



GREATER NORWICH LOCAL PLAN EXAMINATION

Examination Hearing Statement for Matter 2

**Response on behalf of Pigeon Investment Management Ltd and their
Landowners**

January 2022

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1. INTRODUCTION

1.1 This Hearing Statement has been prepared by Pigeon Investment Management limited ("Pigeon") and their Landowners, in respect of a number of land interests within both Broadland and South Norfolk Districts.

1.2 Pigeon has previously submitted representations in response to the Greater Norwich Local Plan (GNLP) and the accompanying Sustainability Appraisal (SA), including the Pre-Submission Regulation 19 Publication Stage, where we submitted representations in support of the following sites:

- Land north of Brecklands Road, Brundall (GNLP0352)
- Land at Nelson Road, Diss (GNLP1045)
- Land at Walcot Green Lane, Diss (GNLP1044R)
- Land at Hethersett (GNLP4054, GNLP1023BR, GNLP4052, GNLP4052)
- Land at Dereham Road, Reepham (GNLP0353R)
- Land at Rightup Lane, Wymondham (GNLP0355)

2. MATTER 2 – VISION, OBJECTIVES AND THE SPATIAL STRATEGY

Issue 2 – Housing Growth

Q1. Is the identified need of around 40,550 new homes as set out in Policy 1, soundly based and does it accord with national planning policy and guidance?

2.1 Appendix 11a (A8.19) to the Statement of Consultation (A8.1) states (page 111):

"The level of housing need for Greater Norwich is identified by using the government's standard methodology."

2.2 Appendix 3 'Housing Numbers in the GNLP' (see D3.2) to the Policy 1 Growth Strategy Topic Paper (D3.1) sets out (p. 15 onwards) the three steps that the GNLP has taken to 'establish the scale of housing growth' in the GNLP:

- Step A: Calculating the Local Housing Need ('LHN')
- Step B: Providing a buffer to ensure delivery of the LHN
- Step C: Using additional evidence

2.3 Step A essentially follows the Standard Method for calculating Local Housing Need as set out in PPG. Subject to some slight variations, the Standard Method generates a figure of between 1,972 and 2,027 homes per year – equivalent to approximately 40,000 homes over the 20-year plan period (or approximately 40,550 homes if using the annual figure of 2,027 homes).

2.4 Step B is the adding of a 10% 'buffer' to this figure to assist in ensuring the deliverability of enough homes, as some sites allocated and permission granted are not delivered. This thus adds approximately 4,000 to 4,055 homes to the Step A figure, resulting in a total figure for the plan period of approximately 44,500 homes.

2.5 Step C includes two considerations – demographics and economic growth.

2.6 With regard to demographics the Topic Paper explains that the 2018-based household projections forecast higher growth than the 2014-based projections, and that if these had been used the Standard Method would have generated a figure of approximately 2,257 homes per year – i.e. an additional 230 homes each year. This would have increased the total LHN for the plan period by 4,600

- homes, rounded to 5,000 homes, from 44,500 to 49,500 homes. The Topic Paper refers to this as a (12%) 'flexibility allowance'.
- 2.7 With regard to economic growth the Topic Paper surmises that the delivery of 44,500 homes would support approximately 32,400 economically active people and 41,200 jobs (just over 2,000 jobs per year). At para. 168 the GNLP states that the Plan seeks to provide for a trend-based increase of 33,000 jobs (1,650 jobs per year), yet at para. 66 it notes an increase of 29,100 jobs over just 7 years (over 4,000 jobs per year). If economic growth were to occur at the rate experienced between 2011 and 2018, only half the number of homes required would be provided; if economic growth were to occur at a mid-point between the long-term trend and the rate experienced between 2011 and 2018 (i.e. at approximately 3,000 jobs per year), only two-thirds of the homes required would be provided.
- 2.8 PPG (ID: 2a-001-20190220) states:
- "Assessing housing need is the first step in the process of deciding how many homes need to be planned for. It should be undertaken separately from assessing land availability, establishing a housing requirement figure and preparing policies to address this such as site allocations."*
- And (ID 2a-002-20190220):
- "The standard method ... identifies a minimum annual housing need figure. It does not produce a housing requirement figure."*
- And (ID: 2a-010-20201216):
- "The standard method for assessing local housing need provides a minimum starting point in determining the number of homes needed in an area. It does not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour. Therefore, there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates."*
- 2.9 The process outlined in the PPG can be summarised as:
- Step A: Assess housing need, taking into account i) the Standard Method LHN, and ii) other factors such as demographics and economic growth
 - Step B: Assess land availability and establish housing requirement
 - Step C: Prepare policies and site allocations to meet housing requirement
- 2.10 The approach taken in the preparation of the GNLP has not followed the process outlined in the PPG in two significant and important ways:

- 1) The approach has taken into account demographics and economic growth, but NOT in relation to the calculation of 'housing need' (i.e. Step A), and instead in relation to the supply of sites (i.e. Step C).
 - 2) The approach has not established a housing requirement.
- 2.11 With regard to (1), taking into account demographics (i.e. the 2018-based household projections) increases the Standard Method LHN to a figure of 45,100 homes. However, it is evident from the discussion above regarding economic / job growth that this might not be sufficient to support recent / potential levels of growth. Adding between 5-10% (justification would be required for whatever was to be added) on to this figure results in a total of 47,350 – 49,610.
- 2.12 With regard to (2), it would therefore be appropriate to establish a housing requirement of at least the identified need – e.g. 49,600.
- 2.13 Adopting the approach taken in the GNLP and then adding a 10% deliverability buffer would result in sites having to be found for approximately 54,560 homes, some 5,000 more than proposed in the Plan.

