

# Statement of Common Ground

Between: Crawley Borough Council and Gatwick Green Ltd

## 1. List of Parties Involved

- Crawley Borough Council (CBC)
- Gatwick Green Limited (GGL)

## 2. Signatories



Date 8/1/24  
Clem Smith, Head of Economy and Planning  
Crawley Borough Council



Date 5/1/24  
Malcolm Young – Director  
Gatwick Green Limited

## 3. Introduction

This Statement of Common Ground (SoCG) relates to the allocation of an industrial and logistics led Strategic Employment Location (SEL) through Strategic Policy EC4 in the Submission Crawley Borough Local Plan, May 2023 (SCBLP). It is signed by Crawley Borough Council, and Gatwick Green Limited (GGL) the promoter of the allocated land (the 'parties').

Its objective is to provide a clear and documented statement on those matters on which the parties are agreed, as well as identifying any unresolved matters, to inform the Examination in Public (EiP) of the SCBLP.

The SoCG seeks to assist the EiP Inspectors with a clear statement of areas of agreement and difference between the parties on the key matters and issues arising from the SCBLP and representations / statements made by GGL and the Council. It is also intended to provide the Inspectors with a clear understanding of the extent to which any differences have been narrowed and the status of discussions between the parties leading into the formal Examination Hearings. The SoCG has been updated in advance of the Part 2 Local Plan Examination Hearings in January 2024.

In relation to SCBLP policies, the SoCG will contain the parties' views of the soundness of the approaches taken.

#### **4. Overall Position**

The parties agree that:

1. Crawley has a critical economic role and function within the Coast to Capital and Gatwick Diamond areas and that the superb geographic location of the Borough and its excellent transport links create an ideal location to meet the unmet demand for the provision of Industrial and Logistics (I&L) development in the Borough and the wider Functional Economic Market Area (FEMA).
2. Gatwick Green will support Crawley's continued economic recovery, providing new employment land that will increase the economic resilience of the borough, helping retain its position as the leading employment location at the heart of the Gatwick Diamond.
3. Gatwick Green offers opportunities to meet the need for larger I&L units which due to smaller plot sizes cannot be provided through the redevelopment of existing Manor Royal sites or the other Main Employment Area (MEAs) in Crawley. Gatwick Green will also help reduce current pressures in Manor Royal for warehousing, helping to retain its core mixed-use business function. In addition, Gatwick Green will deliver agglomeration benefits that will strengthen existing businesses in Manor Royal and add value to the regional and local economy. Gatwick Green is therefore complementary to Manor Royal and Crawley's other Main Employment Areas (MEAs).
4. Neighbouring Local Authorities have confirmed that they are not meeting Crawley's need for new industrial and warehouse land. Crawley's neighbours have however set out through SoCGs that the planned industrial/warehouse offer of Gatwick Green would be complementary to the respective employment strategies set out in their own adopted and emerging Plans.
5. The market signals indicate there to be a market need that is greater than the 17.93 ha figure stated as a minimum within the Local Plan; and agree that the Gatwick Green allocation will help to meet this need within Crawley. However, the parties differ on the precise policy wording to reflect this position in the Local Plan.
6. Based on evidence contained in airport masterplans, the removal of a proportion (44 ha out of 523 ha or 8.4%) of the land currently safeguarded for the expansion of Gatwick Airport is justified to accommodate a Strategic Employment Location (SEL) to meet the borough's need for new industrial and logistics land and floorspace.
7. The Gatwick Green allocation can come forward in a manner that would not prejudice delivery of a southern runway at Gatwick Airport and its supporting infrastructure, should this be required in the future. In this context, the SCBLP policies make provision for Safeguarded Land, a Strategic Employment Location and other requirements to ensure that both can be delivered in land use planning terms.

#### **5. Safeguarded Land**

The parties agree:

1. With the position contained in Topic Paper 2 (Gatwick Airport, May 2023) that there is no robust justification for safeguarding all the land east of Balcombe Road for long-stay airport car parking.

