Statement of Case

Land to the West of South Hill Farmhouse, Storrington Road, Thakeham

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1.0 Introduction

1.1 This Statement of Case is submitted in support of an appeal against the decision of Horsham District Council (HDC) to refuse full planning permission for the erection of 5no. dwellings with access from Storrington Road, at land to the west of South Hill Farmhouse, Thakeham, West Sussex ('the appeal site').

1.2 The Full Planning Application was made valid by Horsham District Council on 14 January 2025 under reference DC/25/0053. The application was refused under delegated authority on 04 August 2025.

1.3 The Council's single reason to refuse the application is as follows:

> 1. The proposed development would be sited within an unsustainable location in the countryside, outside of a defined built-up area boundary, and on a site not allocated for housing development within the Horsham District Planning Framework, or a made Neighbourhood Plan. Furthermore, the proposed development is not essential to its countryside location. Notwithstanding the absence of a five-year land housing supply, and the provisions of the National Planning Policy Framework (2023) at paragraph 11(d), it is not considered that there are any material considerations in this instance which would outweigh harm arising from conflict with Policies 1, 2, 3, 4 and 26 of the Horsham District Planning Framework (2015).

1.4 This appeal statement sets out the context of the site, explains what is proposed, how it relates to the most relevant planning policies, and why it is contended that planning permission should be granted. The structure of this statement is:

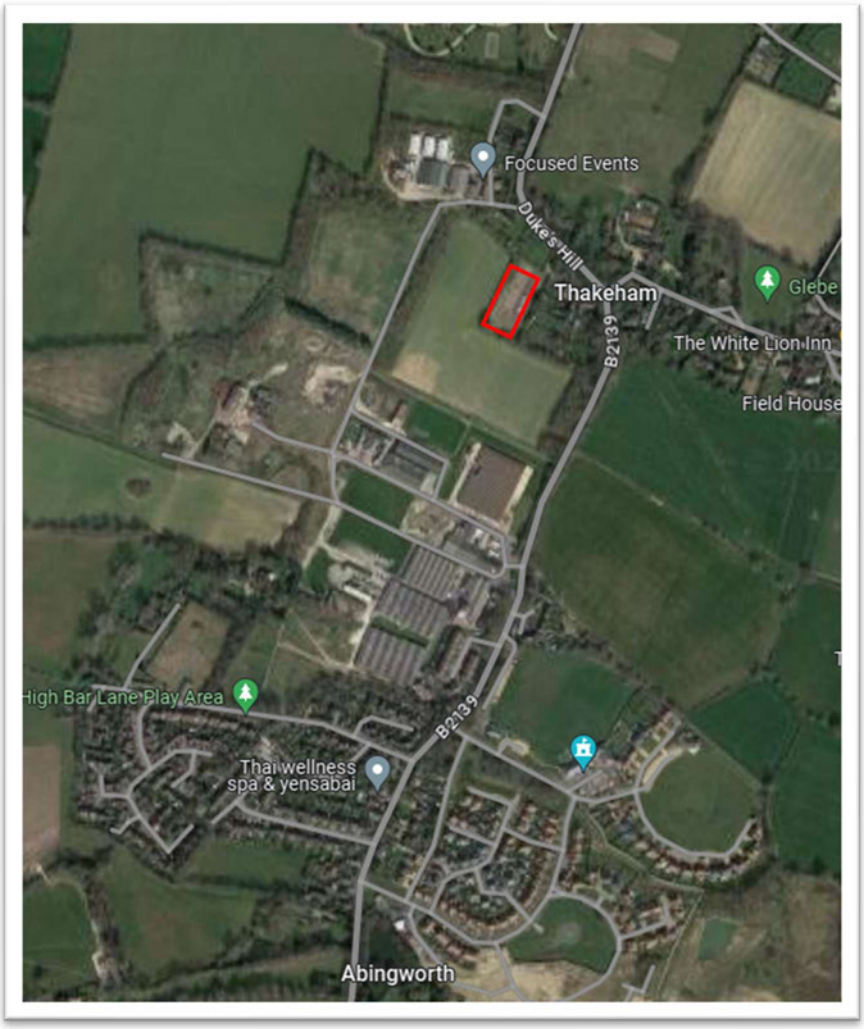
- **Section 2**: Description of the appeal site and it's surroundings;
- **Section 3**: Description of the proposed development;
- **Section 4**: Summary of relevant policies;
- **Section 5**: Summary of the site's planning history;
- **Section 6**: Statement of Case;
- **Section 7**: Summary of why the appeal should be allowed.

2.0 The Appeal Site and Surroundings

Site Location

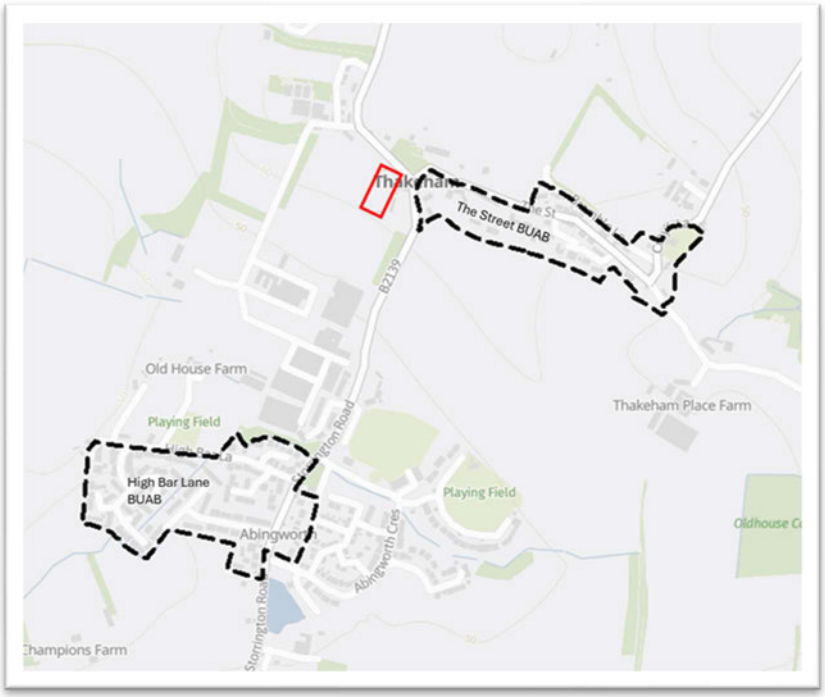
2.1 The appeal site is located on land to the west of South Hill Farmhouse, which is located to the west of the B2139 (Storrington Road) in the village of Thakeham. The location of the appeal site is shown in the map below.

Figure 1: Site Location



2.2 Thakeham is a settlement with two defined centres, comprising 'The Street' and 'High Bar Lane' which each have a defined Built-Up Area Boundary (BUAB). The edge of the defined BUAB of The Street is located close to the appeal site, to the east of the B2139 as shown in the image below:

Figure 2: Defined Built-Up Area Boundaries in Thakeham in relation to the Site (outlined in red) – As per the adopted development plan (HDPF, 2015).



2.3 The emerging Local Plan proposes changes to the BUAB in Thakeham to extend the formal boundary to include the recent development at Abingworth. As such, the proposed settlement boundary in Thakeham is intended to be as per the image below:

Figure 3: Proposed Built-Up Area Boundary in Thakeham (appeal site outlined in red)



2.4 It is acknowledged that at present. the appeal site is located outside the defined BUAB, and by default is defined as being in the 'countryside' in planning terms. Notwithstanding this, the appeal site is located directly adjacent to a cluster of existing residential dwellings to its east, and other detached dwellings to its north (north of Duke's Hill), as well as further dwellings and a small commercial estate to the north-west of the site.

2.5 The B2139 runs close to the eastern edge of the appeal site, and to the immediate south and south-west of the appeal site is open fields and countryside. The former Thakeham Mushrooms factory is located around 150m to the south of the appeal site.

2.6 A bus stop is located around 100m to the east of the site.

2.7 Public footpath THA-2479 is located to the east of the B2139 and connects The Street to Abingworth to the south.

2.8 The appeal site contains no listed buildings, and there are no heritage assets within the site or its immediate vicinity that are likely to be affected by the proposed development. The nearest listed buildings are located around 120m to the east of the site and include two Grade 2 listed buildings ('Mansion House' and 'Martins') located along The Street. The nearest boundary of the Thakeham Conservation Area is located around 100m to the east of the appeal site.

Site Description

2.9 The majority of the 0.68ha site is currently in horticultural use and (save for a small substation in the north-western corner) the appeal site contains no existing buildings or built structure within its boundaries (previously standing polytunnels have now been removed).

2.10 The appeal site is well contained and is bounded by hedges to its south, east and west. The northern section of the appeal site is a former garden area which is laid to grass and bounded by hedging.

2.11 The appeal site benefits from existing pedestrian and vehicular access from Storrington Road (B2139 Duke's Hill) via a shared drive that leads to a small cluster of existing dwellings and

farmsteads. An informal footpath is located along the southern side of Storrington Road which enables pedestrian access from the site to the nearby bus stop to the east.

2.12 The appeal site is largely flat and contains no existing trees or water features. The site is entirely within Flood Zone 1 (as shown on EA mapping) and no part of the site is located within an area identified as having surface water flood risk.

2.13 The site is located within a designated Archaeological Site, and within a Bat Sustenance Zone.

Summary

2.14 The appeal site is located in a suitable location for modest residential development, with existing built form to its immediate east, and additional built form to its north-west. Existing facilities and services in Abingworth to the south of the site are accessible by foot (via right of way THA-2479), or by a short drive; and the B2139 is located to the immediate north of the appeal site which provides convenient access and links to the highway network beyond. A bus service also serves the village. The site is relatively flat and contains no major ecological, landscape or any other constraints that would lead to any technical reasons why the proposed development could not come forward.

3.0 The Proposed Development

3.1 Full Planning Permission is sought for the residential development of the appeal site together with associated landscaping, parking and access, at Land to the west of South Hill Farmhouse, Thakeham. The description of the appeal proposal is as follows:

> 'Full planning permission for the erection of 5no. detached dwellings with associated access, car ports and landscaping'

3.2 Access to the appeal site is proposed utilising the existing access arrangement to the north of the site via the B2139 (Duke's Hill). The existing access would be widened, and appropriate visibility splays would be in place to ensure safe egress. A 5m wide internal access road (flanked by 2m footpaths) will lead from the site entrance at the southern end of the site, linking to individual driveways serving each of the 5no. homes. A turning head is proposed at the southern end of the site for the turning of larger vehicles.

