

Greater Norwich Local Plan Examination in Public (Part 1)

Matter 2, Issue 3

Statement on behalf of Halsbury Homes Ltd



MATTER 2 – VISION, OBJECTIVES AND THE SPATIAL STRATEGY

Issue 3 – Economy

Q1. Is the identified need for around 360 hectares of employment land supported by robust and credible evidence?

Q2. Does the evidence clearly support that the development of 360 hectares will aid the delivery of 33,000 additional jobs?

[Jointly prepared with Turley]

- 1.1 The target of delivering 33,000 additional jobs over the plan period has not changed since the early iterations of the GNLP. We raised concerns with the evidence underpinning this target at Reg 18 and Reg 19 states of the Plan on the grounds that it significantly underplays the economic potential of the GNLP area.
- 1.2 Technical reviews of the evidence base underpinning the economic strategy of the GNLP were submitted as part of the representations made by David Lock Associates for both the Regulation 18C (March 2020) and Regulation 19 (March 2021) consultations, contained within the "*Technical Review of Housing Needs in Greater Norwich*" (produced by Turley¹). The technical review submitted for the Regulation 18C consultation was supported by bespoke demographic modelling commissioned from Edge Analytics.
- 1.3 The Turley review of the GNLP assessment evidence underpinning the Regulation 18C Version of the GNLP found that this failed to robustly evidence the 33,000-job target because:
 - (a) The target originated from a comparatively dated Employment Land Assessment (2017) ('ELA');
 - (b) Evidence exists of comparatively strong job growth over the 2018 – 2020 period, with in the order of 5,000 jobs created each year on average. This evidence of strong job growth reflects the success of local investment to date through the City Deal and other initiatives;
 - (c) A misinterpretation of the approach applied in the ELA in the generation of its enhanced growth scenario, upon which the 33,000-job target is based. This recognises that the scenario was developed on the basis of long-term stronger growth in key sectors, which assumed a rising trajectory of job growth averaging in the order of 2,000 jobs per annum. The GNLP Authorities approach to "netting-off" strong job growth to date fundamentally fails to acknowledge this profile, assuming instead that the rate of job growth falls closer to the baseline scenario for the remainder of the projection period; and

¹ GNLP Representation ID: 23077 & 24458.

- (d) A failure to acknowledge the ongoing commitment of the GNLP Authorities' and partners to continue to facilitate stronger job growth supported by commitments to deliver new infrastructure investments as well as the delivery of priority employment locations.
- 1.4 The Pre-submission version of the GNLP (Regulation 19) was supported by some updated economic evidence documents: namely *Greater Norwich Town Centres & Retail Study Update (December 2020)*; *Economic Land Assessment Addendum 2020 (November 2020)*; and a *GNLP Briefing Paper* on the updated economic evidence (*December 2020*). However, this updated evidence did not address the shortcomings of the evidence identified previously as summarised above and as such our concerns remain unaddressed and relevant for the purposes of the examination.
- 1.5 The Council's addendum evidence relies on a baseline forecast from Experian, rather than the East of England Forecasting Model (EEFM), that unusually assumes minimal job growth beyond 2022. Nevertheless, the addendum presents and analyses a baseline forecast as well as 'an alternative growth scenario' because it is recognised that "...given the nature of the Greater Norwich economy it is unlikely 'business as usual' will be a true reflection of the future economy."²
- 1.6 The 'alternative growth scenario' accounts for the City Deal, the opportunities associated with the emerging Cambridge-Norwich Tech Corridor and other economic assets. However, this approach appears to be grounded in national rather than local evidence and adds less than 500 extra jobs to the baseline over the 18-year period to 2038. This would represent a poor return on investment, especially where Greater Norwich has recently proven to be extremely successful in translating investment into new jobs.
- 1.7 The addendum evidence does account for the ongoing pandemic and whilst we appreciate that it is a challenging time in which to undertake an assessment of economic performance it is considered that the addendum evidence - in presenting the baseline as a justification for the Council's continued job growth target - fails to fully appreciate the importance of this inherent limitation. This is particularly the case where such a muted economic outlook in the forecast contrasts significantly with:
- (a) The GNLP's acknowledgement that between 2015 and 2018 the area saw around 15,000 jobs created, or circa 5,000 jobs per annum, and that back to 2011 the economy has grown by around 15% (29,100 jobs); and
 - (b) A recognition that this job growth has in no small part been supported by City Deal interventions and investment.

² Paragraph 4.1 of Employment Land Assessment Addendum (November 2020) (GNLP Document Reference: B3.10).

- 1.8 In short, the evidence underpinning the economic strategy of the GNLP throughout the process and as currently presented fails to fully appreciate the unique local circumstances of the GNLP area and ongoing incentives/commitments to economic growth, which in turn significantly underplays the future potential of the GNLP area.
- 1.9 The knock-on impact of an economic strategy which significantly underplays the future economic potential of the GNLP area is that the housing needs assessment fails to properly project the appropriate housing need for the likely future workforce.
- 1.10 We question whether the GNLP economic strategy as submitted is justified³ based on the current evidence underpinning the Plan. Therefore, we suggest that an up-to-date assessment of the employment growth likely to result from ongoing investment and growth plans throughout Greater Norwich would be useful to complete as part of the Main Modifications. As part of this update, we suggest that the economic modelling errors that we have identified previously should be corrected⁴.

³ As defined at paragraph 35 of the National Planning Policy Framework (2021).

⁴ Refer to *Technical Review of Housing Needs in Greater Norwich* (produced by Turley) in support of the Regulation 18C submissions made by David Lock Associates. Representation ID: 23077.