



**Horsham
District
Council**

Itchingfield Neighbourhood Development Plan

**Addendum to
SUSTAINABILITY APPRAISAL (Water Neutrality)**

INCORPORATING STRATEGIC ENVIRONMENTAL ASSESSMENT

August 2024

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1.0 INTRODUCTION

1.1 This SEA/SA addendum on water neutrality employs the Sustainability Appraisal process to consider how the recommendations made by the AECOM HRA addendum (June 2024) regarding water neutrality will be assessed against the Itchingfield Neighbourhood Plan SEA (April 2020) objectives to include new Policy 16: Water Neutrality and modifications to a number of existing policies in the Itchingfield Neighbourhood Plan.

1.2 SEA is a requirement of EC Directive 2001/42/EC on the assessment of the impacts of certain plans and programmes on the environment. It is implemented in England through the 'Environmental Assessment of Plans and Programmes Regulations 2004'.

1.3 The objective of the 'SEA Directive' is:

'To provide for a high level of protection to the environment and to contribute to the integration of environmental considerations into the preparation and adoption of the plans...with a view to promoting sustainable development' (Article 1, Appendix 1)

1.4 The requirement for an SEA emerges from Schedule 10, paragraph 8(2)(f) of the Localism Act which states that a draft Neighbourhood Development Order (or Plan) "meets the basic conditions if the making of the order does not breach, and is otherwise compatible with, EU obligations". In this case, the relevant EU obligations are represented by the SEA Directive.

1.5 Whilst an SA is not mandatory for a neighbourhood plan, it is very closely linked to the SEA. The 2004 Planning and Compulsory Purchase Act which sets out the detail of the SA requires the identification and assessment of economic and social issues. Because the two processes are so closely linked, it is possible to satisfy the requirements of both through a single appraisal process.

1.6 This SEA addendum has been prepared in accordance with Strategic Environmental Assessment (SEA) Regulations and is to be read in conjunction with the Sustainability Appraisal Report prepared by Downsett Mayhew April 2020. This addendum report will appraise inclusion of the Policy 16: Water Neutrality and modifications to a number of existing policies in the Itchingfield Neighbourhood Plan.

Water Neutrality and Neighbourhood Plans

1.7 Itchingfield Council has been working on a neighbourhood plan since 2015. The emerging plan went to consultation in accordance with Regulation 14 of the Neighbourhood Plan Regulations

(2010) between 1st November 2019 and 13 December 2019. consultation in accordance with Regulation 14 of the Neighbourhood Plan Regulations (2010) between 12 November 2019-24 December 2019. The Regulation 16 consultation was undertaken between 17 December and 11 Feb March 2019 for 8 weeks, followed by examination in February 2021. The Council received the Examiner's Report in June 2021 with recommendations to take the plan forward to Referendum subject to modifications.

- 1.8 On 14 September 2021, the Council received a Position Statement from Natural England. Information collected by Natural England shows that water abstraction for drinking water supplies is having a negative impact on the wildlife sites in the Arun Valley. They have advised that any new development that takes place must not add to this negative impact. Applicants will have to demonstrate that their scheme is water neutral within a water neutrality statement submitted as part of any application within the Sussex Water Resource North. This has meant the Itchingfield Neighbourhood Plan could not progress further without considering Water Neutrality.
- 1.9 Horsham District Council has worked with the affected local authorities: Crawley Borough Council, Chichester District and key stakeholders such as Natural England, Southern Water and the Environment Agency to produce a Water Neutrality Strategy. The work forms the evidence base which the Water Neutrality Strategy is based on.
- 1.10 The first stage of the work on water neutrality was studies which examine the impacts on water neutrality for each local authority area on an individual basis. This is sometimes referred to as the '**Part A**' work. The second stage considers the total (or cumulative) impact of proposed development in all the Local Authority areas that use Sussex North Water Supply Zone. (Horsham District Council, Crawley Borough Council, Chichester District Council, West Sussex County Council and the South Downs National Park). The purpose of this work is to understand how water demand may increase in the future and work out how much water will need to be 'offset' through Water Neutrality. This is referred to as the '**Part B**' study.
- 1.11 The '**Part C**' study builds upon and updates previous work and sets out a water neutrality strategy for all affected authorities. This includes recommending a policy approach with regards to water efficiency standards in new development and setting out principles for an offsetting scheme, which together would allow water neutrality to be met by growth identified in overall Development Plan.

