

**HDCB/Issue 3**

**STATEMENT BY  
HORSHAM DISTRICT AND  
CRAWLEY BOROUGH COUNCILS**

**ISSUE 3**

**Chapter 4: Policies WB5 – 11: Community Centre;  
Healthcare; Joint Provision of Community Facilities; Retail;  
Dwelling Mix; Affordable Housing**

**HORSHAM DISTRICT AND CRAWLEY BOROUGH LOCAL  
DEVELOPMENT FRAMEWORKS**

**WEST OF BEWBUSH JOINT AREA ACTION PLAN DEVELOPMENT  
PLAN DOCUMENT**

**JANUARY 2009**



**Horsham  
District  
Council**



## **ISSUE 3: Chapter 4: Policies WB5 – 11: Community Centre; Healthcare; Joint Provision of Community Facilities; Retail; Dwelling Mix; Affordable Housing**

### **1. Introduction**

- 1.1 This Statement relates to Issue 3 and the justification for the Councils' decision to include these policies, reasoned justification and supporting chapters, both in terms of their objectives and the specific wording, within the submission West of Bewbush Joint Area Action Plan (JAAP).
- 1.2 A number of issues relating to these policies, reasoned justification and supporting chapters were raised in the original representations on the submission JAAP. Subsequently, the Inspector has identified main matters and questions for Examination.

### **2. Main Matters**

- 2.1 There are several main matters and questions raised in the Inspector's Issues for Examination. Fundamentally, the Inspector asks '**Whether the JAAP provides sufficiently clear and comprehensive guidance to developers on the various necessary requirements to provide a functioning neighbourhood**'. This section sets out the relevant questions and the Councils' responses.

#### **General Questions**

Are there too many policies in Chapter 4? Could some be amalgamated – WB 5 to 9?
--

- 2.2 The development of West of Bewbush on the neighbourhood principle is a fundamental objective of the JAAP and the Councils' Core Strategies. The neighbourhoods represent a key feature of the planning and design of Crawley and are a sustainable form of development.
- 2.3 Policy WB 3 sets out the principles that will need to be incorporated in the masterplanning of the new neighbourhood. The Councils consider that it is necessary to have the suite of policies WB 4 – WB 27 as they set out clearly and concisely all the elements that are required to address the components of WB 3. Chapter 5 then sets out the intended delivery of each element of the services and facilities to seek to ensure that provision is made in a timely manner.
- 2.4 Whilst it is acknowledged that the requirements for the various elements of the neighbourhood centre (Policies WB 5 – WB 9) could theoretically have been amalgamated into one policy, given the importance of the neighbourhood principle in the masterplanning of the West of Bewbush development, the Councils' consider that the inclusion of separate policies and explanatory justification for each element of the community facilities to be

provided within the neighbourhood centre are both necessary and appropriate.

- 2.5 The Councils have ensured through the policy provisions of WB 3 bullet point one that these community facilities will be provided in a single neighbourhood centre, in accordance with the neighbourhood principle. The inclusion of separate policies will not therefore result in the provision of community facilities spread across the development.

Do the policies make clear which infrastructure elements are to be funded by the development itself (see page 86). This applies to policies WB 5 to 8 in particular.

- 2.6 The policies do not include any reference to funding arrangements as this is set out in Tables 2, 3 and 4 of Chapter 5 on pages 63 – 70. In most instances the infrastructure elements will be funded by the developer although this is not always the case. This is clarified further in the Viability Appraisal appended to HDBC/Issue 6.
- 2.7 The funding agency and funding arrangements for the delivery of the neighbourhood centre are set out on page 68, Table 3. The table does not list all the community facilities required by policies WB5 – WB8 as it refers to them collectively as the neighbourhood centre. The funding of the infrastructure elements required by these policies will be provided by the developers (as set out in the Viability Appraisal). The retail and employment floorspace required by policies WB9 and WB21 may be funded by alternative arrangements as set out in Table 3 of the JAAP, but form part of the Viability Appraisal as a cost currently.
- 2.8 Chapter 7 sets out the monitoring framework, which may have been misinterpreted because the indicator numbers have the same prefix as the policies. This is included as a proposed change for clarity in 4.7 of HDBC/Issue 7.

Is the wording of the policies clear, reasonable and flexible?

- 2.9 The Councils' consider the wording of the policies to be clear, reasonable and flexible in accordance with the guidance that was available at the time of submission.

