

Mid Sussex District Plan 2021- 2039
Matter 1: The Housing Requirement
Statement on behalf of A2Dominion

February 2026

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Client

A2Dominion

Our reference

A2DS3001

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1. Introduction

- 1.1 This Statement has been prepared on behalf of A2Dominion to the Mid Sussex District Plan Review Examination (Matter 1: The Housing Requirement).
- 1.2 A2Dominion is promoting an area to the west of Pease Pottage within Mid Sussex District for a residential development which is capable of helping to address the District's own needs, as well as those unmet housing needs arising from the neighbouring authority of Crawley Borough.
- 1.3 The land promoted by A2Dominion to the west of Pease Pottage is referred to in these representations as 'Pease Field', with the potential to accommodate 150 – 200 dwellings as has been assessed in the SHELAA under reference 674. An agreement in principle is in place with landowners south of the site (who are separately promoting land within their control – SHELAA site 219) to enable an existing access road to be extended northwards (and into site 674).
- 1.4 A2Dominion's participation in this Examination is on the following principles:
 - Firstly, the land it is promoting for residential development at Pease Pottage is suitable for allocation, although we recognise that the Inspector is not tasked with considering 'omission sites'; and
 - Secondly, MSDC has failed to demonstrate that it is unable to accommodate unmet needs arising from Crawley Borough to the north and, should the Plan seek to meet those needs, that should be done close to where the need arises.
- 1.5 In relation to the second of those principles, we note that MSDC now seems to be pursuing an approach which does not recognise and seek to address unmet housing needs from Crawley Borough which is in significant contrast to its own approaches adopted previously.
- 1.6 In this context, with the strategic allocation of land to the East of Pease Pottage under Policy DP10 of the (current) MSDP provided for 600 dwellings, and community facilities including community buildings, primary school and associated café and retail facilities in the Pease Pottage area. Several of these, including the primary school, café, shop and St Catherine's Hospice are already open. That site is also within the 'National Landscape' (formerly AONB).

2. Matter 1: The Housing Requirement

Whether the plan's housing requirement makes sufficient provision for new homes.

a) Local housing need

- 2.1 No, the Plan's housing requirement does not make sufficient provision for homes, in the context of Local Housing Need.
- 2.2 The Council's Topic Paper 'MS-TP2: Housing' states (paragraph 1.6):
- "Given the passage of time since the submission of the District Plan, LHN can be updated to reflect a base date of 1st April 2025 reflecting the affordability data released in March 2025. This produces a LHN of 999dpa and represents the most up-to-date starting point for LHN."*
- 2.3 The same document explains how at submission stage, the LHN was 1,090 dwellings per annum (dpa) with a base date of 1st April 2023. MSDC then proposed a modification to LHN (DP2: M67) at submission to reflect an updated base date of 1st April 2024, resulting in a figure of 1,039dpa.
- 2.4 We note that as of March 2025, the LHN for MSDC was 1,333 dpa and that as of May 2025, this had increased to 1,358 dpa to reflect the latest information on affordability.
- 2.5 As far as we can establish, the LHN of 999 dpa is derived from the 'previous' standard method (rather than the version updated alongside the December 2024 NPPF).
- 2.6 The Topic Paper states:
- "Whilst the PPG notes that LHN can be relied upon for two years since submission of a local plan, this is not a requirement. Since the LHN has changed significantly since Submission the Council proposes to rely on the most up-to-date figure."*
- 2.7 A2Dominion agree with the statement from MSDC in that the HN has changed significantly since the Plan was submitted. However, the Topic Paper appears to suggest that this change has reduced the LHN, whereas A2Dominion's position is that the revisions to the standard method suggest the housing required in the area has drastically increased.
- 2.8 MSDC draw attention (paragraph 1.7 of Topic Paper 'MS-TP2: Housing') that the PPG notes LHN can be relied upon for two years from submission and note how this is 'not a requirement' (PPG reference: Paragraph: 008 Reference ID: 2a-008-20241212). In this case, the MSDC Plan was submitted on 8th July 2024 (so these resumed hearings are well within that two year period). Aside from the comment that the LHN has changed significantly, there is no explanation in the Topic Paper, as to why the figure of 999 dpa should be utilised.

