



Horsham
District
Council



West of Bewbush Joint Area Action Plan Housing Position Statement

**Prepared by Horsham District Council and Crawley
Borough Council**

May 2008

1. Introduction

- 1.1 This is a jointly developed Housing Position Statement by Crawley Borough Council (CBC) and Horsham District Council (HDC) for the West of Bewbush Joint Area Action Plan (JAAP). It has been prepared through the combined efforts of the Housing Services of both local authorities.
- 1.2 Both authorities deliver successful Section 106 affordable housing programmes that predominantly consist of small to medium housing developments. The West of Bewbush strategic development area provides an opportunity to develop a new neighbourhood, arising as a Greenfield development. Therefore, it is imperative that a more strategic long term view is taken of the arising affordable housing obligation. The focus must be on achieving a socio-economic balance as well as a future-proofed mix of unit sizes and tenures that helps to build a balanced and sustainable community.
- 1.3 For example, one of the many challenges will be to strike a balance between the proportion of affordable flats and houses provided. This may contradict the evidenced housing need for small dwellings for singles and couples. The JAAP must harmonise strategic community planning with meeting housing need. As stated in PPS3¹ the key goal is “to ensure that everyone has the opportunity of living in a decent home, which they can afford, in a community where they want to live”. It is vital to deliver sustainable mixed communities which offer a variety of housing, particularly in terms of tenure and prices and a mix of different households such as families with children, single person households and older people as well as accommodating more vulnerable households who can often suffer multiple-exclusion.
- 1.4 The West of Bewbush strategic development area provides an opportunity, potentially over a ten year period, to incorporate current housing needs while maintaining a longer term vision. Local authorities have been given the mandate of ‘place-shapers’ and this is a prime opportunity for both councils to embrace that responsibility.

2. Purpose of Statement

- 2.1 The purpose of this Statement is to set out the principles for all stakeholders in delivering affordable housing in the West of Bewbush Strategic Development Area.

¹ Planning Policy Statement 3 Housing November 2006

2.2 The overarching aim of the statement is to:

‘Deliver a diversity of affordable housing provision which will compliment existing and future housing, of a high quality that minimises its impact on the environment and helps to build a sustainable community that recognises the needs of all its members current and future’.

2.3 The statement should be viewed in a similar way to a development brief and should be read in conjunction with the JAAP itself and with the HDC and CBC Core Strategies. Both local authorities have also adopted Planning Obligations Supplementary Planning Documents which set out in detail how affordable housing is expected to be delivered and should be read alongside this statement.

2.4 It does not set out to prove affordable housing need as this is established in both authorities’ respective Core Strategies. The statement is informed by the West of Crawley JAAP Issues and Options consultation and the Housing Needs Surveys of the two local authorities. Both authorities are currently participating in the West Sussex Strategic Housing Market Assessment, due to be completed in September 2008. Data from this assessment will also supply part of the data used in determining the provision of future affordable housing.

2.5 Section 3 of the statement provides feedback on the consultation. Section 4 sets out the headlines from the two housing needs surveys. Section 5 provides the key principles to be adopted in the JAAP regarding the affordable housing obligation and Section 6 provides a summary of the role of Registered Social Landlords (RSLs) in delivery.

3. Consultation Feedback

3.1 Feedback from the West of Crawley JAAP Issues and Options consultation event in July 2006 has been taken into account in developing this statement. A summary of the feedback about housing is incorporated as follows:

- Full support for high numbers of affordable housing
- The need for flexibility in approach and in plans
- The need to allow for future innovation
- The need to continually assess and update information

3.2 As joint partners both local authorities are committed to seeking opportunities to increase the involvement of existing local communities in shaping this new strategic development.

4. Housing Needs

- 4.1 Evidence for the current demand for affordable housing is provided by CBC's 2004 Housing Needs Assessment², HDC's 2006 Housing Needs Survey Update³ and the Housing Registers of the two authorities in conjunction with information held by the Homebuy Agent (Moat Housing Association) which covers both Crawley and Horsham. The West Sussex Strategic Housing Market Assessment is currently being produced and will provide additional housing market and needs information to provide an important update to this information when published in October 2008.
- 4.2 An annual average need for 874 new affordable homes has been calculated across both authorities. Seventy per cent of new homes should be for social rent, with 30% for intermediate affordable tenures. Around a quarter of all households in Crawley have some kind of special needs – for example, Crawley has a higher than average ageing population, which needs to be considered across affordable housing as well as private market housing requirements.