3.3 Each property would be served by a double garage and generously sized driveways for additional off-street parking. An additional visitor space would be provided in a bay located along the access road opposite Plot 2. Separate bicycle storage is also proposed for each dwelling.

3.4 The 5no. proposed dwellings would all be detached 2-storey homes, ranging from 225sqm to 229sqm in size and each would comprise 5 bedrooms.

3.5 The dwellings are arranged in a linear format, each orientated to face north-east, with generously sized rear gardens facing south-west. The dwellings are set back from the main access road and are located in spacious plots reflecting the low-density character of the immediate surrounds and allowing for significant landscape buffers and new planting within the site.

3.6 A comprehensive landscaping scheme is proposed, including the provision of new native and ornamental trees, new ornamental planting and flowering lawns, which will help to create a high-quality development that is sufficiently screened from the rural surroundings. The existing hedgerow separating Plots 1 and 2 would be incorporated into the scheme and retained to create a natural plot boundary.

3.7 The dwellings have been designed to reflect the local vernacular utilising architectural styles, materials and features that are typical within this part of Sussex. Features including hipped roofs, gable frontages, porches and chimney breasts are proposed. A varied palette of

materials including white render, dark weatherboard, red/brown brick and tile hanging are proposed, and it is anticipated that precise material and design details would be secured by condition in the event that this appeal is allowed.

3.8 Hard surfacing is proposed to include a mix of asphalt at the site access, permeable surfacing within the site's internal road network (including block paving and gravel surfacing), and concrete paving slabs to private paths.

3.9 A mixture of hedging and post and rail fencing is proposed throughout the site to demarcate boundaries, including the retention of the existing hedgerow that separates plots 1 and 2.

3.10 The design of the houses, coupled with the carefully considered layout and landscaping scheme will create a modest development of the highest quality that complements the sensitive rural character of its surrounds.

4.0 Relevant Planning Policy

4.1 This section of the Statement of Case sets out the key relevant planning policy at national and local levels. Section 6 will then discuss the principle of development, as it relates to the relevant policies and why the appeal scheme is considered acceptable when taking account of the adopted plan, and material considerations.

4.2 Section 38(6) of the Planning and Compulsory Purchase Act 2004 requires that, in the determination of planning applications (and appeals), decisions are made in accordance with the Development Plan unless material considerations indicate otherwise. The following section will first note the national polices of relevance before focusing on the local policies considered of most relevance to the consideration of the proposal for the appeal site.

National Planning Policy Framework (NPPF, December 2024)

4.3 The most recently published National Planning Policy Framework (NPPF) was updated in December 2024, and then again in February 2025 and this carries full weight in decision making. The updated NPPF continues to establish a presumption in favour of sustainable development. **Paragraph 2** states that the NPPF is a material consideration in planning decisions.

4.4 A consultation on a new draft NPPF was launched in December 2025 and runs to March 2026. At present, the policies contained in the consultation draft hold very limited weight in decision making but show a direction of travel the current Government are looking to pursue in terms of national planning policy changes.

4.5 **Paragraph 8** confirms that there are three dimensions to sustainable development - economic (building a strong, competitive economy); social (providing the supply of housing required to meet needs and creating a high quality-built environment); and environmental (protecting and enhancing the natural, built and historic environment).

4.6 **Paragraph 9** confirms that these roles should be delivered through the preparation and implementation of plans and the application of policies but also taking into account local circumstances to reflect the need and opportunities in each area.

4.7 **Paragraph 11** continues to stress that plans and decisions should apply a presumption in favour of sustainable development. Development plans should positively seek opportunities to meet the development needs of the area, and proposals should accord with an up-to-date development plan, or where there are no relevant development plan policies, or the policies

which are most important for determining the application are out of date, granting permission unless:

i) The application of policies in this Framework that protect areas or assets of particular importance ('Footnote 7' areas) provides a strong reason for refusing the development proposed; or

ii) *"Any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole, having particular regard to key policies for directing development to sustainable locations, making effective use of land, securing well-designed places and providing affordable homes, individually or in combination."* [our emphasis]

4.8 **Footnote 8** of the NPPF clarifies that the presumption in favour applies in situations where the local planning authority cannot demonstrate a five-year supply of deliverable housing sites; or, where the Housing Delivery Test indicates that delivery of housing is substantially below (less than 75%) of the housing requirement over the previous three years. This is currently the case in Horsham as a 5-year supply cannot be demonstrated.

4.9 **Paragraph 12** states the presumption in favour of sustainable development does not change the statutory status of the development plan as the starting point for decision-making. Where a planning application conflicts with an up-to-date development plan (including any neighbourhood plans that form part of the development plan), permission should not usually be granted. If material considerations in a particular case indicate that the plan should not be followed, local planning authorities may take decisions that depart from an up-to-date development plan.

4.10 **Paragraph 14** continues to confirm that where the presumption (at paragraph 11d) applies, the adverse impact of allowing development that conflicts with a neighbourhood plan is likely to outweigh the benefits provided that the neighbourhood plan was made within the previous 5 years, and the plan contains policies and allocations to meet its identified needs. The Thakeham Neighbourhood Plan is well over 5 years old (having been made in 2017), and as such does not benefit from the protections of paragraph 14.

4.11 **Paragraph 20** relates to strategic policies where it is set out that these policies should make sufficient provision for: housing (including affordable housing), infrastructure, community facilities, and conservation of the natural and built environment.

4.12 In terms of determining applications, **paragraph 39** of the framework states that it is a requirement for Local Planning Authorities to approach decisions in a positive and creative way. Planning Authorities should also work proactively with applicants to secure developments

that will improve the economic, social and environmental conditions of the area, whilst seeking to approve applications for sustainable development where possible.

4.13 **Paragraph 48** reiterates the requirements set out in planning law that applications for planning permission should be determined in accordance with the development plan unless material considerations indicate otherwise. It actively encourages decisions on applications to be made as quickly as possible.

4.14 **Paragraph 56** states that planning conditions can be used to make a development acceptable, where it might otherwise be unacceptable. Paragraph 57 goes on to say that the use of conditions should be kept to a minimum and only imposed if necessary, relevant, enforceable, precise and reasonable in all respects.

4.15 **Section 5** (delivering a sufficient supply of homes) sets out clearly that the Government is committed to significantly boosting the supply of homes (**paragraph 61**) in order to meet local needs and help make sure that land with permission is developed without unnecessary delay.

4.16 **Paragraph 63** states that the size, type and tenure of housing needed for different groups in the community should be reflected in planning policies, and should include those who require affordable housing, older people, people with disabilities, travellers, and people wishing to build their own homes.

4.17 **Paragraph 70** outlines the importance of small and medium size sites in the contribution to achieving the housing requirement of an area. These sites are often built out quicker and have less infrastructure requirements and associated risk.

4.18 **Paragraph 78** requires local planning authorities to identify an annual supply of deliverable sites sufficient to provide a minimum of 5 years' worth of housing calculated against the latest local housing needs figure (plus a buffer or either 5% or 20%). The latest figures published by the Council in the 2024-25 Authority Monitoring Report confirms that the district currently has a 1.0-year supply of housing. An appeal decision last year at the nearby Thakeham Mushrooms site (APP/Z3825/W/24/3350094, June 2025), supports this land supply position in paragraph 58. As such, it is undisputed that the Horsham district does not currently have a 5-year housing supply as required by paragraph 78.

4.19 **Paragraph 83** seeks to promote sustainable development in rural areas by directing new housing in suitable location where it will help to enhance the vitality of village communities and to enable them to thrive.

4.20 **Section 8** seeks to promote healthy and safe communities, with **Paragraph 103** highlighting the importance of providing access to a range of high-quality open spaces and opportunities for sport and physical activity in order to promote the health and wellbeing of communities.

4.21 **Section 9** supports the provision of sustainable modes of transport, with **Paragraph 109** stating that transport issues should be considered from the earliest stages of plan making so that opportunities to promote walking, cycling and public transport use are identified and pursued.

4.22 **Paragraph 116** is clear that '*Development should only be prevented or refused on highways grounds if there would be an unacceptable impact on highway safety, or the residual cumulative impacts on the road network would be* ***severe***' [our emphasis].

4.23 **Paragraph 117** states that new development should give priority to pedestrian and cycle movements, should facilitate access to high quality public transport, should address the needs of people with reduced mobility, and should be designed to create places that are safe, secure and attractive.

4.24 **Section 11** relates to making the most effective use of land to make sure that decisions meet the need for housing as effectively as possible whilst improving the environment and making safe and healthy communities. **Paragraph 129** requires decisions to support developments that make efficient use of land taking into account the identified need for different types of housing and other forms of development as well as the importance of securing well-designed and beautiful, attractive and healthy places.

4.25 Design is covered in **Section 12**, where the Government attaches great importance to the design of the built environment. This policy emphasises that good design is an important component of sustainable development and that it should be inseparable from good planning, which should improve the quality of life in communities.

4.26 **Paragraph 131** states the creation of high quality, beautiful and sustainable buildings and places is fundamental to what the planning and development process should achieve. Good design is a key aspect of sustainable development, creates better places in which to live and work and helps make development acceptable to communities.

4.27 **Paragraph 135** states that new developments should be visually attractive due to good architecture, layout and appropriate and effective landscaping, as well as being sympathetic to local character, history, surrounding built environment and landscape setting.

4.28 **Paragraph 170** states that inappropriate development in areas at risk of flooding should be avoided by directing development away from areas at highest risk (whether existing or future).

4.29 **Section 15** covers the natural environment. **Paragraph 192** stresses the importance of protecting and safeguarding ecological networks, including national and locally designated sites of importance to biodiversity, wildlife corridors. It also promotes the conservation, restoration and enhancement of priority habitats, ecological networks and the protection of

priority species. **Paragraph 193(d)** seeks for a net gain in biodiversity to be demonstrated, which accords with the requirement set out in the Environment Act 2021 to secure a minimum of 10% biodiversity net gain.

4.30 **Paragraph 193(d)** states that developments that conserve or enhance biodiversity should be supported and that opportunities to incorporate biodiversity improvements in and around developments should be encouraged.

