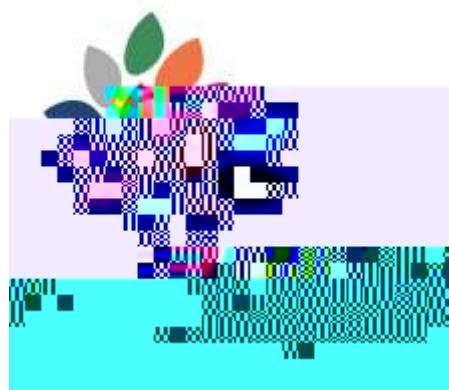


CRAWLEY BOROUGH LOCAL PLAN EXAMINATION

Crawley Borough Council Response to Inspector's
Matters, Issues and Questions

Matter 3: Housing
Issue 4: Housing Mix

February 2015



- 3.10 Why does policy H3 seek a mix of dwelling sizes for all housing (including market housing) which is based solely on the required mix for affordable housing? What evidence is there that the stated mix is relevant to market housing?
- 3.10.1 Policy H3 requires all housing development to provide a mix of dwelling types and sizes to address the nature of local housing needs. Reference is made to the evidence provided in the 2014 focused update to the Strategic Housing Market Assessment (SHMA)¹. The intention of this policy was not to dictate to the market the mix of housing specifically, but to ensure that the market housing provided related to the wider housing market needs as identified through the SHMA².
- 3.10.2 It is accepted that the structure and wording of the Policy, as modified, has introduced an element of confusion, with the title of the focused update of the SHMA relating to Affordable Housing Needs, despite its coverage including market housing.
- 3.10.3 A further amendment to the Policy is, therefore, suggested to ensure there is a greater distinction between a specified mix of housing for the affordable element of a residential development, and the broader requirement for an appropriate mix of housing f-0.024sto a0.024stoW40 0o (n)-4(t)-4(i)10(al)-4(d)51 16:108.l .10

main, the policy of 40% is being achieved; even the Forge Wood greenfield site, with its challenging infrastructure costs, is delivering 40% affordable housing. This Policy should serve to inform the negotiations with land vendors. During this time of market recovery, the provision of 40% affordable housing enables the developers to have some degree of confidence that 40% of the scheme will be sold off-plan with a guaranteed cash-flow, where build costs are usually covered and it is only the value of the land element that is being discounted. In such circumstances, affordable housing is, in fact, stimulating the market.

- 3.11.5 Using the requirement set out in the Policy as a starting point, the Affordable Housing Supplementary Planning Document (SPD) will show the range of options available to housing developers. These include: the council, or the HCA, making a capital contribution to the Affordable Housing Provider to assist to overcome the viability; adjustment of the tenure mix; adjustment of the overall percentage of affordable housing downwards from the 40% position. It may also provide some flexibility to developers in relation to contributing to the overall affordable housing requirement set by the Policy, and in the event of a detailed viability assessment, the provision of Low Cost Home Ownership could be the last of the cascaded options to be considered, beyond which would be zero contribution to offer housing 'assistance' in any form.

3.12 Is policy H4 consistent with November 2014 revisions to the Planning Obligations section of National Planning Practice Guidance (NPPG) regarding the site-size thresholds for affordable housing?

3.12.1 The changes to the National Planning Practice Guidance took effect on 28 November 2014, two days after the submission of the CBLP for its examination. The Plan, therefore, had been prepared on the basis of its own evidence, including that relating to viability and affordable housing.

3.12.2 Crawley Borough Council (CBC) submitted detailed technical responses (set out, for information purposes only, in Appendix B) to the questions asked by the preceding national consultation (carried out between March and May 2014), these confirmed that the viability evidence to support the emerging CBLP had shown there was no justification to proceed with a threshold under which the affordable housing requirement was not triggered. This is set out in the viability modelling carried out on the sites within Crawley¹¹, which clearly showed a higher level of viability for the smaller sites; this can be seen from the higher levels of CIL possible for the smaller schemes (see Table 3.1).

Table 3.1: Residential Viability Appraisal Maximum CIL Rates by Development Size

Source: LP008 Crawley Borough Council Community Infrastructure Levy and Affordable Housing Viability Assessment (2013) Nationwide CIL Service (page 3 and 36)

3.12.3 However, it is accepted that changes to the national PPG have now taken effect and CBC, therefore, has to deliver policies in conformity with it. For this reason, a further modification is proposed for consideration as part of the Examination into the CBLP, amending Policy H4 to ensure conformity with the new national requirements¹². This modification is set out in Appendix C to this Statement.

