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town planning consultants

MID SUSSEX DISTRICT PLAN 2021 - 2039

MATTER 6: HOUSING

ON BEHALF OF VISTRY GROUP

SITE: LAND AT MALTHOUSE LANE, BURGESS HILL

SITE REF: 1105/710

RESPONDENT REF: 1191618/1191628

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INTRODUCTION AND SUMMARY

- 1.1 This Matter Statement has been prepared on behalf of Vistry Group who are promoting Land at Malthouse Lane, Burgess Hill (SHELAA ID: 1105) for a major residential-led development comprised of a new neighbourhood of 750 homes. The eastern parcel of the site (Maltings Grange) is also being promoted in isolation for a development of 360 new homes (SHELAA ID: 710) and is located within the Brighton and East Sussex Housing Market Area (HMA), Northern West Sussex HMA and the Coastal Urban Area Functional Economic Market Area (FEMA).
- 1.2 The site was identified as a sustainable option for allocation but has not been included as an allocation within the Plan, despite a request from Brighton and Hove City Council (at Regulation 18 stage) for the site to be allocated to assist with their unmet housing needs – see paragraph 6.15 of our Regulation 19 representation.
- 1.3 These Hearing Matter Statements submitted on behalf of Vistry Group individually address select questions under each Matter to be considered at Hearings beginning on 22nd October 2024. These Matters broadly align with relevant sections within our Regulation 19 responses (references 1191618 and 1191628).
- 1.4 It is Vistry Group’s position that:
- The Plan has not been *justified* as the spatial strategy does not seek to address the main strategic planning issues affecting the district and the ‘supply-led’ housing requirement does not reflect national policy requirements;
 - The Plan has not been *positively prepared* and is not *effective*, as the Council have made no meaningful efforts to reach agreement with neighbouring areas to assist with their unmet needs (even where these neighbouring authorities have made specific requests of this nature);
 - The Plan is not *consistent with national policy* as it fails to deliver a sufficient supply of homes as required under paragraphs 11, 35 and 61 of the Framework
- 1.5 We consider these to be significant shortcomings that render the Plan unsound in its current form. It is Vistry Group’s view that the Plan can be made sound through the reconsideration of the overall spatial strategy and housing requirement, and re-

assessment of all Stage 3 sites that could assist in meeting the unmet needs of neighbouring authorities against the criteria at Paragraph 11 (b) of the NPPF.

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MATTER 6: HOUSING

ISSUE 1: Whether the Council’s approach to calculating its full, objectively assessed needs and housing requirement is justified, based on up-to-date and reliable evidence, effective, positively prepared, and consistent with national policy?

- 2.1 This statement provides written responses to questions 57, 58, 67, 68, 69 and 72.

Question 57. Does the Plan period cover an appropriate time frame for the provision of housing (2021-2039) consistent with national policy? If not, what would be the implications for housing need?

- 2.2 It will clearly not be possible for the Plan to provide “a *minimum 15 year period from adoption*” as required under Paragraph 22 of the NPPF, in its current form. The Plan period will therefore need to be extended, and additional sites will need to be considered to ensure that the additional development needs of the district will be met over this extended period.

Question 58. To determine the minimum number of homes required, housing policies should be informed by the Government’s local housing need methodology. As such, are the inputs used to determine the level of housing needed within the Plan appropriate?

- 2.3 The Council’s Housing Need and Requirement Topic Paper states (paragraph 10) that the Council do not consider the unmet needs of neighbouring authorities to form part of the housing need calculation for the Plan. Paragraph 25 of the same document then identifies the standard method figure of 1,039 dwellings per annum as the “*total housing requirement*” without any analysis of the importance of accounting for unmet needs of neighbouring authorities – a requirement under paragraph 61.

2.4 Paragraphs 11 and 61 of the NPPF are clear that strategic policies should meet any needs that cannot be met within neighbouring areas unless paragraphs (i) or (ii) apply, and therefore the unmet needs of neighbouring authority should form part of the inputs used to determine the level of housing needed within the Plan (i.e. the housing requirement).

67. Is a minimum housing requirement of 19,620 justified and consistent with national policy? What is the status of the 996 dwellings referenced within the table in Policy DPH1 as total under/over supply for resilience and unmet need? Should this figure be included within the annual housing requirement for the district?