Adopted Development Plan

4.31 The appeal site falls within the jurisdiction of Horsham District Council (HDC) where the adopted development plan comprises the Horsham District Planning Framework (HDPF 2015); the West Sussex Joint Minerals Local Plan (2018); and all made Neighbourhood Plans.

Horsham District Planning Framework (2015)

4.32 The Horsham District Planning Framework (HDPF) was adopted in November 2015. Those policies of the adopted HDPF of most importance to the appeal proposals are listed below. Those highlighted in **bold** are those specifically referred to in the Council's decision notice and reasons for refusal:

- **Policy 1 - Strategic Policy: Sustainable Development**
- **Policy 2 – Strategic Policy: Strategic Development**
- **Policy 3 – Strategic Policy: Development Hierarchy**
- **Policy 4 – Strategic Policy: Settlement Expansion**
- Policy 15 – Strategic Policy: Housing Provision
- Policy 16 – Strategic Policy: Meeting Local Housing Needs
- Policy 24 – Strategic Policy: Environmental Protection
- Policy 25 – Strategic Policy: The Natural Environment and Landscape Character
- **Policy 26 – Strategic Policy: Countryside Protection**
- Policy 27 – Settlement Coalescence
- Policy 31 – Green Infrastructure and Biodiversity
- Policy 32 – Strategic Policy: The Quality of New Development
- Policy 33 – Development Principles
- Policy 34 – Cultural and Heritage Assets

- Policy 35 – Strategic Policy: Climate Change
- Policy 36 – Strategic Policy: Appropriate Energy Use
- Policy 37 – Sustainable Construction
- Policy 38 – Strategic Policy: Flooding
- Policy 39 – Strategic Policy: Infrastructure Provision
- Policy 40 – Sustainable Transport
- Policy 41 – Parking

West Sussex Joint Minerals Local Plan (2018)

4.33 The West Sussex Joint Minerals Local Plan 2018 was adopted in July 2018. Policy M9 (Safeguarding Minerals) is considered to be most relevant in the context of the appeal proposal.

Emerging Development Plan

Horsham District Local Plan (2023 – 40)

4.34 The emerging Horsham District Local Plan (2023 – 2040) was submitted to the Planning Inspectorate for formal Examination in July 2024. Examination Hearings commenced in December 2024, but proceedings were paused due to the Inspector's concerns about the Duty to Co-Operate and soundness, primarily relating to proposed unmet housing need and water neutrality.

4.35 The Inspector wrote to the Council on 4 April 2025 recommending that the emerging plan is withdrawn due principally to its conclusions that the plan failed to meet the Duty to Co-Operate. Owing to changing material circumstances relating to water neutrality and Duty to Cooperate that have emerged more recently, the Council wrote to PINS in November 2025 to request that the Hearings are re-opened. The Inspector has responded and has agreed to hold an 'exploratory meeting' on 26 February 2026 to discuss a way forward.

4.36 Despite the Inspector's Initial Findings Letter, the draft policies in the Emerging Plan and its evidence base still remain a material consideration in decision making and shows a direction of travel for the emerging policies and allocations that the Council supports. However, until they have been examined, they have limited weight.

4.37 The appeal site is not an allocation within the emerging plan, but the plan recognises that modest growth of all settlements is necessary to support the overarching spatial strategy for the sustainable growth of the district.

4.38 The draft policies contained with the emerging Horsham District Local Plan hold limited weight at present; but nevertheless, as the emerging plan has not yet been withdrawn and still remains under examination, the following draft policies are considered to be relevant in the context of the appeal proposal.

- Policy 1: Sustainable Development
- Policy 2: Development Hierarchy
- Policy 3: Settlement Expansion
- Policy 6: Climate Change
- Policy 7: Appropriate Energy Use
- Policy 8: Sustainable Design and Construction
- Policy 9: Water Neutrality
- Policy 10: Flooding
- Policy 11: Environmental Protection
- Policy 12: Air Quality
- Policy 13: The Natural Environment and Landscape Character
- Policy 14: Countryside Protection
- Policy 15: Settlement Coalescence
- Policy 17: Green Infrastructure and Biodiversity
- Policy 19: Development Quality
- Policy 20: Development Principles
- Policy 21: Heritage Assets and Change within the Historic Environment
- Policy 23: Infrastructure Provision
- Policy 24: Sustainable Transport
- Policy 25: Parking
- Policy 27: Inclusive Communities, Health and Wellbeing

- Policy 37: Housing Provision
- Policy 38: Meeting Local Housing Needs
- Policy 39: Affordable Housing
- Policy 40: Improving Housing Standards in the District

Thakeham Neighbourhood Plan (2017)

4.39 The Policies and Projects contained within the Thakeham Parish Neighbourhood Plan that are considered most relevant to this application are as follows. It should be noted that none of the policies contained in the Thakeham Neighbourhood Plan feature in the Council's reason for refusal.

- Thakeham1 – A Spatial Plan for the Parish
- Thakeham6 – Design
- Thakeham7 – Heritage Assets
- Thakeham9 – Development in the Countryside
- Thakeham10 – Green Infrastructure and Valued Landscapes

4.40 The Thakeham Parish Design Statement (2002) is also relevant to this appeal.

Supplementary Planning Documents and Guidance

4.41 The Council has also adopted several separate Supplementary Planning Documents (SPDs) and other guidance documents which are material considerations in decision making. Those most relevant to the appeal proposals are:

- Planning Obligations and Affordable Housing SPD (2017)
- Community Infrastructure Levy (CIL) SPD (2017)
- County Parking Standards and Transport Contributions Methodology (2020)
- Air Quality and Emissions Mitigation Guidance for Sussex (2021)
- Biodiversity and Green Infrastructure Planning Advice Note (PAN) (2022)
- Shaping Development in the Horsham District Planning Advice Note (PAN) (2025) – *this document was published in September 2025, and supersedes the Facilitating Appropriate Development Planning Advice Note (FAD, 2022)*

5.0 Planning History

5.1 A list of previous planning applications concerning the appeal site is provided in the table below:

Table 1: Planning History – appeal site

Council Reference Number	Site Address	Description	LPA Decision	Appeal?
DC/25/0053	Land to the West of South Hill Farm, Storrington Rd, Thakeham	Erection of 5no. detached dwellings with associated access, car ports and landscaping.	Refused 04.08.2025	Lodged
DC/23/1777	Land to the West of South Hill Farm, Storrington Rd, Thakeham	Erection of 5no residential dwellings with associated access, car ports and landscaping	Refused 15.05.2024	None
T/39/99	South Hill, Storrington Rd, Thakeham	Vehicular Access	Permitted 17.09.1999	None

5.2 Application DC/25/0053 was refused by the Council in August 2025 for one reason as set out in paragraph 1.3 of this statement. The reason for refusal relates to the principle of development which the Council considers not to be acceptable. The Council's decision to refuse DC/25/0053 is the subject of this appeal and a full Statement of Case from the appellant is provided in Section 6 of this report which outlines why it is considered that the reason given for refusal is unfounded.

5.3 Application DC/23/1777 proposed the same type and quantum of development as per the most recent scheme, and this proposal was refused by the Council in May 2024. The reasons given for this refusal related to the principle of development, and a failure to demonstrate that the scheme would be water neutral.

5.4 In addition to the planning history on the appeal site itself, the following residential planning applications are relevant to the wider context of the appeal site:

Table 2: Planning History – wider context

Council Reference Number	Site Address	Description	LPA Decision	Appeal?
DC/24/0021	Thakeham Mushrooms, Storrington Rd, Thakeham	Demolition of existing buildings and the phased redevelopment of the site as a residential led development comprising **247 dwellings** and flexible non-residential floorspace (Use Class E), with works to public right of way and associated landscaping, open space and infrastructure.	Refused 31.07.2024	Appeal dismissed 13.06.25
DC/23/2152	Land North of High Bar Lane, Thakeham	Erection of **28 dwellings** and associated engineering operations and works including an onsite borehole water supply.	Permitted 09.05.2025	None
DC/20/2577	Rushfields, High Bar Lane, Thakeham	Demolition of existing buildings and erection of **25 residential dwellings** including vehicular access, landscaping, parking and other related works.	Permitted 29.07.2025	None
DC/10/1314	Abingworth Nurseries Storrington Road Thakeham	Demolition of existing buildings and redevelopment of the Abingworth Nursery site for **146 dwellings**, comprising of open market dwellings, 51 dwellings for the 55 plus age group, 12 affordable dwellings, 20 key worker dwellings, village hall building (including shop and doctor's surgery), pre-school facility, community workshops/studio (957.5 sq metres), sports pitches and changing rooms, cricket pitch and pavilion, children's play area, access roads, open space and landscaped areas (including footpaths)	Permitted 19.04.2013	None
DC/19/0685	Commercial Storage Buildings Townhouse Farm Coolham Road Thakeham	Prior Approval for a change of use from storage (Class B8) to Dwellinghouse (Class C3) [to form 4no. dwellings]	Prior Approval Required and Permitted 19.04.2019	None

Council Reference Number	Site Address	Description	LPA Decision	Appeal?
DC/20/1711	Commercial Storage Buildings Townhouse Farm Coolham Road Thakeham	Demolition of existing commercial storage buildings and erection of two 2-bed semi-detached dwellings.	Permitted 17.12.2020	None