- 2.9 In A2Dominion’s submission, notwithstanding the fact that this Plan is being examined under the previous version of the NPPF, the proposed housing requirement (as submitted, as per the MSDC modification, and now as set out in this Topic Paper) is material to the soundness of the Plan, particularly in the context of whether it is ‘positively prepared’.
- 2.10 This Local Plan should continue to be examined based on the LHN at the point of submission. MSDC has presented no explanation as to why the figure of 999 dpa should be utilised and the attempt to do so should be seen in the context of the Government’s very clear direction that the level of housing required in Mid Sussex District is materially higher than any of the figures proposed by the Council in the context of this Local Plan (not less).
- 2.11 The Inspector’s Initial Letter (IDJB-01) refers to the proposed end date of the Plan-period in 2040. On the (realistic) assumption that this Plan could not be adopted until after 1st April 2026, an end date of 2040 would only provide for 13 ‘full years’ at best. Our position remains that this Plan should cover 15 years post adoption and be extended to 2042.
- 2.12 With these comments in mind, the following table shows our position on what the housing requirement should be, purely based on the LHN.

	Plan period 2021 – 2040	Plan period 2021 - 2042
LHN of 1,090 dpa	20,710	22,890

b) Unmet need from neighbouring authorities and its effect on the plan’s housing requirement

- 2.13 No, the Plan’s housing requirement does not make sufficient provision for homes, in the context of unmet housing need from neighbouring authorities.
- 2.14 If the Council’s approach to reduce the LHN is rejected and the Plan period remains to 2040 then our preceding comments establish that this is a Plan which would not address unmet need whilst also providing any degree of ‘headroom’. If the Plan-period is extended, as we suggest, no headroom or provision for unmet need would be provided for.
- 2.15 In this case, there are a number of other, neighbouring, authorities from which an unmet housing need may arise, including authorities to the south as well as Crawley to the north. We agree with the notion in paragraph 3.27 of the Council’s Topic Paper ‘MS-TP2: Housing’ that priority should be given to the ‘Northern West Sussex HMA’ (Crawley and Horsham), but that does not diminish the necessity of addressing unmet needs from elsewhere.
- 2.16 As A2Dominion’s previous representations (and earlier Hearing Statements) have demonstrated, this is not a Plan which responds to those unmet housing needs. As it was originally devised, the Plan suggested that any ‘oversupply’ of housing might represent both a ‘buffer’ to the requirement, as well as addressing unmet needs, but in doing so, conflated two planning concepts.

2.17 The circumstances in this case demonstrate that there is a very significant unmet housing need arising from Crawley Borough to the north.

2.18 The Crawley Local Plan (2024) explains that (paragraphs 2.26 – 2.28):

“2.26 The scale of unmet need of approximately 7,505 dwellings over the Plan period is fully acknowledged and is being discussed with neighbouring authorities in a constructive and effective manner, including across the Gatwick Diamond and West Sussex and Greater Brighton.”

“2.27 Crawley’s housing market functions within a wider geographic area – identified as the Northern West Sussex Housing Market Area, which is predominantly within the local authority administrative areas of Crawley Borough, Horsham and Mid Sussex Districts; extending northwards into the administrative area of Reigate and Banstead Borough to a lesser degree. Taken as a whole, the towns within the Northern West Sussex Housing Market Area provide a complementary role, offering housing opportunities for the local population and workforce for each stage and socio-economic position within lifecycles, and providing housing for employees working at Gatwick Airport and Manor Royal. This highlights a critical inter-dependence and reliance between areas with regard to housing and economic growth.”

“2.28 In the preparation of the adopted Crawley Borough Local Plan 2015, it was recognised by the authorities across the Northern West Sussex Housing Market Area that Crawley had sought to fully maximise its capacity for housing development within the borough boundaries in order to meet its own housing needs. Similarly, each authority within the area considered it was doing the maximum reasonable to meet the objectively assessed housing needs of the area as a whole, taking into account local constraints, local aspirations and the need for sustainable development. Further acknowledgement is provided within the adopted Development Plans for Horsham, Mid Sussex and Reigate and Banstead; with recognition that their housing provision figures will contribute to meeting the wider needs of the Northern West Sussex Housing Market Area and supporting the delivery of economic growth within the Gatwick Diamond.”

2.19 The issue of unmet housing needs should also be seen in the context of the affordable housing needs arising from Crawley Borough.

