebe. This site was originally short listed and could be considered as contributing to the overall neighbourhood plan housing needs. The site has not provided affordable housing.
- ii. 6 additional affordable intermediate market houses have been permitted (September 2017) at a rural exception site in the north of the parish.
- iii. 12 new dwellings have been constructed since the start of the plan period at various individual sites within the parish.

1.26 Warnham Parish Council has followed closely the preparation of the neighbourhood plan and has studied the range of housing need assessments available. The council has written to the Warnham Neighbourhood Plan Steering Group:

To produce a Neighbourhood Plan most likely to gain popular support at Referendum, the Parish Council encourage the Neighbourhood Plan Steering Group to develop the plan based on the lower range of housing growth.

Conclusion on housing assessments

1.27 Examining the various housing assessments within the parameters of the local context, and, in particular, the weightings afforded to the individual assessments, and the market indicators, the NDP for Warnham seeks to provide **a minimum of 50 new dwellings** between 2016 and 2031 as set out in Policy W2, via site allocations set out in Policy W6 which will enable the fulfilment of the required affordable housing with the minimum market housing and is a rate of growth within historic trends.

1.28 The 50 units identified above, other development commitments and housing built since 2011 will provide an annualised growth rate to 2031 of approximately 4.1 units per year. Local records of house building in the parish show that between 1971 and 2015, 265 units were constructed. This represents an average annual rate of 5.9 units per year. The committed and proposed build rate is within this historic growth rate.

The HDPF Examiner recommended that the plan should be updated within 5 years. It is therefore anticipated that the NDP may also need to be reviewed in accordance with the updates to the HDPF.