2.5 For the reasons set out above, the housing requirement should also meet the unmet needs of neighbours unless either of paragraph 11 (b) (i) or (ii) apply. It has not been demonstrated that either exception applies or that a higher proportion of unmet needs cannot be met.

2.6 The Council's approach to unmet need within the Topic Paper does not reflect the required approach set out under Paragraph 11(b) of the NPPF. The document states that the Council's housing requirement figure is "supply led"¹ and the availability and suitability of sites has determined the extent to which the Council can meet the unmet needs of its neighbours.

2.7 However, the Topic Paper and Site Selection Conclusions Paper demonstrate that this is not the case. The overall housing requirement figure should identify the total amount of housing to be planned for (paragraphs 61 and 67 of the NPPF). If this is a supply led figure (which is not inappropriate in and of itself, given the scale of unmet needs), then that supply figure should be established using a 'policy off' assessment of site suitability.

2.8 The Site Selection Conclusions Paper states that the sites allocated within the submission Plan "*performed best against the methodology and evidence base as a whole*"². A number of Stage 3 sites (considered suitable options for allocation) were considered and rejected on the basis of their performance "*against the Plan Strategy*"³. Appendix 4 of the same document shows that other sites considered to

¹ Paragraph 28, *Housing Need and Requirement Topic Paper (HNRTTP) (H5)*

² Paragraph 3.39, *District Plan 2021 - 2039: Site Selection Conclusions Paper (July 2024)*

³ Paragraph 3.35, *District Plan 2021 - 2039: Site Selection Conclusions Paper (July 2024)*

be sustainable options for allocation were not omitted on the basis of any conflict with either (i) or (ii) of Paragraph 11 (b) of the NPPF.

- 2.9 On this basis, the Plan is not considered to be compliant with Paragraph 11 (b) of the NPPF as the housing requirement figure has not incorporated any provision for the unmet needs of neighbours.
- 2.10 The reasons for failing to Plan for additional housing to meet the unmet needs of neighbours (insufficient supply of housing land) has not been demonstrated through the evidence base. As a result of this decision by the local planning authority at the outset of the Plan preparation process, the significant unmet needs of neighbouring authorities will therefore remain unmet as a result, in direct conflict with national planning policy and commitments made within the adopted District Plan (2018).

68. Are there other considerations that are likely to drive an increase in the homes needed locally, such as any needs that cannot be met within neighbouring areas namely the 30,000 dwellings of unmet need identified up to 2050 in the Coastal West Sussex and Greater Brighton authorities, Housing Need and Requirement Topic Paper (HN RTP) (H5), and the more immediate housing needs of Crawley, Brighton and Horsham?

- 2.11 The examining Inspector for the Mid Sussex District Plan 2014 – 2031 required the Council to introduce Policy DP5 via main modifications, committing the Council to working with its neighbours to find solutions to their unmet housing needs. At paragraph 28 of his Final Report⁴ the Inspector stated that:

“The approach ... is a sound way of considering the pattern of future need within nearby authorities and HMAs that might affect consideration of the future housing requirement in Mid Sussex.”

- 2.12 It would therefore have been explicitly clear to the local planning authority (not withstanding requirements within national policy) that these unmet needs should have informed their housing requirement figure and overall spatial strategy for the

⁴ Report on the Examination of the Mid Sussex District Plan 2014-2031 (12th March 2018)

District Plan Review. It is evident that this has not been the case from the outset of the District Plan Review process.

2.13 Policy DP5 (Planning to Meet Future Housing Need) of the adopted Mid Sussex District Plan 2014 – 2031 states that *“The Council commits to working with the neighbouring authorities in the HMA to resolve unmet needs over the full plan period”*. The Policy itself required the submission of this District Plan review. It is clear that ten years into this Plan period the solution to this issue promised within the adopted Plan has not emerged.

2.14 As set out within the question, the unmet needs of neighbouring authorities are significant and a failure to address these unmet objectively assessed housing needs will result in material impacts within Mid Sussex district over the Plan period.

