

# Crawley Borough Council 2024-2040 Local Plan

**Regulation 19 (3) Consultation** 

May 2023







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## 1 INTRODUCTION

#### 1.1 Context

- 1.1.1 Gladman welcome the opportunity to comment on the Crawley Borough Council (CBC) Local Plan Submission Publication consultation and request to be updated on future consultations and the progress of the Local Plan.
- 1.1.2 Gladman Developments Ltd specialise in the promotion of strategic land for residential development and associated community infrastructure and have considerable experience in contributing to the development plan preparation process having made representations on numerous planning documents throughout the UK alongside participating in many Examinations in Public.
- 1.1.3 At present, Gladman have significant concerns regarding the proposed Crawley Borough Council Local Plan and it's ability to deliver the full residential and employment needs for the borough. It is considered that the Regulation 19 consultation is premature given that there are existing significant uncertainties existing in relation to water neutrality and proposed offsetting scheme with the required evidential justifications not yet finalised. The current iteration of the Local Plan cannot be considered to be positively prepared, effective or justified.

## 1.2 Plan Making

1.2.1 The National Planning Policy Framework sets out four tests that must be met for Local Plans to be considered sound. In this regard, we submit that in order to prepare a sound plan it is fundamental that it is:

**Positively Prepared** – The Plan should be prepared on a strategy which seeks to meet objectively assessed development and infrastructure requirements including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development;

**Justified** – the plan should be an appropriate strategy, when considered against the reasonable alternatives, based on a proportionate evidence base;



**Effective** – the plan should be deliverable over its period and based on effective joint working on cross-boundary strategic priorities; and

**Consistent with National Policy** – the plan should enable the delivery of sustainable development in accordance with the policies in the Framework.



## 2 LEGAL COMPLIANCE

#### 2.1 Duty to Cooperate

- 2.1.1 The Duty to Cooperate is a legal requirement established through Section 33(A) of the Planning and Compulsory Purchase Act 2004, as amended by Section 110 of the Localism Act. It requires local authorities to engage constructively, actively and on an ongoing basis with neighbouring authorities on cross-boundary strategic issues throughout the process of Plan preparation. As demonstrated through the outcome of the 2020 Sevenoaks District Council Local Plan examination and subsequent Judicial Review, if a Council fails to satisfactorily discharge its Duty to Cooperate, this cannot be rectified through modifications and an Inspector must recommend non-adoption of the Plan.
- 2.1.2 The revised Framework introduced a number of significant changes to how local planning authorities are expected to cooperate including the preparation of Statement(s) of Common Ground (SoCG) which are required to demonstrate that a plan is based on effective cooperation and has been based on agreements made by neighbouring authorities where cross boundary strategic issues are likely to exist.
- 2.1.3 Planning guidance sets out that local planning authorities should produce, maintain, and update one or more Statement(s) of Common Ground (SoCG), throughout the plan making process<sup>1</sup>. The SoCG(s) should provide a written record of the progress made by the strategic planning authorities during the process of planning for strategic cross-boundary matters and will need to demonstrate the measures local authorities have taken to ensure cross boundary matters have been considered and what actions are required to ensure issues are proactively dealt with e.g. unmet housing needs.
- 2.1.4 The latest SOCG between the Northern West Sussex (NWS) authorities within the Local Plan evidence base was published in 2020 and outlined that the NWS authorities

<sup>&</sup>lt;sup>1</sup> PPG Reference ID: 61-001-20180913



would continue to work together to address future housing needs of the Housing Market Area (HMA) alongside exploring potential opportunities and mechanisms to meet housing needs of different groups.

