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Pulborough HNA

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Revision History

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List of acronyms used in the text:

AH	Affordable Housing (NPPF definition)
AHNMU14	Northern West Sussex Housing Market Area – Affordable Housing Needs Model Update 2014
AMH	Affordable Market Housing
CtCLEP	Coast to Capital Local Enterprise Partnership
CtCSEP14	Coast to Capital Strategic Economic Plan 2014
DCLG	Department for Communities and Local Government
HDC	Horsham District Council
HDEP16	Horsham District Economic Plan 2016
HDPF15	Horsham District Planning Framework 2015
HEP16	Horsham Economic Profile, December 2016
HMA	Housing Market Area
HNA	Housing Needs Assessment
HNHD15	Housing Need in Horsham District, March 2015
LPA	Local Planning Authority
MH	Market Housing
NDP	Neighbourhood Development Plan
NPPF	National Planning Policy Framework
OAN	Objectively Assessed Need
ONS	Office for National Statistics
PPC	Pulborough Parish Council
PPG	Planning Practice Guidance
PRS	Private Rented Sector
SHLAA	Strategic Housing Land Availability Assessment
SHMA09	Northern West Sussex Strategic Housing Market Assessment, May 2009
SHMAU12	Northern West Sussex – Horsham Strategic Housing Market Assessment Update, October 2012
UKHPI	UK House Price Index

1. Executive Summary

Introduction

1. The 2011 Localism Act introduced neighbourhood planning, allowing parishes, town councils or neighbourhood forums across England to develop and adopt legally binding development plans for their neighbourhood area.
2. As more and more town or parish councils and neighbourhood forums seek to address housing growth, including tenure and type of new housing, it has become evident that developing policies need to be underpinned by robust, objectively assessed housing data.
3. In the words of the national Planning Practice Guidance (PPG), establishing future need for housing is not an exact science, and no single approach will provide a definitive answer. The process involves making balanced judgments, as well as gathering numbers and facts. At a neighbourhood planning level, one important consideration is determining the extent to which the neighbourhood diverges from the local authority average, reflecting the fact that a single town or neighbourhood almost never constitutes a housing market on its own and must therefore be assessed in its wider context.
4. The guidance quoted above on housing needs assessment is primarily aimed at local planning authorities preparing Strategic Housing Market Assessments (SHMAs), which are used to determine housing need at a local authority level. However, it helpfully states that those preparing neighbourhood plans can use the guidance to identify specific local needs that may be relevant to a neighbourhood, but that any assessment at such a local level should be proportionate.
5. Our brief was to advise on data at this more local level to help Pulborough Parish Council understand, among other matters, the type, tenure and quantity of housing needed to inform neighbourhood plan policies.

PPG-Based Assessment

6. This objective and independent housing needs advice note follows the above PPG approach where relevant. This ensures our findings are appropriately evidenced. The PPG advises that assessment of development needs should be thorough but proportionate and does not require planners to consider purely hypothetical future scenarios, only future scenarios that could be reasonably expected to occur.

Summary of Methodology

7. Housing Needs Assessment at neighbourhood plan level can be focused either on quantity of housing needed, type of housing need, or both. In most cases, there is a need to focus on quantity where the housing target for the settlement being assessed is unclear, for example where the local authority has not set a specific target for the settlement, or where there is no local plan in place.
8. In the case of PPC, the current adopted Development Plan, the Horsham District Planning Framework 2015 (HDPF) sets out the planning strategy for the Horsham District outside of the South Downs National Park for the years up to 2031, and aims to deliver the social, economic and environmental needs of the district.
9. In Policy 15, the HDPF sets a housing figure for the district to be delivered over the Plan period (2011-31) of 'at least 16,000' homes. This will in part be achieved by 'the provision of at least 1,500 homes throughout the district in accordance with the settlement hierarchy, allocated through Neighbourhood Planning.'¹
10. One purpose of this study is to identify a 'fair share' housing number for Pulborough that takes into consideration the above district wide target numbers.
11. In order to carry out this assessment we reference a number of studies commissioned by Horsham District Council. These are the Northern West Sussex Strategic Housing Market Assessment, May 2009 (SHMA09); the Northern West Sussex – Horsham Strategic Housing Market Assessment Update, October 2012 (SHMAU12) and the Northern West Sussex Housing Market Area – Affordable Housing Needs Model Update (AHNMU14). Together these documents represent the evidence base supporting the LPA's housing policies, and are referred to collectively as the 'SHMA studies.'
12. A further rationale for our approach is that neighbourhood plans need to meet a number of Basic Conditions (tested through independent examination) to be 'made' by the LPA. One of these, Basic Condition E, requires the

¹ HDPF, page 56

Neighbourhood Plan to be in 'general conformity with the strategic policies' of the Local Plan, in this case the District Core Strategy. The Government's Planning Practice Guidance indicates that the level of housing development is likely to count as a strategic policy.²

13. In terms of the types of housing needed, there is generally more flexibility on what neighbourhood plans can cover. In order to understand the types of housing needed in Pulborough, we have gathered a wide range of local evidence and summarised it into policy recommendations designed to inform decisions on housing quantity and characteristics.
14. Data and materials gathered relevant to this HNA have been sourced and analysed in line with PPG;³ together, they provide a balance of sources that capture a local perspective.
15. The housing projections set out in this HNA correspond with the Neighbourhood Plan period of 2017-2031; this in turn corresponds with the plan period for the HDPF.

Focus On Demand Rather Than Supply

16. The assessment provides advice on the housing required based on need and/or demand rather than supply, as recommended in PPG⁴. For this reason, we advise that the conclusions of this report should next be assessed against supply-side considerations (including, for example, factors such as transport infrastructure, landscape constraints, flood risk and so on) as a separate and follow-on study.

Quantity of Housing Needed

17. Our assessment of a wide range of data sources identified five separate projections of dwelling numbers for Pulborough between 2017 and 2031 based on:
 1. A housing target for Pulborough that is in conformity with district policy, taking as its starting point the settlement hierarchy minimum is 0 dwellings, given that the parish has already exceeded its target under Policy 15;
 2. a housing target for the NA that is in conformity with district policy taking as its starting point the district minimum for the NA area of 510 new dwellings between 2018 and 2031 or 39 homes per year (rounded);
 3. a housing target derived from the SHMA (a proportional share drawn from the Objectively Assessed Need) which produces a figure of 372 new dwellings over the plan period, or 29 per year (rounded);
 4. a re-based housing target derived from DCLG Household projections is 374, or 29 new dwellings (rounded) per year over the plan period; and
 5. a housing target based on net home completion rates 2001-2016 produces a target of 429 homes over the plan period of 2017-2031 or 31 new dwellings (rounded) per year over the plan period.
18. These dwelling number projections are illustrated in Figure 1 on the following page.

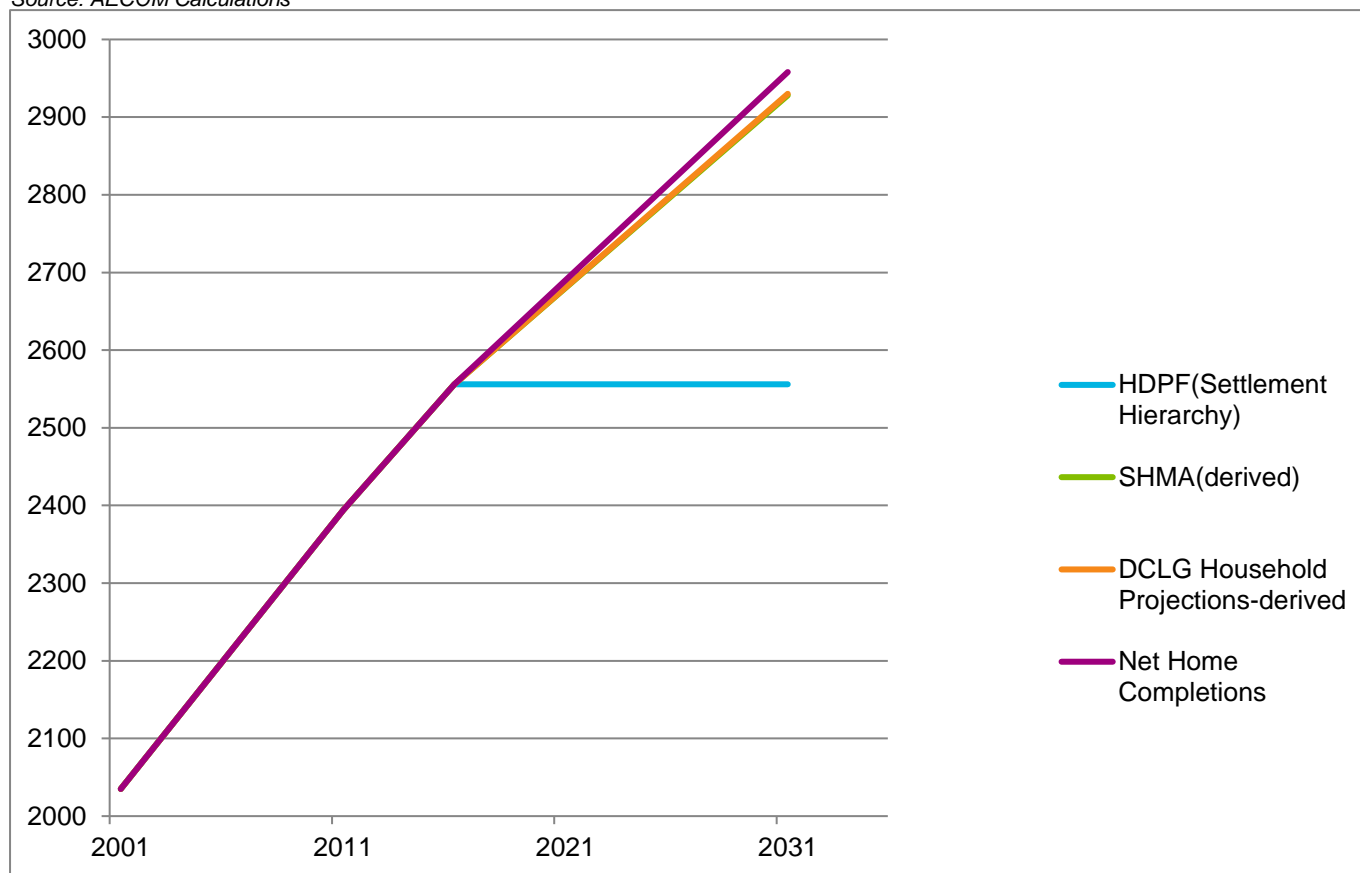
² See Planning Practice Guidance Paragraph: 006 Reference ID: 2a-006-20140306

³ See Planning Practice Guidance Paragraphs: 014 Reference ID: 2a-014-20140306 and 009 Reference ID: 2a-009-20140306

⁴ 'the assessment of development needs should be an objective assessment of need based on facts and unbiased evidence. Plan makers should not apply constraints to the overall assessment of need, such as limitations imposed by the supply of land for new development, historic under performance, viability, infrastructure or environmental constraints.' PPG (date)





Figure 1: Dwelling projections for the Pulborough NA Area, 2017-2031

Source: AECOM Calculations



19. The graph above sets out the growth in the total number of homes in the NA factoring in each of the projections we have identified in Pulborough. So, for example, factoring in DCLG derived data (orange line) to the number of dwellings that have already been built in the NA between 2011 and 1st January 2016 (162) produces a total requirement that there should exist in the NA 2,930 homes by the end of the Plan Period (adding together existing dwellings, and new homes that are required to be built). Please note the green line denoting the SHMA derived projection is concealed behind the DCLG orange line on account of the similarity of the findings.
20. The starting point to arrive at an overall projection for housing numbers to be delivered in the NA over the Plan Period is the average of the four projections set out above; we depart from this approach if we have reason to believe a given projection should be awarded more weight than others, or should be excluded. For example, if the Local Plan was out of date in planning terms, of the net home completion rates were clearly affected by acute supply constraints.
21. In the case of Pulborough, projection 2, derived from the overall housing target for the district does not reflect relevant policy, and only the 'settlement hierarchy' number taken into consideration. For this reason, we have excluded projection 2 from our calculation. The average of the remaining four projections comes to 294 dwellings, or 21 dwellings per year over the Plan Period (rounded).
22. Moreover, a further assessment applied to this initial projection indicates that market signals (for example the economic context in which the NA sits, together with the performance of the housing market) are likely to impact on it. We have applied our professional judgment on the scales of increase and decrease associated with each factor on a scale from one to three, where one arrow indicates 'some impact', two arrows 'stronger impact' and three arrows indicates an even stronger impact. Factors are set out in the table below in alphabetical but no other order.

Table 1: Summary of factors specific to Pulborough with a potential impact on neighbourhood plan housing quantity

Factor	Source(s) (detailed in Chapter 9)	Possible impact on future housing need	Rationale for judgement
Employment and Commuting	Census 2001/11, LEPSEP14, HDEP16, SHMA09,		Pulborough has a relatively contained labour market, with most people in the parish working within Horsham district. As such, employment of residents in the parish will benefit from the significant employment growth potential in Horsham, particularly from small and medium sized businesses, local retailers, and other local employment hubs. A diagnosis of one up arrows is deemed appropriate due to the strong growth prospects of the local economy.
Housing Sales (Prices)	Land Registry Price Paid Data for 2006-2016, SHMA09		<p>Pulborough slightly lower prices on average compared to Horsham as a whole, although for some types of houses, such as detached and terraced homes, prices were higher than the average for the district.</p> <p>Historically, house prices were in fact higher in the parish than across the district, but significantly higher price growth across Horsham over the last 10 years did not affect Pulborough to the same extent.</p> <p>Taking into account the relatively modest house price growth in recent years, we do not see sufficient evidence to justify an increase in the housing needs figure based on the appreciation of house prices.</p>
Housing Sales (Volume)	Land Registry Price Paid Data for 2007-2016, Census 2001/2011 data, SHMA09, ONS Housing Summary Measures Analysis 2015,		Pulborough's rate of housing turnover, that is the percentage of all privately owned stock being sold each year, has been shown to be significantly higher than the nation average, and up to double that in some years. This may have contributed to the relatively lower price growth discussed above. However, such high sales volumes are clearly indicative of high demand for housing in relation to its relative affordability. Therefore, two up arrows has been deemed appropriate.
Rate of development	HDC, HNHD15 Land Registry Data/AECOM Calculations		Although historically, rates of delivery have been high in Pulborough, these have declined significantly since 2011, with rates of delivery in Horsham now much higher than those in the parish in relation to existing stock. Indeed, less than half of existing commitments, i.e. dwellings granted planning permission, have been built, suggesting that in future, under delivery is fairly likely. This is compounded by wider under-delivery throughout the housing market area in relation to planned targets.

Overcrowding and Concealment

Census Data 2001, 2011



There has been a significant reduction in those experiencing overcrowding in Pulborough, however, this is set against a slightly higher level of concealment in comparison with the district, particularly given the context of lower levels of parents with non-dependent children living at home. As such, a diagnosis of one up arrow is deemed appropriate, given the compelling evidence of housing need presented by the 22 concealed families in the parish.

23. Market signals research has shown that Pulborough is located in an area with a reasonable potential for jobs growth, as a result of it being within commuting distance of significant areas of local employment opportunity, and the 'Coast to Capital' economic region, as well as its high level of home working, small businesses and business survival rates. It is important to note however that it is not within easy commuting distance London, Brighton or other major centres.
24. The most compelling argument for an increase in dwelling numbers as a result of the market signals analysis is data relating to the under-delivery of new dwellings in recent years and the high demand for dwellings suggested by the rapid turnover of stock.
25. While we are mindful of these factors, we are also conscious that the 'settlement hierarchy' approach to the calculation of a housing target for the town suggests Pulborough has already satisfied its housing target. For this reason in particular we do not propose any uplift to the housing projection arrived at in para 21 above.
26. Therefore the final Housing Needs Figure for Pulborough arrived at in this HNA is **294 dwellings, or 21 dwellings** per year over the Plan Period (rounded).

Table 2: Summary of local factors specific to Pulborough with a potential impact on neighbourhood plan housing characteristics

Factor	Source(s) (see Chapters 6,7 and 8)	Possible impact on housing needed	Conclusion
Affordable Housing (AH)	AirS, Census, SHMA studies	<p>According to the AirS study in 2011, 82 households, or 14.7% of all residents, were eligible for AH, of these the majority were one person households (61%), of which the overwhelming majority (74%) were 'younger'.</p> <p>Concealed households data registered 1.4% in Pulborough and 1.2% in Horsham in the 2011 Census.</p> <p>Census data shows 8.9% of households having non-dependent children.</p> <p>The Lower Quartile Affordability Ratio (LQAR) for Horsham is 11.04 and the Median AR is 10.89</p> <p>At the district level, SHMA data indicates 63.4% households are unable to buy. Taking into account the 14.7% of households in Pulborough eligible for AH (AirS)</p>	<p>The evidence gathered suggests policy should address the needs of newly forming households specifically, both through provision of AH and Affordable Market Homes (AMH)</p> <p>The LQAR and MAR demonstrates that households on lower incomes will not be able to access affordable market homes (AMH), and this becomes more acute as we travel down the income spectrum.</p> <p>Forms of AH likely to be introduced as part of revisions to the National Planning Policy Framework (NPPF) appear to potentially have a role to play in Pulborough given that Discounted Market Sale Homes, for example 'Starter Homes' bring entry level dwellings priced at around £190,000 within the means of those on average incomes.</p> <p>Data from the Affordable Housing Register does not support an affordable housing policy in the NDP given that the households who have expressed an interest in living in Pulborough could be housed elsewhere.</p>

Factor	Source(s) (see Chapters 6,7 and 8)	Possible impact on housing needed	Conclusion
		this suggests around half of all households are unable to afford a suitable dwelling without subsidy.	
Demand/need for smaller dwellings	Census, SHMA studies	<p>A large minority (30%) of households are single person, half of whom are aged 65+. Combined with couple households with no children, these two groups represent a majority of all households.</p> <p>The growth in one-person households during the inter-censual period is echoed in SHMA forecasts of demographic change over the period 2006 – 2026, with this household type forming the bulk of overall household growth.</p>	
Demographic change		<p>During the inter-censual period:</p> <p>the proportion of the population accounted for by adults aged between 44 and 64 increasing substantially;</p> <p>younger age groups remained constant, or registered small falls;</p> <p>the growth in the older population was marked, with those aged 65+ increasing by 290 individuals;</p> <p>These trends are echoed in the SHMA data that suggests younger group will remain steady, but older groups will constitute the entirety of population growth.</p> <p>Those aged between 60 and 74 are forecast to grow by 38.4% and those aged 75+ by 86/5%.</p>	As the 44-64 cohort reaches older age there will be a significant need for more specialist and move-on accommodation to reflect the ageing profile of the Parish over the plan period (see below).
Dwelling type	Census, Parish Household Survey (2014)	<p>Detached dwellings are the most the prevalent house type at 40.3% of all dwellings; 10% of all households occupy dwellings or 1-3 habitable rooms, whereas 50% are larger family dwellings or 6 rooms or larger.</p> <p>The greatest increase in dwelling size during the inter-sensual period is larger homes; nevertheless, smaller dwellings of 3 rooms have increased by the same proportion, although in</p>	<p>The substantial increase in the number of larger homes suggests the greatest returns on investment for volume housebuilders is in the larger format dwellings.</p> <p>Taking into consideration demographic shifts that have been identified over the inter censual period, and forecast changes to both age structure and household composition set out in the SHMA studies, there appears to be an emerging misalignment between the current housing stock and the needs of the community; this presents a prima facie case for planning to guide development towards smaller homes such</p>

Factor	Source(s) (see Chapters 6,7 and 8)	Possible impact on housing needed	Conclusion
		<p>numerical terms smaller dwellings account for 62 homes, whereas the larger homes 109 as three room dwellings are starting from a lower base.</p> <p>Community engagement activity undertaken by the Parish Council suggests many residents recognise the need for dwellings suited to both of the elderly and newly formed households.</p>	that, overtime, they constitute a larger proportion of overall dwellings. However, given the growth of the number of smaller dwellings over the intercensal period, this suggests the market is responding to demand. Plan makers should therefore be proportionate and measured in their response, as too prescriptive a policy may undermine overall viability.
Family-sized housing		<p>Data relating to the age structure presents a picture of a district with a strong family presence (some 53% of adults are of parental age).</p> <p>32.1% of all households have children.</p>	
Housing for independent living for older people		Demographic shifts identified in this table provide evidence for policy to focus on the needs of the elderly.	<p>It is a national Social Care policy to enable the elderly to remain in their own home, close to family and friends, for as long as possible. For this reason, the design principles associated with lifetime homes and lifetime neighbourhoods should apply in bringing forward new development in Pulborough.</p> <p>Application of the Housing LIN (Learning and Improvement Network) model results in an estimate, over the Plan period, in a parish need for:</p> <p>19 (rounded) additional conventional sheltered housing units;</p> <p>32 (rounded) additional leasehold sheltered housing units;</p> <p>6 (rounded) additional 'enhanced' sheltered units, split 50:50 between those for rent and those for sale;</p> <p>5 (rounded) additional extra care housing units for rent;</p> <p>10 (rounded) additional extra care housing units for sale;</p> <p>2 (rounded) additional specialist dementia care units.</p>

Recommendations for next steps

27. This neighbourhood plan housing needs advice has aimed to provide Pulborough with evidence on housing trends from a range of sources. We recommend that the parish should, as a next step, discuss the contents and conclusions with HDC with a view to discussing the implications for formulating draft housing policies, in particular agreeing the level of need for new housing in the NP area, bearing the following in mind:
 - Neighbourhood Planning Basic Condition A, that it has regard to national policies and advice contained in guidance issued by the Secretary of State; Condition D, that the making of the neighbourhood plan contributes to the achievement of sustainable development; and Condition E, which is the need for the neighbourhood plan to be in general conformity with the adopted strategic development plan;
 - the views of HDC – in particular in relation to the housing need figure that should be adopted;
 - the views of local residents;
 - the views of other relevant local stakeholders, including housing developers; and
 - the numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by the HDC, including but not limited to the SHLAA
 - the recommendations and findings of this study; and
 - The impact of the new Government proposed standard methodology on calculating housing need on the district and its neighbourhoods.
28. Recent changes to the planning system, forthcoming changes to the NPPF, as well as the implementation of the Housing and Planning Act 2016, will continue to affect housing policies at a local authority and, by extension, a neighbourhood level.
29. This advice note has been provided in good faith by AECOM consultants on the basis of housing data and national guidance current at the time of writing (alongside other relevant and available information).
30. Bearing this in mind, we recommend that the steering group should monitor carefully strategies and documents with an impact on housing policy produced by the District Council or any other relevant body and review the neighbourhood plan accordingly to ensure that general conformity is maintained.
31. At the same time, monitoring ongoing demographic or other trends over the neighbourhood plan making period affecting the factors summarised in Tables 1 and 2 would be particularly valuable.