11

- 3.13 Is the requirement for low cost housing in policy H4 consistent with national policy, having regard to its lack of clarity and reliance on a forthcoming Supplementary Planning Document (which should contain

3.13.4 The only reason Low Cost Market Housing does not qualify as affordable housing is that it is usually a windfall to the first buyer and there is no element of the benefit secured in perpetuity. It is encouraged in order to offer another tier of affordability to the property ladder. 'Marketing incentives' which are offered by developers could be construed as low cost market housing, and if these were offered to entry-level buyers in the first instance, then this would assist in meeting the council's objective with regards to Low Cost Housing Ownership.

3.13.5 Given the high numbers of people unable to afford open market housing in the borough¹⁶, the council takes very seriously the importance of providing affordable housing within the borough, and will ensure the balance of CIL and whole plan viability reflects this importance. The updated Viability Assessment¹⁷ confirms that 40% affordable housing plus a nominal 10% Low Cost is viable for all assessed housing sites and allows for an element of CIL to be charged. Whilst the level of CIL contribution set is a matter for the CIL examination, the Local Plan policy does not specify a percentage of Low Cost expected from residential schemes, and instead leaves this up to evidence of viability of individual schemes.

3.13.6 The requirement for Low Cost housing is established in the Policy and supporting text paragraph 6.65, and the Supplementary Planning Document will only provide additional guidance, good practice and examples of how the requirement can be applied flexibly to enhance a scheme's offer without creating additional costs. "Where viability allows" will be assessed by the normal 'open book' approach taken by housing developers when applying the affordable housing requirement and mix.

3.13.7 In line with the changes to Policy H4 addressing the national introduction of the ten dwelling threshold, the requirement for I-4(ev4(,)6(t)-4(h)-4(aB(807(si)11(n)-4(g)-2(w)5(it)6016C40

- 3.14 Is the reserve gypsy and traveller sites at Broadfield Kennels suitable and available for the intended use? Is there sufficient evidence that the adverse impacts on matters such as landscape character, biodiversity and highway safety can be adequately mitigated?
- 3.14.1 The Gypsy, Traveller and Travelling Showpeople Accommodation Needs Assessment¹⁹ explains the process for reserve site identification. This has dated back to 2004 with work building upon previous assessments at each stage, and included re-evaluation of sites as guidance and criteria changed. The site was assessed through the Sustainability Appraisal, at the Additional Sites Consultation stage²⁰ and for the final submission Sustainability Report²¹. This concluded that the site has some merit in terms of access to local facilities and is not constrained by either noise or flooding. However, mitigation measures are required to address the assessed potential negative impacts on SA Objectives: 6 Conserve/Enhance Biodiversity and Landscape; 7 Promote Sustainable Journeys; and 9 Promote Sustainable Communities. The site is, therefore, considered to be suitable.
- 3.14.2 The proposed reserve Gypsy and Traveller site at Broadfield Kennels is in council ownership. It is not currently in any use and the council is not actively marketing the site and is only considering short term and medium term uses with a break option. Part of the site was previously developed as a Kennels site, but it has been vacant for a number of years with all buildings removed, although the access and hard-standing remain. The Gypsy, Traveller and Travelling Showpeople Needs Assessment²² concluded that there is not an immediate need for a traveller site to be provided within the borough, nor is there a known need for a site within the first five years of the Plan. It is considered that this site meets requirements as its delivery is within the control of CBC. The site is, therefore, considered to be available.
- 3.14.3 The site is acknowledged to have a number of constraints, including access, and the landscape and ecological impact in relation to its setting. However, following detailed assessments of the site, and discussions with West Sussex County Council (meeting of 20/11/13) and the High Weald AONB Unit, it is concluded that these can be overcome through careful design and highway improvements. This is supported by representations received from the county council²³ and the High Weald AONB Unit²⁴ on the CBLP at its submission publication consultation stage.