5. Principle Requirements

- 5.1 In line with the Core Strategy of both authorities, the West of Bewbush strategic development will be expected to include 40% affordable housing, calculated on the basis of number of units. The mix of affordable housing units would generally follow the private market housing mix. This will be provided on site as completed units. It will be secured through the use of planning obligations with the developer receiving reasonable build costs for the units but excluding the value of fully serviced land. Full details of the delivery mechanisms are provided in each local authority's Planning Obligations Supplementary Planning Document (SPD) which should be read alongside this statement and the JAAP itself.
- 5.2 In addition to 40% affordable housing achieved through planning obligations, and subject to more detailed negotiations, there may be scope to seek further provision of affordable housing which could be funded from alternative sources.
- 5.3 The affordable housing will need to be **provided at a 40% rate within each phase of the development as well as overall** so that a reasonably balanced supply of homes comes on stream. It is important to avoid the affordable housing provision being weighted towards particular phases and potentially being over concentrated in certain areas or over condensed time periods (which would make the lettings more difficult to manage). It is also important since there may be multiple developers and

² Crawley Housing Needs Assessment 2005 www.crawley.gov.uk

³ Horsham Housing Needs Survey Update 2006 www.horsham.gov.uk

- RSLs involved in the strategic development area in its anticipated 10 year delivery period.
- 5.4 **Seventy per cent of the affordable housing provision is to be provided for social rent and 30% for intermediate affordable housing.**
- 5.4.1 Social rented homes should be provided at target rent level in line with the national rent regime.
- 5.4.2 Intermediate rent should be provided at a maximum of 75% of open-market rent levels (unless Government guidelines recommend a lower percentage).
- 5.4.3 Shared ownership should be provided offering a range of 30-50% shares with rent on the unsold equity between 2% to 2.75%, no higher than 3%, and must be compliant with grant requirements.
- 5.4.4 Additionally, **early consideration should be given by the developer to any service charges on the affordable units.** The Councils will require a detailed breakdown of what the service charge comprises and a forecast for the subsequent five years when agreeing the affordable housing planning obligation. The charge should not be so great as to make occupancy unaffordable. The Councils will consider the level of service charges in the context of local prices, rents and overall affordability and in relation to the findings of the Housing Needs Survey/future Housing Market Assessments and other currently available data. The assessment of affordability will be considered having regard for the tenure and type of affordable housing provision i.e. intermediate housing may sustain higher service charge levels than affordable rented.
- 5.5 In terms of the type of provision the intention is not to be overly prescriptive, but rather to ensure that developers consider housing mix at the early stages of master planning. The developer is expected to provide a wide range of property types and sizes to reflect the mix of open market homes. Both Councils expect a proportionate mix of homes for families and smaller households as well as relevant numbers for older people and vulnerable households. However, it must be stated that **there is a significant need for larger (3-4 bed) family homes and this should be reflected in overall affordable housing provision.** The range of property types will apply when viewing the development as a whole and in respect of individual phases to avoid over concentration of a single or similar type of affordable housing. This applies equally to tenure as well as type.
- 5.6 The Councils have produced the following guide to the percentage of types and sizes of affordable properties to be provided in each phase of the development, regardless of any subdivision of land within each phase, and across the entire development.

Percentage of Provision			Unit Type and Size
HDC	CBC	Average	
15	35	25	1 bed 2 person flats
20	20	20	2 bed 3 person flats
30	20	25	2 bed 4 person flats or houses (expect majority to be houses)
30	20	25	3 bed 5 person houses
5	5	5	4 bed 6 person houses
100	100	100	

5.7 The various property types should be provided with a balance of tenure types reflecting the overall requirements. It will not be acceptable to provide all affordable homes as one or two types of only one or two tenures.

6. Special Needs and Supported Housing

6.1 In addressing housing needs and providing a sustainable housing mix a wide range of non – general needs affordable housing accommodation should be considered. It is essential to separate out which proportion of supported housing could be provided through the nomination process accompanied by floating support and which percentage requires bespoke construction.

6.2 It is obvious that the development will not satisfy all special needs requirements, and it is necessary to determine what percentage should be devoted to special needs. Data relating to special needs provision has been assessed by officers from both Councils and it has been agreed that 11% of the 1000 affordable homes to be delivered should be set aside for special needs. This will result in approximately 110 units.

6.3 Sixty units will require bespoke design; the remaining 50 will attract floating support through the usual nominations process and therefore the design brief will not be affected.

6.4 The supported housing should be provided within each phase of the development to ensure a mixed and balanced community that provides appropriate accessible homes for all sections of the community.