*Clear*

2.10 The policies have been drafted to ensure that there is complete clarity on the individual requirements and expectations of both Councils' in the development of this new neighbourhood to Crawley as well as providing important policy context to the provisions of the JAAP. The requirements of the policies are based upon the JAAP's evidence base. Therefore, clarity is provided as the origin of the policy requirements can be established. It is essential these policies are clear to ensure timely development delivery and avoid any lack of clarity regarding what is required to be undertaken,

developed or delivered. It is considered this series of policies meet the objective of being clear.

### *Reasonable*

- 2.11 The Councils have relied on an extensive and comprehensive evidence base in the preparation of the JAAP to ensure that the policies are based on a robust assessment of need.

### *Flexible*

- 2.12 The Councils consider that the policies provide clear guidance on the necessary requirements of the development whilst not being overly prescriptive, unless required to deliver a comprehensive and functional neighbourhood. This is evidenced in the Viability Appraisal, which demonstrates how the flexibility within the policies (Policy WB5 – 22) and reasoned justification can enable a development to be delivered that is JAAP compliant in differing market scenarios.

### **Policy questions**

WB 8: The word “consideration” implies this provision is not definite. Is that the case?
--

- 2.13 The neighbourhood centres in Crawley provide a mix of community facilities, which reflect those required by the JAAP for the new neighbourhood west of Bewbush. These facilities are provided in separate buildings within the individual neighbourhood centres. It is considered however that there are considerable benefits in linking many of these facilities together to make the best use of land and buildings and to reduce delivery and maintenance costs and to provide an improved service to the public. Such an approach is being taken in the redevelopment of the nearby Bewbush Neighbourhood Centre.
- 2.14 The Councils do not intend to require the provision of the necessary community facilities within a single building or complex as it can be demonstrated that provision in separate buildings works within other neighbourhood centres but it is recognised that there are benefits in providing these facilities in a more integrated way.
- 2.15 The use of the word ‘consideration’ in Policy WB8 does not imply that the provision of the community facilities is not definite. These facilities are clearly required by Policies WB5 – WB7 in accordance with Policy WB3. Consideration will be given however, to the built form of the necessary community facilities and the policy has been phrased in order to allow this flexibility.

WB 9: should the last sentence of ¶ 4.13 be placed within the policy to make it clearer? Is this level of provision viable?

- 2.16 The last sentence of ¶ 4.13 could, in theory, be placed within Policy WB 9. However, there is concern that this would make the Policy unsound against Test of Soundness 9, due to a lack of flexibility. This potential lack of flexibility is particularly relevant in the current (and short to medium term) market conditions, where an overly prescriptive policy could endanger the delivery of any retail provision, particularly if the provision was expressly for small scale and independent retailers.
- 2.17 It is considered that the current policy wording gives a clear certainty over the level of expected retail provision, whilst allowing the precise nature of the provision to be guided by the intentions of the supporting text in the context of the prevailing economic and market conditions at the time of delivery.
- 2.18 The Councils are bringing the development forward on the 'Neighbourhood Principle', which is set out in Policy WB 3 and articulated in retail terms in ¶ 4.13. It is considered that the policy as drafted provides certainty, but retains its flexibility (and therefore assists deliverability) and facilitates neighbourhood centre viability and vitality through an appropriate mix of unit types and sizes.
- 2.19 The evidence for the level of provision set out in the Policy has been underpinned by the Retail section of URS' Neighbourhood Assessment. The Councils, particularly Crawley Borough Council with its experience of functioning neighbourhoods, believe that the provision set out in the Policy will meet the quantitative 'day to day' needs of the new neighbourhood. Indeed, the minimum level of the allocated retail floorspace for the new neighbourhood is approximate to, or greater than, the existing levels of the four other western neighbourhoods.

WB 10: should the policy provide more detailed information on the mix of dwelling size and type for each phase of development?

- 2.20 It is considered entirely appropriate that the mix of dwelling size and type should be informed by prevailing market conditions, which will also take into account the supply of the type and size of homes from other sites in Crawley. The necessary evidence that would be required to substantiate the inclusion of more detailed information in Policy WB10 on the mix of dwelling size and type for each phase of development could be provided but such information would become dated and less reliable over the period of the JAAP. It is considered preferable in seeking to achieve the opportunity for a balanced and sustainable neighbourhood to allow flexibility with regard to market housing mix for the Councils to determine at the planning application stage of each Core Phase, the most appropriate mix given the prevailing market conditions, the emerging detailed masterplan and design work and the existing and emerging supply of housing stock in Crawley.