- 1.12 The Water Neutrality Strategy shows that water efficient design will not be sufficient alone to achieve water neutrality, as new development would still increase the demand for water above existing levels. New residential development will be required to use no more than 85 litres per person per day and non-residential buildings required to achieve 3 credits within the BREEAM water issue category. Part of the initial SA/SEA process on the Local Plan included the assessment of reasonable alternatives. The work undertaken by the strategic partners on the wider strategic solution for water neutrality and in particular Part C of the Water Neutrality Study which examines the different scenarios attributed to employing different quantum of water usage per day, per person. The standard Building Regulations requirement of 125 l/p/d was not considered reasonable, given that existing plan requirements are already more stringent. Having no water efficiency target, thereby relying on water neutrality studies for individual planning decisions, was also considered unreasonable for the same reason. Please refer to Section 6.6 in the [SEA Update Dec 2023](#) for further details.
- 1.13 Further interventions such as offsetting will need to be enforced. It is envisaged that this will be achieved through demand management savings identified in Southern Water's Water Resource Management Plan, together with measures to be identified in a joint local authority-led Sussex North Offsetting Water Scheme (SNOWS) being prepared. Offsetting through SNOWS will be managed by the water neutrality affected authorities (Chichester District Council, Crawley Borough Council, Horsham District Council, Mid Sussex District Council, South Downs National Park Authority and West Sussex County Council). The gateway to access SNOWs will be through Scheme Access Prioritisation Protocol which will be managed by the relevant authorities.
- 1.14 The principle of water efficiency design and offsetting additional demand arising from new development remains. Applicants not opting for the SNOWs scheme, must still demonstrate they are in a compliance with the Regulations and legislation. Connections to alternative water sources like an different water company or a private borehole must demonstrate certainty of delivery and capacity to meet the demand arising from the proposed development. Any alternative scheme to SNOWs must also demonstrate the alternative water supply they are providing does not impact on the Arun Valley International sites.
- 1.15 The Regulations require Neighbourhood Plans are assessed against key legal test known as the Basic Conditions. There is a requirement for all neighbourhood plans to adhere to key pieces of environmental legislation. Although neighbourhood plans themselves do not grant planning

permission for development, they are subject to compliance with The Conservation of Species and Habitats Regulations 2017 as the regulations apply to any plan as well as any developments requiring planning permission. This includes the *Habitat Regulations 2017*. *These Regulations state that **any plan that is prepared must consider whether the plan will have an impact on sites or species that are protected by the Habitat Regulations. This includes the Arun Valley.***

- 1.16 A number of plans in Horsham District completed the examination stage before the Position Statement was received from Natural England. However, the Position Statement arrived and enforced with immediate effect, it means that even at this late stage of Neighbourhood Plan preparation, Water Neutrality must be considered and taken into account before a plan can progress to referendum and be Made.
- 1.17 To meet the legal requirements placed on us, any Neighbourhood Plan that is not yet made must be able to show that it will not have a negative impact on the protected sites in the Arun Valley. Without considering Water Neutrality, any plan would not meet the Basic Conditions and would be subject to legal challenge. It follows: **All development within the Itchingfield Neighbourhood Plan area will need to demonstrate water neutrality through water efficient design and offsetting of any net additional water use of the development. Itchingfield Neighbourhood Plan is fully supportive in the implementation of water neutrality policies which are in alignment with the Horsham District Local Plan (2023-2024) in order to protect the Arun Valley SAC/RAMSAR.**

2.0 THE SUSTAINABILITY APPRAISAL PROCESS

2.1 SEA is a requirement of EC Directive 2001/42/EC on the assessment of the impacts of certain plans and programmes on the environment. It is implemented in England through the 'Environmental Assessment of Plans and Programmes Regulations 2004'. Sustainability appraisal ensures that potential environmental effects are given full consideration alongside social and economic issues. Further information on the Sustainability Appraisal process and its legislative background can be found in the SA/SEA Report of the Itchingfield Strategic Environmental Assessment (SEA):Environmental Report April 2020 to which this document is supplementary. The fuller report is available to view and download from the Council's website.