2. Context

2.1 Local context

32. Pulborough is a large village and civil Parish falling within Horsham District Council in West Sussex. The village sits approximately at the junction of the A283 leading to Shoreham by Sea, and the A29, leading to London. The village also benefits from a station on the Arun Valley Line, with trains running to numerous destinations including Horsham and to London Victoria, taking just over an hour.
33. The village of Pulborough is characterized by a range of different types of neighbourhoods built in different eras, which are woven together and are centered around the A283 as a local high street. Fields extend into the heart of the village, providing numerous green amenity spaces to residents.
34. The wider Parish area encompasses the neighbouring hamlets of Codmore Hill, Marehill, North Heath and Nutbourne, and is bordered to the South and West by the South Downs National Park, some of which falls within the Parish Boundaries. The western edge of the Parish is also bordered for much of its way by the River Arun, whilst the river Rother also runs through the parish, crossing over the River Arun.
35. Both the A29 and the rail line provide a strong spine of infrastructure within the parish, with Pulborough, Codmore Hill and North Heath all aligned along it. However, the vast majority of the rest of the parish is open fields and woodland, divided by a patchwork of hedgerows typical of this part of England.

2.2 Planning policy context

36. In line with the basic conditions of Neighbourhood Planning, Neighbourhood Development Plans (NDPs) are required to be in general conformity with the adopted strategic local policies. Consequently, there is a requirement for the relevant Local Plan to be reviewed as part of this HNA.
37. The Horsham District Planning Framework (excluding South Downs National Park), adopted in 2015, is the most up to date local plan for the area, and the emerging Horsham District Local Plan is at a sufficiently early stage of preparation, with no drafts published) as to be disregarded for this exercise, and is projected to be published in 2020⁵. The 2015 Framework replaced the Core Strategy and General Development Control Policies adopted in 2007.
38. The Horsham District Planning Framework 2015 sets out the planning strategy for the Horsham District outside of the South Downs National Park for the years up to 2031, and aims to deliver the social, economic and environmental needs of the plan area.
39. **Strategic Policy 2 ‘Strategic Development’**, which sets out that the focus of development in the district will conform to the settlement hierarchy, in which Pulborough is identified as a small town/larger village, and be focused on the market town of Horsham. It supports development which protects the rural character and existing landscape, whilst providing for the varied housing needs of the community. In particular it looks to bring forward three strategic development sites, although none of these are within the NA.
40. **Strategic Policy 3 ‘Development Hierarchy’** which sets out the mechanism of built-up area boundaries to support the planned expansion of existing settlements through the Local Plan and Neighbourhood Planning processes. Within this boundary, development is accepted in principal, whereas outside of it, development will be more strictly controlled. Emphasis is placed on the use of a Settlement Sustainability Review⁶ to ensure that development is of a scale that both retains the character and role of the settlement in terms of the range of services and facilities there as well as community cohesion.
41. **Strategic Policy 15 ‘Housing Provision’** which establishes the need for 800 homes per year to be built, or 16,000 homes over the next 20 years, to meet the demand created by growth in the economy of the Gatwick Diamond economic area, running from London in the North to Brighton in the South and centred around Gatwick Airport, and inward migration to Horsham as a result of its attractive quality of life and growing local economy. This target will be supported by: completions between 2011 and 2015, when the plan was adopted, homes already permitted or agreed for release, three strategic sites, the allocation of “1500 homes...through Neighbourhood Planning”, and 750 windfall units.

⁵ Horsham Local Development Scheme 2017

⁶ https://www.horsham.gov.uk/__data/assets/pdf_file/0016/9313/CD_GC_01_Settlement-Sustainability-Review2014.pdf

42. **Strategic Policy 16 ‘Meeting Local Housing Needs**, which seeks to achieve a mix of housing sizes, types and tenures to meet established local housing needs, subject to the existing character of neighbourhoods and individual scheme viability. It does so by requiring all residential developments of between 5 and 14 dwellings to provide 20% affordable, or a financial contribution where this is deemed is not deemed achievable; and by requiring all developments of more than 15 dwellings or on sites over 0.5 hectares, to provide 35% affordable dwellings. These provisions will also apply to sub-divided sites in a way which ensures the same amount of affordable housing is achieved as if they were not sub-divided. All of these policies will be subject to viability, as well as assurances that local housing needs as set out in the latest SHMA are met. The framework also notes that “the council will support schemes being brought forward through Neighbourhood Plans”.
43. **Policy 17 ‘Exceptions Housing Schemes’**, which enables rural, greenfield sites near to settlement boundaries to come forward for development to meet local housing needs. This is considered acceptable where no suitable alternatives exist within the locality to meet the need, that the need is in a single parish or its immediately adjoining parishes within Horsham District, and that the needs relate to existing residents in unsuitable accommodating or needing separate accommodation in area (excluding existing owner occupiers), people whose work provides important services and who need to live in the parish, people who may no longer be resident in the parish but have longstanding links with the local community, and people with the offer of a job in the parish who cannot take up the offer because of a lack of affordable housing. A further condition is that the development must “provide subsidised housing in perpetuity which will normally be managed by a provider that is registered with the Homes and Community Agency.”
44. **Policy 18 ‘Retirement Housing and Specialist Care’**, which states that “proposals for development which provide retirement housing and specialist care housing will be encourage and supported” where they are accessible from existing settlements and where they cater to those on lower incomes. Large scale retirement communities will also be supported in appropriate locations, provided they accommodate a range of needs, include some affordable provision or an appropriate financial contribution, and contribute “appropriate services and facilities”.
45. **Policy 19 ‘Park Homes and Residential Caravan Sites’** which states that provision of park homes and caravans will be supported so long as they meet local housing needs and are marketed locally for a reasonable period of time, that they are used for permanent accommodation, and that flooding, drainage and ground engineering are not significant barriers to their development. Proposals to convert these to permanent housing or holiday accommodation will not be supported in the face of housing need, whilst conversion of existing holiday accommodation will have to meet the same criteria as new building of this type, and must not harm nearby occupiers and users amenity or damage the environment.
46. **Policy 20 ‘Rural Workers Accommodation’** which takes the view *that* Housing for rural workers to support the rural economy will be supported outside of the defined built-up area, provided that it is functionally required and its occupation supports the established business use, and that evidence is submitted to demonstrate the viability of the rural business for which the housing is required.
47. **Strategic Policy 21 ‘Gypsy and Traveller Sites Allocations’**, which states “Provision shall be made for 39 net additional permanent residential pitches for Gypsies and Travellers within the period 2011 – 2017”, and that the council will make provision for Gypsy, Traveller and Travelling Showpeople (GTTS) over the rest of the plan period. It allocates 4 sites for this purpose, delivering a total of 29 pitches, and notes sites with existing planning permission for a further 13 pitches. One of these sites is Lane Top in Pulborough, which will be allocated to accommodate 3 pitches.
48. **Policy 22 ‘Gypsy and Traveller Sites’**, which states that existing sites for GTTS will be safeguarded from development preventing their use for that purpose, unless they are no longer required to meet identified need. It notes that the provision of sites to meet that need beyond 2017 will be identified in a Site Allocations Development Plan Document, and that further sites may be provided: on windfall sites, by extending existing sites, by redeveloping existing sites, by allocating further sites within strategic developments sites or as standalone allocations, on publically owned land, both publically managed and for purchase by GTTS. The council also states that it will “work with neighbouring authorities to make appropriate provision to meet the requirements for Gypsies and Travellers.”
49. **Strategic Policy 23 ‘Gypsy and Traveller Accommodation’**, which sets out the criteria for determining the allocation of land for GTTS and assessing planning applications for this purpose, namely: barriers to development such as flooding or ground engineering issues; safe and convenient vehicle and pedestrian access; proper utility servicing and size of site to accommodate amenities; location in or near existing settlements, or part of an allocated strategic location within reasonable distance of local services; and that the development does not have an unacceptable impact on the character and amenities of neighbours and is sensitively designed. Furthermore, it takes the view that “in assessing sites for Travelling Showpeople, or where mixed uses are proposed, the site and its

surrounding context must be suitable for mixed residential and business uses, including storage required and/or land required for exercising animals”, and does not have adverse impacts on neighbours in the same way as above.

3. Approach

3.1 Research Questions

50. Housing Needs Assessment at neighbourhood plan level can be focused either on quantity of housing needed, type of housing need, or both. In most cases, there is a need to focus on quantity where the housing target for the settlement being assessed is unclear, for example where the local authority has not set a specific target for the settlement, or where there is no local plan in place.
51. Research Questions, abbreviated to 'RQ,' are arrived at the start of the project through discussion with the parish. They serve to direct our research and provide the structure for the HNA. Below we set out the RQs relevant to this study, as discussed and agreed with Pulborough Parish Council (PPC).

3.1.1 Quantity

52. Horsham District Planning Framework (HDPF) sets a figure for dwellings to be delivered over the Plan Period (2011-31) of 'at least 16,000' homes. This will in part be achieved by 'the provision of at least 1,500 homes throughout the district in accordance with the settlement hierarchy, allocated through Neighbourhood Planning.' Moreover, a small part of the parish falls into the South Downs National Park (SDNP). The purpose of this HNA is to identify Pulborough's 'fair share' of Horsham's and SDNP's housing targets.

RQ1 a) What quantity of housing is appropriate for the NA, bearing in mind a small part of the parish falls into the South Downs National Park? b) How many committed dwelling are there?

53. The above requires arriving at an estimate for housing growth relying on a number of reliable sources; these are,
- A number derived from the Local Plan
 - A figure derived from the SHMA based on the proportional share of objectively assessed need (OAN);
 - DCLG Household projections
 - Net dwelling completion rates 2001-2016

A figure is also provided based on the Standard Methodology for Assessing Housing Need

3.1.2 Tenure

54. In addition to the question of quantity, is it important to drill down to reflect community need going forward in relation to the tenure, type, size of dwellings together with the requirement for 'specialist' housing suited to the needs of niche groups. PPC has also expressed an interest in seeing more affordable housing in the NA so as to address the need for housing for people on modest incomes; for example, care workers looking after the elderly people. This study will therefore explore tenure mix with a particular focus on affordable housing.

55. The key research questions can be summarised as follows,

RQ2 What affordable housing (social housing, affordable rented, shared ownership, intermediate rented) and market tenures should be included in the housing mix?

56. PCC intends to develop a Community Land Trust to bring forward affordable rented housing, owned and controlled by residents. There is therefore an interest to understand community-led housing and the most appropriate means of achieving this.

RQ3 What methods are available to delivery of community led housing, and which would be most appropriate for Pulborough?

3.1.3 Type and size

57. While PCC feel anecdotally the parish is in greatest need of dwellings of 2 or 3 bedrooms, they would like the HNA to draw together objective evidence showing what size and type of dwellings should be provided in future years to meet need within the parish.

RQ4. What type (terrace, semi, bungalows, flats and detached) and size (number of habitable rooms) of housing is appropriate?

3.1.4 Housing for specialist groups

58. PCC believe there to be a strong likelihood that the numbers of those aged 65 and over will increase substantially in future years, with a corresponding increase in those aged 85+.

RQ5 What provision should be made for specialist housing for older members of the community in future years?

3.2 Study Objectives

59. The objectives of this report can be summarised as:

- Collation of a range of data with relevance to housing need in Pulborough relative to Horsham;
- Analysis of that data to determine patterns of housing need and demand; and
- Setting out recommendations based on our data analysis that can be used to inform the Neighbourhood Plan's housing policies.

60. The remainder of this report is structured around the objectives set out above, based on our data analysis that can be used to inform the Neighbourhood Plan's housing policies.

3.3 Relevant Data

61. Before answering the RQs, it is necessary to describe the sources from which we draw our evidence. The PPG states that plan-makers can refer to existing secondary data to inform their assessment of housing need⁷; such sources include relevant reports commissioned by the local planning authority. In the case of Pulborough HNA, we refer to a number of documents (the 'SHMA studies') which together provide the evidence base for the housing policies contained in the current adopted Local Plan, the Horsham District Planning Framework (HDPF). These documents are listed below:
- Northern West Sussex Strategic Housing Market Assessment, May 2009 (SHMA09)
 - Northern West Sussex – Horsham Strategic Housing Market Assessment Update, October 2012 (SHMAU12)
 - Northern West Sussex Housing Market Area – Affordable Housing Needs Model Update (AHNMU14)
 - Housing Need for Horsham District, 2015 (HNHD15)
62. While these are credible sources, and their statistical robustness can be assumed, their usefulness also depends on whether the Housing Market Area (HMA) that the SHMA studies treat as their subject area can be used as a proxy for the NA. This requires an assessment of the extent to which the demographic characteristics and economic trends that it identifies are shared with it. Shared characteristics do not arise by chance, but emerge as a result of internal linkages fundamental to the notion of the 'housing market area' (HMA).
63. PPG defines an HMA as a geographical area 'defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live and work.'⁸ It goes on to remark that 'establishing the assessment area may identify smaller sub-markets with specific features, and it may be appropriate to investigate these specifically in order to create a detailed picture of local need. It is important also to recognise that there are 'market segments,' i.e. not all housing types or economic development have the same appeal to different occupants.'⁹
64. PPG therefore sets two principle tests for identifying a functional HMA: patterns of demand for housing and commuting relationships. The first can be denoted by the concept of 'self-containment,' the degree to which household moves are contained within a certain geographical area, and the second by 'travel to work areas.' The SHMA09 notes that it is generally assumed that around 70% of household moves will be contained within a functional HMA¹⁰.
65. SHMA09 uses these tests to identify of housing markets at the district level. Two main markets emerge in West Sussex; these are illustrated in Figure 2 below (which reproduces SHMA09 Figure 2.26). One, labelled the Northern West Sussex Sub-Regional Housing Market, extends south to Haywards Heath and Burgess Hill, to East Grinstead, Horley and west-south west to Billingshurst, Petworth and Pulborough itself. The other is the coastal urban area extending to Chichester in the west and Worthing and Lancing to the east.

⁷ PPG Paragraph: 014 Reference ID: 2a-014-20140306

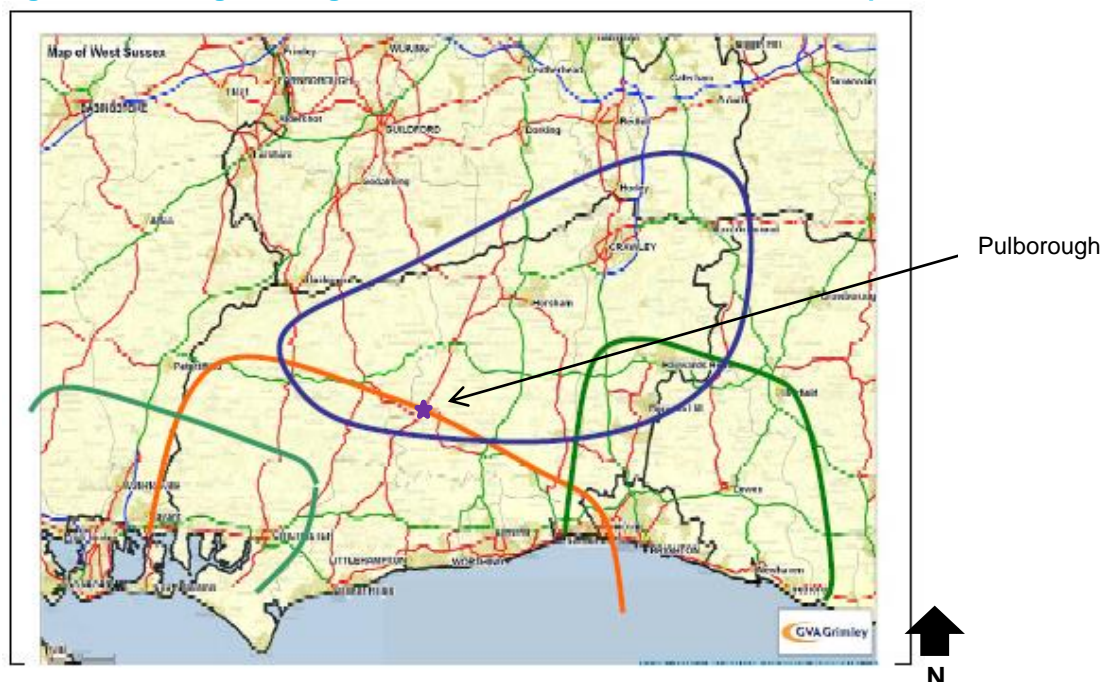
⁸ Planning Practice Guidance Paragraph: 010 Reference ID: 2a-010-20140306 Revision date: 06 03 2014

⁹ Planning Practice Guidance Paragraph: 008 Reference ID: 2a-008-20140306 Revision date: 06 03 2014

¹⁰ SHMA09, page 16

66. For the purposes of this study, we assume that, broadly speaking, the data provided in the SHMA studies related the Northern West Sussex Sub-Regional Housing Market may be applied to Pulborough. Nevertheless where locally specific data tells a different story, this is drawn out and may be used as the justification for policy within the neighbourhood plan that adjusts or builds on Local Plan policy to achieve greater local specificity.

