

Northern West Sussex Housing Market Area

Statement of Common Ground: Housing

Update – February 2026

1. Introduction

1. The Northern West Sussex Housing Market Area (NWS HMA) is comprised of:
 - Crawley Borough Council
 - Horsham District Council
 - Mid Sussex District Council
2. The NWS HMA authorities have a long history of joint working and co-operation on strategic cross-boundary matters. A Statement of Common Ground (SoCG) was agreed in July 2024 covering all strategic matters [MSDC ref: DC3, HDC ref: DC01]. A separate SoCG was agreed at the same time, focussing on Housing [DC4, HDC ref: DC02]. The two should be read in conjunction.
3. The July 2024 Housing SoCG captured agreements reached between the three authorities. The authorities agreed (Section 7: Ongoing Co-Operation and Governance) that:
 - The July 2024 Housing SoCG captures a 'point in time' and that it will be reviewed and kept up to date as Local Plan Reviews progress.
 - The July 2024 Housing SoCG will be updated (if required) to reflect any emerging evidence or conclusions reached at respective authorities' examinations.
4. Due to the passage of time since the SoCG was agreed and significant updates since which have a material impact on the Horsham and Mid Sussex Local Plan examinations, the SoCG has been updated. Updates and related Points of Agreement are set out in the following sections.

2. Northern West Sussex Authorities – Current Local Plan Status

Crawley

5. At the point the previous SoCG was agreed, the Crawley Borough Local Plan 2023 to 2040 (CBLP) had been subject to examination hearings and a consultation on Main Modifications had been held. Since that time, the CBLP has since been found legally compliant and sound and was adopted in October 2024.

Horsham

6. The Horsham District Local Plan 2023-2040 (HDLP) was submitted for examination in July 2024. A week of examination hearings were held in December 2024, after which remaining hearing sessions were cancelled. The Inspector wrote to the Council in

April 2025, recommending that the HDLP be withdrawn from examination on a failure to meet the Duty to Cooperate (DtC). In November 2025, the Government announced its intention to remove the DtC from plan-making regulations and advised the Planning Inspectorate to take this into account in ongoing examinations.

7. The Inspector examining the HDLP subsequently wrote to the Council making the Council aware of the change in circumstances with regards to the DtC and a date for an exploratory/procedural meeting was set up for 26 February 2026. In January 2026, the Planning Inspectorate notified the Council of a change of Inspector.

Mid Sussex

8. The Mid Sussex District Plan was submitted for examination in July 2024. Initial hearings were held in October 2024. The Inspector wrote to the Council in April 2025 and was minded to fail the Plan on Duty to Co-Operate grounds. In November 2025, the Government announced its intention to revoke the Duty to Co-Operate.
9. As the Mid Sussex District Plan was not withdrawn from examination, it is now able to proceed. Hearings are scheduled for February/March 2026.

3. Updates since July 2024

Water Neutrality

10. As reported in the July 2024 Housing SoCG, Natural England wrote to the authorities in the Sussex North Water Resource Zone in September 2021 advising that existing abstraction may have a negative impact on sites within the Arun Valley which includes Amberley Wild Brooks Site of Special Scientific Interest (SSSI), Pulborough Brooks SSSI and Arun Valley Special Protection Area (SPA)/Special Area of Conservation (SAC), and that new development must not add to this impact. In effect, development in this zone was required to be 'water neutral'.
11. This was a complex issue which required significant strategic joint working between the authorities involved – including Crawley, Horsham and Mid Sussex. The position severely impacted housing supply. In light of the receipt of the Position Statement, Horsham DC had indicated their ability to assist with Crawley's unmet housing need was significantly impacted due to the impact of Water Neutrality. At the point of submission in July 2024 HDC identified an unmet need within their local plan.
12. On 31st October 2025, Natural England issued a Withdrawal Statement [MSDC ref: ENV21, HDC ref: HDC44a]¹ confirming that its Water Neutrality Position Statement of September 2021 had been withdrawn. This follows agreement between Natural England, Southern Water and the Environment Agency that a reduction in the licence cap on water abstraction will ensure with sufficient certainty that development will not adversely impact the protected Arun Valley habitats.
13. This agreement is the primary element of interest to local authorities in making decisions regarding relevant plans or projects, as it removes the connection between abstraction and growth. The Withdrawal Statement means that development (and

¹ https://www.horsham.gov.uk/_data/assets/pdf_file/0020/153551/HDC44a-Appendix-1-Natural-England-Arun-Valley-Withdrawal-Statement-31.10.25.pdf

therefore development plans) within the Sussex North Water Resource Zone will no longer be required to demonstrate water neutrality.

14. As a result, Horsham District Council has now indicated through its local plan examination that as a minimum housing need within the district can now be met in full (HDC26). This is a significant positive change since the July 2024 Housing SoCG was agreed and means unmet housing need within the NWS HMA has reduced.