- 2.1.5 However, since the publication of the SOCG in May 2020, the societal and planning policy context across the NWS HMA, and wider country has significantly changed. Particularly in relation to water neutrality requirements across Southern Water's Sussex North Water Resource Zone.
- 2.1.6 In addition, in response to a Duty to Cooperate letter sent by CBC to neighbouring authorities in April 2023 in relation to unmet housing needs, no authority offered to assist the Council in addressing these unmet housing needs. Indeed, Horsham District Council (HDC) confirmed that despite previously including an allowance for unmet needs arising from Crawley within the draft Regulation Plan (2021), which did not undergo public consultation due to national planning policy and water neutrality issues, given these circumstances HDC cannot commit to meet any part of the overall unmet housing needs of Crawley.
- 2.1.7 In light of the aforementioned circumstances and guidance in the PPG which states that local planning authorities should produce, maintain, and update one or more Statement(s) of Common Ground (SoCG), throughout the plan making process, the Council should have published an updated SOCG outlining the issues and latest circumstances affecting cross-boundary strategic planning issues<sup>2</sup>.
- 2.1.8 Furthermore, the implications of the above have significant consequences on delivering the identified housing needs of the area and Gladman consider that additional work, such as SHLAAs, must be jointly undertaken by the authorities to justify their position and ensure that needs are met in full as required by national planning guidance<sup>3</sup>. This be explored in further detail through section 3 of this representation.

<sup>3</sup> PPG Reference ID: 61-039-20190315 and NPPF Paragraph 35(a).

<sup>&</sup>lt;sup>2</sup> PPG Reference ID: 61-001-20180913



# 3 REGULATION 19 (3) CONSULTATION

# 3.1 Background

- 3.1.1 The ongoing consultation represents the third Regulation 19 consultation undertaken on the emerging Local Plan. The current iteration provides significant amendments including a revised plan period, updated housing requirement following the latest affordability ratios in which the Council seek to meet just 42% of their Local Housing Need within the borough and significant policy additions in relation to water neutrality.
- 3.1.2 Gladman have responded to each previous consultation and previously were supportive of the Council's engagement with neighbouring authorities to address unmet housing needs arising from the borough. However, the circumstances have drastically changed and it is considered that the current draft Plan is not effective, positively prepared or justified.
- 3.1.3 The sections that follow below include specific comments from Gladman on the Regulation 19 consultation.

# 3.2 Housing Delivery

- 3.2.1 Gladman have significant concerns regarding the Local Plan's effectiveness in seeking to deliver the Borough's identified housing needs between 2024-2040 and consider that the current approach is not effective, positively prepared or justified.
- 3.2.2 Firstly, beyond updating the housing requirement to account for the latest Local Housing Need (LHN) figure there has been no comprehensive update to the Strategic Housing Market Assessment (SHMA) and housing need assessment since 2019.
- 3.2.3 The 2019 SHMA concluded that population growth over the plan period would be unlikely to create additional housing needs above the LHN figure, however this assessment was based upon a period of 2019-2039 on assumptions that pre-dated the COVID-19 pandemic, cost of living crisis and national planning policy implications.



- 3.2.4 Furthermore, the affordability issues across the country and within the borough have continued to rise with the affordability ratio (ratio of median house price to median gross annual workplace-based earnings) in Crawley increasing from 9.05 in 2019 to 9.27 in 2022.
- 3.2.5 It is evident that the SHMA is not an accurate reflection of Crawley today and the strategic issues facing the borough between 2024-2040 and therefore, the proposed housing need and requirement cannot be considered to be an effective or positively prepared number.
- 3.2.6 Secondly, Gladman acknowledge that Crawley is subject to a tightly drawn administrative boundary alongside flood risk and other constraints which will affect the Council's ability to meet identified development needs within the borough's boundary. In this regard, it is accepted that the proposed housing requirement within Strategic Policy H1 is a supply-led figure.
- 3.2.7 Notwithstanding this, the supply-led requirement figure to be delivered within the borough's boundary amounts to just 42% of the overall LHN calculated using the standard method and the Council should be seeking to ensure that the strategy to deliver this figure is effective, positively prepared and justified. At present, Gladman do not consider that there is a deliverable supply to even meet the stepped housing requirement figure.
- 3.2.8 Crawley borough partially falls within Southern Water's Sussex North Water Resource Zone (WRZ), where there are concerns regarding the abstraction points and their relationship with biodiversity. It has been considered that new development must demonstrate that it is water neutral. Currently the Local Plan approach to enable development, aligned with the Water Neutrality Study Part C, is through a combination of on-site water efficiency measures (for residential developments usage must be limited at 85 litres, per person, per day) and off-setting elsewhere within the WRZ.
- 3.2.9 It is understood that the Council have undertaken a pilot project on increasing water efficiency on some of their own housing stock, realising enough capacity to deliver a