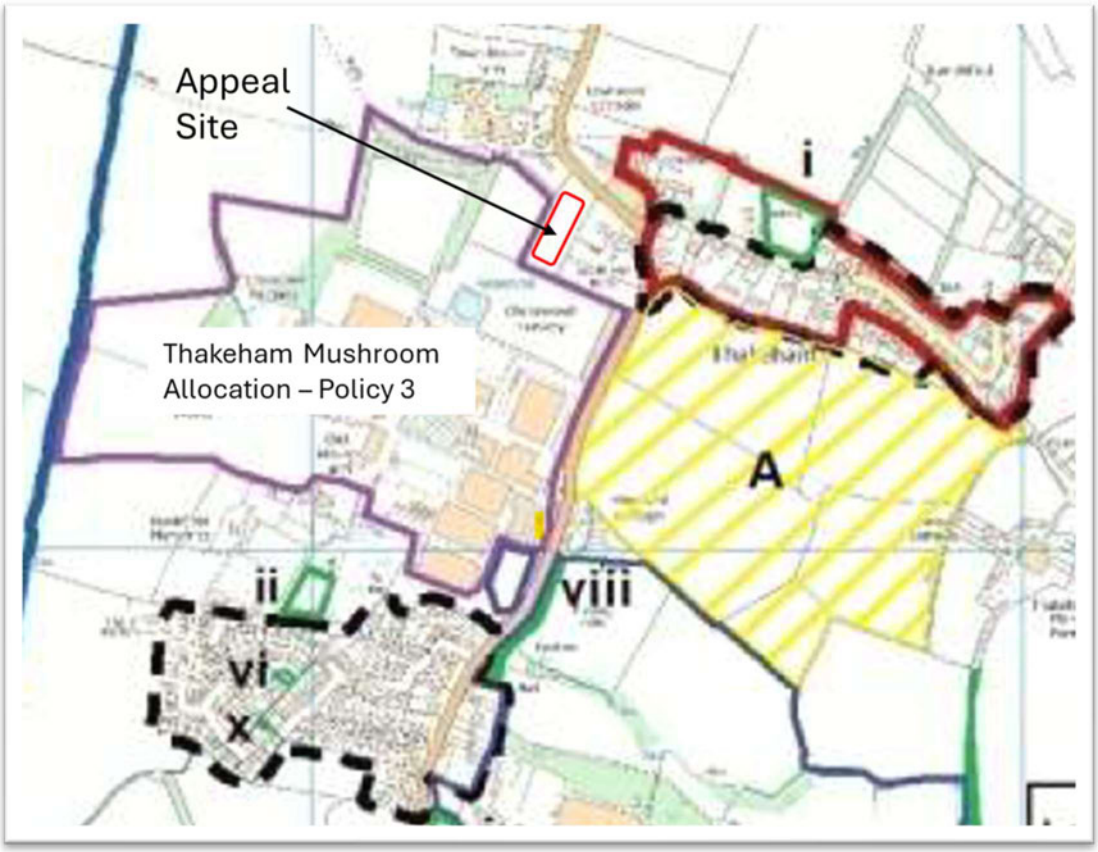
5.5 The above application shows that Thakeham is considered to be a suitable location for growth and is a sustainable location for additional housing. The nearby Abingworth development (originally permitted in 2013) is nearing completion and has successfully delivered a range of new community facilities including a shop, sports facilities, a pre-school and a community hall which is well used. These facilities are within a short distance of the appeal site and can be accessed by foot via footpath THA-2479.

5.6 Whilst the Thakeham Mushroom proposal for 247 dwellings was dismissed at appeal in 2025, the vacant brownfield site remains an allocation in the Thakeham Neighbourhood Plan (Policy Thakeham 3) for redevelopment, albeit, not for residential redevelopment. The site is allocated for either a recreational use, use for solar array, or a B1 light industrial use and/or tourism use.

5.7 The proposed development for 247 dwellings was considered unsuitable by the Inspector largely because it proposed too many houses relative to the size of the settlement, whereas the appeal proposal is modest and much more in line with the scale and function of the village.

5.8 However, as Figure 4 below shows, the appeal site sits directly to the north of the Thakeham Mushroom site which demonstrates that it is not an isolated countryside location. This site is nestled between the existing Built Up Area Boundary and the allocation and so will not change the character of the area.

Figure 4: Extract from Thakeham Neighbourhood Plan



6.0 Statement of Case

6.1 Application reference DC/25/0053 was refused by Horsham District Council under delegated authority by Officers in August 2025 for the following reason:

> 1. The proposed development would be sited within an unsustainable location in the countryside, outside of a defined built-up area boundary, and on a site not allocated for housing development within the Horsham District Planning Framework, or a made Neighbourhood Plan. Furthermore, the proposed development is not essential to its countryside location. Notwithstanding the absence of a five-year land housing supply, and the provisions of the National Planning Policy Framework (2023) at paragraph 11(d), it is not considered that there are any material considerations in this instance which would outweigh harm arising from conflict with Policies 1, 2, 3, 4 and 26 of the Horsham District Planning Framework (2015).

Matters Not in Dispute

6.2 Aside from the single matter described in the Council's Reason for Refusal (RfR) above, all other matters pertaining to the appeal proposal are understood to be acceptable and have not been challenged by the Council (subject to the usual conditions to secure appropriate mitigation).

6.3 As detailed in the Officer's Delegated Report the matters that are <u>not</u> in dispute between the parties are understood to include the following:

- Design, appearance and layout of the scheme
- Impact on landscape character and visual amenity
- Impact on neighbouring amenity
- Site access and highways impact and safety
- Landscaping, trees and open space
- Ecology and BNG (*with BNG credits to be secured by the statutory condition*)
- Drainage and Flood Risk
- Water Neutrality *(no longer a requirement)*
- Heritage and archaeology

- Land contamination
- Sustainability and Climate Change

Matters Where the Position Has Changed

Biodiversity Net Gain

6.4 At application stage, it was proposed that the required 10% gain in biodiversity was to be achieved through a combination of on-site habitat enhancements, and off-site enhancements at a site in West Grinstead called Danefold Farm, West Grinstead, Horsham. This proposal was presented within the Biodiversity Impact Calculation Report (by The Ecology Co-op) and within the submitted BNG Metric (completed by Deepdene Ecology). At application stage, the Council did not raise a concern about this approach, and it is understood that as Danefold Farm is not a registered habitat site, the off-site gains would need to be secured within a s106 agreement.

6.5 Having revisited the costs and complexities associated with the Danefold Farm option, the appellant has explored other BNG offsetting options and has successfully secured the purchase of the required quantum of BNG units with the Environment Bank (a registered habitat bank). An agreement with the Environment Bank for the purchase of 0.52 BNG units is provided at Appendix A of this statement.

6.6 It is understood from the Council that the reliance on BNG credits secured through a registered habitat bank (such as the Environment Bank) can be managed via the standard BNG Condition and does not require a legal agreement to be entered into. As such, for the purpose of this appeal, the applicant wishes to replace their previous proposal for BNG offsetting on third party land, and instead, utilise the purchased credits from the Environment Bank which would be managed through condition in the event that this appeal is allowed.

6.7 In support to the appeal, the appellant has provided a letter (see Appendix B) outlining the revised proposal, which we trust will be acceptable to both the Council and to the appeal Inspector.

Water Neutrality

6.8 Whilst matters relating to the site's proposed water neutrality mitigation measures are not matters that are in dispute by the Council (and do not feature as a reason for refusal); it should be noted that following the Council's decision on the appeal scheme, Natural England issued

a Withdrawal Statement on 31 October 2025 (see Appendix C) confirming that its Water Neutrality Position Statement of September 2021 has been withdrawn.

6.9 The Withdrawal Statement confirms that following collaboration between Southern Water, Natural England and the Environment Agency, a strategic solution has been identified to resolve potential impacts on the Arun Valley designated sites. This solution includes a reduction in Southern Water's abstraction licence and associated monitoring, management and resilience measures. As a result, Natural England advise that this ensures *"that new development will not add to existing pressures to water levels on the Sites"* and that therefore Natural England has *"sufficient certainty that there will be no likely significant effect regarding water scarcity as a result of new development."*

6.10 As the competent authority under the Habitats Regulations, HDC has stated on its website that all development from 1st November 2025 onwards can now move forward without the need to demonstrate that the site is water neutral as it did previously. This means that no water neutrality statement is required, and no bespoke conditions or s106 obligations are necessary to demonstrate water neutrality for the appeal site.

6.11 The Council has stated that it intends to continue to undertake Appropriate Assessments (in line with the Habitats Regs and NPPF 193) on a precautionary basis until the reduced water abstraction licence cap at Hardham is implemented by Southern Water in March 2026; however, the Natural England Withdrawal Statement makes clear that the potential connection between development and water pressures at the Arun Valley sites has been broken and that there is *"sufficient certainty that there will be no likely significant effect"* as a result.

6.12 As such, the mitigation measures that were accepted at application stage (offsetting measures at South Lodge Hotel, Lower Beeding) will no longer be necessary to make the appeal proposal acceptable.

6.13 It is expected therefore, that if the appeal were to succeed, there would be no requirement to secure the offsetting measures at South Lodge Hotel in a legal agreement as previously proposed, therefore it is not necessary for this appeal to be accompanied by a legal agreement to secure water neutrality mitigation.

Matters in Dispute

Reason for Refusal – Principle of the Development

6.14 During the 7-month application process the appellant sought to work positively and proactively with the Council, and for the most part this was achieved. During this time, correspondence

between the appellant and the Case Officer indicated that subject to the water neutrality requirements being satisfied, the scheme was being looked at positively and was heading towards an officer recommendation to approve. It came as a surprise therefore when the appellant was informed very close to determination that the application would be refused under delegated authority due to ongoing concerns about the principle of the proposal which were not raised until that point. It is understood this was an opinion of a different officer.

6.15 In its reason for refusal (RfR), the Council notes that the proposal would be '*sited within an unsustainable location in the countryside, outside of a defined built-up area boundary, and on a site not allocated for housing development*' and that the proposed development *'is not essential to its countryside location'*.

6.16 As was the case during the application stage of this proposal, it is not disputed that the appeal site is located outside the currently defined Built-Up Area Boundary (BUAB) of Thakeham. As such, as the site is outside a BUAB it is accepted that the appeal site is located in the 'countryside' where the restrictive provisions of HDPF Policy 26 (countryside protection) and Policy 4 (settlement expansion) apply. Owing to this, the Council contends that the principle of development on this site is unacceptable as it is contrary to Policies 1, 2, 3, 4 and 26 of the HDPF. The Officer Report also refers to non-compliance of the proposal with the Facilitating Appropriate Development (FAD)[1] document.

6.17 As a starting point, this position is not disagreed with as it represents the correct interpretation of the adopted policy position as set out in the HDPF. However, the Council's RfR states, *'it is not considered that there are any material considerations in this instance which would outweigh harm arising from conflict with Policies 1, 2, 3, 4 and 26 of the Horsham District Planning Framework (2015)'*.