Points of Agreement

- **The Water Neutrality Withdrawal Statement has had a positive impact on housing supply within the NWS HMA, particularly in Horsham district.**
- **As a minimum (subject to examination), housing need in Horsham is now able to be met.**
- **The unmet need within the NWS HMA resulting from Water Neutrality has been reduced.**

On/Cross-Boundary Site Options

15. The July 2024 Housing SoCG noted that the on/cross-boundary sites that had been identified and considered by the NWS HMA authorities in an “At Crawley” study published in 2009 [MSDC Ref: O12]. Of the seven sites identified, five had been committed/completed with the two remaining sites (West of Ifield – Horsham district; Crabbet Park – Mid Sussex district) proposed for allocation in respective plans at examination. The NWS HMA authorities agreed that there were no further reasonable options for boosting housing supply on/cross boundary sites.
16. Since July 2024, there are updates for the two proposed sites:
17. **West of Ifield** – the Submission Draft Horsham District Local Plan indicated the site will deliver a total of 3,000 dwellings, with approximately 1,600 capable of delivery within the Plan period to 2040. A hybrid planning application was submitted in August 2025 which is currently pending a decision. Should the Local Plan proceed through examination, a review of potential delivery across all prospective allocation sites will be undertaken in light of changed circumstances, particularly water neutrality.
18. **Crabbet Park** – the Submission Draft District Plan indicated the site was capable of achieving a total of 2,000 dwellings, with approximately 1,500 capable of delivery within the plan period to 2040. Work has progressed since submission to better understand delivery, phasing and opportunities to increase yields within the plan period. Mid Sussex now anticipates that a minimum of 1,950 dwellings is deliverable within the plan period because additional parcels within the allocation boundary are now proposed for development and are capable of delivering in the short-term. This represents an increase of 450 dwellings. Crawley and Mid Sussex are continuing to engage on matters related to this site and these will be captured in a separate SoCG.

Housing Supply Position

19. The Housing Supply position in the July 2024 Housing SoCG was reported as follows:

	Under/Over Supply
Crawley	-7,505
Horsham	-2,377
Mid Sussex	+935
NWS TOTAL	-8,947

(Note: the Mid Sussex District Plan has a plan period of 2021 – 2040 whereas Crawley and Horsham is 2023 - 2040 therefore for ease of comparison the figures relate to 2023 – 2040).

20. This position has improved since July 2024 as a result of the material changes reported in previous sections of the SoCG and the following:

Crawley

21. Crawley adopted the Crawley Borough Local Plan in October 2024 which confirms an unmet need of 7,505 dwellings.
22. Policy H1 of the CBLP confirms the total housing need identified for the borough over the period 2023 to 2040 is 12,835 dwellings.
23. The CBLP makes provision for the development of a minimum of 5,330 net dwellings in the borough over the same Plan period. This minimum requirement is broken down in the Policy as the following stepped requirement:
 - Years 1 to 10 (2023 to 2033): 386 dwellings per annum (dpa)
 - Years 11 to 17 (2033 to 2040): 210dpa
24. The policy confirms the remaining unmet housing need arising from Crawley over the Plan period is approximately 7,505 dwellings, arising as follows:
 - Years 1 to 10 (2023 to 2033): 369dpa
 - Years 11 to 17 (2033 to 2040): 545dpa

Horsham

25. As a result of the Water Neutrality Position Statement being withdrawn in October 2025, it is now anticipated that Horsham is now able to meet local housing need in full, as a minimum. If it is agreed that the Local Plan examination can progress, the precise figure will be tested during examination.
26. The submitted HDLP identified a housing requirement of 777 homes per year (averaged over the plan period), a figure that could be accommodated given the impact on housing delivery rates arising from water neutrality. As the water neutrality constraint has largely been overcome (see section 3), a set out in HDC46 dated the 22 December 2025, the Council has outlined that the Council anticipates that as a minimum it can meet its own housing needs. The Council is actively preparing a work programme of work to prepare the necessary evidence base updates in an accelerated timescale. An exploratory meeting is programmed for the end of February 2026.

Mid Sussex

27. Mid Sussex has indicated to its examination² (MS-TP2, January 2026) that, using the latest housing supply position as at 1st April 2025 and with increased yields predicted on allocations (including Crabbet Park), a contribution towards unmet need of 1,693 could be achieved. This will be tested during examination.

Conclusion

28. The Housing Supply position is now as follows. Whilst there is still an unmet need within the NWS HMA, this has reduced from 8,947 at July 2024 to 5,812 at current day – **an improvement of 3,135**. It should however be noted that this figure is likely to be a ‘worst case’ scenario, as Horsham District Council’s examination programme is

² <https://www.midsussex.gov.uk/media/iufgj5r0/ms-tp2-housing.pdf>

expected to test a range of options to address a proportion of unmet needs arising from Crawley borough, subject to what emerges from the examination.

	Under/Over Supply
Crawley	-7,505
Horsham	0
Mid Sussex	+1,693
NWS TOTAL	-5,812

Points of Agreement

- Horsham and Mid Sussex housing supply positions have improved since the July 2024 Housing SoCG
- NWS HMA continues to demonstrate an unmet need for housing
- This position has improved by a minimum of 3,135 dwellings since July 2024.
- This position will be tested during the forthcoming examination of the Mid Sussex Local Plans and subject to the outcome of the Exploratory meeting, through the examination of the Horsham District Local Plan.

Common Ground – July 2024

29. There have been no updates to the substantive content or evidence to the following sections of the July 2024 SoCG [DC3, HDC ref: DC02] and therefore the points of agreement set out in that SoCG remain unchanged:

- Strategic Geography (Section 2)
- Housing Need Prioritisation (Section 3)
- Assessment of Housing Supply Options: Site Selection (Section 5)
- Ongoing Co-Operation and Governance (Section 7)

4. Statement of Common Ground – Signatories



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