¹⁹ LP094: Crawley Borough Council Gypsy, Traveller and Travelling Showpeople Accommodation Needs Assessment, p22–25 (2014) CBC

²⁰ LP029: Sustainability Appraisal of the Local Plan Preferred Strategy Additional Sites Consultation Document (2013) CBC

²¹ LP003: Crawley Submission Local Plan Sustainability Appraisal, p282–283 (2014) CBC

²² LP094: Crawley Borough Council Gypsy, Traveller and Travelling Showpeople Accommodation Needs Assessment (2014) CBC

²³ REP/075: West Sussex County Council (2014)

²⁴ REP/032: High Weald AONB Unit (2014)

3.15 Are the assessment criteria of policy H5 (gypsy and traveller sites) appropriate, particularly with regard to existing and possible future noise levels?

3.15.1 The series of criteria set in Policy H5 for the consideration of Gypsy and Traveller site proposals which may come forward in the borough over the Plan period has been prepared based on national guidance and local environmental health standards²⁵.

3.15.2 The noise criteria set out in the Policy is based on advice from Environmental Health Officers and reflects the particular vulnerability of caravans for exposure to noise and lower levels of opportunities for acoustic attenuation.

3.15.3 The policy takes into account the acoustic qualities of caravans compared to houses. Short term exposure to high noise will not have a detrimental effect on the Travellers' health. However, in the long term it will. Policy H5 reflects the cumulative effect that exposure to high levels of noise will have by restricting the noisiest sites to being only temporary.

²⁵ Planning Policy for Traveller Sites (2012cg3(f)-4(o)70 02997 ref0.015 -0.199ey44.,113.t0(ill.F De3(os)86(oin)-4(em) 3.t0(ilforyies

APPENDIX A: PROPOSED POLICY H3: HOUSING MIX MAIN MODIFICATION

LOCAL PLAN MARKED-UP MODIFICATIONS EXTRACT:

Future Housing Mix

6.5051 Different households require different types and sizes of housing. It is important that an appropriate choice and mix of housing is provided across the borough in order to create balanced and sustainable communities. Widening housing choice broadens the appeal of an area and assists in meeting the needs of existing residents as well as attracting new residents to the borough. 6.54 The council's Strategic Housing Market Assessment and its (2012) updates, identifies that Crawley has the highest proportional requirements for ~~two and three bedroom affordable~~ smaller properties, ~~for those households in greatest need ('reasonable preference'), comprising 43% two bedrooms and 30% three bedrooms. However, housing need across the whole Housing Register reveals that up to 45% require one bedroom properties with 32% requiring 2-bedroomed accommodation.~~

Policy H3: Future Housing Mix

All housing development should provide a mix of dwelling types and sizes to address the nature of local housing needs, ~~as evidenced in the 2012 Strategic Housing Market Assessment and subsequent updates~~. The appropriate mix of house types and sizes for each site will depend upon the size and characteristics of the site and the viability of the scheme. However, consideration should be given to the evidence established in the Strategic Housing Market Assessment and its updates for the wider housing market needs in Crawley.

Affordable Housing

† In delivering the affordable housing element of residential schemes, in line with Policy H4, the need for one, two and three bedroom affordable dwellings in Crawley, as identified in the council's Strategic Housing Market Assessment and its updates (2012 update), should be addressed in meeting the housing needs of those considered to be in greatest need.

Reasoned Justification

6.52 *Ensuring that new housing takes account of local need to create neighbourhoods where there is genuine choice of the right housing in terms of size, type and tenure, both at neighbourhood and borough wide level, is essential. The council will therefore encourage a mix of housing that will be appropriate to the needs of the community*

across all priority bandings and affordable tenures being ~~reasonable preference in the borough is:~~

~~18%~~ 25% 1 bedroom

~~43%~~ 50% 2 bedroom

~~30%~~ 20% 3 bedroom

~~9%~~ 5% 4+ bedroom

6.54 The SHMA has also identified the sizes of affordable housing required to meet the needs of those households considered to be in

APPENDIX B: CRAWLEY BOROUGH COUNCIL SUBMITTED RESPONSE TO DEPARTMENT OF COMMUNITIES AND LOCAL GOVERNMENT CONSULTATION: PLANNING PERFORMANCE AND CONTRIBUTIONS QUESTIONS ON AMENDING S106 PLANNING OBLIGATIONS (1 MAY 2014)

**DCLG: Planning Performance & Planning Contributions
Crawley Borough Council Response to Consultation**

Amending section 106 planning obligations

Question 5: Is the Government's objective of aiding the delivery of small scale housing sites and expanding the self build housing market supported by:

the introduction of a 10-unit and 1000 square metres gross floor space threshold for section 106 affordable housing contributions; and

Crawley Borough Council currently operates an adopted Core Strategy policy requiring 40% affordable housing from residential developments of 15 dwellings or more, or on sites greater than half a hectare in size, unless evidence can be provided to show that the site cannot support such a requirement from a viability perspective and that the development clearly meets a demonstrable need.

