

Given the particular circumstances regarding housing need and supply impacting this Housing Market Area (HMA), this Statement of Common Ground details the co-operation between the NWS authorities that has actively taken place in seeking to resolve housing matters.

This Housing Statement of Common Ground should be read in conjunction with the NWS SoCG and updates it with respect to housing issues.

It documents the findings of the authorities' respective evidence base (including findings of jointly commissioned evidence studies) and agreed positions of the respective authorities on the following matters:

- Ø Strategic Geography: Definition of the Housing Market Area
- Ø Housing Need: Prioritisation
- Ø Housing Need: Current Position
- Ø Assessment of Housing Supply Options: Site Selection
- Ø Ongoing Co-Operation and Governance

The definition of the Northern West Sussex Housing Market Area (NWS HMA) is long-standing and has been subject to ongoing review through the authorities' respective evidence bases, including joint studies, and has been confirmed at respective Local Plan examinations.

Housing Market Area Boundary

The three authorities agree the below Housing Market Area boundaries for the purposes of plan-making, as supported by the evidence base.

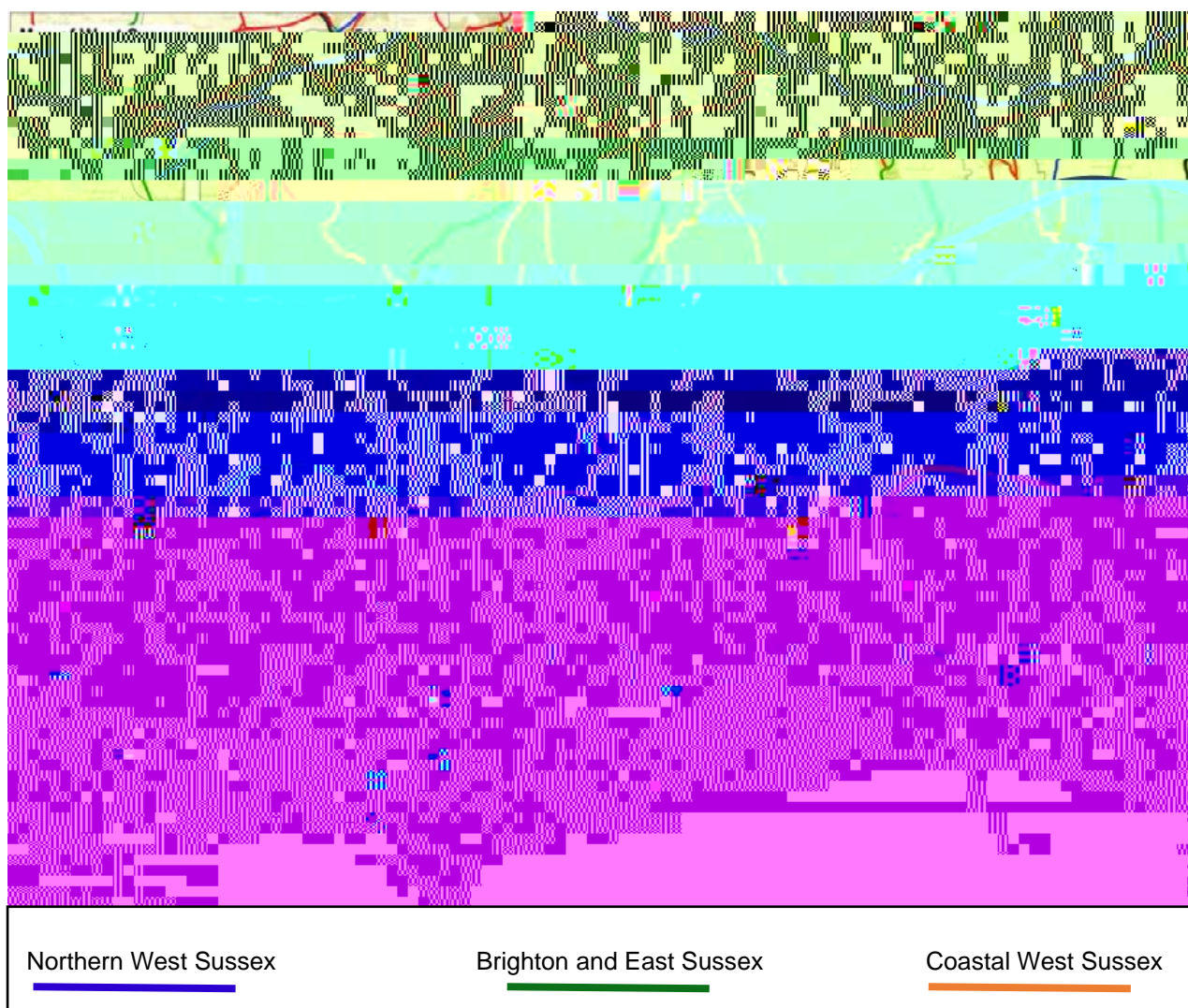


Figure 2: Sussex Housing Market Areas

Evidence Base

The definition of the NWS HMA has been established in the following evidence base studies:

- **West Sussex Strategic Housing Market Assessment (GVA 2009)**
This initial Strategic Housing Market Assessment (SHMA) established the Northern West Sussex HMA (NWS HMA) centred on Crawley and Horsham, extending south to Haywards Heath and Burgess Hill, east to East Grinstead, north to Horley and west/southwest to Billingshurst and Pulborough). It identified a 'best-fit' to local authority boundaries as comprising Crawley, Horsham and Mid Sussex. It recognised that there are some overlaps with the Brighton and East Sussex and Coastal HMAs in the

southern parts of Horsham and Mid Sussex. However, the NWS SHMA is the predominant one.

- **Northern West Sussex – Affordable Housing Needs Model Update (Chilmark, 2014)**

This reviewed the conclusions of the GVA 2009 study. It concluded that the NWS HMA he

The Northern West Sussex Housing Market Area authorities agree that:

- The evidence regarding Housing Market Area boundaries is robust and fit-for-purpose.
- The latest studies (Crawley and Horsham, 2019 and Mid Sussex 2021) are consistent with each other, and the conclusions are sound.
- The primary Housing Market Area for the three authorities is the Northern West Sussex HMA.