Assessment of Plan Allocations

2.2 A Habitats Regulation Assessment report for the Itchingfield Neighbourhood Development Plan was completed in April 2020. By law, Neighbourhood Plans must be prepared in accordance with a set of key tests known as the 'Basic Conditions'. This includes a requirement for all plans to be compatible with key pieces of environmental legislation. Although neighbourhood plans themselves do not grant planning permission for development, they are subject to compliance with The Conservation of Species and Habitats Regulations 2017 as the regulations apply to any plan as well as any developments requiring planning permission. This includes the *Habitat Regulations 2017*. *These Regulations state that **any** plan that is prepared must consider whether the plan will have an impact on sites or species that are protected by the Habitat Regulations. This includes the Arun Valley.* This means all Neighbourhood Plans currently being prepared in Horsham District will need to consider what impact they will have on the protected sites in the Arun Valley in order for the plan to be able to meet the Basic Conditions.

2.3 The HRA addendum on Water Neutrality of the INDP was completed in June 2024 and makes a number of recommendations in order for the Itchingfield Neighbourhood Plan to meet the Habitat Regulations (2017). This SEA/SA addendum on water neutrality employs the Sustainability Appraisal process to consider how the recommendations made by the AECOM HRA regarding water neutrality Addendum (June 2024) will be assessed against the SEA objectives.

2.4 Should the recommendations outlined in the HRA Addendum on Water Neutrality (June 2024) be incorporated in the final Itchingfield Neighbourhood Development Plan it can be concluded that the INDP will not cause adverse effects on the Habitat site integrity either along or in combinations with other plans or projects. Failure to incorporate the recommendations from the HRA assessment would leave the INDP open to legal challenge as it would not meet the habitat regulations and therefore fail the basic conditions.

2.5 Table 1 below identifies the changes to Itchingfield Neighbourhood Plan Policies impacted by the Habitat Regulations Assessment (HRA) including the inclusion of new Policy 16: Water Neutrality and the list of existing Policies affected. Furthermore, there has been an assessment to whether or not those changes have been significant in terms of sustainability.

Table 1: Changes to Neighbourhood Plan Policies Considered Significant in Sustainability Terms

Policy Number and Name	Summary of Change(s)	Is the change deemed significant in sustainability terms?
Policy 16: Water Neutrality Policy	New policy, reflecting need for the Plan to demonstrate water neutrality. The policy is supported by evidence base developed by the three LPAs impacted by water neutrality who have come together to develop a Wider Strategic Solution alongside National England and Southern Water	Yes
Policy 9: Summers Ponds Site.	Additional criterion added to ensure compliance with Habitat Regulations: 'All development within the Sussex North Water Resource Zone (WRZ) will need to demonstrate water neutrality through water efficient design and offsetting of any net additional water use of the development. All proposals should look to be compliant with the Horsham Strategic Policy 9: Water Neutrality - Horsham District Local Plan (2023-2040)'	Yes
Policy 10: Old School Site.	Additional criterion added to ensure compliance with Habitat Regulations:	Yes