2.20 Paragraph 3.3.2 of Topic Paper 3 to the Crawley Borough Local Plan (**Appendix 4**) recognises that *“Crawley has a very important role in the sub-regional economy, and has been identified as being well located to support the delivery of economic growth.”* Paragraph 3.3.3 of the same document highlights the level of affordable housing need in the Borough, stating that:

“The Updated SHMA found that the affordable housing need in Crawley equated to a total of 739 affordable homes per year, of which 563 (76%) dwellings were needed as rented affordable homes, and 176 (24%) dwellings were needed to be provided for affordable home ownership.”

- 2.21 Topic Paper 3 to the Crawley Borough Local Plan confirms that the Crawley’s housing need figure for 2023, based on the Standard Method, is **755 dpa**. Based on the SHMA, **the affordable housing need in Crawley is equivalent to 97% of the LHN**. On that basis, it is clear that the assessed need for affordable housing in Crawley Borough was comparable to the Local Housing Need figure which, as the Inspectors found, cannot be accommodated, with a very significant unmet need identified. It is entirely reasonable therefore to record that there would be a very substantial residual affordable housing need arising from Crawley Borough.
- 2.22 The Plan is not ‘positively prepared’ (and not justified) as it does not meet, as a minimum, the area’s objectively assessed needs. The Council has, through the SHMA, provided evidence of a significant need for affordable housing which is not reflected in planning policies. Moreover, the housing requirement and level of supply does not address unmet need.
- 2.23 We note that paragraph 3.30 of the Council’s Topic Paper ‘MS-TP2: Housing’ states:
- “Once accounting for the Council’s LHN, confirmed supply and allowance for headroom, there remains a surplus of 1,693 dwellings. It is proposed that these contribute towards unmet need arising in the Northern West Sussex HMA, predominantly at Crawley and would represent just under a quarter of its unmet need.”*
- 2.24 Even if the ‘surplus’ referred to in the Topic Paper is accurate, it is plain that it cannot be both a buffer and address unmet need and therefore we consider that MSDC to continue to conflate those two concepts. It is also unclear what proportion of that figure would be apportioned to the needs arising from those other authorities.
- 2.25 The representations to the Regulation 19 consultation of the District Plan behalf of A2Dominion were accompanied by a report prepared by Turley’s Economics team on ‘The Importance of Meeting Crawley’s Housing Needs’. That report explains that Crawley Borough Council has long sought to establish itself as the premier town between London and the South Coast, benefiting from its position at the heart of the Gatwick Diamond. It acknowledges that the town draws labour from surrounding areas to fill jobs that are relatively well-paid, but it was clearly aware that businesses were concerned about skills shortages even in the years prior to adoption of the current Local Plan in 2015. Low unemployment, at that point, was seen as a reflection of the borough’s tight labour market. The Turley Economics report also demonstrates that:
- Crawley Borough Council was unable to meet the full need for housing in Crawley through its previous Local Plan, which looked ahead to 2030. It therefore sought to meet only around half, frontloading delivery to the point where three quarters of new homes – some 3,817 in total – would be delivered by 2023.
 - Housing delivery has though fallen behind this trajectory, with some 7% fewer homes than planned having been built by that point. This appears to have resulted in:
 - **Markedly slowed population growth**, relative to previous years, with the borough less successfully attracting and retaining people;

- **Enabled even less growth in the core working age population**, returning to lows not seen in the borough for almost twenty years;
 - **Supported the delivery of almost a fifth less affordable housing** than was reported to be needed, as only a baseline, in 2015;
 - **Put pressure on house prices**, the growth of which has accelerated since the start of the current plan period in 2015;
 - **Made housing in the borough less affordable than earnings**, comparing poorly to the national average in almost every year since 2015 having rarely done so previously; and
 - **Further tightened the labour market**, with unemployment falling even further from the lows noted in the Local Plan to increase reliance on neighbouring areas, whose residents seemingly continue to travel into Crawley to fill well-paid jobs.
- Crawley Borough Council’s economic ambitions have not though been dimmed by its ongoing difficulties in meeting housing needs. The new Local Plan repeats many of the ambitions stated in the current one, while noting its reaffirmed commitments as part of the Gatwick Diamond and also highlighting a further strategy that aims for the town to be one of the country’s most productive places by 2030. The COVID-19 pandemic is acknowledged to have affected the borough’s economy but the Council itself has noted its resilience, aided by interventions that are helping it trend towards recovery.
 - The new Local Plan emphasises that economic recovery and growth must be further supported, and this reinforces the importance of the Council working with its neighbours to swiftly tackle the unmet need that exists over the period to 2040. Failure to do so would simply threaten to curtail population growth, inflate house prices and further tighten the labour market.