6.18 The Council has misinterpreted the NPPF. The test is not that we need to demonstrate benefits that would outweigh the harm of the proposal; rather, it must be shown that any adverse impacts would 'significantly and demonstrably' outweigh the benefits. Paragraph 11(d) is clear:

> *"where there are no relevant development plan policies, or the policies which are most important for determining the application are out-of-date, granting permission unless:*
>
> *i. the application of policies in this Framework that protect areas or assets of particular importance provides a strong reason for refusing the development proposed; or*
>
> *ii. any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole, having*

[1] Note the FAD has now been replaced with the Shaping Development in the Horsham District PAN (2025)

particular regard to key policies for directing development to sustainable locations, making effective use of land, securing well-designed places and providing affordable homes, individually or in combination".

6.19 The correct interpretation is therefore that where the plan is out of date (which will be clarified below) the Council are required to grant planning permission unless they demonstrate either that the site is either in a footnote 7 location (it isn't) or they must demonstrate adverse impacts that would **significantly and demonstrably** outweigh the benefits. The reason for refusal contains no assessment of actual harm. The reason just states it is in an unsustainable location but given the amount of development recently permitted and allocated for development, the location cannot be deemed to be unsustainable for *any* new development.

6.20 The Planning Officer's report contains a short section on the planning balance and accepts that the Local Plan policies are out of date and then refers to the Council's FAD as the ultimate arbiter and concludes that most of the requirements are met but as it is only adjacent to the BUAB and not adjoining it then the test isn't met and also that the houses do not meet a local housing need and therefore the application should be refused.

6.21 This is not the test within the NPPF where adverse impacts must clearly and demonstrably outweigh the benefits. The harm isn't quantified in any way and simply concludes the site isn't within the built-up boundary line and for some reason doesn't meet local housing need and therefore has to be refused. There is no actual harm identified and no attempt to quantify the benefits of the new housing to then balance that. The housing supply in Horsham is woeful and therefore there should be clear and strong reasons for refusing an application in the planning balance.

6.22 Given the age of Horsham's adopted plan (HDPF, 2015), there have been a series of intervening updates to the national planning policy position including updates to the NPPF, PPG and the Standard Methodology for calculating housing targets. The government's most recent Standard Method requires the delivery of 1,357 homes per annum in Horsham (a 69% increase on the HDPF figure of 800 homes).

6.23 Recent appeal decisions in Horsham have made clear that the Council fails to have anywhere close to the required 5-year housing land supply. The Thakeham Mushrooms[2] decision (dated 13 June 2025) indicates that the Council can only demonstrate a 1-year supply of housing land (para 58), and the Inspector for the July 2025 appeal decision to allow an 800-unit development at Horsham Golf and Fitness[3] described the 1-year housing land supply position

[2] APP/Z3825/W/24/3350094
[3] APP/Z3825/W/24/3355546

in Horsham as 'lamentable'. As such, it is clear that Horsham district does not currently have anywhere near a 5-year housing supply as required by paragraph 78 of the NPPF and this is causing a chronic undersupply of homes for people to live in.

6.24 The current housing land supply position in Horsham is acute, and whilst an exploratory meeting between the Council and the Local Plans Inspector is due to take place on 26th February 2026 to discuss the submitted Local Plan; the uncertainty surrounding the progress of the next Local Plan means that the current housing land supply situation will remain lamentable for the foreseeable future, even if the Local Plan can be salvaged.

6.25 Paragraph 58(1) of the Horsham Golf and Fitness decision notes that:

> *'a viable replacement plan is arguably further away now than at any point since the adoption of the last plan and therefore there is no realistic or imminent prospect that the current shortfall will be remedied through the development plan process'.*

6.26 The Inspector in paragraph 58(2) of the Horsham Golf and Fitness appeal decision goes on to say that the current settlement boundaries in the HDPF are out of date, and that the use of HDPF Policy 26 to restrict housing development outside settlement boundaries is not consistent with the language of the NPPF. In paragraph 58(3) the Inspector says that greenfield sites in the countryside will need to come forward in the Horsham District if housing needs are to be met; and consequently, a degree of landscape harm and conflict with policies will have to be tolerated (our emphasis).

6.27 As such, it is contended in these circumstances that very limited weight should be afforded to Policies 1, 2, 3, 4 and 26 of the HDPF, as well as to Policy Thakeham1 of the Thakeham Neighbourhood Plan.

6.28 In similarity to the site subject to this appeal, it is also of note that the Horsham Golf and Fitness site does not directly adjoin a defined or proposed Built Up Area Boundary. As such, whilst it is recognised that the Horsham Golf and Fitness proposal is a completely different scale to this appeal scheme and offers a different balancing exercise; the Golf decision nevertheless highlights that given the housing land supply difficulties in Horsham, non-compliance with the requirements of the adopted policies and with the criteria of the FAD[4] that requires sites to 'adjoin' a BUAB, is not fatal.

6.29 The Council's RfR acknowledges the absence of a five-year housing land supply and the engagement of the tilted balance (NPPF Para 11d) but does not in our view, afford enough weight to the significant benefits the proposed new housing will bring, and attributes too much

[4] now the 'Shaping Development in the Horsham District' document

weight to the conflict with local plan policies that are out-of-date. Whilst 5no. new housing units in the context of Horsham's substantive undersupply seems modest; this is an appropriate level of growth for a village such as Thakeham, which will not put undue strain on local facilities or infrastructure.

6.30 It is contended that the Council has failed to acknowledge and properly balance the significant public benefits these 5no. new homes will provide to people wishing to locate within the village. The scale of housing needed going forwards is such that each settlement will need to deliver new housing that is appropriate to its scale and reflective of its existing character.

6.31 It is noted in the Council's RfR that the Council considers the appeal site to be located within an '*unsustainable location in the countryside'*. As per our case at application stage, we would reiterate that the appeal site is located in the village of Thakeham which is a small but notable and well-connected settlement which has been classified as a 'Smaller Village' in Policy 3 of the HDPF meaning that it has good accessibility and some limited services and facilities. The relatively newly completed Abingworth development to the south of the site includes a shop, sports facilities, a pre-school and a community hall which is well used. These facilities are within a short distance of the appeal site and can be accessed easily by road, and by foot via footpath THA-2479.

6.32 The NPPF at paragraph 84 seeks to avoid the development of 'isolated' homes in the countryside, but the appeal scheme is far from being isolated so there is not conflict with this policy.

6.33 A bus stop is located around 100m to the east of the site, which connects Thakeham to Horsham and Storrington (routes 74a and 74b) three times a day, allowing connections to other villages nearby and to Horsham train station and the rail network to destinations including Gatwick, London and Portsmouth. Paragraph 110 of the NPPF acknowledged that rural areas will not be able to offer the same sustainable travel opportunities as more urban areas, but for development proposals in these locations, it asks decision makers to take into account the travel opportunities that are available in the context of the rural surrounds.

6.34 It is of note that during the application process, the Local Highway Authority (LHA) acknowledged the limited public transport accessibility, but accepted that this is anticipated in this location and did not object to the scheme or raise any concerns about site sustainability.

6.35 Whilst it is acknowledged that the appeal site is not located within the defined settlement boundary of Thakeham; its proximity to the boundary of Thakeham village (The Street), to the main road (B2139 Duke's Hill) and to the allocated development site to the south (Thakeham

Mushrooms) leads to the conclusion that the site is not wholly unsustainable in the context of the modest development that is being proposed.

6.36 The categorisation of Thakeham as a 'Smaller Village' in the adopted HDPF and in the emerging Local Plan (Strategic Policy 2) demonstrates that the Council does not consider the village to be a location which is unsustainable for any level of growth, but instead it is a village with an array of existing services where modest levels of growth is appropriate where it meets local needs.

6.37 It is the appellant's view that the appeal site represents a natural and logical infill which is well contained and screened from wider views, results in very little harm, and allows for the organic, modest growth the village needs.

Shaping Development in the Horsham District PAN (2025)

6.38 The Council's *'Shaping Development in the Horsham District'* Planning Advice Note replaces the previous Facilitating Appropriate Development (FAD, 2022) document and has been published in light of the Council's inability to demonstrate a 5-year supply of housing sites, as well as the key objective of Government policy to significantly boost the supply of homes. This document is not policy but forms a material consideration in planning decisions.

6.39 The Shaping Development in the Horsham District document echoes the requirements of HDPF Policy 4 and states in paragraph 5.12 that applications will be considered positively provided that all of the following criteria are met:

- The site adjoins a BUAB
- The level of expansion is appropriate to the related settlement
- The proposal meets local housing needs
- The impact does not prejudice long term development
- The development is with an existing defensible boundary

6.40 Whilst the appeal site does not physically adjoin the defined BUAB of Thakeham, it accords in full with the other four criteria (including its modest scale of development), and as such, we contend that the provisions of the Shaping Development in the Horsham District document should carry weight in favour of the appeal scheme as it clearly demonstrates that the site is sustainably located and an appropriate location for development. As mentioned previously,

the Horsham Golf and Fitness decision[5] highlights that non-compliance with the requirements of the adopted policies and with the criteria of the FAD (now the Shaping Development document) that requires sites to 'adjoin' a BUAB, is not fatal and a site can still be judged as sustainable despite not being within or adjoining a settlement boundary.

6.41 In summary, it is contended that there are important material considerations in this case that the Council has not considered that lead to the conclusion that the principle of modest housing development on this site is acceptable. Whilst the site is not located within the confines of a defined settlement boundary; the Council's current housing land supply position (of 1.0 years) combined with the sustainable location of the appeal site - in a defined village with a selection of services and facilities; the public benefit of 5no. new homes holds significant weight and clearly outweighs the conflict with policies which are out of date.

Planning Balance

6.42 The Officer's Report that informed the Council's delegated refusal acknowledges that the tilted balance as set out in paragraph 11 (d) of the NPPF is engaged as there are no 'footnote 7' matters of relevance. The planning balance outlined in the Officer's Report highlights the adopted policies that the scheme is said to conflict with (Policies 2, 3, 4 and 26) but acknowledges that these policies hold reduced weight as they are not fully compliant with the language of the NPPF. In light of this, the planning balance undertaken by the Council then moves onto discuss the compliance of the proposal with the FAD[6], and it is concluded by the Officer that as the site does not adjoin the Thakeham BUAB it fails to accord with the FAD and is not acceptable. The Officer's report also suggests that the local need for the proposed houses has not been evidenced.