	<p>‘All development within the Sussex North Water Resource Zone (WRZ) will need to demonstrate water neutrality through water efficient design and offsetting of any net additional water use of the development. All proposals should look to be compliant with the Horsham Strategic Policy 9: Water Neutrality - Horsham District Local Plan (2023-2040)’</p>	
<p>Policy 11: Windfall Dev.</p>	<p>Additional criterion added to ensure compliance with Habitat Regulations:</p> <p>‘All development within the Sussex North Water Resource Zone (WRZ) will need to demonstrate water neutrality through water efficient design and offsetting of any net additional water use of the development. All proposals should look to be compliant with the Horsham Strategic Policy 9: Water Neutrality - Horsham District Local Plan (2023-2040)’</p>	<p>Yes</p>
<p>Aim 5 – Traveller Sites</p>	<p>Additional criterion added to ensure compliance with Habitat Regulations:</p> <p>‘All development within the Sussex North Water Resource Zone (WRZ) will need to demonstrate water neutrality through water efficient design and offsetting of any net additional water use of the development. All proposals should look to be compliant with the Horsham Strategic Policy 9: Water Neutrality - Horsham District Local Plan (2023-2040)’</p>	<p>Yes</p>
<p>Policy 17: Small-scale Businesses</p>	<p>Additional criterion added to ensure compliance with Habitat Regulations:</p> <p>‘All development within the Sussex North Water Resource Zone (WRZ) will need to demonstrate water neutrality through water efficient design and offsetting of any net additional water use of the development. All proposals should look to be compliant with the Horsham Strategic Policy 9: Water Neutrality - Horsham District Local Plan (2023-2040)’</p>	<p>Yes</p>

2.6 It can be seen from Table 1 above, that all of the changes proposed by the HRA are thought to have a significant impact in terms of sustainability. Table 2 below carries out an appraisal of those policies deemed to have been subject to a significant change. The appraisal uses the SA

Framework identified in the original SA Report undertaken by Plan Services and the same scoring matrix from that document. Where an impact has been updated as a result of the re-appraisal, it has been marked with an asterisk* and commentary has been provided below. The original appraisal of each NDP policy against the SA Framework can be found in Appendix 2 of the Downsett Mayhew SEA Report, 2020.

Table 2 : SA Objectives used to assess the emerging Itchingfield Neighbourhood Development Plan

SEA Objectives – Itchingfield Neighbourhood Plan
1. Conserve and enhance the rural character of the Parish.
2. To protect and enhance the biodiversity of the Parish.
3. To protect and enhance the heritage assets of the Parish.
4. To ensure development does not take place in areas at risk of flooding or where it may cause flooding elsewhere.
5. To improve air quality in the AQMA.
6. To improve highway safety.
7. To enable those with identified local housing needs to have the opportunity to live in an affordable home.
8. To ensure residents live in a safe environment.
9. To increase the opportunities for residents and visitors to travel by sustainable and non-car modes of transport.
10. To maintain and enhance the community infrastructure within the Parish.
11. To maintain and enhance employment opportunity and provision within the Parish.
12. To ensure high and stable levels of employment and address disparities in employment opportunities in the Parish so residents can benefit from economic growth

Table 3 Effects of the Water Neutrality Policy and Land Uses against the SEA Objectives

Policy No/ SA Objective	Water Neutrality Policy 16	Policy 9: Summers Ponds Site.	Policy 10: Old School Site.	Policy 11: Windfall Dev.	Aim 5 – Traveller Sites	Policy 17: Small-scale Businesses	Cumulative Impact
Objective 1: Conserve/Enhance Rural Character	0*	?X	?X	✓✓	?x	✓	✓*
Objective 2: Protect/ Enhance Biodiversity	✓✓*	✓*	✓*	✓*	✓*	✓*	✓*
Objective 3: Protect/ Enhance Heritage Assets	0*	0	0	?x	0	✓	0*
Objective 4: Flooding	0*	0	0	0	0	0	0*
Objective 5: Improve Highway Safety	0*	0	0	✓	0	✓	0*
Objective 6: Housing Need & Affordable Homes	✓✓*	✓✓	✓✓	✓*	✓✓	✓	✓✓*
Objective 7: Safe Environment.	0*	0	0	✓✓	0	0	0*
Objective 8: Improve Non-Car Modes of Transport	0*	✓	XX	0	?x	0	0*
Objective 09: Maintain/Enhance Community Infrastructure	0*	0	0	✓✓	0	0	0*
Objective 10: Maintain/Enhance Economic Base	?✓*	?✓*	?✓*	?✓*	0	✓✓*	?✓*
Objective 11: Stable Employment/Address Disparities	0	0	0	0	0	✓	0*

Table 4: Key SEA Impacts.