2.26 The Mid Sussex Local Plan should make provision for unmet housing needs and should ensure that these are provided in appropriate locations.

2.27 The Plan should provide for 50% of the Crawley unmet need (3,750 out of around 7,500). This reflects the significant spatial relationship between Mid Sussex and Crawley, and the significant restrictions on meeting that need elsewhere (for example the status of plan-making to the north of Crawley, the reduced spatial relationship between those authorities to the north and the fact that Crawley, Mid Sussex and Horsham form the North West Sussex HMA).

2.28 In combination with our comments on the LHN, the following table shows our position on what the housing requirement should be, purely based on the LHN and provision for 50% of Crawley’s unmet need.

	Plan period 2021 – 2040	Plan period 2021 - 2042
LHN of 1,090 dpa	20,710	22,890
50% of Crawley’s Unmet Need (3,750)	24,460	26,640

c) Whether the housing requirement needs to be uplifted to meet any other need such as that for affordable housing

2.29 Yes. The housing requirement should be uplifted, because of considerations relating to affordable housing.

2.30 The December 2023 NPPF states (paragraph 61) that:

“The outcome of the standard method is an advisory starting-point for establishing a housing requirement for the area (see paragraph 67 below). There may be exceptional circumstances, including relating to the particular demographic characteristics of an area which justify an alternative approach to assessing housing need; in which case the alternative approach should also reflect current and future demographic trends and market signals” Our emphasis

2.31 As far as we can establish, from a housing perspective, MSDC appears to approach this Plan on the basis that the housing requirement is derived from the LHN. We recognise that the ‘Housing Need and Requirement - Topic Paper’ (Document H5) did consider whether ‘exceptional circumstances’ applied to justify an increased housing requirement, with that Paper setting out three areas which could support such an approach:

- *“Where funding is in place to promote and facilitate additional growth, such as Housing Deals or City Growth Deals;*
- *Where strategic infrastructure improvements are likely to drive and increase in the homes needed locally; and*
- *Affordable housing need”. Our emphasis*

2.32 There are compelling reasons why the affordable housing should result in the housing requirement being increased, above the ‘advisory starting point’ of the LHN.

2.33 The Council's Topic Paper 'MS-TP2: Housing' records how the SHMA identifies a need for 470 dpa of affordable rented housing and 475 (gross) for affordable home ownership. The Topic Paper states:

"Table 3.4 of the SHMA Update [H6] concludes a need for 383 homes per annum for affordable rented homes. This decrease is driven in part by the high increase in local incomes. The need for affordable home ownership is 353 (gross) homes per annum (Table 3.7) [H6]."

2.34 There are also compelling affordable housing issues arising from Crawley Borough (which themselves highlight the importance of ensuring: the Mid Sussex District Plan robustly meets the needs of Mid Sussex, but should also address unmet needs arising from Crawley as well).

2.35 Evidently, the levels of affordable housing required are a very significant proportion of the overall level of housing planned per annum. It is inconceivable that this is a Plan which is currently capable of addressing those needs.

d) Whether a stepped requirement is appropriate

2.36 A2Dominion's do not consider the stepped requirement appropriate.

2.37 The following comments are based on the basis of the approach set out in the Council's Topic Paper, namely that the housing requirement for this Plan is to be 2,674 dwellings, through a stepped trajectory as follows:

- 990 dwellings per annum 2021/22 – 2030/31
- 1,187 dwellings per annum 2031/32 – 2039/40

2.38 As the Topic Paper recognises, this is a different approach to that which the Council proposed at the point of submission and it seeks to justify this position due to the reliance on strategic allocations, and the land supply position in Crawley.

2.39 In our submission, the reliance on strategic allocations does not justify a stepped trajectory. Where an authority supports such allocations, it should seek to ensure that there is a sufficient supply throughout the Plan period, rather than delay meeting these needs. The consequence of this approach is that those in need of housing now have to wait to have those needs met, with the greatest implications felt by those in greatest need (i.e. those people who cannot access housing via the market). The Council's reliance on this issue is undermined by the lack of evidence in relation to housing supply (Matter 2).

2.40 MSDC does not provide any explanation as to the how housing supply position in Crawley justifies a stepped trajectory in a different authority and the Council's reliance on this matter should be seen in context – any 'steady supply' in Crawley is against that Local Plan which results in a very significant unmet need, and an even more drastic position when it comes to addressing affordable housing needs.

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