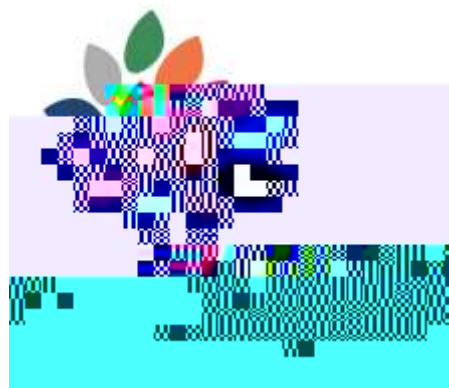


CRAWLEY BOROUGH LOCAL PLAN EXAMINATION

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

Matter 3: Housing
Issue 1: Objectively Assessed Housing Needs

February 2015



CBC/003 Matter 3: Housing; Issue 1: Objectively Assessed Housing Needs Contents:

- 3.1 What are the full objectively assessed needs for market and affordable housing for the relevant housing market area?
- (i) 2009 North West Sussex Strategic Housing Market Assessment and 2012/2014 Updates?
 - (ii) Crawley Studies – Locally Generated Housing Needs Assessment, and Topic Papers 2 and 5?
- Are the migration assumption used in the calculation of Crawley's objective needs based on demographic trends or the constrained housing land supply?
- 3.2 What are the implications for the housing needs assessment of the 2012-based population projections (published in May 2014) and the forthcoming 2012-based household projections (to be published in February 2015)? Are there any significant differences in the natural change and migration components of the population projections between the 2011- and 2012-based projections?
- 3.3 What are the implications for the housing needs assessment of relevant market signals such as trends in house prices, rents, affordability, overcrowding and rate of development? Should the housing need number be adjusted to reflect appropriate market signals?

Appendices

Appendix A: Table of Housing Needs Evidence

Appendix B: Proposed Objectively Assessed Housing Need Main Modifications

Appendix C: Crawley's Market Signals (OACHEN Extract)

- 3.1 What are the full objectively assessed needs for market and affordable housing for the relevant housing market area?
- (i) 2009 North West Sussex Strategic Housing Market Assessment and 2012/2014 Updates?
 - (ii) Crawley Studies – Locally Generated Housing Needs Assessment, and Topic Papers 2 and 5?
- Are the migration assumption used in the calculation of Crawley's objective needs based on demographic trends or the constrained housing land supply?
- 3.1.1 The full objectively assessed needs for market and affordable housing for Crawley have been identified through a number of evidence base documents which have evolved over the preparation of the Local Plan (see Appendix A). Whilst this figure has been calculated on a borough-wide basis, the role of the housing market area has not been ignored. The Strategic Housing Market Assessment¹ (SHMA) was carried out, in conformity with national guidance at the time, across the housing market area. The subsequen

- 3.1.4 The figure was further tested in 2014 to consider the housing needs figure of the borough against the latest population and household projections⁹ which identified a marginally lower annual requirement of 535 dwellings per annum. The full details of this process was set out in Topic Paper 2: Housing Needs¹⁰ to support the CBLP. However, due to the anticipation of DCLG household projections based on 2012 population data and full consideration of the 2011 Census, this lower figure was not used to calculate the level of unmet need set out in the Modifications Draft Local Plan¹¹.
- 3.1.5 CBC commissioned a further assessment of the housing need emerging from the borough on the basis of the updated

absence of final national figures covering the whole Plan period based on the 2011-based projections.

- 3.2 What are the implications for the housing needs assessment of the 2012-based population projections (published in May 2014) and the forthcoming 2012-based household projections (to be published in February 2015)? Are there any significant differences in the natural change and migration components of the population projections between the 2011- and 2012-based projections?
- 3.2.1 The 2011-based SNPP population projections published in May 2014 only cover the period 2012 – 2021. A comparison between the two ONS SNPP projections (2011-based and 2012-based) indicates a lower overall population level when using the 2012-based projections compared to the published 2011-based SNPP projections (see Table 3.1 below). Assumptions would need to be made to determine the population levels beyond 2021 to compare the 2011-based SNPP projections with the 2012-based data. The council considered a number of approaches to projecting the 2011-based SNPP beyond 2021, and this is set out in the Topic Paper 2: Housing Needs²³.
- 3.2.2 However, it is important to note that due to the lower population figure predicted by the second run model and the awareness that this was an interim calculation, the 2011-based projections were not used to calculate the level of unmet need set out in the Modifications Draft Local Plan²⁴ and the Plan maintained the higher 542 dwellings per annum housing need, based on the 2008-based SNPP as set out in the Locally Generated Housing Needs Assessment report²⁵.

Table 3.1: Comparison between 2011-based data and 2012-

Table 3.2: Detailed Breakdown of Components
Comparison between 2011-based data and 2012-based SNPP data for Crawley 2020

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
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affordable housing need remains significant and acute, despite recent affordable housing completions and a strengthening future pipeline of affordable housing committed in the borough.

- 3.3.4 To reflect this improved understanding of the objectively assessed housing need within the borough, the council propose a further amendment to the Plan in the appropriate locations³¹. This is shown in Appendix B8is

APPENDIX A: TABLE OF HOUSING NEEDS EVIDENCE

	Baseline Projections	Housing Need (dpa)
Northern West Sussex Strategic Housing Market Assessment (SHMA) 2009		
Net Annual Housing Need (High)	GVA Grimley Calculation	250
Net Annual Housing Need (Low: Reasonable Preference)		Affordable

	Baseline Projections	Housing Need (dpa)
Topic Paper 2: Housing Needs Second Model Run 2013		
Baseline	2011-Based SNPP (2011-2021) 2010-Based SNPP (2022-2030)	535
Zero Net-Migration		395
'Hybrid' Economic Growth & Strategic Employment		483
Northern West Sussex Strategic Housing Market Area: Affordable Housing Needs Model Update 2014		
Reasonable Preference	CLG Household Projections 2011	197 Affordable

APPENDIX B: PROPOSED OBJECTIVELY ASSESSED HOUSING NEED MAIN
MODIFICATION
LOCAL PLAN MARKED-UP MODIFICATIONS EXTRACT

Meeting

6.13 Additional work was undertaken in early 2014 to determine the **objectively-assessed demographic** housing needs of the borough over the Plan period using the latest population and household projections (2011 Population Projections and 2012 Household Estimates) and 2011 Census data³³. This update (2014 Second Model Run) identified an annual requirement for 535 dwellings per annum, incorporating

APPENDIX C: CRAWLEY'S MARKET SIGNALS
 EXTRACT OBJECTIVE ASSESSMENT OF CRAWLEY'S HOUSING AND ECONOMIC
 NEEDS (2015) CHILMARK CONSULTING

Data	Value
Crawley Median House Price	£195,000, Q2 2013
Crawley Annual Price Inflation	+3.95% per annum (2002 – 2012). + 3.5% in 2013
Crawley Mean House Price	£219,789, Q2 2014 £238,292, Q4 2014
Crawley Total Private Sales Transactions	Growing volume of private market sales transactions in Crawley 1,193 – 2012 1,369 – 2013 1,384 – 2014
Crawley Private Rental Lettings	Growing level of private rentals 660 – 2013 969 – 2014