✓✓	Significant positive impact on the sustainability objective
✓	Positive impact on the sustainability objective
?✓	Possible positive or slight positive impact on the sustainability objective
0	No impact or neutral impact on the sustainability objective
?✗	Possible negative or slight negative impact on the sustainability
✗	Negative impact on the sustainability objective
✗✗	Significant negative impact on the sustainability objective

Summary of Findings for Policies seeing a Significant Change

- 2.1 The following commentary provides an overview of any changes that have occurred to the SA Objectives as a result of the changes to policy recommended through the HRA Report (June 2024). The original SA Appraisal of all can be found in Appendix 2 (p68) of the Downsett Mayhew SEA Report, April 2020.

Policy 16: Water Neutrality Policy

- 2.3 The introduction of Policy 16 will have a significant positive impact on Objective 2: Biodiversity. This is because the main aim of the policy is to ensure that water levels in the Sussex North Water Resource Zone remain at a level that protects the integrity of sites of international nature conservation importance. This policy protects water levels through a combination of reduced water use for new development and offset for the remaining water used. In turn, this protects the district’s biodiversity; protects natural resources such as high-quality agricultural land through reduced development pressure and adequate water levels; and reduces the greenhouse gases emitted in treating and transporting water, and from building and operating new housing and employment sites.
- 2.4 Policy 16 has a potential positive impact on the economic objectives as it is considered Policy 16: Water Neutrality is required to unlock development. Exclusion of Policy 16: Water Neutrality would result in the neighbourhood plan being in conflict with the habitat regulations and could not be made with potential for legal challenge. Without a up-to-date plan in place the potential for possible speculative applications coming forward are increased. Unlocking development will stimulate the local economy and could lead to employment

opportunities. As such, the scoring for Policy 16 against Objective 11 is recorded as a possible positive.

Policy 9: Sumners Ponds Site

- 2.5 The additional wording to this policy could have slight positive on Objective 10: Enhance and Maintain Economic Base. The inclusion of the requirement for applicants to consider water neutrality should potentially unlock housing and employment development in the Parish through the neighbourhood plan if they are able to demonstrate water efficiency measures. This will improve local economic activity in the neighbourhood plan area with Policy 9 also advocating some employment uses as part of the allocation. As such the the scoring against Objective 11: Maintain/Enhance Economic Base identified in Appendix 2 of the Downsett Mayhew SEA have been changed from a '0' to a possible positive impact(✓?).
- 2.6 The proposed amendments to Policy 9 would also result in a positive impact on Objectives 2: Biodiversity as the water efficiency measures imposed by a project level HRA would ensure that water levels in the Sussex North Water Resource Zone remain at a level that protects the integrity of sites of international nature conservation importance. The policy amendments protect water levels through a combination of reduced water use and offsetting. This in turn would protect the Parish's biodiversity; and reduce the greenhouse gases emitted in treating and transporting water, and from building and operating new housing and employment sites. Furthermore, there is opportunity through the planning application process to support opportunities for green infrastructure, support retention of tree belts and field boundaries where possible and improve active travel measures. As such the the scoring against Objective 2: Biodiversity identified in Appendix 2 (p55) of the Downsett Mayhew SEA have been changed from a negative 'x' to a positive impact '✓'.