Figure 1 (Unmet Needs of other Authorities within HMAs):

Local Authority Area	Annual Housing Need (OAN)	Local Plan Requirement	Surplus or Shortfall (Annual)
Adur	461 ⁵	177	-284
Brighton and Hove	2,328	660	-1,668
Crawley	755	355*	-400
Horsham	911 ⁶	777*	-134
Lewes	602 ⁷	345	-257
Tandridge	634	303**	-331
Wealden	1,200	450	-750
Worthing	885	230	-655
Total	7,776	3,297	-4,479

*emerging Local Plan

** withdrawn Local Plan (April 2024)

2.15 None of the surrounding authorities set out above are currently able to meet their objectively assessed housing needs under the existing method. It is clear that if

⁵ Adur District Strategic Housing Market Assessment (May 2020), Icen Projects

⁶ Horsham District Local Plan 2023 – 2040 – Regulation 19 (January 2024)

⁷ Towards a Local Plan Spatial Strategy and Policies Directions – Regulation 18, Lewes District Council (Autumn 2023)

Mid Sussex does not actively plan to assist in meeting these needs (to some degree) the situation will only worsen over time.

- 2.16 The Council have indicated an intention to prioritise the unmet needs of Crawley and Horsham, however there is no reasonable basis for this approach. The district itself falls within two Housing Market Areas (which is recognised by the Council in their own evidence) that are equally affected by sustained high levels of unmet housing needs and worsening affordability ratios as a result.
- 2.17 The authority with the highest level of unmet need is Brighton and Hove. Due to its coastal location, Brighton and Hove is also geographically restricted and borders only three Councils (Mid Sussex, Adur and Lewes) that could assist with meeting these needs. In comparison, Horsham district is bordered by seven other Councils, and Crawley five. There is therefore no objective basis on which the needs of the Northern West Sussex HMA are prioritised over the Brighton and East Sussex HMA.
- 2.18 The adopted District Plan 2014 – 2031 included the provision of 1,498 new homes to assist in meeting the unmet needs of Crawley. No such assistance has been provided to Brighton and Hove despite their significantly greater housing needs.
- 2.19 The functional links between Mid Sussex district and Brighton and Hove are well evidenced, both within the supporting evidence base and within the draft Plan itself. The adopted District Plan (2018) contains charts⁸ showing the Brighton and Hove is first and second out of all surrounding authority areas for in-commuting and out-commuting respectively.
- 2.20 Brighton and Hove is also the single highest contributor of internal migration to Mid Sussex, accounting for 1,094 new arrivals into the district from other local authority areas⁹ according to the latest Government data (see Figure 2 below).

⁸ Chapter Two (Vision and Objectives), Page 4, Adopted District Plan – Figures 1 and 2

⁹ Table IM2022-T2b (Moves within the UK during the year ending June 2022), Office for National Statistics (ONS)

Figure 2: Moves within the UK during the year, including origin and destination, ending June 2022 (ONS Table IM2022-T2b)

Origin - Local Authority Area (Sussex only)	Destination – Local Authority Area	Total residents
Adur	Mid Sussex	99
Arun	Mid Sussex	118
Brighton and Hove	Mid Sussex	1,094
Chichester	Mid Sussex	68
Crawley	Mid Sussex	839
Eastbourne	Mid Sussex	94
Hastings	Mid Sussex	10
Horsham	Mid Sussex	640
Lewes	Mid Sussex	396
Rother	Mid Sussex	52
Wealden	Mid Sussex	364
Worthing	Mid Sussex	120

- 2.21 Issues arising from unmet housing need within the subregion will only worsen if the proposed Plan does not seek to take positive steps towards a solution to this issue.
- 2.22 Affordability issues affect the housing market area/s as a whole and are not constrained to local authority boundaries and worsening affordability and the impact this has on living standards will affect the district’s own residents – see paragraph 7.27 of our Regulation 19 representation for further commentary.
- 2.23 These challenges will have a material impact on the district throughout the Plan period and assisting neighbouring authorities in addressing these challenges should have been a key objective of the District Plan from the outset, including through site allocations.

69. *If so, are there any policies within the Framework that protect areas or assets of particular importance that provide a strong reason for restricting the overall scale, type or distribution of housing, within the plan area; or would any adverse impacts of meeting the Council's OAN and the unmet needs of others significantly and demonstrably outweigh the benefits when assessed against the policies of the Framework as a whole?*