Figure 2: Defining Housing Market Areas and Areas of Market Overlap



Source: GVA Grimley/SHMA09

67. In addition to providing a source of data, SHMA09 is helpful in identifying differences between different parts of the HMA, describing areas to the west of the A23/M23 corridor (which includes Pulborough) as being 'rural in nature, with attractive smaller settlements offering high quality of place and a housing offer focused more towards larger properties with strong demand. Commuting patterns are more dispersed, with a mix of people working locally, commuting to the larger economic centres'. This provides a reasonable picture of Pulborough, and demonstrates SHMA09 seeks to draw out the characteristics of the individual sub-markets and is relevant to this study.
68. Finally, given the age of the SHMA09, it is reasonable to ask whether its data remains true in 2017, or whether there have been changes in the economic geography to precipitate a shift in the HMA's boundaries. Later updates to SHMA09 (the other SHMA studies) suggest this is not the case and that, 'the defining characteristics of the HMA and its interactions/overlaps with surrounding areas previously identified will not have fundamentally altered such that the primary focus of the HMA should be considered as out-dated.¹¹'
69. Given Pulborough's location in an area relatively remote from the centre of the HMA, a particular emphasis on this study is placed on data gathered locally; this includes
- Pulborough Neighbourhood Plan Survey of Residents, Full Results (Summer 2014); and
 - Census data from 2001 and 2011 related to the Parish.

¹¹ AHNMU14, page 16

4. ***RQ1 a) What quantity of housing is appropriate for the NA, bearing in mind a small part of the parish falls into the South Downs National Park? b) How many committed dwellings are there?***

70. We have estimated the quantity of housing needed in NA according to four different sources; these are,
1. A housing target for Pulborough that is in conformity with district policy, taking as its starting point the settlement hierarchy minimum is 0 dwellings, given that the parish has already exceeded its target under Policy 15;
 2. a housing target for the NA that is in conformity with district policy taking as its starting point the district minimum is 510 dwellings between 2018 and 2031 or 39 homes per year (rounded);
 3. a housing target derived from the SHMA (a proportional share drawn from the Objectively Assessed Need) produces a figure of 372 dwellings over the plan period, or 29 per year (rounded);
 4. a re-based housing target derived from DCLG Household projections is 374, or 29 dwellings (rounded) per year over the plan period; and
 5. a housing target based on net home completion rates 2001-2016 produces a target of 429 homes over the plan period of 2017-2031, or 31 dwellings per annum (rounded)

These calculations are set out below.

4.1 Horsham District Planning Framework (HDPF) 2015

4.1.1 Settlement Hierarchy minimum

71. To calculate the 'fair share' of the 1,500 dwellings that HDC expects to be delivered 'throughout the district in accordance with the settlement hierarchy'¹² we have calculated the number of dwellings in the settlement as a proportion of all the settlements that come under the three different categories of 'small towns and larger villages, medium villages and smaller villages' (the 3 categories) set out in Policy 3.¹³
72. It is important to note we have excluded the 'Main town' of Horsham from this calculation as it does not form one Neighbourhood Area (NA). In addition, it is not anticipated that dwellings will come forward through neighbourhood planning due to the strategic nature of development in and around Horsham town. This should therefore be excluded from the 1,500 dwellings sought through section 4 of Policy 15.
73. The total number of dwellings in the three categories comes to 21,517 dwellings. This figure has been arrived at by accessing Census 2011 data relating to specific Middle and Lower Super Output Areas (M/LSOAs) and Output Areas (OAs) that focus on the spatial arrangement of each town and village (as opposed to the wider parish in which they sit). This is based on a reading of Policy 3 which specifically suggests that development will only be permitted within the defined built-up areas.
74. In 2011, there were 906 dwellings in the built-up areas of the two settlements (Pulborough and Codmore Hill) included in the Settlement hierarchy¹⁴; this equates to 4.21% of all the dwellings in the 3 categories. On this basis we can calculate that the settlement's fair share of the 1,500 figure is 63 dwellings (rounded) to be delivered over the Plan Period.
75. In arriving at a final total for PPC, it is important to take into consideration that, according to data provided by the Local Authority, 162 net new dwellings were built between 2011 and 2016 in the NA.¹⁵ Allowing for these completed dwellings, a housing target for Pulborough that is in conformity with emerging district policy, taking as its starting point the settlement hierarchy minimum, is therefore 0 dwellings, given that the parish has already exceeded its target under Policy 15.

¹² HDPF, page 56

¹³ HDPF, page 25

¹⁴ Census 2011

¹⁵ Parish Completions Data - Pulborough, Mark Daly Planning Officer Strategic Planning and Sustainability 16/10/17

4.1.2 District minimum

76. As we have seen, Policy 15 of the HDPF puts forward a housing requirement for 'at least 16,000' for the whole district over the Plan Period between 2011 and 2031. The proportional share may be calculated for Pulborough Parish based on the proportion of homes within the district that fall into the NA. At the time of the last Census there were 2,394 dwellings in the NA and 56,516 in the district; this represents 4.2% (rounded) of all homes in the district. Therefore, 672 homes (4.2% of 16,000) homes should be allocated as the 'fair share' of the District target.
77. In arriving at a final total for PPC, as with the settlement hierarchy calculation, it is important to take into consideration that, according to data provided by the Local Authority, 162 net new dwellings were built between 2011 and 2017 in the NA. Allowing for these completed dwellings, a housing target for Pulborough that is in conformity with district policy is therefore 510 dwellings (672-162) between 2018 and 2031 or 39 homes per year (rounded)

4.2 Strategic Housing Market Assessment (SHMA) 2009

78. It is important to remember that the SHMA presents a demand-side only, or 'unconstrained' assessment of need (often identified as Objectively Assessed Need, or OAN¹⁶), as opposed to a final housing target. The final housing target will take into account a number of other important factors, including for example the availability of land, viability, infrastructure and environmental constraints and the results of consultation.
79. Nonetheless, the SHMA presents an appropriate starting point for deriving need at the NP level, because it is an authoritative source of evidence, and importantly, because it takes into account population and household projections, as set out in the 2012 Sub-National Population Projections (SNPP). SNPP provide the basis for Household Projections which the PPG suggests should be taken as a 'starting point' in determining need at the local authority level.
80. The HNHD15 identifies an OAN for Horsham District over the period 2011 - 31 of 12,720 homes.¹⁷ This number has been selected from a number of options on the basis of the support it provides to employment growth of 275 jobs per annum as recommended by the Inspector following the examination of the HDC's Planning Framework. It includes upwards adjustments to household formation rates relative to trends, producing an increase in housing supply (of both market and affordable housing). This reflects a policy aim of improving affordability, thus enabling a growing number of younger households in their 20s and 30s to form.
81. To calculate the NA's 'fair share' of this target, it is again possible to use Pulborough's proportion of all housing in the borough (4.2%). This produces a figure of 534 dwellings (rounded). Furthermore, it is necessary to take into consideration homes built in the NA in recent years; since 2011, as set out above, 162 dwellings have been built; producing a final target of **372 dwellings over the plan period, or 29 per year** (rounded).

4.3 DCLG Household Projections

82. The Department for Communities and Local Government (DCLG) periodically publishes household projections. The PPG recommends that these household projections should form the starting point for the assessment of housing need.
83. The most recent (2014-based) household projections were published in July 2016, and extend to 2039. Although population projections are only available at a local authority level, a calculation of the share for the NA is nevertheless possible for the household projections based on the NA's household numbers in the 2011 Census.
84. At the 2011 Census, Horsham had 54,923 households and the NA 2,302 or 4.19% of the total (rounded).
85. In the 2014-based household projections, the projection for 2031 is for 66,854 households in Horsham. Assuming it continues to form 4.19% of the district total, the NA's new total number of households would be 2,801 (rounded); therefore 499 new households will form in the NA between 2011 and 2031 (or a rate of growth of 24.95 households per year).
86. Number of households does not, however, equate precisely to number of homes, with the latter slightly higher in most places. The NA is no exception; in the 2011 Census, there were 2,302 households but 2,394 homes. This gives

¹⁶ The OAN includes the baseline demographic need, plus any adjustments made to official forecasts to account for projected rates of household formation post 2021, past suppression of the formation of new households, the effect of past under-supply, employment forecasts, market signals and affordable housing need (as set out in paragraph ID2a-004 of the PPG). This is sometimes described as 'policy off' because it does not take account of final policy responses as a result of taking into account capacity, environmental and infrastructure constraints.

¹⁷ GL Hearn, Housing Need in Horsham District, March 2015, page 49

a ratio of 0.96 households per home. In the case of NA, then, a projection of 499 new households translates into a need for 520 ($499/0.96$) homes (rounded to the nearest whole number).

87. These figures are based on the assumption that 2014-based government projections as to household growth at the Local Authority level are accurate. As the annual mid-year population estimates have now been released for 2015, the 2014-based household projections may need to be 'rebased' for accuracy. The mid-2015 population estimates give the actual number of people in the NA at that point, meaning the difference between the estimated and the previously projected number of households can be taken into account in future projections.
88. The 2014-based household projections were based on the 2014-based Sub-National Population Projections, which estimated that by 2015 there would be 134,990 people in Horsham. The mid-2015 Estimates show that based on the latest information there were estimated to be 135,868 people, which is higher than the projections by 878 people. Assuming average household sizes remain constant (in 2011 there were an average of 2.4 people per household (rounded), obtained by dividing population by number of households) this equates to 366 more households across Horsham.
89. Taking 67,220 ($66,854 + 366$) as our revised household number at 2031, this equates to 2,817 households in the NA (rounded), producing a revised growth in the number of households between 2011 and 2031 of 515. Taking into account the disparity between household numbers and dwelling numbers ($515/0.96$), this produces figure of 536 homes (rounded). Netting off the 162 dwellings completed since 2011, **we arrive at a re-based household projections-derived dwellings of 374, or 29 dwellings (rounded) per year over the plan period.**
90. This projection is an entirely unconstrained, theoretical figure comprising a relative proportion of the overall projected increase, and thus does not take into account political, economic, demographic or any other drivers that might have influenced, or may in future influence, the Local Plan distribution across the District and hence any difference between this figure and a future Local Plan-derived figure.

4.4 Home growth 2001-2011

91. Consideration of home growth 2001-2011 provides a projection based on the rate of delivery of net new homes between the two censuses. As we have seen, there was an increase of 359 homes in the NA between these two dates, or an average annual rate of increase of 36 homes (rounded). Multiplying this annual figure by the number of years remaining of the plan period from 2017 produces a projection of gross need for 468 homes.

4.5 Home growth since 2011

92. It is also helpful to consider a projection based on the rate of delivery of net new homes since the last census (2011), using data gathered and monitored by the LPA. As we have seen, between 1st April 2011 and the 31st March 2017, 162 net new dwellings were completed. This equates to an annual rate of delivery of 27 homes (162 divided by 6, the number of years elapsed). If this rate of delivery was continued to 2031, this would equate to a projection of 351 homes over the plan period of 2017-2031 (27×13 , rounded to the nearest whole number).
93. It is important to note the disparity between the two 'home growth' figures; this reflects the susceptibility of the development industry to fluctuations in demand and costs of development, among other factors. To allow for these peaks and troughs, and provide a more realistic picture of the quantum of development could be delivered over the Plan period, we have taken the aggregate of the homes growth between 2001 and 2016; this comes to 521 ($359 + 162$) dwellings. Expressed as an annual average rate, this is 33 dwellings /year. This produces **projection derived from homes growth between 2001 and 2016 of 429 homes over the plan period of 2017-2031** (33×13).

4.6 South Downs National Park

94. This section provides advice as to the proportion of new dwellings in the South Downs National Park that may reasonably be apportioned to Pulborough Parish. This advice note is provided for guidance only, and has not been incorporated into the overall housing target for the parish set out above.
95. To calculate the number of new dwellings that Pulborough should deliver to take on its fair share of housing required in future years within the South Downs National Park (SDNP), we start with the number of dwellings currently in the park. Using data derived from Census, SNDP authority has provided advice there were 50,049 dwellings in 2011¹⁸.

¹⁸ Email from Chris Paterson Communities Lead, South Downs National Park Authority, dated 11/09/17

96. The Strategic Housing Market Assessment (SHMA) published in 2015 for the SDNP, put forward an OAN for housing in the SDNP of 420 homes per year¹⁹, based on the blended approach to modelling household formation rates.²⁰
97. The SNDA authority is currently in the process of producing a new Local Plan with a proposed Plan Period of 2014 - 32²¹; the OAN therefore amounts to 7,560 dwellings over this period (we note this contrasts with the 'policy on', i.e., that number that takes into consideration policies that have an impact on housing numbers, number of 4,596 that appears in the current draft of the emerging Local Plan.²²)
98. In order to arrive at an estimate of the number of dwellings Pulborough should take on, we take the number of existing dwellings in that part of the parish that falls into the park. This comes to 86; the methodology we have used to arrive at this number is described below.
99. AECOM has identified a Census Output Area (E00161471) that may be used to generate a suitable proxy for that part of the parish that falls into the SDNP. It is important to note this area does not match the area exactly; so to approximate the coverage of the national park within this output area, we have estimated 50% of the dwelling numbers within it (177). The area represents a fairly contiguous, rural part of the NA, which is likely to have a similar dwelling density throughout, and therefore this approach is considered to be proportionate for the purposes of neighbourhood planning. Using Census 2011 as a source, AECOM has arrived at an estimate of the dwellings falling into the SDNP section of the Parish. The figure of 86 dwellings represents 0.172% of all dwellings in the SDNP. Two forecasts may therefore be made:
 - a. A projection derived from the OAN set out in the SHMA, a fair share is 13 dwellings (rounded)
 - b. A projection derived from the SDNP Authority's Local Plan figure 8 dwellings (rounded)
100. It would be reasonable to conclude Pulborough Parish should support the delivery of between 8 and 13 dwellings in the SDNP section of the NA over the plan period to 2032²³.
101. The SDNP SHMA makes the following caveat: 'it should be borne in mind that development potential in the SDNP is restricted, and the policy focus is on conserving the SDNP landscape; and meeting local need for affordable housing. Thus whilst the projections indicate what level of housing provision might be needed in the absence of development constraints, it may well be the case that housing provision falls below the projected level of need.'²⁴ The same caveat should apply in Pulborough.

4.7 The standard methodology

102. On September 14th, 2017, the Department for Communities and Local Government (DCLG) published "Planning for the right homes in the right places: consultation proposals" (the consultation proposals), a consultation on a new proposed Standard Methodology for Assessing Housing Need (SMAHN) for arriving at an OAN for housing for individual local authorities, thus avoiding both the expense of producing complex SHMAs and the disagreements surrounding their methodologies. DCLG has stated that "this consultation sets out a number of proposals to reform the planning system" including "how neighbourhood planning groups can have greater certainty on the level of housing need to plan for".^[1]
103. Whilst the document is currently being consulted on at the time of this HNA report, it is important to consider the implications of this emerging policy guidance for potential housing need calculations in the NDP. Therefore, what follows is an assessment of the NA's housing need based on the new proposed methodology which, should the

¹⁹ SDNP comments 18/10/17 'the basis of the calculations may be updated in light of the Pre-submission South Downs Local Plan published in September and the Housing & Economic Development Needs Assessment (2017) which supersedes the SHMA (2015). These documents provide the following figures: SDNA overall target of 4,750 net additional homes (South Downs Local Plan – pre-submission version) Objectively Assessed Need of 447 dwellings per annum (HEDNA 2017) Following AECOM's methodology and the updated figures above gives a projected range of 13-23 dwellings in the SDNP area of Pulborough neighbourhood area over the plan period to 2033. As the Pulborough Neighbourhood Plan extends to 2031 – 2 dwellings can be deducted from this range.' (Amy Tyler-Jones Planning Policy Officer – Neighbourhood Planning - South Downs National Park Authority)

²⁰ Strategic Housing Market Assessment South Downs National Park Authority Final Report September 2015, pp 187

²¹ Local Plan, page 132

²² Local Plan, page 132

²³ SDNP comments 18/10/17 - 'The range calculated provides guidance only and we would not support the range becoming a de-facto target for the National Park area of the Parish. Local housing need within Pulborough should in the first instance be met within the existing settlement and failing that adjacent to the settlement as this is the most sustainable location for development.' (Amy Tyler-Jones Planning Policy Officer – Neighbourhood Planning - South Downs National Park Authority)

²⁴ Strategic Housing Market Assessment South Downs National Park Authority Final Report September 2015, pp 187

^[1] <https://www.gov.uk/government/consultations/planning-for-the-right-homes-in-the-right-places-consultation-proposals>

policy be put in place in its current form, will be the preferred figures for housing need in the area. This projection is included *for information only*, bearing in mind that the consultation makes clear that LPAs will have the option of using alternative methods of calculating their OAN, so long as the number they arrive at exceeds that produced by the new standard methodology.

104. Proposed updates to the PPG include a requirement that LPAs provide a housing need figure to neighbourhood planning groups, and that they may do this by making a reasoned judgement based on the settlement strategy and housing allocations in their plan, so long as the local plan provides a sufficiently up-to-date basis to do so.²⁵ The starting point for using the SMAHN for the neighbourhood level is therefore whether the current Local Plan was adopted before or after the introduction of the NPPF.
105. In the case of Horsham, the HDPF was adopted in November 2015, and therefore provides an up-to-date basis for arriving at a housing need figure for Neighbourhood Areas. However, the indicative assessment using the SMAHN formula is 974 dwellings per annum for Horsham. This is an uplift on the current figure of 800 dwellings per annum set out in the HDPF of around 18%, and suggests an additional 3,480 dwellings should be delivered over the Plan Period from 2011 to 2031, or a new target of 19,480.
106. This total falls well within the proposed 40% cap, it is therefore reasonable to assume at this point that Horsham may see an uplift in its housing need figure in the order of 18% with the introduction of the SMAHN. Were this to be the case, HDC may need or decide to revisit its target of 1,500 dwellings set out in policy 15, revising it upwards.
107. Assuming a new 'district minimum' however of 19,480 dwellings, this would produce a revised projection for Pulborough based on this number of 818 ($19,480 \times 4.2\%$). Taking into account the 162 dwellings built in the parish since the 2011 Census, a housing needs figure that is compliant with the SMAHN is **656 dwellings** or 50 dwellings per annum (rounded).

5. RQ1 b) How many committed dwellings are there?

108. Table 1 sets out Horsham District Council's record of the numbers of dwellings that have been permitted and built in Pulborough since 2010. According to this table, 387 dwellings were granted permission over this period of which 162 have been built out.

Table 1: Permitted and completed dwellings in Pulborough 2010-2017

Year	Parish	Permitted				Built		Losses	
		Total Units	Houses	Flats	OAP Units	Houses	Flats	Houses	Flats
2010/11	PL	96	76	20	20	19	20	1	1
2011/12	PL	70	60	10	0	25	3	1	0
2012/13	PL	114	93	21	0	58	8	3	0
2013/14	PL	97	1	0	0	24	12	2	0
2014/15	PL	1	1	0	0	1	0	0	0
2015/16	PL	6	5	1	0	1	1	2	0
2016/17*	PL	3	3	0	0	3	0	3	0
TOTAL		387	236	52	20	131	44	12	1
Net Gain						119	43		

Note: Figures for 2016/17 are provisional.

Source: Horsham District Council

²⁵ DCLG, *planning for the right homes in the right places: consultation proposals*, page 31

6. RQ2. What affordable housing (social housing, affordable rented, shared ownership, intermediate rented) and market tenures should be included in the housing mix?