further 206 dwellings at Breezehurst Drive and Longley House over years 1-5 of the Local Plan.

- 3.2.10 The Council have also committed £1 million to fund additional water efficiency retrofitting of their housing stock in order to increase water credit capacity and bring forward the delivery of developments. Additionally, the offsetting scheme is in the process of being created with a business case anticipated to be presented in April 2023 and an indicative operational date for the scheme of late 2023. However, there is no published timetable or certainty in relation to the development of the offsetting scheme and the Part C study highlights in paragraph 121, "...an offsetting scheme is unlikely to be able to deliver significant offsetting in 2023...and the amount of growth that could be accommodated in 2023 is limited..."<sup>4</sup>.
- 3.2.11 It is also known that without sufficient upfront offsetting, the amount of growth will be restricted until a time where water neutrality can be achieved<sup>5</sup>. Therefore, any delay post 2023 of securing reliable and effective offsetting will significantly impact the delivery of housing within the Local Plan trajectory.
- 3.2.12 Overall, the Council identify 2,405 dwellings within their years 1-5 supply (2024-2029) with 1,893 dwellings subject to water neutrality requirements. Yet, sections 4 and 5 of the Topic 4 Paper: Housing Supply appear to only highlight that the 206 dwellings, previously mentioned, have secured mitigation solutions.
- 3.2.13 Significant work is required to secure the offsetting scheme which will be required until Southern Water can secure a long term solution<sup>6</sup>. In this regard, there is significant uncertainty regarding the delivery of the water neutrality offsetting scheme which is not supported by robust evidence within the Local Plan evidence base and its impact on the delivery of planned development, particularly within the first five years of the revised plan period.

<sup>&</sup>lt;sup>4</sup> Sussex North Water Neutrality Study: Part C – Mitigation Strategy. Final Report – December 2022

<sup>&</sup>lt;sup>5</sup> Paragraph 3.37. Joint Topic Paper: Water Neutrality – May 2023

<sup>&</sup>lt;sup>6</sup> Paragraph 6.2. Joint Topic Paper: Water Neutrality – May 2023



- 3.2.14 Thirdly, as highlighted in paragraph 3.27 of this representation, the Council are only seeking to meet 42% of the LHN within the borough's administrative boundary due to various constraints. Gladman acknowledge the restrictions to meeting the identified development needs in the borough, however it has become apparent that it is neighbouring authorities are not currently willing to assist in addressing the anticipated unmet needs of 7,050 dwellings over the plan period. In response to the latest Duty to Cooperate engagement by CBC in April 2023 regarding the borough's unmet needs, 8 Council's responded highlighting that they were currently unable to assist in delivering unmet needs, including Horsham who previously were in a position to assist, providing 150 dwellings per annum towards Crawley's unmet housing needs but can no longer commit to assisting Crawley meet these needs primarily due to water neutrality circumstances.
- 3.2.15 Gladman do not consider that this position has been justified by appropriate evidence and Crawley should proactively prepare a joint evidence base, including a SHLAA, to fully understand the position of meeting housing needs across the region to ensure that their housing needs over the emerging plan period can be met in full. This approach has been undertaken previously by CBC, Mid Sussex and Horsham Councils in the form of the 'At Crawley Study (2009)', 'New Market Town Study (2010)' and 'West Sussex Bio City (2010)'. If the identified housing needs cannot be met in full now, a solution and strategy to ensure these houses are delivered over future years must be provided.
- 3.2.16 The West Of Crawley site promoted by Homes England is functionally related to Crawley and while Horsham do not currently consider that they can contribute to CBCs unmet housing needs this site must be the focus for further engagement and consideration.
- 3.2.17 Ultimately, Gladman consider that CBC should delay any further progression of the emerging Local Plan until there is greater certainty in relation to the WRZ offsetting scheme enabling the deliverability of the Local Plan to be demonstrated. This will also enable neighbouring authorities to have further clarification on their circumstances