6.43 However, considering the Council's 1.0 year land supply position, which has been described as 'lamentable' in recent appeals, the balance undertaken by the Council is incorrect. Paragraph 11(d) of the NPPF clearly states that planning permission should be granted where the policies are out-of-date unless one of two scenarios takes place. The first scenario is not relevant as the Council has not claimed there is a footnote 7 asset of particular importance. The test in the second scenario is a high bar and clearly states the adverse impact must *"significantly and demonstrably outweigh the benefits"* against the whole NPPF. This is demonstrably a different test to that applied by the Council.

[5] APP/Z3825/W/24/3355546 (July 2025)

[6] Note the FAD has now been replaced with the Shaping Development in the Horsham District PAN (2025)

6.44 The scheme would deliver demonstrable benefits from the provision of additional housing which is the main priority of the Government and particularly important given the local land supply context. In this context, the provision of 5no. new homes is appropriate to the scale of and function of Thakeham, would be a significant benefit to local and district-wide housing supply and would enable Thakeham to grow at an appropriate scale with very limited harm. The Council has clearly understated these benefits, as well as the benefits the development will have on other functions of the village including contributions to the local economy and the continued viability of the local shop and pre-school.

6.45 Furthermore, it is clear from the discussion above that the appeal scheme is not in a wholly unsustainable location, nor would it give rise to material harm to local character. The conflict with out-of-date policies and with one criterion of the FAD document has been considerably over-stated by the Council and cannot be considered to *significantly and demonstrably* outweigh the benefits of additional housing.

6.46 In conclusion, it is considered that the Council has not demonstrated any adverse impact that *significantly and demonstrably* outweigh the benefits of the housing proposed. The NPPF makes clear that housing delivery is a key Government requirement that should be given considerable weight. The policy conflict described by the Council is acknowledged but the Council has failed to account for important material considerations that apply in this case which clearly show that the benefit of the proposed housing outweighs the identified policy conflict.

7.0 Conclusion

7.1 It is clear from the Officer's Report that the majority of technical matters concerning the merits of the appeal scheme are not in dispute between the Council and the appellant (see full list in paragraph 6.3 of this Statement). Further to this, there is acknowledgement from the Council that the *tilted balance* towards a presumption in favour of sustainable development (NPPF Para 11d) is at play, owing to the absence of any relevant footnote 7 matters.

7.2 As this statement has demonstrated, whilst it is accepted that the proposed development is not in full accordance with current adopted policy; owing to the age of the Council's adopted Local Plan (2015) and the Thakeham Neighbourhood Plan (2017), the policies contained within these documents that are most relevant to housing delivery are not fully consistent with the NPPF which directs that housing development should be approved unless there are significant and demonstrable reasons not to do so (NPPF 11d(ii)).

7.3 The Council has not identified any adverse harm that the proposal would result in, and its reason to refuse permission relates solely to the Council's judgement that because the site does not adjoin a settlement boundary it is unsustainable and therefore unacceptable in principle. The Council has applied a strict policy-on approach to this conclusion and has failed to consider and apply important material considerations that are relevant to this case. The Council has not identified any significant or demonstrable reasons why the appeal scheme should not be allowed.

7.4 Contrary to the Council's views, the appeal site is not an unsustainable location, owing to the variety of services and facilities within Thakeham village that the appeal site is within walking distance of. The appeal site is also well connected on the local road network and is served by a daily bus service.

7.5 In the context of the Council's 1-year housing land supply which has been described recently by another Inspector as 'lamentable'; plus, the uncertainty with regard to the direction of the Council's emerging Local Plan which has been paused for over a year; the weight to be afforded to the provision of additional housing in sustainable locations such as this is significant. Whilst we acknowledge that the addition of 5no. houses is a modest number in the overall context of the acute district-wide undersupply, this is an appropriate level of growth for a small village like Thakeham and is therefore appropriate in its setting. Weight should also be afforded to the importance of small and medium sized sites in meeting housing needs (as the NPPF encourages), and the fact that this site can be delivered quickly.

7.6 In accordance with the aims of NPPF paragraph 8, the appeal site would deliver social, economic and environmental benefits as follows:

Social Benefits

- The provision of 5no. dwellings in a sustainable location, to add to the much-needed housing stock in the district, representing a very substantial benefit in the context of the Council's housing supply and delivery position;
- Retention and enhancement of existing landscape features for the enjoyment of incoming and existing residents, as well as private outdoor amenity space for each dwelling; and
- Provision of new homes close to the centre of the village, enabling new residents to support the vitality of existing local facilities such as the local shop, sporting facilities, and pre-school; and enjoying convenient connections to the wider strategic highways network.

Economic Benefits

- The generation of employment opportunities related to construction;
- New Homes Bonus payments, Council Tax and CIL receipts; and
- Contributions to the local economy by future residents.

Environmental Benefits

- Retention and enhancement of existing mature planting along the site boundaries in order to retain the verdant character of the site and to protect wider landscape views;
- Provision of ecological enhancement measures, including mitigation measures to prevent harm to sensitive habitats and to achieve at least 10% Biodiversity Net Gain;
- Protection from flooding for the lifetime of the development by utilising sustainable drainage systems which also provide ecological and landscape benefits;
- Careful landscape design to produce a development of the highest quality, ensuring it respects the local area; and
- Design of the homes to meet and exceed current environmental standards, including adopting a fabric first approach and the use of sustainable energy technologies including EV car charging at each dwelling.

7.7 In summary, there is no doubt that the benefits that would result from the appeal scheme are significant, and there are no adverse impacts that would *significantly and demonstrably*

outweigh the delivery of these benefits. As such, having regard to the policies contained within Horsham's adopted and emerging development plans, the Thakeham Neighbourhood Plan, as well as direction from the NPPF and other material considerations identified; it is considered that the planning balance lies in favour of the proposal, and it is respectively requested that this appeal is allowed.

Appendix A BNG Credit Agreement – Environment Bank

Docusign Envelope ID: B6ED3EDE-B69C-4684-89A8-968FF54A6A84

ENVIRONMENT BANK

Biodiversity Net Gain support and reservation terms (B-HRSH2601)

To: CYGNATURE HOMES LIMITED, (CN: 12423625), 68 READING ROAD, CHINEHAM, BASINGSTOKE, RG24 8LP (**"the Developer"**)

Biodiversity Gain Site Register:	A register created and maintained in accordance with section 100 of the Environment Act 2021 to be established and maintained by Natural England
Biodiversity Metric:	The statutory metric for measuring mandatory Biodiversity Net Gain published by the Department for Environment, Food and Rural Affairs
Biodiversity Unit:	A unit of biodiversity value assessed under the relevant Biodiversity Metric and delivered in accordance with the Environment Act 2021 and all relevant secondary legislation enacted pursuant to the Environment Act 2021
Biodiversity Unit Certificate:	A document issued by Environment Bank to the Developer evidencing the purchase of the Biodiversity Unit Requirement
Biodiversity Unit Requirement:	The Biodiversity Units required by the Developer as set out at clause 1, provided by Environment Bank using the Habitat Bank(s) further described in clause 2
Commencement Date:	The date when: 1. these terms have been signed and dated by all parties; and 2. the Developer has paid the Support and Reservation Fee in accordance with clause 4 namely, 30/1/2026
Completion Date:	10 (ten) Working Days following receipt of notification by Environment Bank from the Developer pursuant to clause 5, provided that such date is before the expiry of the Reservation Period or the Reservation Extension Period (if applicable)
Decision Notice:	means the formal written notice issued by the Local Planning Authority in response to the planning application for the Development, setting out the decision to approve the application
Development:	The development for which the Developer requires Biodiversity Units known as South Hill, Storrington Road, Thakeham, West Sussex, RH20 3EN with reference number: DC/23/1777
EBL Bank Account:	EBL HB Revenue Account, [redacted] such other bank account in the name of Environment Bank of which details are notified in writing to the Developer
Environment Bank:	EBL HB Limited (Company Number: 13489265) whose registered address is at 35 Ballards Lane, London, England, N3 1XW
Judicial Review Period:	Six weeks and one day from the date of grant of planning permission for the Development
Local Planning Authority:	The local planning authority which is determining or has determined the Developers planning application for the Development

Local Planning Authority Area:	Horsham LPA
National Character Area:	Wealden Greensand
Operational Catchment:	N/A
Planning Refusal:	A written refusal of the Developer's planning application or appeal proceedings for the Development by the Local Planning Authority
Purchase Price:	[redacted] less: a) the Support and Reservation Fee; and b) the Reservation Extension Fee (if applicable)
Relevant Planning Condition:	The planning condition(s) relating to Biodiversity Net Gain contained in the planning permission for the Development
Reservation Period:	6 months from the Commencement Date
Reservation Extension Period:	6 months from expiry of the Reservation Period
Satisfactory Off-Site BNG Delivery Plan:	A plan for delivering the Biodiversity Unit Requirement from the Habitat Bank(s) detailed in clause 2 of these terms
Support And Reservation Fee:	[redacted] plus VAT
Reservation Extension Fee:	[redacted] plus VAT
Waterbody Catchment:	N/A
Working Day	A day other than a Saturday, Sunday or public holiday in England, when banks in London are open for business

1. Biodiversity Unit Requirement and Purchase Price

Unit type impacted	Distinctiveness	Unit type provided	Distinctiveness	Habitat Bank	Proximity	Units provided	Total price (exc. Vat)
Net gain target hedgerow	N/A	Species-rich native hedgerow	Medium	WVLY2302	Adjacent	0.12	[redacted]
Very low hedgerow	Low	Species-rich native hedgerow	Medium	WVLY2302	Adjacent	0.04	[redacted]
Spatial risk offset hedgerow	N/A	Species-rich native hedgerow	Medium	WVLY2302	Adjacent	0.07	[redacted]
Net gain target habitat	N/A	Other neutral grassland	Medium	WVLY2302	Adjacent	0.17	[redacted]
Spatial risk offset habitat	N/A	Other neutral grassland	Medium	WVLY2302	Adjacent	0.06	[redacted]
Residual biodiversity hedgerow	Low	Species-rich native hedgerow	Medium	WVLY2302	Adjacent	0.06	[redacted]
					Grand Total:	**0.52**	[redacted]

Docusign Envelope ID: B6ED3EDE-B69C-4684-89A8-968FF54A6A84

2. Habitat Banks

Habitat Bank(s)	Public name	Local Planning Authority Area	National Character Area	Waterbody Catchment	Operational Catchment	Gain site reference
WVLY2302	Chiddingfold	Waverley LPA	Low Weald	N/A	N/A	BGS-300925001

3. Biodiversity Net Gain support from Environment Bank

Environment Bank will:

a. if requested in writing by the Developer provide written confirmation to the Local Planning Authority of their support for, and involvement with, the delivery of the Biodiversity Unit Requirement for the Development;

b. if requested in writing by the Developer engage with the Local Planning Authority officers and ecologists through meetings or written correspondence to assist with agreeing a Satisfactory Off-Site BNG Delivery Plan that will discharge the Relevant Planning Condition; and

c. (for the avoidance of doubt strictly from the Commencement Date only) reserve the Biodiversity Unit Requirement exclusively for the Developer at the Purchase Price from the Commencement Date and throughout the Reservation Period.