109. The provision of affordable housing is critical to the continuation of most communities as viable settlements and it needs to be understood in relation to other tenures. The PPG states that HNAs should investigate household tenure in the current stock and recent supply, and make an assessment, based on a reasonable interpretation of the evidence gathered, whether continuation of these trends would meet future needs or whether, on account of significant misalignments between supply of housing falling into different tenure types and local need/demand, policies should support a change to the profile of tenure within the NA's housing stock.²⁶

6.1 Definitional issues

110. It is necessary at this stage of the study to make clear the distinction between affordable homes as a piece of planning terminology and the colloquial meaning of the phrase. In the course of this study, we refer to Affordable Housing, abbreviated to 'AH'. We mean by this those forms of housing tenure that fall within the definition of Affordable Housing set out in the National Planning Policy Framework (NPPF): social, affordable rented and various forms of intermediate housing. To distinguish this from the colloquial definition, we refer to the latter as Affordable Market Housing (AMH).
111. In this paragraph we briefly review the proposed reforms to the definition of AH set out in the Government's Housing White Paper published in February 2017. These reforms make clear its commitment to home ownership but recognised the important role of affordable rent for those not currently seeking home ownership. The changes proposed would broaden the definition of affordable housing, supporting 'present and future innovation by housing providers in meeting the needs of a wide range of households who are unable to access market housing'. This would include 'products that are analogous to low cost market housing or intermediate rent, such as discount market sales or innovative rent to buy housing. Some of these products may not be subject to 'in perpetuity' restrictions or have recycled subsidy'.
112. The Housing and Planning Act 2016 made provision for a new simplified definition of affordable housing as 'new dwellings...to be made available for people whose needs are not adequately served by the commercial housing market'²⁷. Secondary legislation is required to implement this definition, necessitating further parliamentary debate²⁸.
113. The Housing White Paper²⁹ confirms that a revised definition of AH will be brought forward through changes to the NPPF later this year, proposing a definition as 'housing that is provided for sale or rent to those whose needs are not met by the market (this can include housing that provides a subsidised route to home ownership' and which 'meets the criteria' for one of the following models³⁰:
- **Social rented housing**, defined as currently and owned by local authorities and private registered providers with guideline target rents determined through the national rent regime. It may be owned by other persons and provided under equivalent rental arrangements, as agreed with the local authority or Homes and Communities Agency;
 - **Affordable rented housing**, defined as currently and let by local authorities or private registered providers of social housing to households eligible for social rented housing. Affordable rent is controlled at no more than 80% of the local market rent including service charges where applicable;
 - **Starter Homes**, as defined in the Housing and Planning Act 2016 and subsequent secondary legislation with an income restriction of £80,000 outside London. These homes are expected to provide a new low cost market housing product for first time buyers between the ages of 23 and 40 with a mortgage, sold for no more than 80% of open market value and capped at £250,000 outside London;
 - **Discounted market sales housing**, sold at a discount of at least 20% below market value with provision to remain at a discount for future eligible households. Eligibility is to be determined with regard to local incomes and house prices;

²⁶ PPG Paragraph: 021 Reference ID: 2a-021-20160401

²⁷ Housing and Planning Act 2016, part 6, section 159 (4)

²⁸ Section 159(2) of the Act inserts '(3ZB) No regulations may be made under section 106ZB [which contains the updated definition of affordable housing] unless a draft of the instrument containing the regulations has been laid before, and approved by a resolution of, each House of Parliament'

²⁹ DCLG (2017) Fixing our Broken Housing Market (para A.120)

³⁰ Ibid (p100)

- **Affordable private rent housing**, made available for rent at a level which is at least 20% below local market rent with provision to ensure that rent remains at a discounted level or alternative affordable housing provision is made if the discount is withdrawn. This is viewed as particularly suited to the provision of affordable housing in Build to Rent schemes; and
- **Intermediate housing**, defined to include discounted market sales and affordable private rent housing – as outlined above – and other housing that is 'provided for sale and rent at a cost above social rent, but below market levels'.

114. A transition period is proposed to enable a review of local policies, with the revised definitions intended to apply from April 2018. The Government also intends to introduce a requirement for sites of 10 units or more to ensure that at least 10% of all homes are affordable home ownership products, including Starter Homes, shared ownership homes and homes available for discount market sale.

115. The evidence assembled to answer RQ2 seeks to populate a series of 'key indicators'; these are:

- the age structure of the population;
- household composition; and
- income both now and how they are forecast to change in future years.

116. Through a consideration of these trends and how they interrelate to each other, it is possible to arrive at recommendations as to how not only the tenure of housing in the plan area, but also type and size should be modified through planning policy.

6.2 Current tenure profile

117. Before we present this data, it is necessary to present a picture of tenure in the NA at the moment. The table below presents Census data from 2011 that shows that owner occupation is over-whelming the dominant tenure; nevertheless, both social rented as well as privately rented accommodation represent significant minorities of property tenure within the community. The 'intermediate' affordable housing product has not, as yet, made any headway in the parish, as indeed it has not done in the wider district.

Table 2: Tenure (households) in Pulborough, 2011

Tenure	Pulborough	Horsham	England
Owned; total	71.2%	74.5%	63.3%
Shared ownership	0.3%	0.7%	0.8%
Social rented; total	15.0%	11.6%	17.7%
Private rented; total	11.7%	11.8%	16.8%

Source: Census 2011, AECOM Calculations

118. In Table 2 we note the way the tenure profile within Pulborough has changed during the inter-censal period. This analysis shows the steady increase in both the number of dwellings in owner occupation and social rented dwellings (totalling 225 together) and reflects the new dwellings that have come into existence over the period.

119. In addition, there has been a substantial increase in the number of dwellings that are rented from the private sector. The number of dwellings occupied in this way increased from 125 to 269, and increase of 144 homes. These are likely to include new homes being rented out following purchase together with existing owners taking advantage of the up-swing in demand for rental properties.

Table 3: Rates of tenure change in Pulborough, 2001-2011

Tenure	Pulborough	Horsham	England
Owned; total	12.2%	4.2%	-0.6%
Shared ownership	-12.5%	34.9%	30.0%
Social rented; total	15.8%	13.0%	-0.9%
Private rented; total	115.2%	97.6%	82.4%

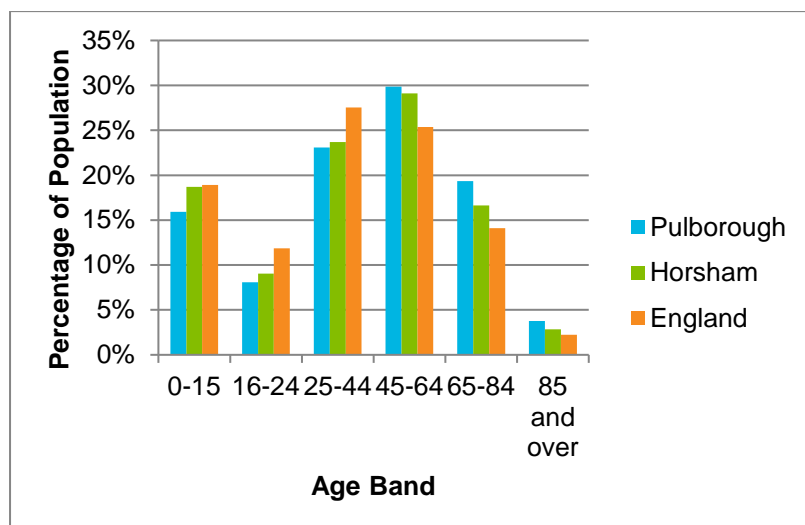
Source: Census 2001 and 2011, AECOM Calculations

6.3 Age Structure

120. In Figure 3 on the following page, we present the age structure in the parish. From this it is apparent the demographic profile mirrors Horsham fairly closely, with the exception of older age groups. Here, there are a

substantially more older people than for the district. It is also worth noting adults of parental age are well represented in the population, with some 53% of the population.

Figure 3: Age Structure



Source: Census 2011, AECOM Calculations

121. In Table 4 shows the way the age structure has shifted over during the inter-censal period. The population of the parish has increased from 4,684 in 2001 to 5,206 in 2011; the entirety of this increase has accrued to older age groups, with younger groups declining slightly. The increase in the numbers of those aged 85 is striking; this age group increased from 123 to 196 individuals.

Table 4: Rate of change in the age structure of the population of Pulborough, 2001-2011

Age group	Pulborough	Horsham	England
0-15	-1.8%	-2.6%	1.2%
16-24	-2.3%	13.9%	17.2%
25-44	-2.1%	-9.2%	1.4%
45-64	22.3%	20.4%	15.2%
65-84	27.5%	24.0%	9.1%
85 and over	59.3%	30.7%	23.7%

Source: Census 2001 and 2011, AECOM Calculations

122. In Table 5 below we reproduce Table 3 from HNHD15; this presents forecasts for shifts in the age structure at the district level over the Plan period. This table suggests a continuation of the trend towards an increasingly elderly population in coming years. It also indicates the numbers of those in middle-age will fall. While these numbers should be treated with some caution given the differences in geography, the increase in the numbers of elderly people is likely to be true across the whole of the HMA.

Table 5: Population change 2011 to 2031 by fifteen year age bands (2012-based SNPP)

Age group	Population 2011	Population 2031	Change in population	% change from 2011
Under 15	22,874	23,497	623	2.7%
15-29	19,437	19,542	105	0.5%
30-44	25,056	24,088	-968	-3.9%
45-59	29,226	27,295	-1,931	-6.6%
60-74	22,350	30,939	8,589	38.4%
75+	12,597	23,499	10,902	86.5%
Total	131,540	148,859	17,319	13.2%

Source: Census 2001, Projections 2031

6.4 Household composition

123. Table 6 below compares the household composition in the neighbourhood with the higher district and national geographies; the similarities between Pulborough and Horsham are striking. While families of different types are the dominant household type, there are a large minority that are single person, of whom around half are aged 65+. Of those family households, roughly half have children, either dependant or non-dependant. Overall, they represent 32.1% of all households. It is worth noting the majority of households (51.3%) are formed of either couples with no children, or one-person households.

Table 6: Household composition (by household) in Pulborough, 2011

		Pulborough	Horsham	England
One person household	Total	29.8%	28.2%	30.2%
	Aged 65 and over	14.3%	13.6%	12.4%
	Other	15.5%	14.6%	17.9%
One family only	Total	64.7%	66.8%	61.8%
	All aged 65 and over	11.1%	10.8%	8.1%
	With no children	21.5%	20.6%	17.6%
	With dependent children	23.2%	26.6%	26.5%
	All children Non-Dependent	8.9%	8.9%	9.6%
Other household types	Total	5.4%	5.0%	8.0%

Source: Census 2011, AECOM Calculations

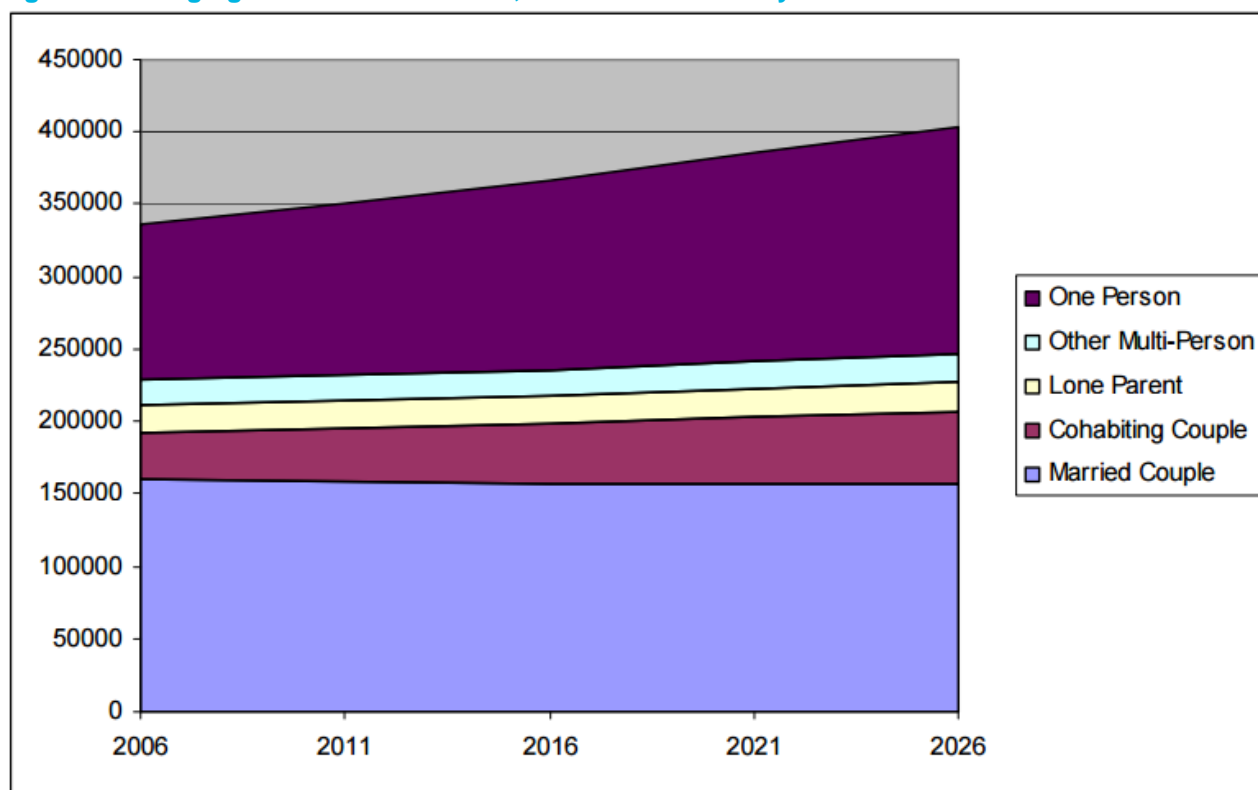
124. Table 7 below presents how the profile of the household composition has changed during the inter-censal period. A number of trends stand out; firstly, the growth of one person households; collectively, they grew by 33.1%, by 323 households; other household types registered limited growth over the period, with the exception of 'other household types,' a category that will include dwellings in multiple occupation, which grew from 83 to 125 households.

Table 7: Rates of change in household composition in Pulborough, 2001-2011

Household type		Percentage change, 2001-2011		
		Pulborough	Horsham	England
One person household	Total	33.1%	16.0%	8.4%
	Aged 65 and over	11.9%	8.6%	-7.3%
	Other	61.5%	23.9%	22.7%
One family only	Total	8.0%	6.3%	5.4%
	All aged 65 and over	-3.0%	8.5%	-2.0%
	With no children	13.0%	4.8%	7.1%
	With dependent children	9.0%	4.0%	5.0%
	All children non-dependent	9.1%	14.8%	10.6%
Other household types	Total	50.6%	26.4%	28.9%

Source: Census 2001 and 2011, AECOM Calculations

125. SHMA09 provides some assistance in projecting changes in household composition in future years at the level of the Housing Market Area. On the following page we reproduce SHMA09 Figure 8.8 as Figure 4; this shows a continuation of the trend, seen in Census data reported above, of increases in one-person households with other forms of household composition remaining broadly steady. This may reflect both social trends, for example people leaving having children until later in life, and demographic shifts, in particular the ageing population.

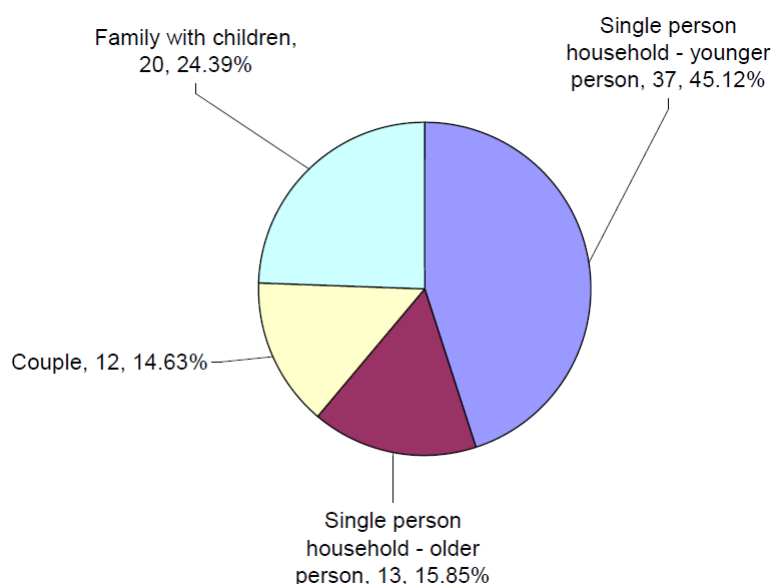
Figure 4: Changing Household Structure, West Sussex County 2006-2026

Source: WSCC, CLG Revised Trend Based Household Projections

6.5 Affordability

126. To understand need for Affordable Housing (AH) in the NA it is necessary to identify that proportion of the population who are unable to access AMH without subsidy. To do this, we consider two primary indicators, firstly affordability of housing expressed as a multiple of household income, known as the 'Affordability Ratio'; secondly 'Income Thresholds.' The latter denotes the maximum share of a family's income that should be spent on accommodation costs if enough resources are to remain to cover other needs, as well as discretionary spending.
127. The Income Threshold enables us to identify that proportion of the population able to afford dwellings at different price points based on an assumed proportion of household income devoted to housing costs.
128. Thirdly, we review Housing Waiting List data provided by the LPA to understand the demand for AH based on actual enquiries lodged with the LPA.
129. Before reviewing this evidence however, it is important to consider material relevant to housing need that has already been compiled by PPC; this includes an study produced by Action in rural Sussex (AirS) in 2011, entitled the Housing Needs Survey Report (HNSR). While this study is now 6 years old, and should therefore be treated with caution, it has value as supporting evidence in understanding the need for AH in the parish.
130. AirS's research consisted of a household survey that gathered views of residents about housing development and statistical data to quantify the amount of affordable housing required to satisfy the needs of the current resident population.
131. Their findings show there were 82 households in Pulborough in housing need who have a local connection and who cannot afford to either purchase or rent on the open market.³¹ 559 households took part in the study, or 23.7% of the total. This is an acceptable sample size for a study of this type. Based on this data, HNSR identifies a household need for AH of 14.7% of resident households ($82/559 \times 100$).
132. On the following page we reproduce Figure 8 from this study as Figure 5; this provides a break-down of household types in need. It is apparent from this that the majority, 61%, are solo households, or whom the majority are young people (37). Couples with children constitute roughly 25% of all respondents and couples around 16%.

³¹ HNSR, page 12

Figure 5: Composition of households in need (numbers and percentages)

Source: AirS

Table 8: Breakdown of households in need

Single person households	50
Couple without children	12
Family with 1 child	12
Family with 2 children	7
Family with 3 children	1
Total	82

Source: AirS

133. It is also worth considering this data in light of data related to concealed households in the Census. Concealed households are family units or single adults living within 'host' households³², such as a young couple or non-dependant son or daughter living with parents.

134. The 22 concealed households revealed in Census data therefore represent those new households coming into existence in the settlement who are unable to access suitable housing and who have, so far, have decided not to accept displacement. It is also worth noting that the proportion of such households exceeds the district average by 2%. Unless steps are taken to enable these households to remain, the cumulative effect will amount to tens if not hundreds of households over the years.

135. Moreover, as we have seen, 8.9% of households have non-dependent children in Pulborough. These could be construed as potentially concealed households, who have simply not yet self-reported as such.

136. This, combined with data from HNDS that shows the majority of those households in need are 'younger', suggests a small but steady flow (reflecting a natural rate of household formation within the Parish) of households requiring AH in order to leave the family home to start an independent life.

Table 9: Concealed families in Pulborough, 2011

Concealed families	Pulborough	Horsham	England
All families: total	1,596	38,935	14885145
Concealed families: total	22	451	275954
Concealed families as % of total	1.4%	1.2%	1.9%

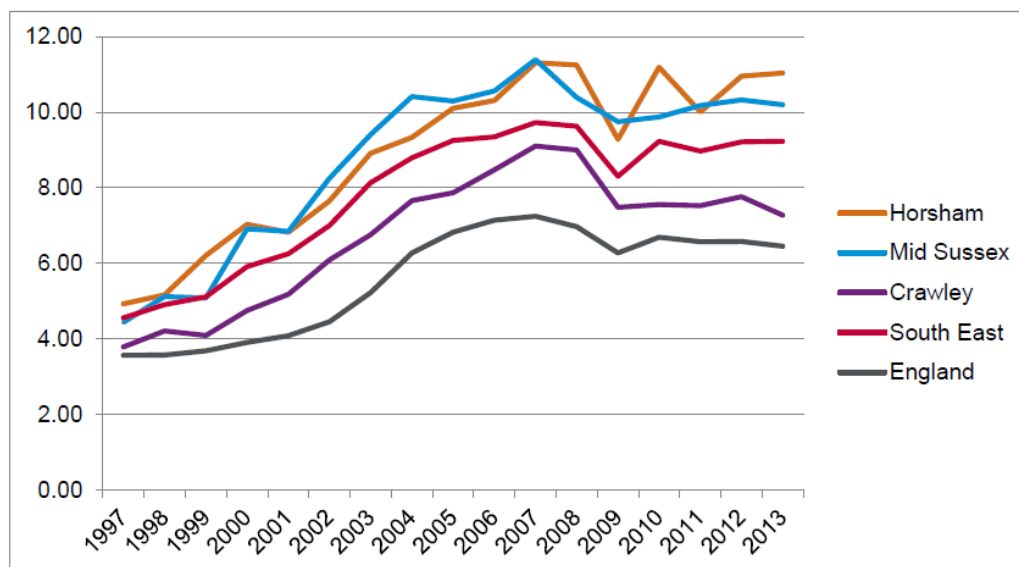
Source: Census 2011, AECOM Calculations

³² DCLG, *Estimating housing need*, page 5

6.6 Affordability Ratio

137. In Figure 6 below we reproduce below HNHD15 Figure 18 which shows fluctuations at the HMA level in the Lower Quartile Affordability Ratio (LQAR) between 1997 and 2013; this assesses specifically the degree to which people on modest incomes (lower quartile earnings) are able to access Affordable Market Housing (AMH). This illustrates how house-prices have outstripped household incomes over the period.