Policy 10: Old School Site, Itchingfield

- 2.7 The Policy amendment and the inclusion of water neutrality measures would have a positive impact on Objective 2: Biodiversity as the water efficiency and offsetting measures proposed through the policy will result in less water being abstracted from the water bodies in the Sussex North Water Resource Zone, thereby reducing the negative impacts on the protected sites in the Arun Valley which are also used for leisure and recreation, which in turn improved health and well being. Furthermore, the former Old School is a derelict building with accompanying grounds and the reuse of the brownfield site is supported by the community as it is considered to be underused and an eyesore. The redevelopment of the site would not be at the expense of a greenfield site or loss of countryside/biodiversity. As such the the scoring against Objective 2: Biodiversity identified in Appendix 2 (p55) of the Downsett Mayhew SEA have been changed from a negative 'x' to a positive impact '✓'.

- 2.8 The additional introduction of the requirement to consider and demonstrate water neutrality as part of any proposal to Policy 10 will have a slight positive impact on Objective 11. Without consideration of Water Neutrality Policy 10 could not be implemented and would be contrary to the Habitat Regulations which would result in the proposal and/or the neighbourhood plan potentially open to legal challenge.
- 2.9 The requirement for proposals to adhere to water neutrality utilising offsetting measures and efficiencies with regards to water usage will be net positive for biodiversity as well as encourage economic activity. Compliance with Habitat Regulations should ensure proposals will unlock potential housing and employment development in the Parish through the neighbourhood plan. This will improve local economic activity in the neighbourhood plan area through sustainable construction providing local jobs and economic opportunities which are supported and encouraged. As such the the scoring against Objective 11: Maintain/Enhance Economic Base identified in Appendix 2 of the Downsett Mayhew SEA have been changed from a '0' to a slight positive impact(✓?).

Policy 11: Windfall Development

- 2.10 The additional wording to Policy 11 is upgraded to a positive score from the original neutral '0' against Objective 6: Affordable Housing and Housing Need. Furthermore, it is considered the score against Objective 11 Economic Growth would be a possible positive from a original '0' neutral score. This is because water neutrality continues to restrict the quantum of housing and employment uses delivered in the Parish, the requirement for policies in the plan to demonstrate water efficiency measures would make them compliant with the Habitat Regulations, this would unlock the plan in terms of delivering development (including housing) in a sustainable manor, whilst affording a high level of protection for the Arun Valley sites
- 2.11 The proposed amendments to Policy 10 would result in a positive impact on Objectives 2: Biodiversity as the water efficiency measures would ensure that water levels in the Sussex North Water Resource Zone remain at a level that protects the integrity of sites of international nature conservation importance (Arun Valley sites). It would mean windfall proposals would also have to demonstrate they also protect water levels through a combination of reduced water use and offsetting. This in turn would protect the Parish's biodiversity; and reduce the greenhouse gases emitted in treating and transporting water, and from building and operating new housing and employment sites. Because of this the 'possible positive' rating has been amended to a positive score '✓'.

Aim 5 – Traveller Sites

- 2.12 The requirement to consider water neutrality as part of the AIM 5 is considered to improve the scoring for Objective 2: Biodiversity. AIM 5 is a community aim but does not carry statutory weight for decision makers. Nonetheless, it ensures any consideration of traveller sites will have to give due regards to water neutrality as part of the process. As such it is recorded the score against Objective 2 regarding AIM 5 has been upgraded from the original '0' neutral to a positive score '✓'.

Policy 17: Small-scale Businesses

- 2.13 The additional Policy wording regarding water neutrality is considered to be a potential positive impact on Objective 2: Protect/Enhance Biodiversity as the water efficiency and offsetting measures proposed through the policy will result in less water being abstracted from the water bodies in the Sussex North Water Resource Zone, thereby reducing the negative impacts on the protected sites in the Arun Valley which are used for leisure and recreation, which in turn improved health and well being. Because of this the '0' neutral scoring against Objectives 2 has been changed to a potential positive (✓) impact.
- 2.14 The additional wording to this policy regarding water neutrality is also considered to have a significant positive impact ✓✓ on both Objective 10: Maintain and Enhance Economic Base and Objective 11: Stable Employment. Because of this the scoring for both Objectives 10 and 11 from Appendix 2, page 49 of the SEA Assessment undertaken by Downsett Mayhew have been upgraded from a positive (✓) to a significant positive (✓✓). The proposed amendments to Policy 17 Employment would protect the Parish's biodiversity; and reduce the greenhouse gases emitted in treating and transporting water, but also stimulate economic activity from new building housing and employment sites. Without consideration of water neutrality the Cowfold Neighbourhood Plan could not be progressed as it would be contrary to the Habitat Regulations and the Basic Conditions which would stop new employment opportunities coming forward in the neighbourhood plan area.