2. With the evidence on land safeguarding by Mott Macdonald (for GGL) and York Aviation (for CBC) submitted to the Local Plan Examination:
- The Aviation Policy Framework (APF, 2013) introduces the need for airports to provide Master Plans, to be subject to public consultation.
  - The APF supports airport Master Plans identifying land safeguarded for future needs.
  - The NPPF para 106 requires that the extent of safeguarded land is based on 'robust' evidence of the infrastructure that is 'critical' to the delivery of the scheme.
  - The Gatwick Airport Master Plan (GAMP) and Gatwick Airport Ltd's (GAL's) submission to the Airports Commission (2014) does not contain the robust evidence needed to justify the extent of land safeguarded for surface long-stay car parking. In particular, it does not take account of:
    - The increasing rate of modal shift in surface access by passengers and employees away from the private car to more sustainable modes of transport, with consequent proportional reductions in the need for long-stay car parking. This trend will continue to be driven by more challenging modal shift targets.
    - GAL's future parking figures – these assume that off-airport parking provision will be re-provided on-airport, including authorised and some unauthorised spaces. There is no reason to assume that lawful off-airport parking will be removed, and the Arup assessment therefore appears to over-estimate the overall requirement.
    - The increasing use of denser/automated (more land efficient) car parking arrangements at Gatwick Airport, with consequent reductions in the amount of land needed for long-stay car parking.
    - GAL's development of decking and MSCP solutions in place of surface car parks, and its explicit intention to use these in the future, which is also a feature of its Northern Runway Project (NRP) DCO.
  - Contrary to the evidence on modal shift and the adoption of denser/automated car parking, the GAMP inconsistently reverts to largely conventional surface car parking. There is no reason why decking, automated and Multi-Storey Car Parks (MSCPs) cannot be used for long stay car parking, significantly reducing land take: such approaches have been successfully delivered at Manchester and proposed at Heathrow airports.
  - Based on the evidence, the land occupied by Gatwick Green is not needed for surface car parking or critical to the delivery of an additional wide-spaced Southern Runway.
3. Whilst the principle of safeguarding land for the expansion of transport infrastructure is Government Policy (NPPF para106(c)), it is for planning policies contained in local plans prepared by Local Planning Authorities to “...*identify and protect, where there is robust evidence, sites and routes which could be critical in developing infrastructure...*”.

4. Government Policy contained in the Aviation Policy Framework, 2013 (APF) recommends that airports continue to prepare Master Plans to address future expansion including long-term land requirements identified on a safeguarding map to minimise non-statutory blight. The APF also recommends that in preparing local plans, local authorities are required to have regard to policies and advice in the APF. Safeguarding is therefore justified where: (1) it is in respect of “critical” land only; (2) where there is robust evidence mainly in the airport Master Plan that the land in question “could be critical” in developing the infrastructure; and (3) non-statutory blight must be minimised – in other words no more land than shown to be required should be safeguarded.
5. GAL has not provided robust evidence in the GAMP (2019), in its Operational Efficiency Master Plan (OEMP, 2014), in its Regulation 19 representations or Written Statement on the SCBLP, to justify the need for the extent of surface airport car parking shown in the Master Plan to support the provision of a wide-spaced Southern Runway.

## **6. Sustainable Economic Growth**

The parties agree that:

1. CBC has a very clear vision in the SCBLP to be a modern, vibrant and sustainable town with strong and diverse communities and sustainable economic growth to make a place that people enjoy and want to live, work and visit. The Vision sets out a forward thinking and ambitious prospectus for Crawley over the next 17 years. The key elements for the CBC economy are to:
  - Strive to be the premier town between London and the South Coast providing jobs and learning opportunities.
  - Be an economic leader with a diverse, resilient and productive economy that meets local needs and supports the prosperity of the region.
  - Have an environment that supports and encourages new and established businesses to grow and flourish, supported by the necessary infrastructure to enable businesses to flourish.
  - Be the first choice of business location for domestic and international markets.
  - Enable the community to benefit from access to high value and sustainable economic growth through thriving innovation, entrepreneurship and advanced technologies.
  - Create additional jobs across a diverse range of sectors, supported by learning and development opportunities.
  - Identify land for a new industrial-led Strategic Employment Location to reinforce the status of Crawley as the place to do business in the South East.
2. The neighbouring Local Planning Authorities have raised no policy objections to the allocation of a SEL, including in relation to any conflicts with proposed employment areas in the wider FEMA: as Topic Paper 5 acknowledges (para 5.19-5.22), these are