- 2.21 As a consequence of the Inspector's request for a Viability Appraisal of the development proposals, further detailed work has been undertaken on the appropriate mix of dwelling size and type since the submission of the JAAP. This work, together with the work being undertaken in the preparation of a planning application for Core Phase One of the West of Bewbush development, has provided an early indication of the likely market housing mix based on Crawley property sector analysis and market assumptions. The possible mix of dwellings over the three Core Phases is set out in the Viability Appraisal (HDBC/Issue 6 Appendix). Although the Councils are broadly content with the suggested mix of dwelling size and type (for the purposes of discussion at the Examination Hearings only) there is greater certainty for the proposed provision in Core Phase One than for the latter Core Phases which will be subject to change in the factors listed in paragraph 2.20 above.
- 2.22 The Councils are content therefore that the work that has been undertaken as part of the Viability Appraisal demonstrates the flexibility of Policy WB10 in providing for an appropriate mix of dwelling size and type to be determined by at the planning application stage of each Core Phase.
- 2.23 In terms of affordable housing provision, the Housing Position Statement (Ref CDHDCB28) sets out the percentages of type and size of affordable housing to be provided in each phase as a starting point for discussions on affordable housing mix. It is recognised however in Policy WB11 that changes to this mix may be sought by either of the Councils to reflect changing housing needs or objectives, or the developers in terms of the viability exception. This element of flexibility is considered critical in seeking to achieve delivery of appropriate and timely development.

WB 11: is the policy too inflexible in its tenure split requirement; wheel chair percentage; and Lifetime Homes percentage? Could the viability exception result in the provision of no affordable housing?

- 2.24 The requirement for the tenure split in affordable dwellings derives from the housing needs evidence informing the Core Strategies of both Councils. In the case of Horsham District Council, the supporting text for Policy CP12 of the Core Strategy (CDHDCB1, paragraph 4.71) seeks a social rented tenure provision equating to 25% of all homes on sites above the threshold. A further 15% of homes on qualifying sites are required to provide for intermediate tenures. This amounts to a requirement for 62.5% of all affordable homes to be social rented. However, flexibility is reflected in the need to determine specific tenure splits through reference to up-to-date information, particularly relating to local need. In Crawley Borough Council's case the supporting text for Policy H5 of the Core Strategy (CDHDCB4, paragraph 2.14) sets out the expectation that 70% of all affordable dwellings will be provided as social rented tenure. This expectation is based on Crawley Borough Council's housing needs evidence which highlighted a significant requirement within the Borough for social rented homes.
- 2.25 The tenure split requirement set out in Policy WB11 reflects the importance of the West of Bewbush strategic development in terms of providing for both

Councils' overall housing needs. It also mirrors the split that was agreed by the two authorities' housing departments in work which has resulted in the Joint Housing Position Statement (CDHDCB28). It is considered that in order to ensure that the provision of social rented dwellings meets the expectation of a 70/30 tenure split, as set out in Crawley's Core Strategy and in the Joint Housing Position Statement, the requirement within WB11 should reflect this level of expectation for social rented homes.

- 2.26 It is not considered that the tenure split within Policy WB11 is inflexible as the actual number of dwellings delivered on site under each tenure type will vary according to the overall level of affordable housing provision as set out in paragraph 4.17. Given the evidence of need for social rented housing, the position of both Councils is that, should there be a requirement for any reduction in provision due to viability concerns, this should be applied to the overall target percentage of affordable dwellings within the relevant core phase, with the proportion of social rented dwellings remaining at the 70% level.
- 2.27 In circumstances where viability concerns threaten the ability of developers to provide the required tenure split, the overall viability exception found in the final paragraph of the WB11 would apply. In such a case, the Councils would seek maintain the 70/30 tenure split, but would ensure that any variation was informed by up-to-date housing market and needs evidence.
- 2.28 The requirement for 20% of affordable homes to meet the Lifetime Homes Standards (LHS) was considered to be important as part of the objective to ensure that affordable homes provided were well designed and provided a high level of adaptability that would ensure they meet the needs of occupants and that the lifetime of the dwellings was maximised. The evidence outline in the *Future of the Code for Sustainable Homes* (DCLG, 2007: Ref XXX) indicates that the average additional cost for compliance with the LHS was low (£547 per dwelling) and that compliance with the LHS did not prevent developments reaching high densities.
- 2.29 The Councils consider that the 20% requirement is sufficiently flexible. As with the tenure split, this requirement is proportional in nature to the overall number of affordable homes that are to be provided across the 30% - 50% range of affordable housing expected within each core phase (and a proposed minor wording change for clarification is set out in paragraph 4.3). Therefore, any viability or other issues that resulted in a reduced number of affordable homes in the relevant core phase would also result in a reduced number of homes achieving LHS.
- 2.30 However, in *Lifetime Homes, Lifetime Neighbourhoods: A National Strategy for Housing in an Ageing Society* (DCLG, 2008: Ref XXX) the Government clearly indicates that they are minded to incorporate LHS within progressively lower levels of the Code for Sustainable Homes. This document suggests that by 2011 all public sector funded housing will be built to LHS by virtue of the Code requirements for grant-funded affordable homes. If this intention is carried through, the need for a separate requirement within WB11 will be

obviated, or alternatively, the requirement would need to more closely relate to national policy. This argument is supported by the timing of housing delivery envisaged within the JAAP which will not begin until 2011. Therefore, the Councils would be prepared to consider a change to this requirement that would bring it into line with the direction of travel of current national guidance. A request for an amendment to this effect was made in the representation on Policy WB11 by the Government Office for the South East (Representation: WBsub267).

