

31 May 2013

Mr D Vickery
The Planning Inspectorate,
3/25 Hawk Wing,
Temple Quay House,
2 The Square, Temple Quay,
Bristol BS1 6PN

Dear Mr Vickery,

Proposed Outline of Additional Viability Work for Examination of the part Joint Core Strategy

Further to the note to hearing participants dated 24th May I am writing to outline the approach the Councils are proposing to take towards this work. Work has already commenced on the tasks outlined below, relying on our established evidence base wherever possible. In accordance with your suggestion at the Examination I am sending this outline to you at this stage so you can comment on whether the work described will be successful in providing you with sufficient information to allow you to assess the viability of the submitted plan. If you have any comment to make it would be very helpful to have this in the early part of next week.

Having regard in particular to para 173-177 of the NPPF and the guidance given in the Harman Report the Councils will produce a report on the viability of growth proposed in the emerging part Joint Core Strategy (that in the Broadland part of the Norwich Policy Area).

The work will consist of 5 specific tasks. Work will be undertaken on these tasks in parallel although to some extent inputs to some tasks will need to be defined from earlier work:

1) Assessment of likely implications of existing and proposed planning policy and infrastructure requirements

The purpose of this assessment is to systematically review the requirements of both draft policy 10 submission content of the JCS and other known policy and infrastructure issues.

With regard to policy 10 we are aware that the Examination represents an opportunity to test this policy to ensure that its requirements are not so onerous that they will hinder development coming forward or undermine the deliverability of the plan in accordance with the requirements of National Planning Policy

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Framework (NPPF) March 2012 Paragraph 173. A commentary systematically analysing the implications of policy 10 for development viability in the Broadland part of the NPA will be produced.

With regard to other existing policy, infrastructure and other requirements (including CIL) there is no opportunity to test these requirements through the current Examination process. Therefore these will be taken as fixed for the purposes of the viability exercise, albeit it should be recognised that in certain circumstances established local and national policies do allow these requirements to be relaxed where the viability of particular sites can be demonstrated to be prejudiced. A commentary systematically analysing the implications of other known policy and infrastructure requirements for development viability in the Broadland part of the NPA will be produced.

2) Development of a number of model site typologies representative of a range of scales to development and broad locations within the Broadland Part of the Area

An exercise is currently underway, using emerging work on the AAP for the NEGTT and the Broadland site allocations plan, to characterise the likely future development locations within the Broadland part of the NPA. This will identify that the vast majority of growth planned will be delivered in one of three core development areas or on smaller sites elsewhere (four broad development locations). This work will be developed to estimate typical overall net and gross site areas for each of these site areas.

Building on this, and the outputs from step 1, a range of robust cost assumptions will be generated to be typical of the development expected within each of the four broad locations. Typical existing site values will also be analysed across the four locations. A comprehensive list of relevant and robust and value assumptions will be developed.

Reflecting the different manner in which sites in these areas are expected to come forward a range of site typologies will be developed. These will cover typical developments expected within the Broadland part of the Norwich Policy Area and are likely to include smaller sites for residential development outside the NEGTT, smaller sites forming part of a larger development area, medium scale sites forming part of a larger area, and large strategic sites proposed for new mixed urban quarters and incorporating significant areas of employment land. Four site typologies will be developed.

3) Undertake simple typical residual valuation exercise of a range of site typologies across the broad locations identified within the Broadland NPA

Valuations will be undertaken using the HCA area wide viability model. Assumptions used will be made clear. Build out rates assumed will be consistent with the housing trajectories.

<http://www.homesandcommunities.co.uk/ourwork/area-wide-viability-model>

For simplicity it is suggested that the four separate typologies will be tested using the model, one in each of the broad locations (best fitted depending on the characteristics of the broad location).

This will generate residual valuations of each of proposed typical developments.

4) Consideration of whether land values indicate likelihood of competitive returns to a willing landowner


This consideration will be made using feedback from landowners, available local evidence and national guidance in the Harman report. It will consider viability both within the next 5 years and over the longer term.

5) Provide overview commentary arising from 1-4 above and draw conclusions regarding the implications of this for the delivery trajectories of proposed growth within the Broadland Part NPA

This commentary will form the basis of the report submitted. It is anticipated it will be no more than 10 sides in length with the results of tasks 1-4 attached as appendices. Cross reference to the existing submitted evidence base will be included wherever possible to minimise length.

This work will be produced for submission on 21st June for Examination on 24th and or 25th July. In the meantime the GNDP are seeking the views of its legal advisor on this matter.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'S Eastaugh'.

Sandra Eastaugh
Greater Norwich Development Partnership Manager

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