Against this council's best efforts to deliver affordable housing through a range of means, including council own-build, the period between January 2013 and March 2014 shows a growing deficit of 383 affordable homes when assessed against the number of new applicants coming onto the Housing Register and the number of applicants housed. It remains incumbent on the council to seek affordable housing through every available opportunity in its obligation towards meeting housing need, and smaller windfall sites have the potential to provide a steady supply of affordable housing while also ensuring improved integration of tenures across the borough.

Based on an independent assessment of needs in the strategic housing market area, 59% of emerging households in Crawley are unable to afford to rent at market levels and 69% of emerging households in Crawley are unable to purchase market housing. As well as having a significant requirement for affordable rented accommodation, Crawley also has a large need for "intermediate" affordable housing, such as shared ownership/shared equity schemes and discount market renting.

In line with guidance set out in the National Planning Policy Framework (NPPF), paragraph 50, bullet 3, Crawley Borough Council's emerging Local Plan seeks to address the identified affordable housing need, and in line with the NPPF's paragraph 173, an independent Viability Assessment has been carried out to advise on whole-plan viability, affordable housing viability and Community Infrastructure Levy. The results from this have directly fed into the considerations for new Local Plan policies on affordable housing.

The Viability Assessment considered that all development remains viable across the borough with a 40% affordable housing provision at a nil threshold (viability is marginally improved with a 30% affordable housing requirement alongside a 10% low cost requirement). **It was not found that smaller developments had greater levels of viability constraints; and, contrary to this assumption, the smaller developments have, in fact, been shown to have greater levels viability.**

Maximum Residential CIL Rates per sqm

40% Affordable Housing Requirement					
Charging Zone/Base Land Value	Mixed Residential Development	Medium Sized Mixed Development	Intermediate Mixed Development	Small Housing Development	Town Centre Apartments
Greenfield	£275	£298	£293	£367	£377
Brownfield	£110	£136	£125	£197	£271

infrastructure required to mitigate the impact of development and may have unintended consequences which may restrict rather than enable development.

This is particularly the case for Crawley where if, as anticipated, a substantial proportion of new residential development in the urban area, in the future, comes forward on small sites, the lack of contributions towards infrastructure will become increasingly noticeable. Existing residents and new residents of developments will have reducing quality of life, and developments may face refusals due to the infrastructure capacity constraints, and objectors to planning applications making use of such empirical facts can often carry significant weight leading up to a refusal of planning permission.

Question 7: We would like your views on the impact of the Government's policy objectives to incentivise brownfield development through proposed national policy change. This would reduce the financial burden on developers by requiring that affordable housing contributions should not be sought where buildings are brought back into any use – other than proportionately for any increase in floor space.

Currently, should the affordable housing requirement result in a brownfield site not being financially viable, this would be dealt with by an individual viability assessment which will take into account the particular factors and costs that affect the overall cost of the site.

APPENDIX C: PROPOSED POLICY H4: AFFORDABLE HOUSING THRESHOLD MAIN MODIFICATION

LOCAL PLAN MARKED-UP MODIFICATIONS EXTRACT:

Policy H4: Affordable and Low Cost Housing

Affordable Housing

40% affordable housing will be required from all residential developments [of 11 dwellings or more, and/or which have a combined gross floorspace of over 1000sqm.](#)

The council will expect [a minimum of](#) 70% of the affordable housing to be Affordable/Social Rent and [up to](#) 30% Intermediate tenure.

~~For sites of 5 dwellings or less, or less than 0.2ha in size, a commuted sum towards off-site affordable housing provision will be sought.~~

Low Cost Housing

In addition to the provision of 40% affordable housing, where viability allows, low cost housing will also be sought on developments proposing ~~45~~ [11](#) dwellings or more.

Exceptions

These targets will apply to all residential developments [over the threshold](#) unless evidence can be provided to show that the site cannot support such a requirement from a viability perspective and that the development clearly meets a demonstrable need. ~~Except for sites of 5 dwellings or less, p~~ Payments in lieu will only be accepted in exceptional circumstances where it can be demonstrated that there are robust planning reasons for doing so and provided that the contribution is of equivalent financial value.