6.5 The supported housing should include provision for:

- Individuals/couples/families with a physical disability
- Individuals with acquired brain injury
- Individuals with a learning difficulty
- Individuals with mental health

- Individuals with complex needs including young people
- Individuals with substance/alcohol misuse
- Designated older persons accommodation non-sheltered
- Extra care

6.6 A proportion of the supported affordable housing will need to be clustered to facilitate the provision of care and support as follows:

- Physical disability – clusters of 4-6 x 1/2 bed wheel chair accessible flats
- Learning difficulty – clusters of 4-6 x 1/2 bed flats; a proportion wheel chair accessible and a proportion dispersed.
- Mental health – clusters of 4-6 x 1 bed flats
- Complex needs – clusters 4-6 x 1/2 bed flats; a proportion to be wheel chair accessible

6.7 Specific accommodation could be provided as follows:

- Supported Living Scheme for young people with complex needs – block of 18 x 1 and 2 bed self-contained flats
- Supported Living Scheme for ex-offenders – block of 10 x 1 and 2 bed self-contained units
- Supported Living Scheme for individuals with substance/alcohol misuse – block of 10 x 1 and 2 bed self-contained flats
- Designated older persons housing – schemes of approximately 24 units comprising 1 and 2 bed flats built to lifetime homes standard
- Families with physical disability – large wheel chair accessible bungalows

6.8 Extra Care Housing provision presents specific design and feasibility requirements. A summary of the key requirements that relate to Extra Care follows:

- Self contained flats of 50 – 55 sq m (1 bed) and 60 – 65 sq m (2 bed)
- Single or inter-connected blocks – optimum 40 – 60 flats
- All fully wheelchair accessible
- Passenger lifts

- With en-suite wet room style showers
- Approximately 30 – 35% additional communal & ancillary space in total, including facilities for on site care staff.
- Occupancy restricted to persons over 60 with identified low/medium level care needs
- Mixed tenure
- High quality environment internally and externally
- Close proximity to Neighbourhood centre

6.9 In circumstances where specifications vary considerably from the standard specification for affordable housing (as set by the Housing Corporation and / or the two Councils) a reasonable alteration to the build costs can be negotiated to reflect the variation.

6.10 In the event that adequate funding has not been secured to support the special needs housing requirement, particularly with respect to bespoke housing units or schemes, it is envisaged that suitable land is set-aside for a fixed period of time (say, 5-years) after which such land would be redeployed for the purposes of general needs affordable housing – probably for social rent.

6.11 The accommodation should be integrated in the normal way, and careful planning will be needed. The majority of such housing is likely to be indistinguishable physically from general needs affordable housing, and be provided either as clusters of flats/houses/bungalows or dispersed units within blocks of general needs accommodation. However the need for supported housing provision to be close to amenities will need consideration at the earliest opportunity. The relationship between such types of housing and other facilities should be considered as part of the development process. Vulnerable citizens will require good access to community facilities such as open space, health centres and public transport.

6.12 Detailed provision of supported housing will be discussed on a phase by phase basis. Although supported housing should be provided in each phase of the development, it is unlikely that all client groups will be catered for in each phase. The Councils will assess need and prioritise provision with other agencies such as the County Council and specialist providers. It will be necessary to work with the developers as the neighbourhood progresses to agree the appropriate provision of supported housing for each phase relative to other development priorities. Where required the

Councils and their partner agencies will be able to supply additional information on need and design specifications.

- 6.13 As some forms of supported housing exhibit a higher land take, ideas for optimising the use of sites should be considered.
- 6.14 The range of tenure models needs to be considered as part of the supported housing provision. The Housing Corporation provides funding to enable long-term disabled people to access home ownership. This and other similar models must be assessed.
- 6.15 All the principles set out in this document - for example: quality, management and funding approaches, shall apply to supported affordable housing as well as general needs affordable housing.