subject to planning policy / consents that focus on mixed commercial business parks that don't provide for large scale B8 logistics:

Burgess Hill Science & Technology Park	Policy DP1 excludes B8 uses.
North Horsham	Policy SD2 business park, including grow-on space and provision for relocation of existing businesses.
Horsham Enterprise Park	Urban site in Horsham with planning permission for mixed-use, including commercial space.
Horley Business Park	Policy HOR9 – predominantly offices / limited B8.

3. The EGA contains econometric forecasts of future employment land and qualitative evidence on market indicators and signals. It does not however quantify in land requirement terms the scale of market need for industrial and logistics uses.
4. The evidence on market indicators and signals, including that discussed in Topic Paper 5 (chapter 5), and that prepared on behalf of CBC (Lichfields<sup>1</sup>) and GGL (Savills Economics<sup>2</sup>) indicates that there is substantial demand for I&L uses over and above the level of need of 17.93 ha identified in the EGA and SCBLP policy. This is confirmed in Topic Paper 5, which states that “...*there remains significant demand for new industrial and storage & distribution land*”. This supports a need for employment land above the minimum stated in Strategic Policy EC1 of 17.93 ha (62,737 sqm).
5. There would be significant negative effects if Gatwick Green were not allocated for a SEL: much demand would remain unmet or be dispersed to sub-optimal locations outside the FEMA; ongoing increases in rents from a tightening market; limited diversification of employment; lower levels of support for productivity; reduced agglomeration/supply chain benefits, and less off-site transport infrastructure. These impacts would harm Crawley's economy and that of the wider area.

The parties differ regarding:

1. The future level of demand for I&L employment land that should be identified for policy to be sound:
  - The Council contend that the minimum of 17.93 ha provides a sound approach with Gatwick Green providing a buffer/flexibility to help accommodate both market demand and the prospect of job growth associated with potential urban extensions to Crawley.
  - GGL contend that there is strong market demand evidence for identifying now an overall requirement of 69 ha and an outstanding requirement of 64 ha, and that this should be reflected in policy.

<sup>1</sup> Briefing Note: Crawley Local Plan 2024-2040: Market Signals Assessment for Industrial and Warehousing Needs, Lichfields, 3<sup>rd</sup> November 2023

<sup>2</sup> Strategic Industrial & Logistics – Market Demand Forecasts for Crawley, Savills, June 2023

## 7. Transport

The parties agree:

1. With the rationale behind the new transport priorities contained in New Directions for Crawley (NDC, March 2020), namely to “...*reduce carbon emissions, improve safety and air quality, reduce congestion and make better use of street space to create a more active, healthier town*” and that the “*solutions to meeting our transport and access needs have to be centred on movement of people and goods rather than vehicles*”.
2. That the approach to ‘accelerate the shift to more sustainable patterns of travel behaviour’ outlined in the West Sussex Transport Plan (WSTP, 2022) is in line with Government policy and the requirements of National Highways. This follows DfT circular 01/2022 which at paragraph 15 states that “*This includes moving away from transport planning based on predicting future demand to provide capacity (‘predict and provide’) to planning that sets an outcome communities want to achieve and provides the transport solutions to deliver those outcomes (vision-led approaches including ‘vision and validate,’ ‘decide and provide’ or ‘monitor and manage’)*”.
3. With the priority transport improvements / measures identified at para 7.87 of the WSTP which reflect the shift towards increasing sustainable patterns of travel behaviour - Gatwick Green will contribute to these schemes to the extent that these are necessary to make the proposals acceptable in transport planning terms.
4. That the traffic modelling confirms that Gatwick Green is not required to deliver any significant highway works to connect to the Strategic Road Network (SRN). As such, HGVs and other goods vehicles will be able to access the site via suitable routes from the SRN, Junction 10 of the M23 Motorway. The delivery of the first phase of Gatwick Green will therefore utilise the planned and funded new link road / A2011 Crawley Avenue / Balcombe Road junction improvement. This is a scheme funded by the Forge Wood development as a pre-existing commitment. Preparatory works have been undertaken and completion of the scheme is expected in 2025/26. This will follow the implementation of committed minor improvements at Junction 10 of the M23, programmed to commence in 2024 and also funded under an existing agreement with developers. This is set out in the Council’s Infrastructure Plan (October 2023).
5. That the CBC Transport modelling:
  - Is appropriate and robust.
  - Includes sensitivity tests which cover potential development scenarios.
6. That the SCBLP has policy-level compliance with Department for Transport Circular 01/2022 as noted in the Council’s evidence base<sup>3</sup>: this includes that the Gatwick Green SEL is policy-compliant with the Circular, and that GGL will bring forward a scheme that complies with the transport provisions of Strategic Policy EC4 (clauses (f) and (g)) and Strategic Policy ST1 so that Gatwick Green will be acceptable in sustainable transport terms.

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<sup>3</sup> Crawley Borough Local Plan 2024-40: Department for Transport Circular 01/2022 compliance matrix, Crawley Borough Council, 2023

7. With the areas of agreement set out in the Statements of Common Ground between Crawley Borough Council and West Sussex County Council and National Highways.
8. With the principle that the movement of HGVs generated by Gatwick Green should be restricted along Balcombe Road north of the site. However, GGL considers that Strategic Policy EC4 should be adjusted to reflect more flexibility to enable the Transport Assessment at the planning application stage to arrive at a workable solution taking account of standard traffic management measures.
9. That GGL will support the proposed Modification to Strategic Policy EC4, setting out that the Gatwick Green Master Plan will include a vision-led approach to development, prepared in accordance with Department for Transport Circular 01/2022: 'Strategic road network and the delivery of sustainable development. This is as set out in the updated CBC Schedule of Suggested Modifications, version 5, dated 15 December 2023 (ref: CBC/CBLP/07e).
10. That GGL will support the proposed Modification to Strategic Policy IN1 (including supporting text / Reasoned Justification) of the Plan, the Crawley Submission Sustainability Appraisal, Crawley Local Plan Monitoring and Implementation Framework which are proposed in the updated CBC Schedule of Suggested Modifications, version 5, dated 15 December 2023 (ref: CBC/CBLP/07e), on the basis that these are appropriate in order to ensure the effective and timely delivery of infrastructure required to deliver the Local Plan strategy, and underpin the 'monitor and manage' approach.

## **8. Strategic Employment Location / Gatwick Green**

The parties agree that:

1. They will work together to promote the allocation of Gatwick Green (Strategic Policy EC4) as the Strategic Employment Location within the SCBLP.
2. That the Development Management requirements set out in Strategic Policy EC4 are reasonable, proportionate and appropriate.
3. Gatwick Green is deliverable for the following reasons:
  - Gatwick Green Limited controls all the land within the area allocated as the Strategic Employment Location. There is no impediment that would materially affect the development of the site or the delivery of a comprehensive masterplan to deliver a strategic I&L campus.
  - Given the significant interest GGL has received from occupiers, investors and funders, there is confidence that the proposals can be developed in a sustainable and comprehensive manner.
  - GGL has sufficient funding and will draw in additional funding via a development agreement / JV so that the finance is in place to ensure that Gatwick Green is developed in a sustainable and comprehensive manner. GGL is able to deliver the development of Gatwick Green in line with the provisions in Strategic Policy EC4.
  - The delivery programme put forward by GGL provides a realistic plan to deliver the site from pre-planning to completion on site over the period 2025 to 2035.