Figure 6: Lower Quartile Affordability Trend (1997-2013)



Source: CLG Housing Market Live Tables

138. In Table 10 below we re-produce HNHD15 Figure 19, which compares the LQAR with an Affordability Ratio based on median incomes. This indicates that those at the lower end of the income scale are less able to access relatively affordable market homes than those on higher incomes are able to access more expensive dwellings, leading to the conclusion that, while there is a crisis of affordability across the market, this is particularly acute at the low end of the income spectrum.

Table 10: Comparison of lower quartile and median affordability

	Lower Quartile Ratio	Median Ratio
Horsham	11.04	10.89
Mid Sussex	10.20	9.76
Crawley	7.28	6.22
West Sussex	8.88	8.72
South East	9.20	8.75
England	6.45	6.72

Source: CLG Housing Market Live Tables

6.7 Income thresholds

139. Income Threshold data is provided by the AHNMU14; on the following page, we re-produce a table from this document that shows thresholds for lower quartile dwellings for both rent and purchase. These are based, in the case of rental accommodation, on an assumption that 25% of annual household income is spent on housing costs. In the case of purchase the threshold is calculated by discounting the lower quartile house price by 10% to reflect the purchase deposit; the resulting price is then divided by 3 to reflect the standard household income required to access mortgage products.³³

³³ AHNMU14, page 63

Table 11: Entry-level Housing Costs and Income Thresholds, 2014

	LQ House Prices	LQ Monthly Housing Costs		Monthly Rent as % of Purchase Cost	Income Threshold (Annual)	
	Purchase	Purchase	Rent		Purchase	Rent
Crawley	£134,740	£667	£700	105%	£40,422	£33,600
Horsham	£174,249	£863	£700	81%	£52,275	£33,600
Mid Sussex	£168,432	£834	£695	83%	£50,530	£33,360

Source: TPDL, VOA and CCL Calculation

140. In Table 12 below we reproduce a table from the same document; this shows average household incomes within the Northern West Sussex HMA, and provides a good illustration of affordability issues across the area. By comparing the Income Threshold data in Table 11 with the median income data in Table 12 it is possible to see that fewer than 50% of all households can afford AMH without financial assistance of some sort. i.e., if £52,275 is required to purchase a dwelling priced in the lower quartile, clearly households on a median income of £38,831 would be unable to afford it.

Table 12: Average Household Incomes, Northern West Sussex HMA

	Mean Average	Median Average	Mode Income Band Average
Crawley	£38,299	£31,111	£10,000 – 15,000
Horsham	£46,915	£38,831	£10,000 – 15,000
Mid Sussex	£47,472	£39,450	£15,000 – 20,000

Source: CACI Paycheck Household Incomes Data, July 2014

141. In Table 13 below we present house prices in Pulborough in November 2017. This enables us to estimate the Income Thresholds for Pulborough, based on an assumption that mean and median household incomes are similar in the parish as Horsham and that they have not risen substantially since July 2014. Given the demographic profile of the area, and the substantial growth of both one-person as well as couples without children, it is reasonable to assume a three room (one bedroom) dwelling constitutes an 'entry point' into the housing market.
142. In November 2017, according to the Home.co.uk, the value of such a home was £189,950. Using the Income Threshold methodology, an income of £56,983 would be required to afford a dwelling at this price. This remains well in excess of those households on mean and median incomes on Horsham.

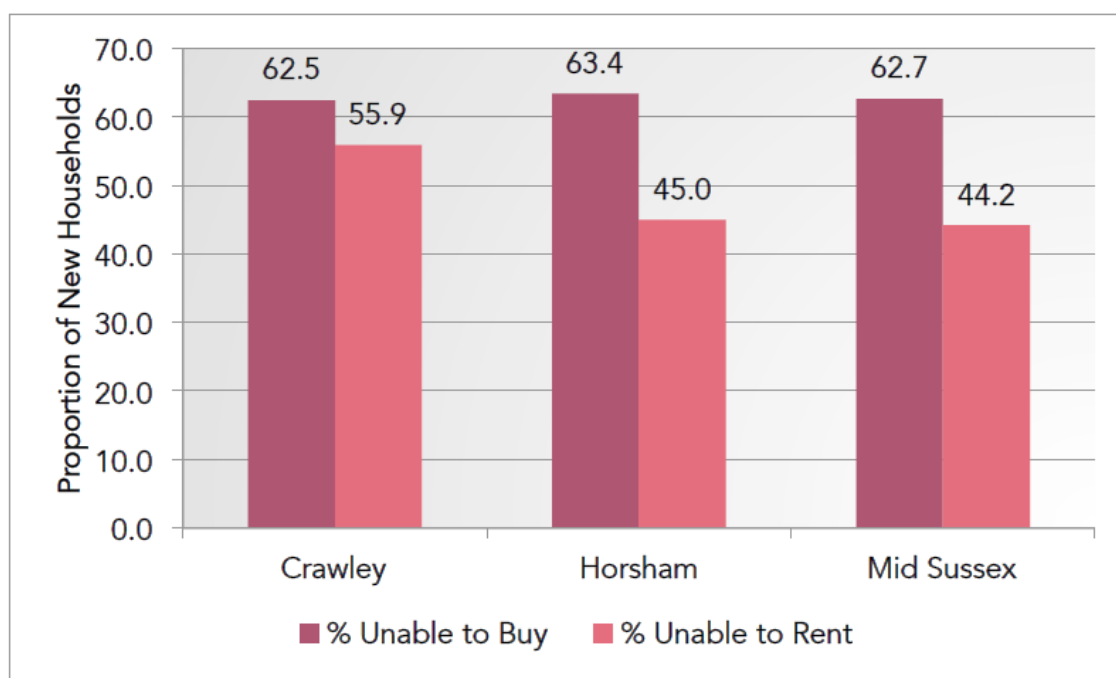
Table 13: House prices in Pulborough

	Nov 2016	Nov 2017	Change
5+ Bedrooms	£685,680	£1,033,963	+51%
4 Bedrooms	£487,168	£650,260	+33%
3 Bedrooms	£346,083	£333,547	-4%
2 Bedrooms	£224,581	£286,250	+27%
1 Bedroom	£137,188	£189,950	+38%
All	£354,481	£481,968	+36%

Source: Home.co.uk

143. Figure 19 from the same document, reproduced below as Figure 7 provides the proportions of those able and unable to buy and rent market dwellings.

Figure 7: Proportion of Households unable to buy or rent, Crawley, Horsham and Mid Sussex



Source: CACI Paycheck Household Incomes, July 2014 & CCL Calculation

144. It is reasonable to assume a similar scenario exists to that which has been observed at the HMA in Pulborough. This leads to the conclusion that, if 14.7% of households are eligible for AH in the Parish (using HNSR data), and, assuming that proportion of the population unable to buy in Pulborough is at least the 63.4% for the district shown in Figure 7, then at least 48.7% of households in the Parish will be reliant on private rented dwellings or some form of emerging 'intermediate' housing product.
145. It is worth at this point examining whether Discounted Market Sale Homes (DMSH) dwellings, of which 'starter homes' are an example, would be an appropriate policy response to the affordability issues facing Pulborough. As we have seen, these are dwellings sold at a discount of at least 20% below market value. Taking this into consideration in the calculation, an Income Threshold of £45,588, a sum below the mean income for the district. This offers a prima facie argument in favour of DMSH in Pulborough.

6.8 Affordable Housing Register

146. So far, we have considered housing need based on a statistical understanding of affordability derived from household income. A necessary additional component to quantify need for AH in the NA is identifiable demand expressed through entries on a housing needs register. In the absence of such a register that is specific to the NA, the data contained in the Affordable Housing Register (AHR) for the whole district maintained by HDC may be used.
147. We contacted HDC for their assessment of the number of households currently on the waiting list that live in Pulborough. They reported back that, of the 671 households currently on the register, there are currently 123 applicants on the AHR that have an expressed an interest in living in the Parish³⁴.
148. However, many of the applicants have expressed interest in other areas of the district as well as Pulborough. Unfortunately, the housing team are unable to provide information on how many of these applicants currently live in the Parish. Nevertheless, it is still worth checking the proportion of all projected housing need this represents to provide an indication of whether the LPA's affordable policies will be sufficient to meet need.
149. The average of the housing needs projections for the NA derived from the four projections put forward in 'quantity' is 294 dwellings (rounded) to be delivered over the Plan Period; the figure of 123 dwellings represents 42% of this number. As we have seen, policy 16 of the Horsham District Planning Framework requires that all residential developments of between 5 and 14 dwellings to provide 20% affordable units, or a financial contribution where this is deemed is not deemed achievable; and by requiring all developments of more than 15 dwellings or on sites over 0.5 hectares, to provide 35% affordable dwellings.

³⁴ Horsham District Council, Memo regarding AECOM Housing Needs Assessment for Pulborough, June 2017

150. This suggests that, even assuming the Parish achieves the housing numbers set out in this study over the Plan period, it will struggle to meet the need for AH given that development is likely to yield only 59 dwellings (using the 20% quota). While this suggests AH policy may be insufficient, it is important to remember however these enquiries may be from people whose needs could be addressed elsewhere in the District.
151. Given the strategic nature of Policy 16, it will be challenging, within the neighbourhood plan, for the NDP to develop a policy that departs from it, although a higher AH policy is possible if justified on viability grounds. On the basis of the evidence gathered, however, we do not see sufficient justification for the Pulborough Neighbourhood Plan to set its own affordable housing target.
152. Nevertheless, if PPC is to have confidence it's AH needs are to be achieved in future years an assertive position as regards AH should be adopted, together with additional evidence to show need within the NA, for example a parish-level housing register waiting list (PHRWL). Such a register, if regularly maintained, would provide an up-to-date tool for attracting additional AH supported by robust evidence of local need, and justify the AH exception sites, if appropriate.
153. In addition, a PHRWL could be used as a lobbying tool to resist cases where developers are seeking a low AH allocation on a given site or to re-negotiate S106 commitments to provide affordable housing part way through the delivery of a scheme.

6.9 Market Segmentation

154. Bringing together the evidence from our consideration of affordability, age structure and household composition, in line with PPG, we have sought to identify the different market segments in the population of Pulborough. We then use this understanding to put forward recommendations for policy relating to Affordable Housing as well as and size and tenure of dwelling.
155. In order to understand the terminology surrounding size of dwellings, it is important to note the number of rooms recorded in Census excludes kitchen, bathrooms and toilets. In the market segments table that follows, 'dwelling size' should be translated as follows:
- 1 room = Bedsit
 - 2 rooms = flat/house with one bedroom
 - 3 rooms = flat/house 2 bedrooms
 - 4 rooms = flat/house with 2 bedroom and 2 reception rooms, or 3 bedrooms and 1 reception room
 - 5 rooms = flat/house with 3 bedrooms and 2 reception rooms
 - 6 rooms = house with 3 bedrooms and 3 reception rooms or 4 bedrooms and 2 reception rooms
 - 7+ rooms = house with 4, 5 or more bedrooms house
156. The table below indicates the different market segments, and the degree to which they are a growing, stable or declining group within the local population. One 'up' arrow indicates this grouping is growing modestly in the NA; two 'up' arrows indicates strong growth, three 'up' arrows suggests very rapid growth in years to come. Where segments are falling in numbers, or not growing, neutral or down arrows are shown.
157. It is important to note that, the private sector is good at picking up market trends that result from, among other factors, changes in social behaviours and demographic shifts. For this reason, policy intervention is only justified in the case of market failure (where the market is unable, for reasons of viability, or there are incentives, deliberate or otherwise, that drive the market not to respond to trends). Examples include the failure of the market to provide homes to those on low incomes and the under-supply of dwellings for the elderly.
158. Similarly, because, generally speaking, the market is able to deliver the homes required for the majority of residents (either through for-sale dwellings or for-rent), policy intervention is only required where the evidence is both compelling and the circumstances it describes serious. This is because policies carry both costs and risks; this can distort the market, preventing it from providing homes (and encouraging a position of market equilibrium in which homes are accessible to target markets).

159. In Table 14 we note the increase in the population of older residents, together with those living on their own. It has been widely remarked that specialist dwellings for older people are challenging to deliver given the higher construction costs compared with conventional housing. This means developers seeking to provide this type of housing are at a disadvantage in acquiring land.
160. It is therefore justified for the Pulborough NDP to make specific provision among sites allocated for development of this kind; in addition, flexibility in the application of other policy, such as affordable housing requirements and tenure split, for those developers seeking to provide specialist accommodation so as to support the delivery.

Table 14: Arrows analysis

Market segments	Income range	Tenure	Presence in Plan Area	Size of home
Young family where parents are aged 24-44 with 1+ children aged 0-15	Median	PRS, Social housing, shared equity, AMH	↔	5 rooms
Professional Head of Household Young family where parents are aged 24-44 with 1+ children aged 0-15	Mean	AMH, Market Housing (MH)	↔	5 rooms
Professional Head of Household family where parent are aged 44-64 with non-dependent children living at home	>Mean (equity rich)	Market Housing	↑	6+ rooms
Lone parent (with 1+ children)	Lower Quartile (equity poor)	Social Housing	↔	3 rooms
One person household aged under 65	Median (equity poor)	PRS, shared equity, DMH	↑↑	2 rooms
One person household aged 65+ with wealth	Median (equity rich)	Market Housing	↑↑↑	2-3 rooms
One person household aged 65+ without wealth	Lower Quartile (equity poor)	Social Housing	↑↑↑	2 rooms
Young couple no children	>Mean (equity poor)	Market Housing, Shared Equity, DMH	↔	4+ rooms
Concealed households	Lower Quartile (equity poor)	Social Housing	↑	1-3 rooms

Source: AECOM

161. In Table 15 below we provide a table, devised by Nathaniel Litchfield and Partners, setting out recommended dwelling sizes for different household types. This table has been defined on the basis of the following assumptions:

- Smaller apartments/flats or houses will be more suitable for meeting the initial requirements of married couples until the age they have a family. Those households without children could occupy either houses or flats of the appropriate size;
- Cohabiting couples and lone parents will want and require similar sizes of housing to married couples. Those households without children could occupy either houses or flats of the appropriate size;
- Smaller apartments/flats or houses will be more suitable to meeting the requirements of single person households;
- According to their composition, institutional accommodation such as a residential care home, hostel or purpose-built student accommodation may provide a suitable form of specialist housing for groups such as elderly people and students;
- Further qualitative allowances will need to be made of households at retirement age who are likely to continue living in their previous home unless more manageable two bed flats, houses and bungalows are available; and,
- The requirement for housing with care, including supported housing and extra care provision, is likely to increase at 85 and above.

Table 15: Estimated Housing Size required by Household Type, by Age of Head of Household

Age Range 2013	One Person	Married Couple / With 1/2 Children	Married Couple / With 3+ Children	Cohabiting Couple / With 1/2 Children	Cohabiting Couple / With 3+ Children	Lone Parent / With 1/2 Children	Lone Parent / With 3+ Children	Other Multi-Person
0-14	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
15-24	1 bed flat/house	2 bed flat/house	3 bed house	2 bed flat/house	3 bed flat/house	2 bed flat/house	3 bed house	1 bed flat
25-34	1 bed flat/house	3 bed house	3 bed house	3 bed house	3 bed house	3 bed house	3 bed house	1 bed flat
35-44	2 bed flat/house	3 bed house	4 bed house	3 bed house	4 bed house	3 bed house	4 bed house	2 bed flat
45-59	2 bed flat/house	3 bed house	4 bed house	3 bed house	4 bed house	3 bed house	4 bed house	2 bed flat
60-84	2 bed flat/bungalow	2 bed flat/bungalow	3 bed bungalow	2 bed flat/bungalow	3 bed bungalow	2 bed flat/bungalow	3 bed bungalow	2 bed flat
85+	Housing with care	Housing with care	Housing with care	Housing with care	Housing with care	Housing with care	Housing with care	Housing with care

6.10 Affordable housing tenures

162. Earlier in this study, we identified the various different tenures that constitute AH: social rented housing, discounted market sales housing (Starter Homes), affordable private rent housing, shared ownership and affordable rented housing. We consider each of these in turn, before arriving at a recommendation for how the quota of AH yielded by development should be divided between these tenure types.

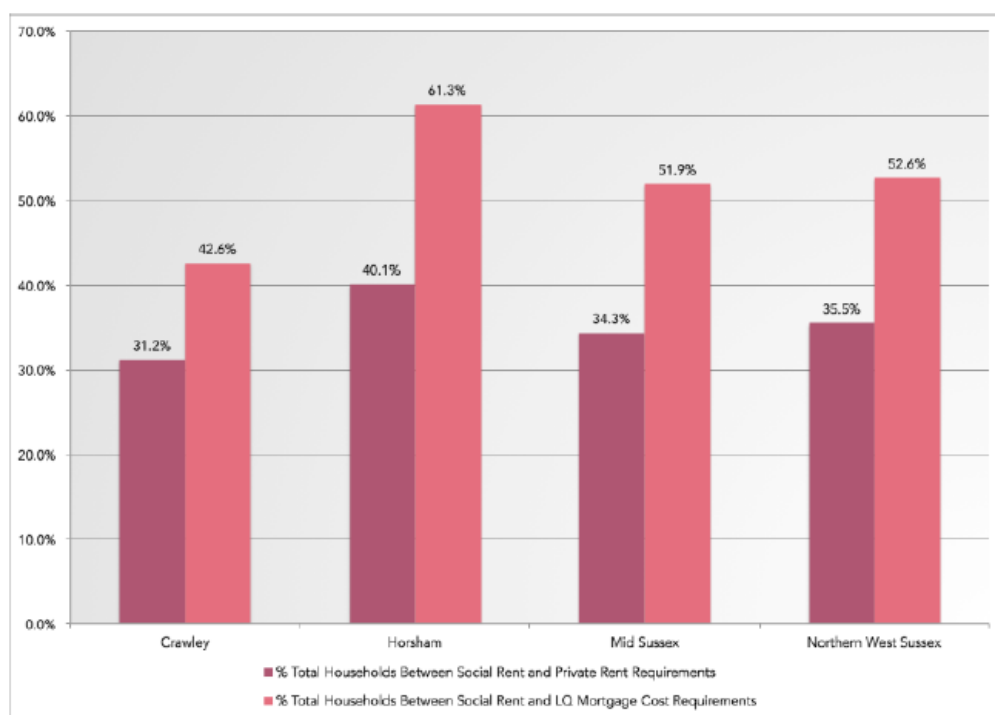
6.10.1 Discounted market housing (starter homes)

163. As we have seen, Housing and Planning Act 2016 (HPA) includes provisions to introduce a general duty on planning authorities in England to promote the supply of 'starter homes,' and a specific duty to require a minimum number or proportion of 'starter homes' on certain residential development sites. The relevant legislative provisions are, however, not yet in force and no specific proportion or minimum has been put forward.

164. The Housing White Paper sheds further light on the government's intentions in this area. It states that, 'in keeping with our approach to deliver a range of affordable homes to buy, rather than a mandatory requirement for 'starter homes,' we intend to amend the NPPF to introduce a clear policy expectation that housing sites deliver a minimum of 10% affordable home ownership units. It will be for local areas to work with developers to agree an appropriate level of delivery of 'starter homes', alongside other affordable home ownership and rented tenures.'
165. This is a substantial watering-down of the 'starter home' requirement as envisaged when policy contained in the Housing and Planning Act was first conceived. In effect, it leaves it to local groups, including neighbourhood plans, to decide an appropriate level of affordable home ownership products, while taking note of the 10% policy expectation.
166. The decision whether to treat Discounted Market Sale Homes (DMSH) as affordable housing should be determined by whether lowering the asking price of new build homes of a size and type suitable to first time buyers by 20% would bring them within reach of people currently unable to access AMH for purchase.
167. 'New' forms of AH appear to potentially have a role to play in Pulborough given that DMSH, by reducing the purchase price of new build homes by 20%, bring entry level dwellings priced at around £190,000 within the means of those on average incomes.
168. On the basis of the evidence we have gathered, we would therefore recommend DMSH form part of the AH quota within the NA, with policy seeking to fulfil the 10% policy expectation. We note that 20% is a minimum discount and, of course, greater discounts will make the policy more effective in enabling households on incomes below the median to afford to buy their own home. The ultimate level of discount should be arrived at on a site-by-site basis and will be determined by viability as well as other calls on finite resources stemming from planning gain, such as other forms of AH and infrastructure requirements.
169. While the Housing White Paper does not specify scale of development, it is appropriate for this to be taken into account when considering how the 10% policy expectation should be applied in practice. When the policy was conceived, it was linked to the notion of rural exception sites, land that would normally not be considered for housing to bring forward substantial numbers of affordable dwellings where there is evidence of local need.