7.0 Design and integration

- 7.1 The whole housing development should be designed to facilitate a sustainable neighbourhood. **The affordable housing should not be visually distinguishable from the market housing** in terms of build quality, materials and details, levels of amenity spaces, orientation, privacy and parking spaces.
- 7.2 The development should be **tenure neutral** with the affordable housing **fully integrated** into the market housing where appropriate. This particularly applies to the shared-ownership and shared-equity units. The Councils will accept affordable and intermediate rent units clustered around a service core. However, these clusters should be no larger than 12 -15 units and need to be integrated across the development at acceptable ratios. Ratios for integration across the scheme can range between 3:1 and 1:3 between private sale units and affordable units respectively. Higher cluster group sizes will be considered to allow for innovation applied through Modern Methods of Construction (MMC) or Eco design, recognised by higher levels of the Code for Sustainable Homes.
- 7.3 All affordable units regardless of tenure must be designed to **meet the minimum standards set by the Housing Corporation at the time of development – currently including Design and Quality Standards, Code for Sustainable Homes, Housing Quality Indicators and Building for Life**
- 7.4 The requirement to provide the affordable housing will apply whether or not Housing Corporation or other public subsidy is available. If public subsidy is not likely to be available at the required time and a funding gap ensues the Councils will seek to ensure that this does not hold up development. In this event the Councils will consider a cascade mechanism of alteration to unit sizes, types or tenure. A clause to this effect will be included in the legal agreement. It will confirm the trigger by which the developer can renegotiate

and agree a variation on the original affordable housing obligation. This is likely to consist of evidence that the developer and/or RSL has reasonably endeavoured to secure public subsidy and that the affordable housing units have been designed to meet all required Housing Corporation standards.

- 7.5 Developers will be expected to produce schemes that are regionally competitive financially and which the local authorities can support in terms of grant rate, mix, design and quality.
- 7.6 **Innovation in design and build is encouraged** - for instance, utilizing MMC, rising above the minimum for the Code for Sustainable Homes and introducing renewable and low-carbon energy wherever practicable.
- 7.7 **The local authorities will have 100% nomination rights to the initial let of the affordable housing and 75% of subsequent relets. Each authority will have 50% of these nomination rights.** It will be decided on a phase by phase basis which authority will have nomination rights to which units with recognition that some flexibility will be required by each authority to ensure the development is not held up nor design and layout compromised. Both Councils will need to take account of other housing developments that are coming forward when making these decisions.
- 7.8 Where a Homebuy Agent or a similar scheme administered by the Housing Corporation is in place the low cost home ownership products shall be administered by this body in conjunction with the local authorities. Where such a scheme is not in place the Councils will have nomination rights to these properties.
- 7.9 **Developers, including RSLs, will need to demonstrate to the Councils that they have sound and sustainable management plans.** Management implications for design and layouts will need to be factored early in the master planning process. Clear proposals for community engagement will need to be put forward by the developers, involving other stakeholders as appropriate.
- 7.10 Consideration will be given to a local sustainable lettings policy on a phase by phase basis.
- 7.11 **The Councils will require on-site presence of the managing agent from the start of the development through to completion** to ensure sufficient level of communication with existing and future residents. This will be integral to achieving community cohesion in the new neighbourhood.

8. Delivery Principles

- 8.1 As noted in 5.1 the detail of the delivery mechanisms is included in each local authority's Planning Obligations SPD which should be read in conjunction with this position statement. A key requirement in underpinning delivery will be the provision of nil cost serviced land for the affordable homes. This means that in return for providing the completed affordable homes the developer will receive back reasonable build costs as determined by each Council's SPD. The preferred delivery approach will be for the affordable units to be transferred to an RSL(s) agreed between the developer and the Councils.
- 8.2 **It is very important to note that the land which has been identified to be developed has significant construction constraints which will directly impact on build costs**, and developers must take this into consideration when undertaking feasibility appraisals and determining land value. The impact of such constraints must not result in viability claims and the abnormal build costs cannot be passed on to RSLs to fund as the land value must absorb such anomalies.
- 8.3 The Councils' preference is that the local authorities and the major private developer **jointly select a minimum of 2 and a maximum of 3 RSL delivery partners** for the provision of all the affordable housing. Both Crawley and Horsham have a list of preferred RSL partners for the delivery of new affordable housing. However, in recognition that the delivery of affordable housing is open to all RSLs and non-registered bodies the Councils propose that an open and transparent competition be held whereby RSLs will be encouraged to apply and will be selected on criteria which will include status with Housing Corporation, experience of: affordable housing development; complex multi-tenure housing developments; housing management; neighbourhood management; community development; partnership/multi-agency working and overall capacity. Consideration will be given to appointing a specialist consultant to oversee this exercise.
- 8.4 Although it is expected that the selection process will identify RSLs with a breadth and depth of experience including specialist housing, the Councils may wish to bring in a specialist provider(s) if it is considered necessary for the delivery of specialist housing.
- 8.5 The RSL partners should be selected as soon as possible in order that they are fully involved at early master planning stages. At the very minimum partners must be selected prior to the completion of a legal planning obligations agreement.