- There are overlaps with the Coast in the southern parts of Horsham and Mid Sussex districts, and with areas in Surrey lying to the south of the M25. However, the evidence points to the NWS HMA being the primary HMA for planning purposes, including the consideration of cross-authority unmet need.

The Northern West Sussex Housing Market Area authorities agree that, subject to meeting individual housing needs and establishing that there is potential to assist other authorities with unmet need, assistance should be prioritised as follows:

- **Priority 1: Northern West Sussex HMA.**
- **Priority 2: Coastal West Sussex HMA.**
- **Priority 3: Other adjacent and nearby HMAs where it is justified by each individual authority.**
 - e.g. Surrey authorities (CBC and HDC), East Sussex authorities (MSDC) and, following those, London (all).

It is for each authority to set out how it can meet its own needs and any other authority's needs (or otherwise) through evidence produced through the preparation of their respective local plans.

It is recognised that there may be reason to deviate from the priority order during the process of assessing the most suitable sites for allocation. Deviation from the above priority order will need to be justified by evidence and any implications discussed and considered jointly with the NWS HMA authorities.

Northern West Sussex HMA – Current Adopted Plans

The current suite of Northern West Sussex HMA Local Plans were adopted as follows:

- **Crawley:** Crawley 2030 (2015 – 2030), adopted December 2015
- **Horsham:** Horsham District Planning Framework (2011 – 2031), adopted November 2015
- **Mid Sussex:** District Plan (2014 – 2031), adopted March 2018

Crawley’s unmet need position was established during its examination. Horsham identified the potential to contribute 150dpa towards this unmet need and this was agreed during the examination of the Horsham District Planning Framework. During the Mid Sussex examination, the Inspector concluded that Mid Sussex could contribute 1,498 dwellings towards unmet need arising in Crawley. Whilst this would leave a remaining 35dpa, the Inspector concluded that this was likely to be met as Crawley’s housing delivery was running slightly ahead of trajectory at that point in time.

Therefore, the NWS HMA authorities have historically been able to demonstrate that the need arising in the HMA could be met in full – based on the agreed Objectively Assessed Needs establishing within each authority’s respective examination. This reflects their positive and on-going engagement to seek cross-boundary strategic solutions.