6.10.2 Shared ownership

170. As we have seen, shared ownership tenure has not yet become an established tenure in the NA. Nevertheless, it is still worth considering its future role in Pulborough. Shared ownership involves the purchaser buying an initial share in a property typically of between 25% and 75% and paying rent on the share retained by the provider. Shared ownership is flexible in two respects, in the share which can be purchased and in the rental payable on the share retained by the provider. Both of these are variable.
171. The share owned by the leaseholder can be varied by 'stair-casing'. Generally, stair-casing will be upward, thereby increasing the share owned. In exceptional circumstances (as a result of financial difficulties, and where the alternative is repossession), and at the discretion of the provider, shared owners may staircase down, thereby reducing the share they own.
172. Shared equity constitutes a form of AH, targeting those on incomes around the mean; as such, it is termed 'intermediate' and is available to both first-time buyers, people who have owned a home previously and council and housing association tenants with a good credit rating whose household income does not exceed £60,000. Given these conditions, it is surprising why it has not been taken up in Pulborough beyond the handful of 'early adopter' identified earlier. On the basis of the affordability analysis discussed above, it should form part of the AH mix in the Parish.
173. The AHNMU14 provides support for this conclusion, showing a growing market for Intermediate products at the Housing Market Area level; it defines this in two ways, the 'narrow' definition, those whose income falls between eligibility for social rent and the income needed to afford to rent privately, and the 'wide' definition of those whose income falls between social rent and lower quartile mortgage costs. It shows that a majority of households would qualify on income grounds. In Figure 8 below we reproduce AHNMU14 figures.

Figure 8: Potential Scale of the Intermediate Housing Market

Source: CLG, VOA, TPD and Chiltern Consulting Calculations

6.10.3 Affordable rent

174. The AHNMU14 comments that 'it is clear now, in this 2014 update, that the Northern West Sussex authorities would need to offer lower ratios than 80% of market rent in order for the Affordable Rent model to increase affordability for households. At the 80% level, the Affordable Rent model rivals intermediate tenure costs and also some lower quartile private housing purchase mortgage costs.'³⁵

175. Commentators have repeatedly raised concerns about affordable rent not constituting a realistic form of AH given that in many areas this reduces rent to levels that are still beyond the means of the target group: those on incomes substantially below the mean. The neighbourhood plan should flag the need for the cost of AH targeted at those on lower quartile household incomes to be linked to these income levels.

6.11 Affordable Housing type allocations

176. On the following page in Table 16 we put forward recommendations of how the AH quota should be divided between the tenure types based on our analysis of affordability and the emerging policy context at the national level. This envisages a substantial uplift in the level of various forms of intermediate housing, including shared ownership and 'starter homes.'

Table 16: Allocation of Affordable Housing Tenure Types

Tenure type	%
Social rented housing	80
Affordable rented housing	0
Intermediate housing (discounted market sales and affordable private rent housing)	20

Source: AECOM Calculations

³⁵ AHNMU14, page 81

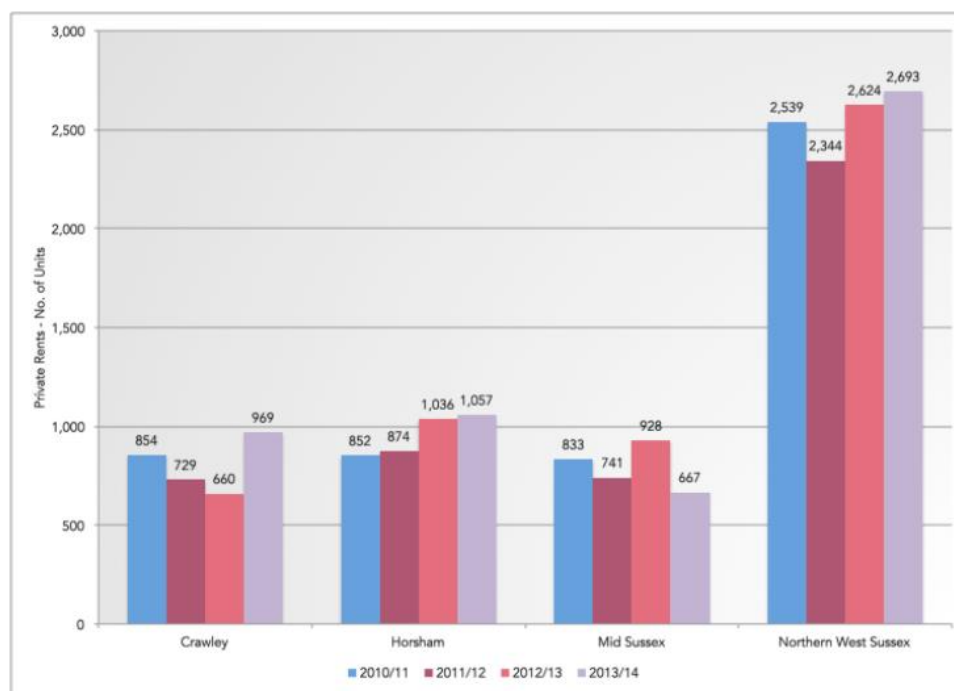
6.12 Market housing

102. Given the limited quantity of Affordable Housing in the NA, the needs of the great majority of the people will be served by the market. People on higher incomes will be able to access a variety of market dwellings; their choices will be driven principally by how much they can afford to spend, the extent to which old age is driving their choice of home as well as personal taste.
103. The operation of the market is the best means of addressing the demand for different types of housing for sale. It is important planning policy does not place unnecessary burdens on the market preventing its ability to respond to demand; this is after all the principal way equilibrium is achieved in the housing market and house price growth kept in check. In this way the notion of viability is essential. It is important not to deter development in the context of clear housing need; to do so will not only frustrate the delivery of new housing but also may deprive the community of resources for infrastructure improvements.

6.12.1 Build to rent

104. As we have seen, there is evidence of growing demand for private rent accommodation in the NA. This is supported by evidence at the Housing Market Area level. Below we reproduce Figure 12 from the AHNMU14 which reveals the increase in private rental lettings over the period.

Figure 9: Annual Private Rental Lettings for Northern West Sussex Authorities, Q2, 2010 – Q1, 2014



Source: VOA, 2010-2014

105. The reason for the strength of this demand is that, for those households unable to access market housing to buy, and who do not qualify for affordable housing, private rented housing is the only remaining option.
106. Given the trends identified in this HNA, Pulborough should consider build to rent (BTR) development, which may include an element of affordable housing and is likely to be brought forward by specialist developers funded by institutional investors. This will provide accommodation of consistently higher quality than is available through the traditional small private landlord.
107. The Housing White Paper proposed a number of modifications to the definition of affordable housing for planning purposes. One of these is Affordable Private Rent Housing (APRH); this is housing made available for rent at a level which is at least 20 per cent below local market rent. It is envisaged such housing would be delivered as part of BTR schemes.

7. RQ3: Type and size

177. As identified earlier in this study, PPG recommends a consideration of the existing housing provision and its suitability, having regard for demographic shifts in age and household composition as well as affordability, to address future as well as current community need. For this reason, we start with a consideration type and size within the existing housing stock.

178. In Table 17 below we note the split of dwellings according to type; while houses constitute the dominant type (with detached dwellings at 40.3%, the highest proportion), flats remain an important element, at 17% of all dwellings.

Table 17: Accommodation type (households) in Pulborough, 2011

Dwelling type		Pulborough	Horsham	England
Whole house or bungalow	Detached	40.3%	38.7%	22.4%
	Semi-detached	22.5%	26.5%	31.2%
	Terraced	17.4%	17.0%	24.5%
Flat, maisonette or apartment	Purpose-built block of flats or tenement	17.0%	14.7%	16.4%
	Parts of a converted or shared house	1.6%	1.6%	3.8%
	In commercial building	1.0%	0.9%	1.0%

Source: Census 2011, AECOM Calculations

179. In Table 18 below we set out the way households breakdown according to number of rooms occupied, and how this has sifted during the inter-censal period. It is worth noting that households that occupy larger family dwellings of six rooms or larger constitute almost 50% of all dwellings, with the balance split between medium sized family homes of 4 and 5 rooms (41%) and smaller dwellings of 1-3 habitable rooms (10%).

Table 18: Rates of change in number of rooms per household in Pulborough, 2001-2011

	2001	2001	2011	2011
Number of Rooms	Pulborough	Horsham	Pulborough	Horsham
1 Room	6	277	4	306
2 Rooms	37	1057	30	1256
3 Rooms	133	3791	195	4676
4 Rooms	325	8280	416	8833
5 Rooms	529	11435	528	10988
6 Rooms	336	9377	408	10038
7 Rooms	190	5916	258	6730
8 Rooms or more	422	9904	174	5212
9 Rooms or more			289	6884

Source: Census 2001 and 2011, AECOM Calculations

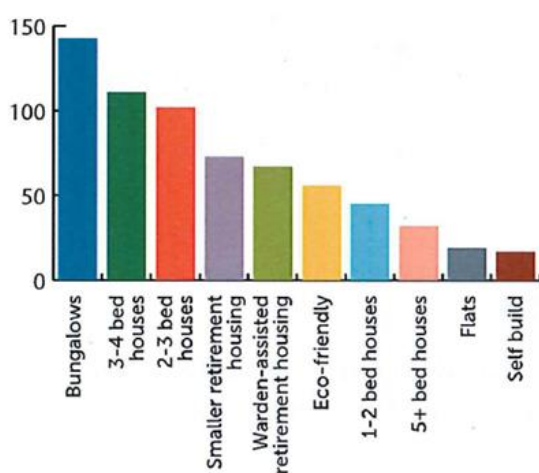
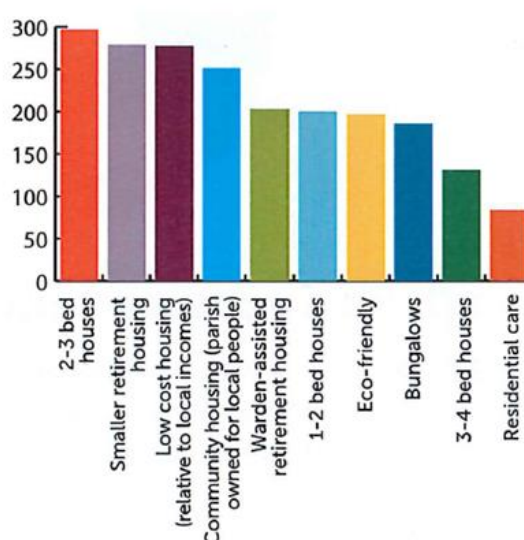
180. In Table 19 on the following page the shifts recorded in Table 18 above are set out in percentage terms; while there has been a loss of 1-2 room dwellings, the largest increase has been seen in 3 room homes (46.6%), 4 room homes (28%) and the largest homes of 6-8 habitable rooms, which have increased collectively by 42.9%.

Table 19: Rates of change in number of rooms per household in Pulborough, 2001-2011

Number of Rooms	Pulborough	Horsham	England
1 Room	-33.3%	10.5%	-5.2%
2 Rooms	-18.9%	18.8%	24.2%
3 Rooms	46.6%	23.3%	20.4%
4 Rooms	28.0%	6.7%	3.5%
5 Rooms	-0.2%	-3.9%	-1.8%
6 Rooms	21.4%	7.0%	2.1%
7 Rooms	35.8%	13.8%	17.9%
8 Rooms or more	9.7%	22.1%	29.8%

Source: Census 2001 and 2011, AECOM Calculations

181. Bearing in mind our analysis of market segments, it is clear there is likely to be substantial demand for smaller dwellings on account of the aging population and the associated growth of one person households. This is reinforced by Census data relating to concealed households and households having non-dependent children.
182. In addition, AirS evidence suggests policy should address the needs of newly forming households specifically. Given the family orientation of the neighbourhood, it appropriate that future provision should support not only dwellings suited to one person households and childless couples, but also growing families. For this reason, dwellings of four and five habitable rooms should be supported.
183. In the summer of 2014, the PPC circulated to all households a questionnaire seeking their views to a wide variety of issues touching on life in the parish. There were 801 completed copies returned, equating to around 33% of households, an acceptable sample size for a survey of this type. Two questions are of relevance to this study, 3.2, 'Thinking about your next move, what type of house would you want to move to if you were to stay in Pulborough?' and 3.3, 'Thinking about the needs of others in Pulborough, what types of housing do you think are the most needed? Please tick up to five.' The responses are summarised in the figure below.

Figure 10: Responses to questions 3.2 and 3.3**Question 3.2****Question 3.3**

Source: Neighbourhood Plan Survey: Results, Pulborough Parish Council, 2014

184. The findings from this household survey support the conclusions based on an analysis of demographic trends; there is an awareness of a need for dwellings suited in type and size to an increasingly elderly population (bungalows and 'smaller retirement housing,' entry level homes suited to newly forming households (low cost and 1-2 bed houses) and dwellings suited to growing families (2-3 bed houses)³⁶.
185. Bringing together the evidence on type and size of dwellings, detached dwellings are the most the prevalent house type at 40.3% of all dwellings; 10% of all households occupy dwellings or 1-3 habitable rooms, whereas 50% are larger family dwellings or 6 rooms or larger.
186. The greatest increase in dwelling size during the inter-sensual period is larger homes; this suggests the greatest returns on investment for volume housebuilders is in the larger format dwellings. Nevertheless, smaller dwellings of 3 rooms have increased by the same proportion, although in numerical terms smaller dwellings account for 62 homes, whereas the larger homes 109 as three room dwellings are starting from a lower base.
187. Taking into consideration demographic shifts that have been identified over the inter censual period, and forecast changes to both age structure and household composition set out in the SHMA studies, there appears to be an emerging misalignment between the current housing stock and the needs of the community; this presents a prima facie case for planning to guide development towards smaller homes such that, overtime, they constitute a larger proportion of overall dwellings.
188. It is important to note this trajectory would enjoy the support of the community, many of whom recognise the need for dwellings suited to the needs both of the elderly and newly forming (younger) households.

³⁶ To understand how dwelling size expressed in terms of bedrooms translate into size expressed in terms of habitable rooms, please refer to 'Market Segmentation'

8. RQ4: Specialist housing (e.g., What provision should be made for retirees and the elderly?)

8.1 Sheltered and extra-care housing

189. As we have seen, given the significant forecast increases in people aged 75+, it is appropriate for policy to provide support for a significant quantum of sheltered³⁷ and extra care³⁸ housing as part of the delivery of new housing. Table 21 below identifies the growth in the population of over 75s between 2011 and 2031.

Table 20: Change in the population of over 75s between 2011 and 2031

Age band		2011			2031	
	Population (Pulborough)	Population (Horsham)	Percentage of population	Population (Horsham)	Population (Pulborough)	Projected 75+ population (district)
All ages	5,206	131,301	3.96%	149,978	5,939	
75+	599		11.5%	23,197	15.47%	919

Source: 2014-based Sub-national population projections, DCLG and Census 2011 (ONS) AECOM calculations

190. In arriving at an appropriate level of housing for older people of different types, we have applied the Housing Learning and Improvement Network's suggested numbers per 1,000 of the 75+ population³⁹.

191. The table above shows an estimate of the increase in the numbers of older people aged 75+ of 320 (919-599).

192. The method we use to arrive this number can only be an estimate given that DCLG population projections do not provide data at the parish level. AECOM uses a four step method to arrive at the estimate:

1. Using DCLG population projections, we take the % of people aged 75+ at the end of the Plan period for the Horsham. We use this arrive at an estimate of change in the numbers of people aged 75+ in Pulborough as follows,
2. The population size for Horsham together with the number of those aged 75+ is taken, and a calculation made as to their % of the total;
3. We arrive at an estimate of the size of the total population in Pulborough at end of Plan period by assuming it is the same proportion of the Horsham population as in 2011;
4. To arrive at an estimate of the 75+ population in Pulborough at the end of the Plan period, we assume the same percentage of the population is 75+ in the NA as in the district.

³⁷ Sheltered housing (also known as retirement housing) means having your own flat or bungalow in a block, or on a small estate, where all the other residents are older people (usually over 55). With a few exceptions, all developments (or 'schemes') provide independent, self-contained homes with their own front doors. There are many different types of scheme, both to rent and to buy. They usually contain between 15 and 40 properties, and range in size from studio flats (or 'bedsits') through to 2 and 3 bedroomed. Properties in most schemes are designed to make life a little easier for older people - with features like raised electric sockets, lowered worktops, walk-in showers, and so on. Some will usually be designed to accommodate wheelchair users. And they are usually linked to an emergency alarm service (sometimes called 'community alarm service') to call help if needed. Many schemes also have their own 'manager' or 'warden', either living on-site or nearby, whose job is to manage the scheme and help arrange any services residents need. Managed schemes will also usually have some shared or communal facilities such as a lounge for residents to meet, a laundry, a guest flat and a garden. Source: <http://www.housingcare.org/jargon-sheltered-housing.aspx> (accessed 11/04/17)

³⁸ New forms of sheltered housing and retirement housing have been pioneered in recent years, to cater for older people who are becoming more frail and less able to do everything for themselves. Extra Care Housing is housing designed with the needs of frailer older people in mind and with varying levels of care and support available on site. People who live in Extra Care Housing have their own self-contained homes, their own front doors and a legal right to occupy the property. Extra Care Housing is also known as very or enhanced sheltered housing, assisted living, or simply as 'housing with care'. It comes in many built forms, including blocks of flats, bungalow estates and retirement villages. It is a popular choice among older people because it can sometimes provide an alternative to a care home. In addition to the communal facilities often found in sheltered housing (residents' lounge, guest suite, laundry), Extra Care often includes a restaurant or dining room, health & fitness facilities, hobby rooms and even computer rooms. Domestic support and personal care are available, usually provided by on-site staff. Properties can be rented, owned or part owned/part rented. There is a limited (though increasing) amount of Extra Care Housing in most areas and most providers set eligibility criteria which prospective residents have to meet. <http://www.housingcare.org/jargon-extra-care-housing.aspx> (accessed 11/04/17)

³⁹ Housing LIN (2011) Strategic Housing for Older People: Planning, designing and delivering housing that older people want, available online at: http://www.housinglin.org.uk/_library/Resources/Housing/SHOP/SHOPResourcePack.pdf

193. An alternative assumption would be that the proportion remains the same as the 2011 (11.5%); this would of course produce much lower forward projection. The number of those aged 75+ would increase to 683, an uplift of just 84. However, given the evidence we have uncovered of a rapidly ageing population, we believe this would under estimate the likely growth in numbers of the elderly.
194. Our preferred method however results in an estimate (using the housing LIN approach), over the Plan period, in a parish need for:
- additional conventional sheltered housing units = $60 \times 32\%^{40} = 19$ (rounded)
 - additional leasehold sheltered housing units = $120 \times 32\% = 38$ (rounded)
 - additional 'enhanced' sheltered units, split 50:50 between those for rent and those for sale = $20 \times 32\% = 6$ (rounded)
 - additional extra care housing units for rent = $15 \times .32 = 5$ (rounded)
 - additional extra care housing units for sale = $30 \times .32 = 10$ (rounded)
 - additional specialist dementia care homes = $6 \times .32 = 2$ (rounded)
195. Note that there is no obligation for these all to be provided within the parish itself and clearly in some cases, such as providing a single specialist dementia care dwelling, it would not be economically feasible to do so. As such, these 80 specialist dwellings need not be thought of as all needing to be provided within the neighbourhood plan housing target- rather, there will be some overlap between these dwellings and the target, depending on the number that could be provided within the parish itself.
196. This specialist dwelling need is likely therefore to be split between the parish and the rest of the district, which will enable the elderly to live either within or as close to the parish as possible, taking account of the fact that Pulborough is unlikely to be able to provide many of the specialist housing types needed within its own boundaries- although there could be the potential for these to be provided at, for example, Horsham or Chichester taking account of their higher levels of accessibility to services and facilities, which will help in the recruitment and retention of specialist care staff and enable economies of scale (e.g. a centralised dementia care unit or enhanced sheltered development serving a widely dispersed rural population from a single location).