4. Payment of the Support and Reservation Fee

The Developer shall pay on or prior to the date hereof the Support and Reservation Fee to Environment Bank.

5. Purchase of Biodiversity Units

a. Following the expiry of the Judicial Review Period, the Developer shall notify Environment Bank and the Developer shall buy, and Environment Bank shall sell, the Biodiversity Unit Requirement on the Completion Date.

b. The Purchase Price shall be due to Environment Bank on the Completion Date.

c. Following receipt of the Purchase Price, Environment Bank will issue to the Developer a Biodiversity Unit Certificate, a receipted invoice for the Purchase Price, and, subject to the Developer satisfying its obligations under clause 5(d), apply as soon as reasonably practicable to allocate the Biodiversity Unit Requirement on the Biodiversity Gain Site Register.

d. The Developer shall provide Environment Bank with the Decision Notice and the final Biodiversity Metric for the Development.

6. Planning Refusal

In the event of a Planning Refusal before the purchase of the Biodiversity Unit Requirement:

a. the Developer shall not be required to purchase the Biodiversity Unit Requirement; and

b. the Developer may apply the Support and Reservation Fee, and the Reservation Extension Fee (if applicable) to an alternative development upon written request by the Developer within 6 (six) months of such Planning Refusal and with the consent of Environment Bank which shall not be unreasonably withheld.

7. Extensions to the Reservation Period

a. Where the Completion Date has not occurred by expiry of the Reservation Period, the Biodiversity Unit Requirement may be reserved for the Reservation Extension Period upon payment by the Developer of the Reservation Extension Fee to Environment Bank.

b. Following receipt of the Reservation Extension Fee, Environment Bank will issue to the Developer a receipted invoice for the Reservation Extension Fee.

c. If no payment is received pursuant to clause 7(a) above on or prior to expiry of the Reservation Period, the Biodiversity Unit Requirement shall be released back into stock and Environment Bank will have no further obligations under these terms.

8. Payments

All payments made by the Developer shall be paid to the EBL Bank Account in sterling from a UK bank account of the Developer or the Developer's solicitors by same-day electronic bank transfer.

9. Novation

The Developer may novate this contract to a bona fide purchaser of the land on which the Development is intended to take place with the written consent of Environment Bank which shall not be unreasonably withheld.

10. Confidentiality

a. Each party undertakes that it shall not at any time disclose to any person any confidential information concerning the business or affairs of the other party, except as permitted by clause 10(b).

b. Each party may disclose the other party's confidential information:

   i. to its employees, officers, representatives, contractors, subcontractors or advisers who need to know such information for the purposes of exercising the party's rights or carrying out its obligations under or in connection with these terms. Each party shall ensure that its employees, officers, representatives, contractors, subcontractors or advisers to whom it discloses the other party's confidential information comply with this clause 10; and

   ii. as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.

c. The Developer shall not at any time disclose to any person the existence or content of these terms provided that the Developer shall be entitled to disclose these terms to the Local Planning Authority to the extent reasonably and necessarily required.

11. Expiry of these terms

a. With the exception of clauses 5(c), 5(d), 6, and clauses 10 to 18 (inclusive), these terms and the reservation of the Biodiversity Unit Requirement shall expire at the end of the Reservation Period unless extended in accordance with clause 7, in which case these terms shall expire at the end of the Reservation Extension Period.

b. These terms are extendable beyond the Reservation Extension Period only by the written agreement of the parties.

12. Limitation of liability

a. Save for liability that cannot be excluded by law, the maximum liability of Environment Bank to the Developer in aggregate for all claims arising out of or in connection with these terms shall be limited in accordance with the following terms:

   i. before the Completion Date, to the amount of the Support and Reservation Fee and any Reservation Extension Fee (if paid);

   ii. from and including the Completion Date, to the amount of the Purchase Price (if paid).

b. Environment Bank will not be liable for any indirect, special or consequential loss, damage, cost, charge or expense whatsoever pursuant to these terms.

13. Force majeure

Neither party shall be in breach of these terms nor liable for delay in performing, or failure to perform, any of its obligations under these terms if such delay or failure results from events, circumstances or causes beyond its reasonable control.

14. Entire agreement

a. These terms constitute the entire agreement between the parties.

b. Each party acknowledges that in entering into these terms it does not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in these terms.

15. Third party rights

These terms do not give rise to any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any of these terms.

16. Variation

No variation of these terms shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

17. Governing law

These terms and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by, and construed in accordance with, the law of England and Wales.

18. Jurisdiction

Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with these terms, their subject matter or formation.

These terms shall not be binding on either party until signed and dated by each party, and payment of the Support and Reservation Fee has been made in accordance with clause 4.

Signed for and on behalf of the Developer: [redacted]

Name: Francis James Lazenby

Position: Director

Date: 14/1/2026

Signed for and on behalf of Environment Bank: Signed by: [redacted]

Name: Henry Burn

Position: Chief Revenue Officer

Date: 30/1/2026

Appendix B BNG Letter - The Ecology Co-op

The Ecology Co-op
ENVIRONMENTAL CONSULTANTS
Unit 4 , Langham Stables, Petworth, Lodsworth, GU28 9BU
Tel: [redacted], E-Mail: info@ecologyco-op.co.uk

Fran Lazenby
Cygnature Homes

29th January 2026

Dear Fran

This letter has been written to support an appeal application for **South Hill Farm**.

The previously submitted application was supported by a Habitat Management & Monitoring Plan (HMMP)[1] which detailed that Biodiversity Net Gain (BNG) uplift would be achieved off-site at Danefold Farm.

Since the application was determined in August 2025, the appellant has decided to revise the BNG offsetting proposal, primarily for cost reasons. It became apparent that securing offsetting at Danefold Farm as originally planned was not cost-effective, and the credits available from the Environment Bank made better financial sense. In addition to the cost factor, the revised proposal to purchase credits from a registered habitat bank means that a s106 agreement is not required, and as such, the process to secure the required credits is simplified for all parties concerned.

As such please take this letter as confirmation that credits (total 0.52 units) will be purchased from the Environment Bank to meet the 10% BNG requirement.

Yours sincerely

[redacted]

Paul Whitby BSc (Hons), MCIEEM. CEcol
Managing Director

[1] The Ecology Co-op (2024) Habitat Management & Monitoring Plan – South Hill, Thakeham (On-site) & Danefold Farm, West Grinsted (Off-site)

Appendix C Natural England Position Statement on Water Neutrality

Date: 31 October 2025

[redacted]

BY EMAIL ONLY

Hornbeam House
Crewe Business Park
Electra Way
Crewe
Cheshire
CW1 6GJ

T 0300 060 3900

Dear Ms. Eaton,

As you are aware, in September 2021 Natural England issued a Position Statement to the relevant local planning authorities advising that new development within the Sussex North Water Supply Zone (SNWSZ) should demonstrate water neutrality, in order to protect the Arun Valley habitats from potential impacts linked to Southern Water's groundwater abstraction at Pulborough. I am writing to you today to let you know our advice has changed on the basis of new evidence and consequently we will be withdrawing our position statement.

Following Southern Water's Hardham Basin Environmental Study (HBES), which was scrutinised by the Environment Agency and Natural England, we have worked with partners across the catchment to develop a positive, long-term solution. This approach strengthens ecological resilience at the Arun Valley sites, supports habitat recovery, and enables nature to thrive.

In collaboration with the Environment Agency and Southern Water, Natural England has agreed a package of ecological resilience measures and proposed licence amendments that will, address the risk of further decline of the Arun Valley sites as a result of the existing abstraction. These measures are to be implemented by March 2026. In Natural England's view this provides certainty that development in the SNWSZ will **not** have a likely significant effect on the Arun Valley sites in line with the Habitat Regulations.

The long-term solution set out above and the assessment confirming that development in the SNWSZ will not have a likely significant effect on the Arun Valley Sites means that Natural England has decided to withdraw its September 2021 Position Statement. Limiting the Hardham licence decouples the abstraction from new development, preventing additional pressure on Arun Valley water resources. Additional resilience measures will support the designated features of the sites and give confidence that they can recover towards favourable conservation status over time.

This outcome provides a sustainable way forward for both people and nature across the catchment. Natural England is grateful to your authority for the constructive and collaborative approach taken, which has strengthened relationships across Sussex. While this area remains water-stressed, these partnerships provide a strong foundation for addressing future challenges and delivering sustainable solutions.

Our Withdrawal Statement is provided below, setting out the evidence which has informed our decision. We will continue to work closely with your authorities as this new approach is implemented.

Yours sincerely,

Niall Walkden, Principal Manager | Sussex & Kent

Natural England's Withdrawal Statement for Applications within Sussex North Supply Zone

October 31st 2025

Please take the following as Natural England's substantive advice for all applications which fall within Sussex North's Water Supply Zone from the above date.

Summary

Sussex North Water Supply Zone

Natural England has reviewed Southern Water's environmental study of Hardham Basin* ('HBES', 2025). As a result of the findings of the HBES, together with the measures set out below which have been agreed by Southern Water and the Environment Agency, Natural England advises that new development which is supplied by abstraction from groundwater at Pulborough is not likely to have a significant effect on the following protected sites ('the Sites') -

- Arun Valley Special Area Conservation
- Arun Valley Ramsar Site
- Arun Valley Special Protection Areas

The measures as they relate to growth agreed by Southern Water (and the Environment Agency, in consultation with Natural England), are as follows -

1. Amendment to existing groundwater abstraction licence at Hardham
    - Reduce the annual licence quantity to an annual daily equivalent of 13 Ml/d (4,745 Ml/annum), from the current 16.44 Ml/d (6,000 Ml/annum)
    - Reduce the daily peak licence from 30 Ml/d to 27 Ml/d.