- 2.31 The requirement for 5% of all affordable homes to be fully adapted to the needs of wheelchair users derives from evidence that the number of wheelchair users is increasing, particularly the proportion of users who are living independently. *Lifetime Homes, Lifetime Neighbourhoods* supports proactive efforts by local authorities to provide for the housing needs of wheelchair users, particularly within mixed tenure developments in very accessible locations (page 92). Again, as a proportional requirement, this is considered to be flexible in relation to the overall number of affordable homes that will be provided within the strategic development. In addition, the requirement is subject to the overall viability exception within Policy WB11.
- 2.32 The viability exception within WB11 reflects the need for the Councils to be flexible and realistic about their expectations for affordable housing delivery. The requirements and targets within WB11 are consciously set at a challenging level, but one which we believe is possible to achieve. Nevertheless, the approach taken is not designed to impose the obligation on developers to meet the requirements 'at any price'. Therefore, in order to achieve flexibility, the viability exception is designed to be part of the approach to allow for a rolling programme of review as progress is made on each core phase.
- 2.33 Given this context, the effect of the viability exception is to allow the developer to approach the Councils at the time of planning application with evidence to substantiate any relevant viability concerns. Both Councils have established procedures that may be used in considering evidence of viability concerns. These procedures include independent scrutiny and the need for overage mechanisms to be applied that would come into effect if viability circumstances improved sufficiently before or during construction. If, after considering the independent scrutiny evidence, the Councils believe that a case has been made, they will discuss with the developer(s) the requirements that could be amended and the extent of any amendments in the light of the viability evidence.
- 2.34 The viability exception approach taken does not refer to any intended viability trigger points, nor to any 'sliding scale' of amendments that the Councils would be obliged to adhere to. Therefore, it is considered that although one or more requirements may be relaxed if the Councils felt that a sufficient case had been made, the viability exception paragraph would not result in amendments to the extent that no affordable dwellings were required to be provided.

### **3 Responses to the matters raised by original representations**

- 3.1 The Councils do not wish to respond to specific representations relating to Issue 3.

### **4 Proposed changes to the JAAP**

- 4.1 The Councils therefore propose the following wording changes to the JAAP for consideration by the Inspector.

- 4.2 **4.17** To ensure a balanced supply each phase should include 30% to ~~40%~~ 50% affordable housing.

#### **4.3 Policy WB11 Affordable Housing**

Affordable housing should comprise a target 40% of the total housing provided in the neighbourhood.

Each phase of the development should contain between 30% and 50% affordable housing. The precise proportion for each phase will be determined having regard to the viability of that phase, the form and nature of the development, local housing needs and objectives, the need to secure a balanced programme of affordable housing delivery and the need to ensure that different types of affordable housing are appropriately and sustainably located

A tenure split of 70% social rented and 30% intermediate tenure should be provided across the neighbourhood.

A range of affordable housing type and size should be delivered for each tenure type. The guide within the Housing Position Statement should be considered as the starting point for negotiations with the local planning authority regarding the mix of dwelling type and size.

A ~~minimum~~ target of 5% of all affordable homes should be to fully adapted wheel chair standard and 20% of affordable homes should be designed to meet Lifetime-Homes standards.

The delivery of affordable housing will be kept under review during the course of the development. Changes in the size, type or tenure of the affordable housing may be sought to reflect changes in affordable housing need or objectives.

In the event that, for viability reasons, the developer considers the full requirement for affordable housing can not be met, the local planning authority will need to be satisfied fully that this is the case. In those circumstances it will discuss with the developer how and to what extent those requirements might be amended. The local planning authority may request a viability appraisal be carried out to accompany a planning application.

## **5 Conclusion**

- 5.1 It is considered that the responses to the Inspector's questions, coupled with the proposed changes, demonstrate that the JAAP provides sufficiently clear and comprehensive guidance to developers on the various necessary requirements to provide a functioning neighbourhood and that the JAAP meets the relevant Tests of Soundness, particularly Tests 4,6,7 and 9.