Table 1: Housing need and supply position at time of Mid Sussex District Plan adoption (March 2018)

	Objectively Assessed Need (OAN)	Total Plan Period OAN	Total Plan Period Housing Supply	Contribution towards NWSHMA (to 2031)
Crawley	675	10,125	5,100	-5,025 (335dpa)
Horsham	650	13,000	16,000	3,000 (150dpa)
Mid Sussex	876	14,892	16,390	1,498 (88dpa)
TOTAL	2,201	38,017	37,490	-527 (35dpa)

Standard Method

Since the three Local Plans were adopted, the Government has introduced the Standard Method for assessing local housing need.

It is important to recognise that this represents the Standard Method ‘starting point’ for housing need. The extent to which this need can be met will be subject to the three authorities’ assessment of potential supply (i.e. site selection process) which will include consideration of any constraints and mitigations. This is set out further in section 5.

Housing Need – Comparison to Standard Methodology

Whilst the NWS HMA authorities have been able to meet housing need in full in the past, it is recognised that this is becoming more of a challenge. This is due to:

- Increases in housing need since previous Local Plans were adopted; and
- Supply of sustainable, suitable and deliverable sites reducing.

Applying the Standard Method formula for the three authorities now shows an increased need of **555 dwellings per annum** compared to that established in current adopted plans, an increase of approximately 25%.

Table 2: Standard Method Calculation

	Current Local Plan OAN (dpa)	Standard Method (dpa)	Difference (dpa)
Crawley	675	755	+80
Horsham	650	911	+261
Mid Sussex	876	1,090	+214
TOTAL	2,201	2,756	+555

Engagement to Date

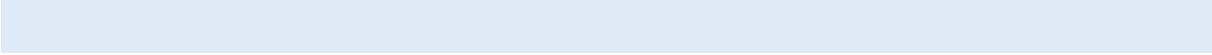
The three authorities have, and will continue to, engage positively to discuss potential housing supply as the plans progress towards adoption.

For example, as part of the preparation of the revised District Plan (Regulation 18), Mid Sussex engaged with Crawley and Horsham in 2022 on its site selection process. This included consulting neighbouring authorities on the Site Selection methodology and making refinements as necessary, presenting the approach taken and explaining the conclusions and implications (e.g. broad findings from transport and other studies).

Horsham similarly has engaged with the other Northern West Sussex authorities during their Regulation 18 period. This included inviting discussions on site assessments, mostly through the regular NWS group meetings, but also at bilateral discussions with the other NWS authorities respectively.

In addition to engaging directly through similar meetings set out above, Crawley Borough Council published an updated Strategic Housing Land Availability Assessment in February 2023. This includes an updated introduction giving an account of how the council had assessed the 'suitability' of sites for residential development. The updated SHLAA has supported the spring 2023 Regulation 19 consultation on the Crawley Borough Local Plan Review. The Regulation 19 consultation was also supported by an updated Housing Trajectory, Windfall Statement, Housing Supply Topic Paper, and Compact Residential Development Study, providing further explanation of

The Northern West Sussex Housing Market Area authorities agree that:



As described in Section 1, the three HMA authorities have produced a Northern West

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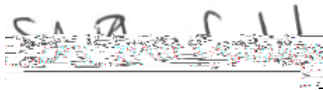
- This Statement of Common Ground captures a 'point in time' and that it will be reviewed and kept up to date as Local Plan Reviews progress.
- To meet regularly to discuss matters as they emerge and take opportunities to find solutions to maximising housing supply within the HMA area and that any conclusions should be evidence based.
- To continue membership and positive involvement with sub-regional groupings such as the Gatwick Diamond and West Sussex and Greater Brighton, including in relation to the preparation of West Sussex and Greater Brighton Local Strategic Statement (LSS) 3.
- This statement is agreed by all parties without prejudice to their respective ability to make representations to each other's emerging Local Plans, albeit these representations will respect the 'Points of Agreement' reached within this SoCG.
- This Housing SoCG will be updated (if required) once the evidence base is refined and more definitive conclusions can be reached on housing need and supply within the HMA.




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