Further measures agreed to sustainably manage the site and prevent deterioration while the existing abstraction is in place include:

2. Ongoing management of water levels on Pulborough Brooks to ensure sufficient water availability for target levels in the supplementary advice to the conservation objectives

3. Monitoring of hydrometric and ecological features in collaboration with partners.

4. A package of conservation measures designed to increase the ecological resilience of designated features within Pulborough Brooks to include:
    - Reprofiling of ditches
    - Desilting / sediment removal
    - Control of invasive species

Natural England advises that your authority does not need to undertake an appropriate assessment or consult us on water scarcity issues affecting the Sites.

** Hardham Basin Environmental Studies: Hardham Groundwater Abstraction HRA (2025) Prepared by Atkins Realis on behalf of Southern Water*

Detailed Advice

Background

In September 2021, Natural England issued a Position Statement advising that abstraction within the Sussex North Water Supply Zone could not be ruled out as having an adverse effect on the integrity of the Arun Valley designated sites. An interim "water neutrality" approach was taken, requiring new development in Sussex North to demonstrate no net increase in water use while the Hardham Basin Environmental Study (HBES) was completed.

Hardham Basin Environmental Study (HBES)

Southern Water completed the HBES in August 2025 to inform the review of the Hardham abstraction licence based on work undertaken from 2021. Throughout the study's progress Natural England participated in a project steering group (PSG) to support the methodologies used. The study was reviewed by Natural England's principal and senior specialists in freshwater systems, hydrogeology, invertebrates, ornithology and vascular plants.

The Environment Agency (EA) consulted Natural England on the Habitats Regulations Assessment of the licence, for which Southern Water had concluded no adverse effect on site integrity from the Hardham abstraction.

The study found limited or no hydrological connection between the abstraction and two of the three Arun Valleys constituent Sites of Special Scientific Interest (SSSIs): Waltham Brooks and Amberley Wild Brooks. However, some connectivity could not be ruled out at Pulborough Brooks SSSI. Proposed mitigation of the company's licence —improved on-site water level management and monitoring—was welcomed but did not, in Natural England's view, provide the necessary certainty required of a Habitats Regulations Assessment and did not provide a long-term solution to maintaining the integrity of the sites.

Therefore, Southern Water, Natural England and the EA agreed to a collaborative solution to secure the site's integrity. The agreed package has four elements, to be delivered through a modification of the EA licence and amendment of an existing Water Industry National Environment Programme (WINEP) project:

1) **No additional abstraction pressure** – Southern Water will volunteer a licence reduction, which in its abstraction licence from 16 → 13 Ml/d (average) and 30 → 27 Ml/d (peak).
2) **On-site water level management** – RSPB will manage sluices to maintain suitable water depths and prevent further deterioration of site features.
3) **Monitoring of site features** – Southern Water will continue building a scientific baseline of site conditions, providing assurance that the agreed measures are effective.
4) **Ecological resilience measures**– A package of actions (e.g. reprofiling/desilting ditches, removing invasive species) to improve site resilience and ensure the licence complies with the Habitats Regulations.

Modification of Hardham Groundwater Abstraction Licence

The modification of the abstraction limits in the licence caps abstraction to the level which reflects actual recent historical abstraction and removes additional headroom ensuring that new development will not add to existing pressures to water levels on the Sites.

This is the primary element of interest to local authorities in making decisions regarding relevant plans or projects as it removes connection between abstraction and growth.

Southern Water has committed in writing to this modification; the EA expects to complete the licence modification by March 2026. The licence change provides Natural England sufficient certainty that there will be no likely significant effect regarding water scarcity as a result of new development and consequently your authority does not need to consult Natural England regarding these issues. The Position Statement (September 2021) will be withdrawn on 31st October 2025.

In terms of procedural timing Natural England advises that this is reasonable and sufficiently precautionary given the time delay between the licence modification being finalised and the time it will take for significant numbers of planning applications to be approved, buildings constructed, subsequently occupied and using water.

As with all water company abstraction licences, this licence will be amended and regulated by the Environment Agency under the Water Resources Act 1991, as amended by the Water Act 2003 and the Water Act 2014.

Further Measures

While the licence modification addresses issues related to planning, growth, and abstraction, it is essential to also consider the site's features and their capacity to recover in the future with the existing Hardham abstraction in place. This is considered as part of the Habitat Regulations Assessment of the Hardham licence undertaken by the EA as the competent authority. Natural England advises that local authorities are not required to consider these measures when determining relevant plans or projects; this information is provided for context and wider awareness.

Raising sluices, Ecological Resilience Measures and Monitoring

Southern Water has committed in writing to include the raising of sluices, resilience measures and monitoring within its Asset Management Planning (AMP) 8 WINEP programme (to 2030) by the end of October 2025. Embedding them within the established EA framework ensures delivery and accountability.

These measures will enhance ecological resilience at Pulborough Brooks SSSI, focusing on areas with potential groundwater connectivity. Actions will include ditch profiling, sediment removal, and invasive species control. Additional measures will give confidence and address localised impacts from the existing abstraction, robustly preventing the sites features from further deterioration.

The detailed plan will be developed jointly with EA technical specialists and the HBES Project Steering Group which includes Natural England, Southern Water, EA, RSPB and Sussex Wildlife Trust.

Future of Water Scarcity in Sussex North

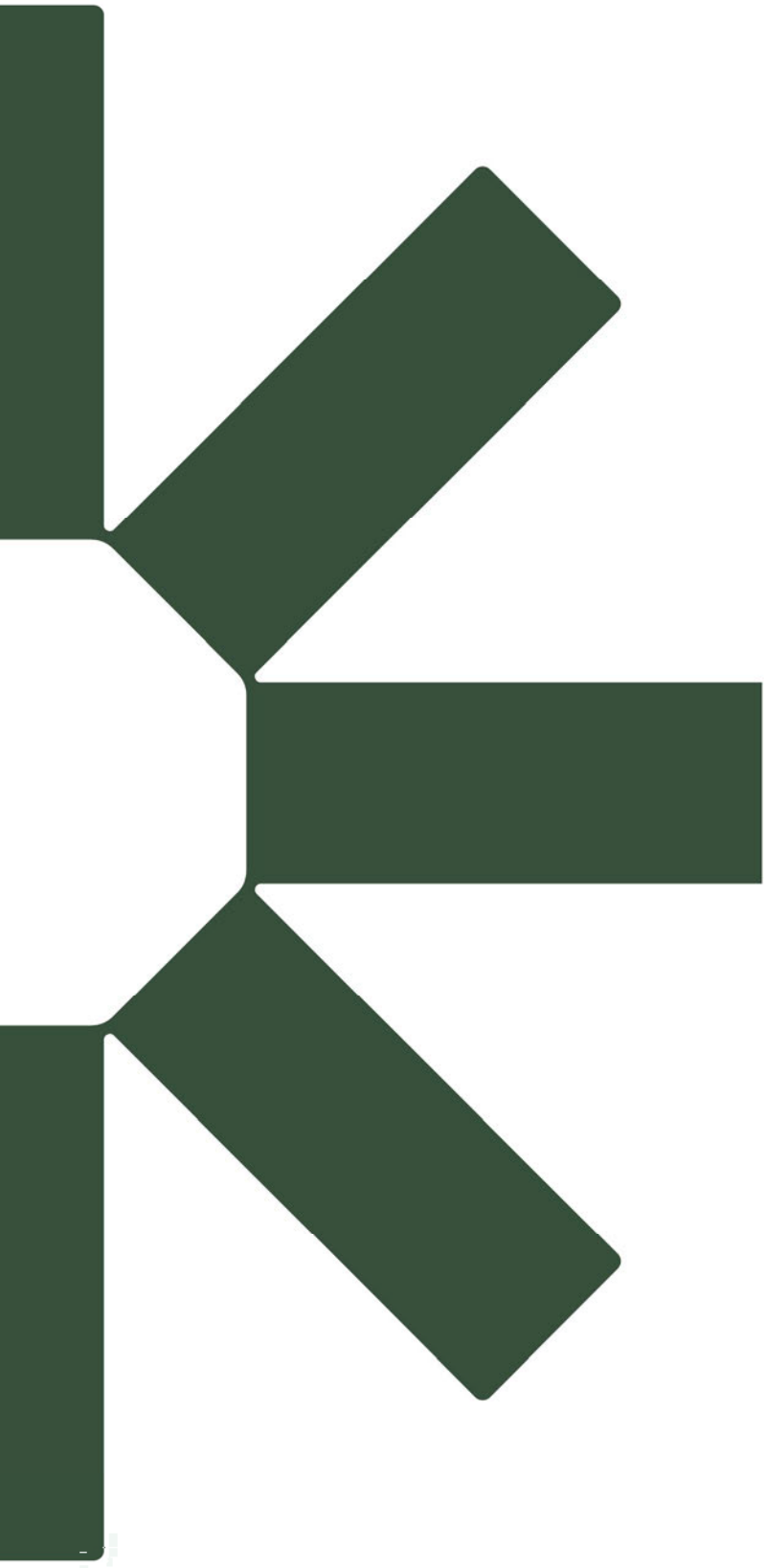
The measures outlined above provide confidence that new development is not likely to have a significant effect. Accordingly, Natural England advises that your authority does not need to consult us further on water scarcity matters in relation to these sites.

Nevertheless, water resources across Sussex North—and much of England—remain under significant and growing pressure. Addressing this challenge is essential to safeguard both the environment and the resilience of local communities.

Natural England is committed to supporting a long-term, sustainable approach to water management. We will continue to work closely with your authority, Defra, regulators and partners to promote practical and ambitious solutions, including:

- Collaborative local planning that embeds water stewardship and climate resilience at the heart of development decisions; and
- Enhanced water efficiency standards through updates to national policy, building regulations, and mandatory water efficiency labelling; and
- Delivery of Water Resource Management Plans (WRMPs) that prioritise demand management, environmental protection and sustainable abstraction.

Through this shared commitment, we aim to secure a future where nature and growth go hand-in-hand, ensuring that the water environment of Sussex North remains healthy, resilient, and capable of supporting both people and nature for future generations.



Making Sustainability Happen