8.2 Retirement villages

197. Projects that involve the delivery of multiple homes satisfy the desire on the part of many older people to live in an environment with people facing similar challenges; retirement villages are often a cost-effective means of delivering sheltered and extra care housing together with the facilities and services these settlements imply. Given the numbers of units that result from the LIN analysis, it would be appropriate to consider this approach to the delivery of housing for the elderly in Pulborough.
198. Such schemes should be explored through joint working with HDC and other parishes to identify sites that could address collective need.

8.3 Senior Co-housing

199. Co-housing has been identified as being particularly suited to the needs of older residents. It offers a way for a group of people with similar interests and needs to come together to create an environment suited specifically to their requirements. Moreover, it can be designed to help address one of the most important issues for older people: isolation and loneliness. A number of successful case studies exist of both projects developed specifically with the needs of older people in mind, and others that encourage multi-generational housing, such as Featherstone Lodge in Forest Hill⁴¹ and LILAC in Leeds⁴². In the first example, the design facilitated the creation of public areas that encouraged social interaction between members of the community, moreover, a 'common house' was built in the grounds of the scheme that provided a shared space in which people could come together for meeting and shared activities.

⁴⁰ Derived from there being 320 more people aged 75 and over. The LIN formula provides a certain number of dwellings per 1000; to work out the accommodation required for 320 people, the fraction .32 may be used.

⁴¹ <http://www.featherstonecohousing.co.uk/> (visited 12/04/17)

⁴² <http://www.lilac.coop/> (visited 12/04/17)

8.4 Multi-generational homes

200. Multi-generational living has been identified as a possible solution not only for older people, but all generations where it makes financial sense to share accommodation, particularly younger people who are struggling to set up their own households. This gives rise not only to designs for new homes, but conversions to existing dwellings, introducing internal subdivisions and peripheral extensions to create internal layouts that balance the private needs of different generations with the benefits of over-lapping, shared communal spaces.⁴³
201. The phenomenon of the aging population has an up-side; with increases in the quality of health-care, older people are able to live active lives for longer, the so-called 'third age' after retirement when people still want to live fully active lives. Within a household or community where tasks and facilities are shared, they are in a good position to take on both voluntary and paid work, for example looking after grandchildren or taking care of the elderly.

8.5 Lifetime Homes

202. Many local authorities incorporate policy into their Local Plans that a proportion of new homes should be built according to 'lifetime homes' principles; these are ordinary homes incorporating a number of design criteria that can be universally applied to new homes at minimal cost, for example parking that makes getting in and out of the car as simple and convenient as possible and ensuring movement in hallways and through doorways should be as convenient to the widest range of people, including those using mobility aids or wheelchairs, and those moving furniture or other objects.⁴⁴

8.6 Right-sizing

203. As we have identified earlier, there is a need for a greater number of the type of dwellings that facilitate 'right-sizing' for older people. It is important to note, this does not necessarily imply moving to a smaller home. Many older people have the wealth (and the choice that comes with it) to create a home suited to having visitors and accommodating care staff, who may need to make over-night stays.
204. For this reason, it is important to recognise that different ages have different needs, thus in the provision of housing, choice is critical, catering for those with relatively modest requirements, to those who are more dependent on help. The provision of choice that responds to need is part of creating a smoothly operating local housing market in which older people are able move out of family homes when they wish, thus freeing up these properties for others.⁴⁵

8.7 Planning flexibility

205. Planning policy can be mobilized to help properties to become more adaptable in the context of an increasingly elderly population. This includes allowing the conversion of conventional dwellings or groups of dwellings (for example terraced housing) into multiple homes, particularly where additional features are included to address 'lifetime homes' criteria and to encourage interaction with the wider community. This can incorporate bigger community open space as a result of joining up different gardens.⁴⁶ This is not dissimilar to the practice of 'alley-gating' where alleyways between the backs of terraced housing have been gated off, and turned into shared community spaces.

8.8 Lifetime neighbourhoods

206. Creating an environment in which older people feel both welcome and comfortable does not end at the front door. Research exists that considers life-time neighbourhoods, in which the public realm is designed to address the needs of older people, and activates the benefits they can bring in supporting local businesses and encouraging improved public realm for everyone, for example providing more greenery and more walkable, better connected places.
207. Given the expanded role of neighbourhood planning around design outlined in the Housing White Paper of 2017⁴⁷, a compelling notion is that of 'the amplification of impact of micro-environmental features' to describe that particular way in which we become more sensitive to the ordinary, smallest features of urban space as we age. This places a

⁴³ RIBA, *Silver Linings, The Active Third Age and the City*, Page 17-18

⁴⁴ <http://www.lifetimehomes.org.uk/pages/about-us.html>

⁴⁵ Housing LIN, *New Approaches to Housing for Older People*, June 2014, page 6

⁴⁶ Gobber, S, *A Bright Grey Future*, Urban Design Group Journal, Spring 2016, page 29

⁴⁷ HMG, *Fixing our broken housing market*, page 29

particular emphasis on care and reflection in how we design, for example paths and public seating; this, in turn, calls for the participation of older people in the process of design.

208. Design approaches exist that provide a starting point for locally informed policy development in this area, these include Manchester's [Design for Access 2](#) and the work of Inclusive Design for Getting Outdoors (IDGO); IDGO have identified material features that make everyday negotiation of urban space that much easier for older people; these include wide and flat tarmac footways, easy transition level changes, clear, simple and visible signage, frequent warm and supportive seating and well-maintained, safe and open toilets.⁴⁸
209. In addition, the notion of 'pensioner play-grounds,' 'green-gyms,' community gardens and various forms of guerrilla gardening (for example the Edible Todmorden project) encourage active use of public space and facilities on the part of an older demographic.

8.9 Age-friendliness

210. Since the millennium policy at the international level has been directed towards a more holistic appreciation of what an 'age-friendly' urban environment looks like. It has been remarked this should extend beyond physical installations, such as public seating and access to WCs, but embrace means mobilising civic agency among older group to forestall incipient marginalisation, enabling them to continue to make a full and active contribution to community life.⁴⁹
211. In 2006 the World Health Organisation (WHO) began developing the 'Age-Friendly Cities' movement, now a worldwide network of over 200 member cities around the world. They have produced a guide that offers a way of analysing the city from the perspective of older people, using a framework of inter-related domains: transportation, housing, social participation, respect and social inclusion, communication and information, civic participation and employment, health and community services.
212. Considering the housing domain, the WHO study identifies a check list of attributes necessary to foster a sense of belonging and well-being among older people. In addition to affordability and designing accommodation with the needs of older people in mind, the adaptability of dwellings is important, for example their capacity to accommodate chair-lifts that enable older people to continue to live in two-storey homes⁵⁰.
213. The WHO also identified access to services, particularly those that become increasingly important as people get older, such as places of worship and community centres.⁵¹ Moreover, optimising well-being has much to do with being able to maintain links with existing networks, which is best achieved by enabling people to remain in their existing communities for as long as possible. In the Australian city of Melville small clusters of senior's housing with small gardens are made available throughout the city, so that older people are not isolated from the community and particularly from children.⁵²

8.10 Housing for people with Dementia

214. Enabling people with dementia to live in their own homes for longer is critical to their quality of life as a result of the familiarity of surroundings and the help with retaining memories this facilitates⁵³. The challenge with this is two-fold; firstly the lack of appropriate adaptations in properties and, secondly, the support required to ensure a home is safe and suitable.
215. Selwood Housing in the South West has pioneered approaches that help overcome these, for example the installation of property exit sensors to inform a monitoring centre when tenants leave their home and then not return within a pre-determined time.
216. In figure 11 on the following page we reproduce a chart showing the impact that early and appropriate intervention can have on the prospect of people with dementia remaining in their own home for longer.

⁴⁸ RIBA/Age UK, [An Alternative Age-Friendly Handbook](#), page 54/55

⁴⁹ RIBA/Age UK, [An Alternative Age-Friendly Handbook](#), page 16

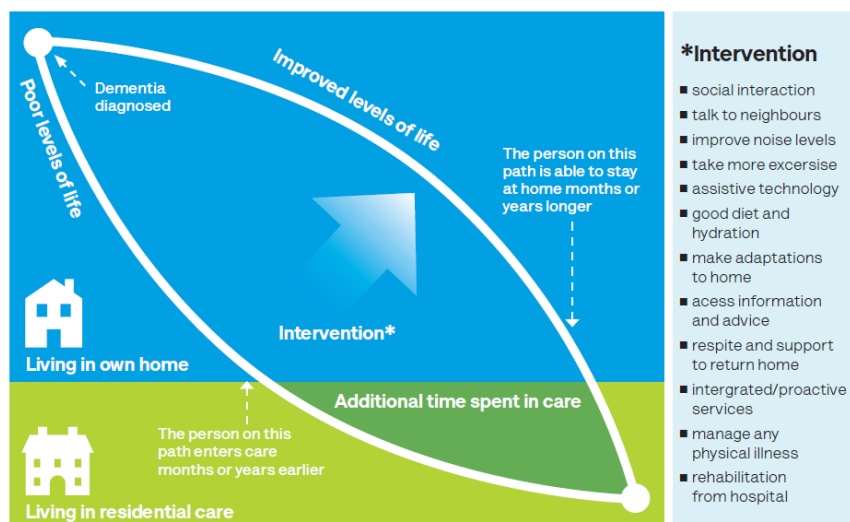
⁵⁰ World Health Organisation: [Global age-friendly cities: a guide](#), page 32

⁵¹ Ibid, page 33

⁵² Ibid, page 35

⁵³ Alzheimer's Society, [Dementia-friendly housing charter](#), page 13

Figure 11: Dementia care chart



Source: Dementia Services Development Centre, 2013

8.11 The role of the Local Authority

217. As suggested above, it is appropriate for the neighbourhood group to work closely with the LPA to develop policy and approaches to addressing the need for housing for elderly people in the area. The LPA is under an obligation through national policy to address the needs of older people,⁵⁴ it is therefore appropriate they should play the strategic role in co-ordinating new efforts by housing providers, adult care services, primary care and health trusts, private and third sector organisations to meet the housing needs of older people across the district.

⁵⁴ NPPF, para 50

9. Market Signals

218. The PPG highlights the importance of taking market signals into account when assessing housing need, given they provide an indication of the balance between demand and supply. This is particularly important to consider given the significant and well-documented changes in the housing market over recent years, which were exacerbated by the economic downturn and subsequent issues in obtaining mortgage finance.

219. The PPG states:

The housing need number suggested by household projections (the starting point) should be adjusted to reflect appropriate market signals, as well as other market indicators of the balance between the demand for and supply of dwellings. Prices rising faster than the national/local average may well indicate particular market undersupply relative to demand.⁵⁵

220. These market signals relate to trends discernable within the housing market, and broader economic trends that have an impact on the housing market.

221. The PPG goes on to assert that where there is evidence of an imbalance in supply and demand, an uplift in planned housing numbers – compared to those derived solely from household projections – is required in order to increase the supply of housing to meet demand and tackle affordability issues:

This includes comparison with longer term trends (both in absolute levels and rates of change) in the: housing market area; similar demographic and economic areas; and nationally. A worsening trend in any of these indicators will require upward adjustment to planned housing numbers compared to ones based solely on household projections.

In areas where an upward adjustment is required, plan makers should set this adjustment at a level that is reasonable. The more significant the affordability constraints (as reflected in rising prices and rents, and worsening affordability ratio) and the stronger other indicators of high demand (eg the differential between land prices), the larger the improvement in affordability needed and, therefore, the larger the additional supply response should be.⁵⁶

222. In discussions with Pulborough Parish Council and Horsham District Council as to the appropriate levels of market dwellings in the Plan Area it will necessary to consider factors that suggest either an uplift or reduction. This chapter of the report considers the following market signals:

- Employment trends;
- Housing Market (Prices);
- Housing Market (Volume);
- Rate of Development (changes in housing stock); and
- Overcrowding and concealment.

9.1 Employment and Commuting

223. Local employment trends can greatly influence housing needs as employment opportunities can stimulate demand in the plan area. It is therefore important to establish the employment sphere of influence experienced by the residents of Pulborough. The table on the following page demonstrates that the percentage of the population that is economically active in Pulborough is lower than the average for Horsham, but higher than that for England as a whole. However, this figure masks a higher number of retired people than in the district (17%, versus 15.5%).

224. There are also significantly more people who are self-employed in Pulborough, 16.0%, versus 12.9% in the district. Such businesses “are likely to have growth potential”⁵⁷, and given that Horsham has the best survival rates for new businesses of any region in England after the South East⁵⁸, are likely to contribute significantly to employment growth in Pulborough in the future.

⁵⁵ http://planningguidance.communities.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/methodology-assessing-housing-need/#paragraph_019

⁵⁶ http://planningguidance.communities.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/methodology-assessing-housing-need/#paragraph_020

⁵⁷ HDEP16, pp. 30

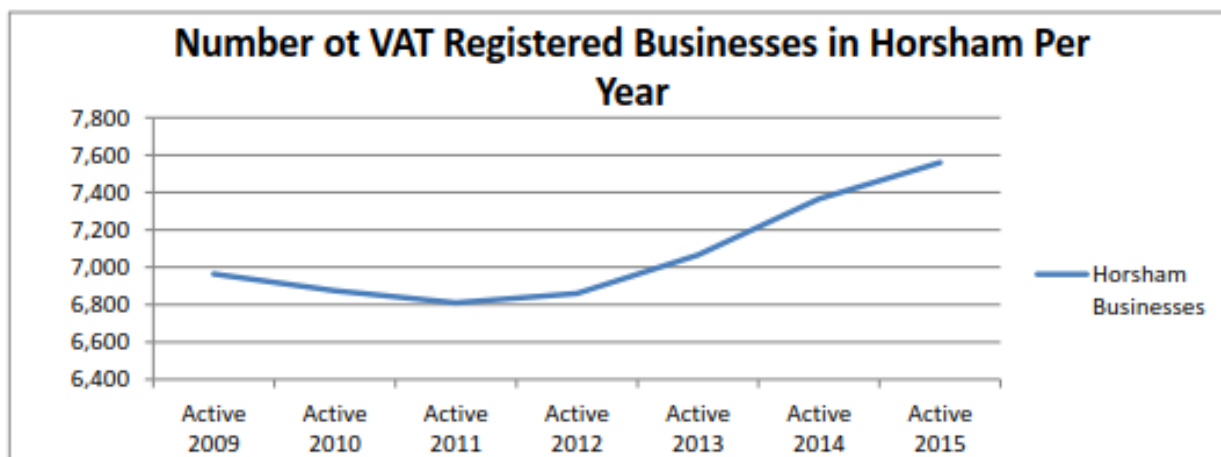
⁵⁸ HDEP16, pp. 29

Table 21: Economic activity in Pulborough, 2011

Economic category		Pulborough	Horsham	England
Economically active	Total	71.5%	73.4%	69.9%
	Employee: Full-time	36.9%	40.3%	13.7%
	Employee: Part-time	13.8%	14.8%	38.6%
	Self-employed	16.0%	12.9%	9.8%
	Unemployed	2.8%	2.7%	4.4%
	Full-time student	2.1%	2.7%	3.4%
Economically inactive	Total	28.5%	26.6%	30.1%
	Retired	17.0%	15.5%	13.7%
	Student	3.3%	3.5%	5.8%
	Looking after home or family	4.5%	4.2%	4.4%
	Long-term sick or disabled	2.4%	2.2%	4.1%
	Other	1.3%	1.3%	2.2%

Source: Census 2011, AECOM Calculations

225. Reflecting this growth potential, there has also been a significant growth in the number of VAT registered businesses of all sizes based in Horsham, as shown in Figure 12 below, steadily rising after their mid-recession low point, and suggesting a recovery in employment growth, which could also drive demand for housing. Indeed, considering retail businesses alone, at the time of Horsham Economic Profile in December 2016, Pulborough had 100% of its retail units occupied, higher than other towns in the district such as Horsham (93.6%), Billingshurst (94.5%), and Southwater (96.8%), again, suggesting strong economic prospects for the parish.⁵⁹ In terms of other employment types, Pulborough hosts two significant employment sites noted in the North West Sussex Economic Growth Assessment 2014: Broomers Hill Park and Pulborough Station Approach, both with potential for investment and upgrading.

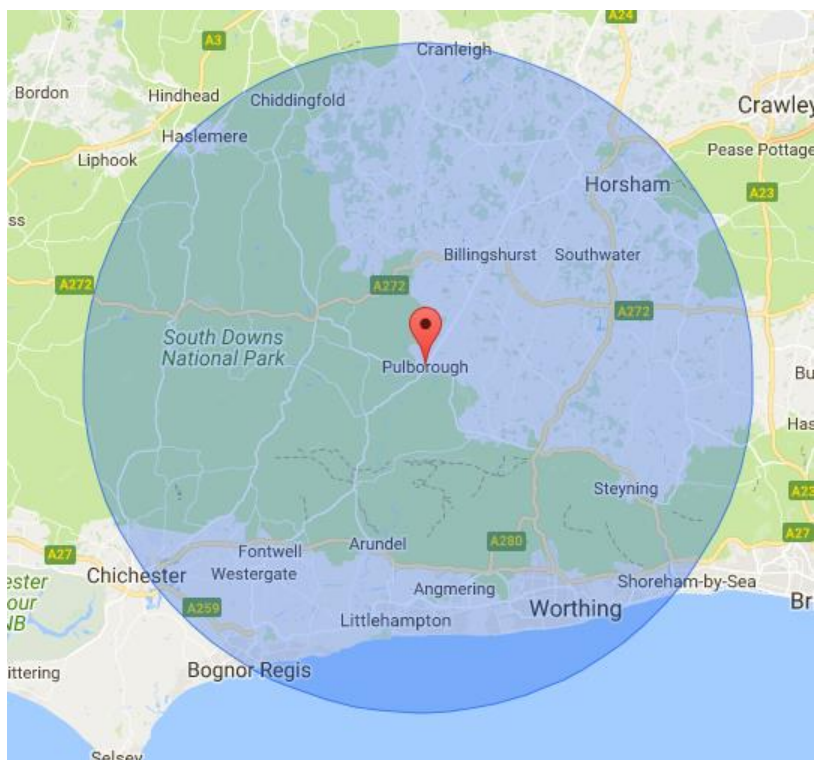
Figure 12: Number of VAT Registered Businesses in Horsham per Year

Source: ONS Business Demography 2008 to 2015/HDEP16

226. In terms of out-commuting, residents of Pulborough commute on average slightly further than residents of Horsham, 21.5km, versus 19km in Horsham as a whole. This suggests that the average resident of Pulborough is commuting as far as Horsham itself, or to Worthing or Bognor Regis, as shown in the figure on the following page. However, 26.7% of residents also commuted less than 10km to work, which would allow them to commute to Billingshurst for example for work. Conversely, just 16.3% of residents commuted more than 30km to work, for example to Crawley or Brighton or London. The train to London takes approximately 1 hour and 15 minutes, which the data shows is too far for the vast majority of economically active residents. This data suggests that employment in Pulborough is relatively locally contained, with the vast majority working in neighboring towns and villages, likely within the district.