and ability to assist in delivering CBC's unmet housing needs. Overall, this would provide a more comprehensive approach to ensure that the identified development needs for the borough can be delivered. At present the strategy for meeting the identified housing needs of Crawley is not positively prepared, justified or effective and therefore the Plan cannot be considered sound.

## 3.3 Policy SCD4: Water Neutrality

- 3.3.1 Gladman do have any specific comments regarding the requirements of this above policy but consider that it would be more appropriate to await the outcome of the WRZ offsetting scheme which is currently at business case stage.
- 3.3.2 This will provide a more comprehensive approach with strategies and planning policies aligned across the affected authorities and fully justify and support the deliverability of the Local Plan.

## 3.4 Viability

- 3.4.1 Gladman note the updated Viability Assessment (December 2022) which is primarily in relation to WRZ and the cost of mitigation solutions for new developments.
- 3.4.2 The Council anticipate that the cost of mitigation will reduce once improvement measures are introduced by Southern Water, but at present such cost calculations are assumptions supported by the Sussex North Water Neutrality Study. On this basis, the viability study states that Council have considered that £2,000 per dwellings as a reasonable assumption to achieve the standards.
- 3.4.3 However, the water neutrality study sets out a number of mitigation solutions which is usefully summarised within the Joint Water Neutrality Topic Paper. Paragraph 3.27(2) states that to achieve the water efficiency standard of 85 litres per day, per person the following measures can be employed and the associated costs:
  - Fittings-based approach: between £349 and £431;
  - Fittings-based approach if appliances are not part of the standard fit-out: between £1,049 and £1,531; and



- Greywater recycling: between £4,000 and £4,340.
- 3.4.4 This suggests that it may be more costly to deliver water efficiency standards than is considered in the viability study. Therefore, it is necessary to update the viability study to account for the higher cost scenario.
- 3.4.5 Furthermore, these approaches do not account for the emerging offsetting scheme and the cost for developers to access the scheme, which have not been finalised yet. This is a considerable uncertainty which has not been factored into the updated viability study.
- 3.4.6 The above highlights further reasons to await further clarification on water neutrality issues to properly justify the requirements of the Local Plan and ensure that all of the identified development needs of the borough are met.

## 4 CONCLUSIONS

#### 4.1 Summary

- 4.1.1 Gladman welcomes the opportunity to comment on the Regulation 19(3) consultation that is being undertaken by Crawley Borough Council. These representations have been drafted with reference to the revised National Planning Policy Framework (NPPF 2021) and the associated updates that were made to Planning Practice Guidance.
- 4.1.2 Gladman have provided comments on a number of the issues that have been identified in the Council's consultation material and recommend that the matters raised are carefully explored during the process of undertaking the new Local Plan.
- 4.1.3 At present, Gladman have significant concerns regarding the proposed Crawley Borough Council Local Plan and it's ability to deliver the full residential and employment needs for the borough. It is considered that the Regulation 19 consultation is premature given that there are existing significant uncertainties existing in relation to water neutrality and proposed offsetting scheme with the



- required evidential justifications not yet finalised. The current iteration of the Local Plan cannot be considered to be positively prepared, effective or justified.
- 4.1.4 We hope you have found these representations informative and useful towards the preparation of the Crawley Borough Council Local Plan and Gladman welcome any future engagement with the Council to discuss the considerations within the representations and we can be contacted by emailing <a href="mailto:policy@gladman.co.uk">policy@gladman.co.uk</a>