- 2.24 The site selection documentation suggests that there are a significant number of omission sites that would not offend paragraph 11 (b) (i) or (ii) and could be delivered as additional sites to meet the unmet needs of neighbouring authorities.
- 2.25 A total of 49 sites were identified as suitable for allocation under Stage 2 of the site selection process, with an estimated yield of 14,654 dwellings. Despite this, only 26 sites have been allocated with an estimated yield of 6,687 dwellings.
- 2.26 The reasons for these sites being rejected at Stage 3 do not align with the tests at Paragraph 11 (b), nor has the Council sought to make this case. For example, Vistry Group's site (Land at Malthouse Lane – ref 1105) has been rejected on the basis that *"the Council does not have sufficient evidence to have confidence this site is deliverable in combination with DPSC1"*¹⁰. There are no impacts associated with the site on *"areas or assets of particular importance"* (11 (b) (i)) or adverse impacts that *"significantly and demonstrably outweigh the benefits"* (11 (b) (i)) of allocating this site to meet unmet needs of neighbours.
- 2.27 Instead, the Site Selection section of the topic paper explains that sites were rejected at Stage 3 of the site selection process for reasons including being inconsistent with *"the spatial strategy established within the submission draft District Plan"*¹¹.
- 2.28 The minimum number of homes required has therefore been determined by the spatial strategy itself, which is based on four key principles, none of which relate to the unmet needs of neighbours or are clearly tied to the tests within paragraph 11 (b) of the NPPF.

¹⁰ Page 26, Appendix 4, District Plan 2021 - 2039: Site Selection Conclusions Paper (July 2024)

¹¹ Paragraph 58, *Housing Need and Requirement Topic Paper (HNRTP) (H5)*

72. Are any main modifications necessary for soundness, if so, why?

- 2.29 Paragraph 35 of the NPPF states that Plans are only sound if they provide a strategy that *“seeks to meet the area’s objectively assessed needs; and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development”*.
- 2.30 No strategy for meeting housing need across the wider sub-region exists and Mid Sussex District Council have not made any meaningful efforts to explore their ability to meet unmet need from neighbouring areas.
- 2.31 Within the relevant housing market areas (Northern West Sussex HMA and Brighton and East Sussex HMA) there are a significant and known unmet housing needs. The adoption of the existing District Plan was contingent on Mid Sussex District Council making an explicit commitment to work with neighbouring authorities on an ongoing basis to work *“proactively”* to *“address unmet housing need in the sub region”*¹². It has not done so.
- 2.32 The consequences of failing to address the housing supply issues within the functional housing and economic areas are severe, impacting on the affordability of housing for all residents.
- 2.33 It is common ground between Mid Sussex District Council and Brighton and Hove City Council that the supply of land within Brighton and Hove is *“insufficient to meet the City’s housing needs”*¹³. The examining Inspector for the Brighton and Hove City Plan – Part One also accepted that there were *“very limited opportunities to increase the supply of land for housing”*¹⁴.
- 2.34 On this basis, the Plan should have sought to address unmet needs of neighbouring authorities from the outset. In our view there are clear reasons why the unmet needs of Brighton and Hove should have been prioritised in particular, for the reasons set out above.

¹² Policy DP5, Mid Sussex District Plan 2014 – 2031 (March 2018)

¹³ Statement of Common Ground – MSDC and Brighton & Hove City Council (July 2024) – numbered paragraph 6, page 5

¹⁴ Report to Brighton and Hove City Council by Laura Graham BSc MA MRTPI, 5th February 2016 (reference PINS/Q1445/429/5)

- 2.35 We therefore consider that the overarching District Plan review strategy should be revisited with the express purpose of seeking to contribute towards the unmet housing needs of Brighton and Hove and other neighbours. The sites rejected at Stage Three of the site selection process should be reconsidered against the criteria under paragraph 11 (b) of the NPPF on this basis.
- 2.36 If the Council were able to identify additional allocation/s within the Plan they would have the confidence to ensure that both their own identified housing needs are delivered (without the need for windfall assumptions and contingencies) and to assist in addressing the severe housing issues within the Brighton and East Sussex HMA.
- 2.37 Plan cannot be found 'sound' in its current form as:
- The Plan has not been *justified* as the spatial strategy does not seek to address the main strategic planning issues affecting the district and the 'supply-led' housing requirement does not reflect national policy requirements;
 - The Plan has not been *positively prepared* and is not *effective*, as the Council have made no meaningful efforts to reach agreement with neighbouring areas to assist with their unmet needs (even where these neighbouring authorities have made specific requests of this nature);
 - The Plan is not *consistent with national policy* as it fails to deliver a sufficient supply of homes as required under paragraphs 11, 35 and 61 of the Framework