⁵⁹ HDEP16, pp. 33

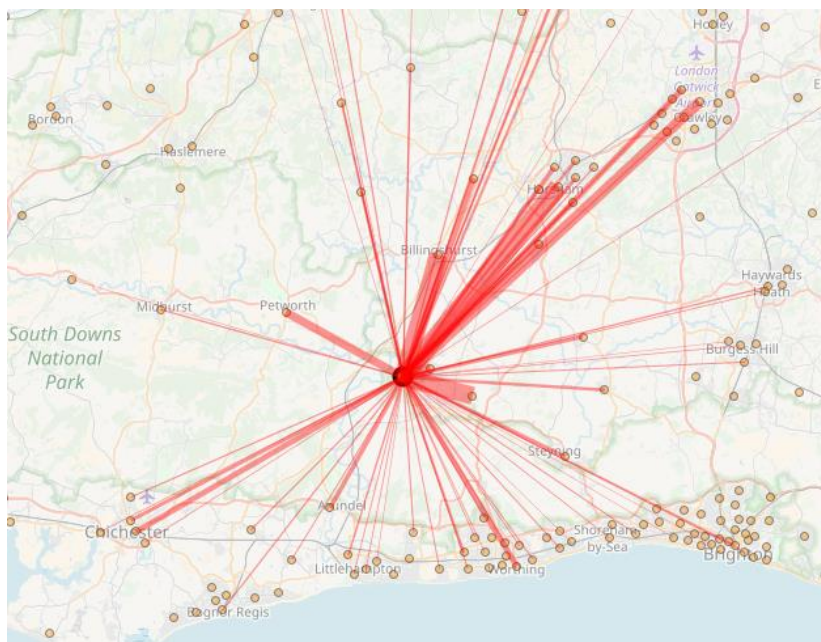
Figure 13: 21.5km commuting radius from Pulborough



Source: Google Maps

227. Indeed, this is confirmed by the map and below, which showed that in 2011, fully 67.5% of those with a fixed place of employment in the area worked with in Horsham District. Given the relative self-containment of employment in Pulborough, and the positive growth prospects of Horsham District as a whole discussed above, it is likely that increased employment will have a significant impact on future housing demand in the parish.

Figure 14: Map of commuting outflows from Pulborough



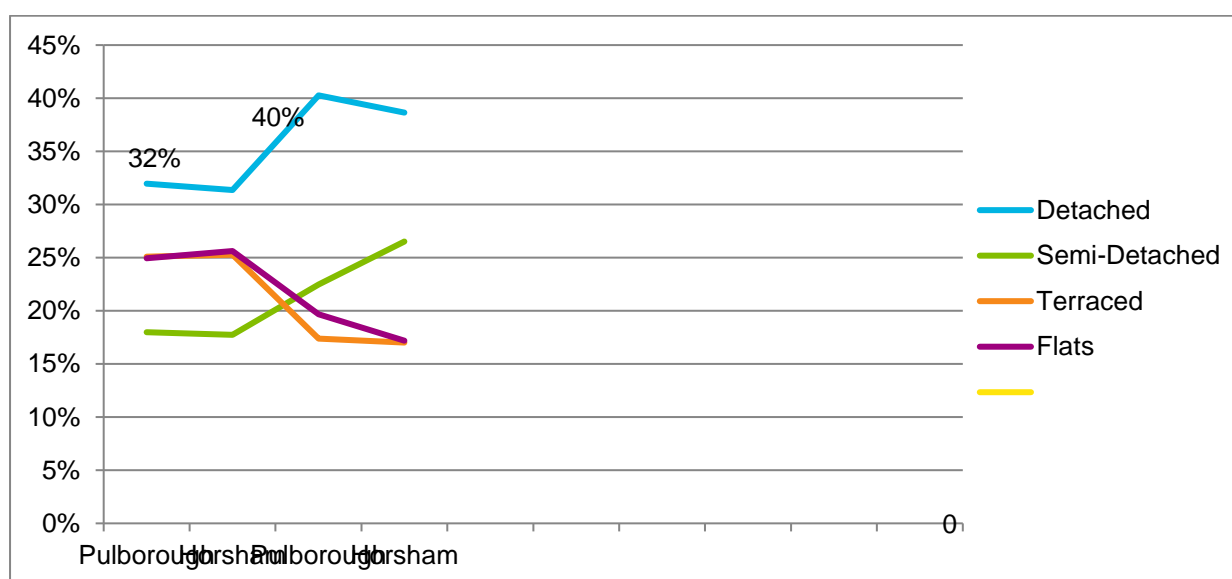
Source: <http://commute.datashine.org.uk/>

9.2 Housing Sales (Prices)

228. The PPG advises that house prices should be used as an indication of the strength of demand for housing, and adequacy of supply to meet demand⁶⁰. It makes clear that house prices can be used to provide a 'market-base' enabling: "the identification of areas which have clearly different price levels compared to surrounding areas. The findings provide information about differences across the area in terms of the price people pay for similar housing, market 'hotspots', low demand areas and volatility." This is then used as a signal to increase demographically based housing projections in response to the actual housing market.

229. To assess recent movements in the house market in Pulborough we have analysed data from the Land Registry. Data was then downloaded for the NA for the period of January 2007 to December 2016 (totalling 1223 transactions), and is presented in the figure below, divided by type of home and showing average price for each year. The figure shows that there have been fluctuations in the price of all types of homes, although detached homes experienced the largest fluctuations, as well as the highest growth over the period (26%). Flats on the other hand experienced just 4% growth over the period, and therefore probably decreased in real terms as a result of inflation. The graph also clearly shows the effects of the recession on prices in 2009, and for some house types, the second 'dip' in 2012.

Figure 15: Average price paid by year and housing type in Pulborough



Source: Land Registry, AECOM Calculations

230. It is significant to consider the performance of house prices in Pulborough with the rest of Horsham, using the UK House Price Index for the district, also published by the Land Registry, as a benchmark. This data is presented in the table below, and makes clear that prices in Horsham have grown significantly more across all housing types than in Pulborough over the 10 year period. Indeed, even the price growth of detached homes, which was the highest of all types in Pulborough, was close to half that of price growth in Horsham, with the average for all types being less than one third of that for Horsham. Indeed, in comparison to the figures for the whole of the UK, only detached homes in Pulborough performed as well or better than such homes across the country, and indeed, the average growth across all types was half the national average.

Table 22: House price growth, by type, in Pulborough, Horsham and the UK, 2007-2016

	Pulborough	Horsham	UK
Detached	26%	50%	21%
Semi-Detached	15%	45%	19%
Terraced	9%	43%	21%
Flats	4%	28%	30%
All Types	11%	43%	22%

Source: Land Registry, UKHPI, AECOM Calculations

⁶⁰ <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

231. It is also necessary to consider whether this price growth was from a higher or lower base in Pulborough than in Horsham in 2007. This data, presented in the table below, shows that while in 2007, house prices for all types individually, as well as the average, were higher in Pulborough, in 2016 this was only true of detached and terraced homes, with the average for all types in 2016 higher in Horsham than in Pulborough.

Table 23: Average house price by type in Pulborough and Horsham, 2007 and 2016

	2007		2016	
	Pulborough	Horsham	Pulborough	Horsham
Detached	£495,269	£399,421	£624,506	£597,447
Semi-Detached	£276,028	£253,357	£316,735	£367,241
Terraced	£273,682	£208,172	£297,823	£296,668
Flats	£180,951	£156,375	£188,511	£200,563
All Types	£323,212	£259,532	£359,379	£370,245

Source: Land Registry, UKHPI, AECOM Calculations

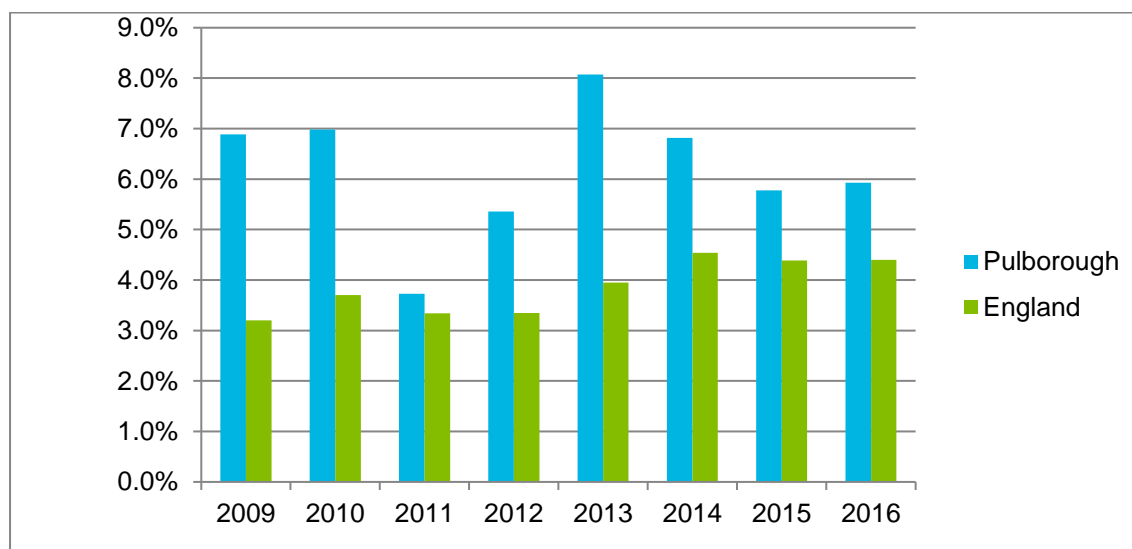
232. It is clear from this data that house prices, though rising for all types in Pulborough between 2007 and 2016, may not have kept up with inflation, and have grown far less than those of Horsham as a whole, or indeed the country, save for detached homes. This is still indicative of increased demand for housing in the parish, though at relatively low levels when compared with the rest of the district.

9.3 Housing Sales (Volumes)

233. Whilst house prices can be indicative of increased or decreased demand in the housing market, they represent the values of only a small proportion of homes, i.e. those that have sold, rather than the total stock. In the case of Pulborough, it is also relevant to consider the overall volumes of housing sales in the NA of 1,230 homes over the ten year period, particularly given the relatively high number of sales transactions, in comparison with total stock of dwellings in 2011, 2,394 homes. This implies that more than half of homes may have been sold in this period, although in reality, it is likely that some homes have been sold more than once. Indeed, an analysis of the data shows that in fact just 920 individual properties were sold during this period in Pulborough, on average 1.34 times, i.e. approximately one third of properties which were sold two or more times.

234. It is particularly revealing to compare this data with that for the whole of England, for which only the years 2009-2015 were available, as shown in the chart below. No data on this topic is published at the local authority level in the UK, and so a national comparison is necessary. The figure makes clear that the rate of housing turnover as a percentage of all privately owned stock in 2011 (1957) was higher in every year in Pulborough than the national average, and was more than double in some years.

Figure 16: Housing turnover (sales a percentage of all privately owned stock) in Pulborough and England, 2009-2016



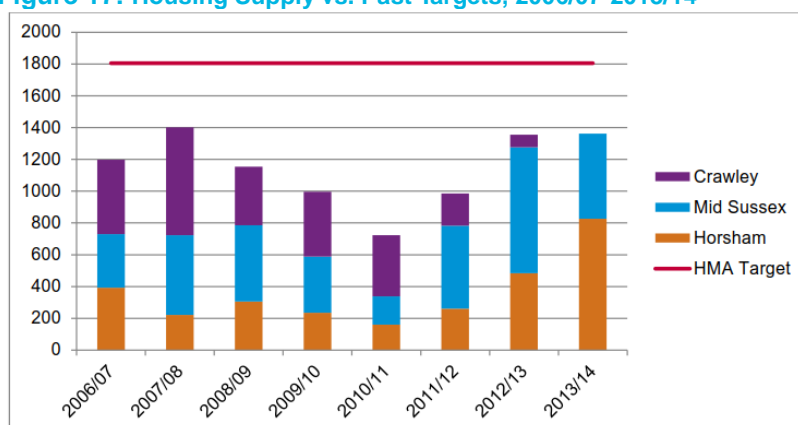
Source: Land Registry PPD, ONS Housing Summary Measures Analysis 2016, AECOM Calculations

235. The implications of such findings are not clear cut, although over the past few decades, housing turnover measured as a proportion of supply has declined significantly, which may have contributed to a notable rise in house prices.⁶¹ As such, the relatively high turnover of housing in Pulborough may have helped to meet housing demand in the parish, thus keeping prices growth relatively low in comparison to the rest of the district, and indeed England, as shown above. Whilst it would be wrong to conflate sales of existing homes with supply of new homes, clearly the housing market in Pulborough functions efficiently in the sense that increased demand has led to significantly increased sales in some years, rather than increased prices as a result of a lack of housing supply.

9.4 Rate of Development

236. It is also highly relevant in this context to consider the rate of development in Pulborough, i.e. the rate of new buildings being built and coming onto the market. The PPG suggests that “If the historic rate of development shows that actual supply falls below planned supply, future supply should be increased to reflect the likelihood of under-delivery of a plan.”⁶²
237. As discussed in Chapter 4, a total of 359 dwellings (net) were added to Pulborough between the two censuses, or approximately 36 per year. This represented growth of 18% on the 2001 stock, which was fairly high in comparison with growth in the district overall, which was 10%.
238. However, growth between 2011 and 2017 in Pulborough was slightly lower, with just 162 net dwellings added over the period⁶³, or 27 per year, 75% of the annual rate seen in the previous period. Horsham on the other hand saw growth between the two censuses of just 532 dwellings per annum, whilst between 2011/12 and 2015/16 the growth rate was higher, at 759 dwellings per annum, 142% of the previous rate.⁶⁴
239. This data makes clear that whilst historically, rates of development were higher in Pulborough than in Horsham, since 2011 this situation has reversed, suggesting relative under-delivery. Indeed, this view is confirmed when we consider whether the actual supply of dwellings completed in Pulborough has kept up with planned supply in terms of planning permissions granted. As discussed in RQ1 b), since 2010, 387 dwellings have been granted permission in Pulborough, of which just 162 have been built out. This suggests that there is a relatively high likelihood of future under-delivery, given that less than half of permissions granted in the period have been built out.
240. In addition, Figure 17 below, which reproduces a figure from Housing Need in Horsham District 2015, demonstrates the relative strength of Horsham’s housing market recovery, particularly when set against nearby Crawley, and the dip in supply in Mid-Sussex for 2013/14, the last year for which data is available. Needless to say, housing supply has not, in the years for which data was available, surpassed more than 80% of projected need for the housing market area, as shown below, although in the year 2013/2014 Horsham did deliver more than the 800 homes set as an annual target in its 2015 District Planning Framework⁶⁵. This provides further evidence to support the view of significant under-delivery of housing within the wider housing market area.

Figure 17: Housing Supply vs. Past Targets, 2006/07-2013/14



Source: Local Authorities' Annual Monitoring Reports/HNHD15

⁶¹ <http://residential.jll.co.uk/new-residential-thinking-home/news/uk-housing-turnover-leading-to-higher-prices>

⁶² PPG Paragraph: 019 Reference ID: 2a-019-20140306

⁶³ Horsham District Annual Monitoring Report

⁶⁴ Ibid.

⁶⁵ HDPF15, pp. 54

9.5 Overcrowding and Concealment

241. Overcrowding and concealment can demonstrate un-met need for housing. Furthermore, PPG also states that “Longer term increase in the number of such households may be a signal to consider increasing planned housing numbers.”⁶⁶ The table below considers the number of households falling into three ratings of ‘persons per room’: those households with more than one person per room are considered to be overcrowded. This data shows that there has been significant reduction in overcrowding in Pulborough between the two censuses.

Table 24: Trends in number of persons per room in Pulborough and Horsham, 2001-2011

	2001	2001	2011	% Change	2011	% Change
	Pulborough	Horsham	Pulborough		Horsham	
Up to 0.5 persons per room	1507	37861	1788	19%	41969	11%
Over 0.5 and up to 1.0 persons per room	437	11798	499	14%	12487	6%
Over 1.0 persons per room	35	378	15	-57%	467	24%

Source: Census 2001, 2011





242. Conversely however, the rate of concealed families, that is, those households with more than one household living in the same dwelling, was higher in Pulborough in 2011, at 1.4%, than the average for Horsham, 1.2%. This was despite the fact that percentage of households containing non-dependent children still living with their parents in Pulborough, frequently an potential explanatory factor for increased numbers of concealed families, was significantly lower in Pulborough, at 23.2%, than in Horsham, at 26.6%. This suggests that concealment is indicative of a relative lack of appropriate housing for such households, of which there are 22 in Pulborough, and thus a mismatch between supply and demand.


⁶⁶ PPG paragraph: 019 Reference ID: 2a-019-20140306

10. Conclusions

10.1 Overview

Table 25: Summary of factors specific to Pulborough with a potential impact on neighbourhood plan housing quantity

Factor	Source(s) (detailed in Chapter 9)	Possible impact on future housing need	Rationale for judgement
Employment and Commuting	Census 2001/11, LEPSEP14, HDEP16, SHMA09,		Pulborough has a relatively contained labour market, with most people in the parish working within the district. As such, employment of residents in the parish will benefit from the significant employment growth potential in Horsham, particularly from small and medium sized businesses, local retailers, and other local employment hubs. As such, a diagnosis of one up arrows is deemed appropriate due to the strong growth prospects of the local economy.
Housing Sales (Prices)	Land Registry Price Paid Data for 2006-2016, SHMA09		<p>Pulborough slightly lower prices on average compared to Horsham as a whole, although for some types of houses, such as detached and terraced homes, prices were higher than the average for the district.</p> <p>Historically, house prices were in fact higher in the parish than across the district, but significantly higher price growth across Horsham over the last 10 years did not affect Pulborough to the same extent.</p> <p>Taking into account the relatively modest house price growth in recent years, we do not see sufficient evidence to justify an increase in the housing needs figure based on the appreciation of house prices.</p>
Housing Sales (Volume)	Land Registry Price Paid Data for 2007-2016, Census 2001/2011 data, SHMA09, ONS Housing Summary Measures Analysis 2015,		Pulborough's rate of housing turnover, that is the percentage of all privately owned stock being sold each year, has been shown to be significantly higher than the nation average, and up to double that in some years. This may have contributed to the relatively lower price growth discussed above. However, such high sales volumes are clearly indicative of high demand for housing in relation to its relative affordability. Therefore, two up arrows has been deemed appropriate.
Rate of development	HDC, HNHD15 Land Registry Data/AECOM Calculations		Although historically, rates of delivery have been high in Pulborough, these have declined significantly since 2011, with rates of delivery in Horsham now much higher than those in the parish in relation to existing stock. Indeed, less than half of existing commitments, i.e. dwellings granted planning permission, have been built, suggesting that in future, under delivery is fairly likely. This is compounded by

		wider underdelivery throughout the housing market area in relation to planned targets.
Overcrowding and Concealment	Census Data 2001, 2011	 <p>There has been a significant reduction in those experiencing overcrowding in Pulborough, however, this is set against a slightly higher level of concealment in comparison with the district, particularly given the context of lower levels of parents with non-dependent children living at home. As such, a diagnosis of one up arrow is deemed appropriate, given the compelling evidence of housing need presented by the 22 concealed families in the parish.</p>

10.2 Recommendations for next steps

243. This neighbourhood plan housing needs advice has aimed to provide Pulborough with evidence on housing trends from a range of sources. We recommend that the parish should, as a next step, discuss the contents and conclusions with HDC with a view to agreeing and formulating draft housing policies, in particular the appropriate approach to identifying the level of need for new housing in the NP area, bearing the following in mind:
- Neighbourhood Planning Basic Condition A, that it has regard to national policies and advice contained in guidance issued by the Secretary of State; Condition D, that the making of the neighbourhood plan contributes to the achievement of sustainable development; and Condition E, which is the need for the neighbourhood plan to be in general conformity with the adopted strategic development plan;
 - the views of HDC – in particular in relation to the housing need figure that should be adopted;
 - the views of local residents;
 - the views of other relevant local stakeholders, including housing developers;
 - the numerous supply-side considerations, including local environmental constraints, the location and characteristics of suitable land, and any capacity work carried out by the HDC, including but not limited to the SHLAA;
 - the recommendations and findings of this study; and
 - The impact of the new Government proposed standard methodology on calculating housing need on the district and its neighbourhoods.
244. Recent changes to the planning system, forthcoming changes to the NPPF, as well as the implementation of the Housing and Planning Act 2016, will continue to affect housing policies at a local authority and, by extension, a neighbourhood level.
245. This advice note has been provided in good faith by AECOM consultants on the basis of housing data and national guidance current at the time of writing (alongside other relevant and available information).
246. Bearing this in mind, we recommend that the steering group should monitor carefully strategies and documents with an impact on housing policy produced by the District Council or any other relevant body and review the neighbourhood plan accordingly to ensure that general conformity is maintained.
247. At the same time, monitoring ongoing demographic or other trends over the neighbourhood plan making period affecting the factors summarised in Tables 1 and 2 would be particularly valuable.