4. Gatwick Green is viable in accordance with:

- The Council's plan-wide viability assessment which concluded that *"The Gatwick Green site appears to have the potential to support a more certain or stronger viability outcome, with a wide range of our sensitive tests producing RLVs either well in excess of greenfield land values on the established EUV+ basis again, and values representing serviced, ready to develop industrial land (equivalent to PDL values) also potentially supportable"*.
- Savills Economics' review of the Council's viability assessment, which supports the Council's findings and concludes that *"We agree with the overall conclusion of the viability evidence that the proposed Gatwick Green allocation is deliverable and generates a Residual Land Value in excess of Greenfield Land Values...."*

5. The proposed access arrangements do not prejudice the delivery of GAL's Northern Runway Project (NRP) and related surface access strategy contained in the proposed DCO, or the long-term plans for a Southern Runway identified in the Gatwick Airport Master Plan (2019), because the boundary of the Gatwick Green allocation ensures sufficient land south of the M23 spur remains safeguarded to allow for:

- Land-take requirements identified by GAL for the NRP; and
- Surface access proposals associated with long-term plan for a Southern Runway, as provided by GAL in additional information.

6. The removal of 44 ha from the safeguarded area will not prejudice access by GAL to other surface car park areas east of Balcombe Road associated with the long-term plan for a Southern Runway. **Appendix 1** demonstrates how access to all areas outside the EC4 allocation can be achieved.

7. The proposed northern access to Gatwick Green and the provision of part of the proposed diversion of Balcombe Road (associated with the infrastructure for the planned Southern Runway) could offer a pragmatic solution to reduce the number of future junctions and roads in this location, subject to agreement from GAL and the final alignment.

8. Balcombe Road is suitable to accommodate HGV traffic which will be routed to Junction 10 of the M23 via the improved interchange on Crawley Avenue. Improvements to J10 are due to take place in 2024 and subject to completion, improvements to the Crawley Avenue/Balcombe Road junction will follow in 2025/26.

9. It is necessary to protect the highway network and avoid HGV traffic using inappropriate roads, especially those to the north through Horley and to the east to Copthorne.

10. In accordance with the development management proposals set out in Strategic Policy EC4, the net developable area of Gatwick Green will be no more than 30 ha.

11. That the Development Framework Plan (DFP) contained in GGL's evidence represents the first stage in the development of the Masterplan required under Strategic Policy EC4, and that they will work together to agree a full Masterplan in accordance with policy.



12. Environmental, heritage and amenity considerations will be addressed by compliance with the provisions of Strategic Policy EC4, clauses o-v, and topic-specific policies in the SCBLP.
13. That GGL will support the proposed Modification to the Local Plan Planning Obligations Annex and the Reasoned Justification to Policy EC5 (paras 9.76 and 9.77), which provides flexibility for employment and skills measures in lieu of the financial contribution where it can be clearly demonstrated these would achieve greater benefits in delivering initiatives to help Crawley residents access employment opportunities, subject to negotiation and agreement with the council. This is as set out in the updated CBC Schedule of Suggested Modifications, version 5, dated 15 December 2023 (ref: CBC/CBLP/07e) and discussed in examination document PS/EGSM/EG/16: Explanatory Note on Proposed Modifications to Policy EC5: Employment and Skills & the Local Plan Planning Obligations Annex.
14. The development of the Masterplan and the planning application by GGL will need to comply with SCBLP policy, including by:
  - Addressing Biodiversity Net Gain in accordance with the requirements of the Environment Act 2021 and Policy GI3 of the SCBLP.
  - Providing Public Open Space and ensuring public rights of way are appropriately routed.
  - Where possible, retaining existing ecology and landscape assets.
  - Attenuating surface water prior to discharge into the drainage system.
  - Complying with the Aerodrome Safeguarding requirements relating to Gatwick Airport.
  - Including a vision-led approach to development, prepared in accordance with Department for Transport Circular 01/2022: 'Strategic road network and the delivery of sustainable development.

# Appendix 1