3.0 The Cumulative & Synergistic Effects of Additional Water Neutrality Policy & Proposed Mitigation

- 3.1 The introduction of Policy 16: Water Neutrality and subsequent modifications to a number of existing neighbourhood policies has a possible positive impact on several SEA objectives as the water efficiency and offsetting measures proposed through the policy will result in less water being abstracted from the water bodies in the Sussex North Water Resource Zone, thereby reducing the negative impacts on the wildlife sites in the Arun Valley which are used for leisure and recreation, which in turn improved health and well being.
- 3.2 A positive impact is identified for in general for the environmental objective, in particular Objectives 2: Biodiversity because the changes seek to ensure that water levels in the Sussex North Water Resource Zone remain at a level that protects the integrity of sites of international nature conservation importance. Furthermore, these positive impacts could be amplified through the application of other policies within the INDP and the local plan which encourages and supports increasing access to green infrastructure, creation of open space are also actively supported and pertaining to encouragement of healthy lifestyles, foster good design practice to support active travel measures, and stimulating the local economy with job creation.
- 3.3 Notwithstanding, the biodiversity benefits, the introduction of Policy 16 will allow the Itchingfield Plan to meet its required quantum of housing growth, whilst also ensuring a mix of types, tenures and affordability are provided in the neighbourhood plan area. Furthermore, several other neighbourhood plans which have also stalled because of water neutrality will also be allowed to progress subject to adherence to water neutrality, bringing forward planned development which conforms to habitat regulations and meets the legal tests in the legislation, whilst also adding to economic growth and to the housing supply. Because of this the cumulative impacts of Policy 16: Water Neutrality on Objective 2 is noted as positive.
- 3.5 Water Neutrality will restrict commercial development coming forward in the plan area, however the inclusion of Policy 16 in the plan will ultimately enable sites that are water neutrality compliant to be implemented and it would support the neighbourhood plan's vision to support economic development and no significant loss of employment in the area.

Therefore, the overall cumulative impact is recorded as a possible positive against Objective 11.

4.0 Conclusions and next steps:

- 4.1 The appraisal considers the relative sustainability merits of Policy 16: Water Neutrality and further modifications to several existing policies in the Itchingfield Neighbourhood Plan. Findings are presented as a commentary on effects between pages 11 - 15. The main aim of the policy is to ensure that water levels in the Sussex North Water Resource Zone remain at a level that protects the integrity of sites of international nature conservation importance. This policy protects water levels through a combination of reduced water use for new development and offset for the remaining water used. In turn, this protects the district's biodiversity; protects other natural resources such as high-quality agricultural land through reduced development pressure; ensures there are adequate water levels; reduces the greenhouse gases emitted in treating and transporting water, and from building and operating new housing and employment sites. Possible mitigation to improve outcomes with regards to Housing and Economic Growth objectives would be to support planned development within the context of meeting the habitat regulations either through the strategic solution through SNOWs or an alternative solution agreed to by the relevant stakeholders in the short to medium term. In the long term, a strategic solution should involve greater water conservation through leakage reduction and work with stakeholders to examine the possibility of a reservoir solution in the district.
- 4.2 The inclusion of Policy 16: Water Neutrality and modifications to several existing policies is a net positive in terms of sustainability and will look to ensure the emerging Neighbourhood Plan is aligned with the Habitat Regulations. Failure to implement the modifications would have resulted in the plan not meeting the Basic Condition and open the plan to potential legal challenge.