Summary: In calculating the housing need, the Plan does not follow the process set out in the PPG – whilst it takes demographics and economic growth into account it does so in relation to identifying housing sites, not as part of the identifying housing need. It also does not identify a housing requirement. In both respects it is therefore contrary to national policy and guidance.

Q2. Is the settlement hierarchy set out in Policy 1 appropriate and consistent with the evidence?

- 2.14 Under the heading of 'the settlement hierarchy' the Policy 1 Growth Strategy Topic Paper (REF) states (para. 82) (our emphasis):
- "The Growth Options document also discussed options for defining the settlement hierarchy, using the hierarchy from the JCS as a starting point."*
- 2.15 It continues (our emphasis):
- " The document stated in question 23 that the top three tiers of the JCS hierarchy e.g. Norwich urban area, main towns and key service centres have well defined criteria which it was not proposed to change."
- 2.16 And:

“It then went on to identify the possibility of combining tiers 4-6, that is service villages, other villages and smaller rural communities and the countryside into a single tier of ‘village groups’.”

2.17 It is one thing to have used the settlement hierarchy in the JCS as a ‘starting point’, but another to adopt this without further assessment (as appears to have been the case).

2.18 Preparation of the JCS commenced in 2007 (14 years ago) with it being adopted in 2013 (8 years ago). Adopting the settlement hierarchy from the JCS without further reappraisal of the settlements results in the Plan being underlain by a hierarchy that has not considered the changes that have taken place over the intervening years, whether physical changes to those settlements, changes to planning policy, or otherwise. As such, it is considered that the

Summary: The settlement hierarchy in the Plan is not based on an up-to-date appraisal of individual settlements or a consideration of the appropriateness of the hierarchy against current circumstances or policy.

Q4. Is the distribution of growth in line with the settlement hierarchy justified by the evidence?

2.19 The levels of delivery proposed in the Norwich urban are likely to be challenging to deliver. Policy 1 would require an annual delivery rate within the urban area in excess of 1,635 dwellings per annum. This requires that the level of development in the Norwich urban area alone is only slightly below that which has been achieved across the entire GNLP plan area over the last decade. This is unlikely to be realistic. If the necessary boost to housing supply is to be achieved it is likely that a greater range and choice of sites across all of the sustainable settlements within the plan area will be required.

2.20 This is reflected in the Sustainability Appraisal which assessed a range of potential options as identified in Figure 5.3. Options 1, 2 and 3 assessed the delivery of 33,380, 32,280 and 32,080 homes respectively in Norwich urban area as compared to the 32,691 proposed in the GNLP. The Sustainability Appraisal concluded in Box 5.3 that all of these options would be harder to deliver than other options because they focus growth in locations that have already seen significant growth, have significant outstanding commitments and have experienced delivery issues.

- 2.21 Policy 1 relies upon the effective operation of Policy 7.1 (The Norwich Urban Area Including Fringe Parishes) to achieve these aspirational rates of development which the Sustainability Appraisal acknowledges will be challenging.
- 2.22 In order to provide a deliverable and effective GNLP and to provide sufficient flexibility in accordance with paragraph 11a of the NPPF including to respond to the lower levels of delivery that will actually be achieved in the Norwich urban area, it will be necessary to identify a sufficient range and choice of sites by allocating more housing to some of the Main Towns and Key Service Centres.
- 2.23 The Main Towns are acknowledged to play a vital role in the rural economy, providing employment opportunities and services for their hinterlands and operating as engines of rural growth with good access to services in paragraph 346 of the GNLP. Similarly, the Key Service Centres are acknowledged to have a good range of services, with access to public transport and employment which plays a vital role in serving rural areas according to paragraph 372. These settlements therefore provide highly sustainable locations for meeting a greater proportion of growth across the GNLP area.
- 2.24 The role of such settlements is likely to have become even more integral to the sustainable operation of the GNLP area as a result of the current pandemic for a number of reasons. There has been a significant increase in home-working with workers spending their working days at home in the Main Towns and Key Service Centres with a greater reliance on local services, facilities and infrastructure. In order to support this new way of working, it will be necessary to support the delivery of new services, facilities and infrastructure including healthcare, sports and schools to meet the existing identified needs but also to provide for a distribution of development that supports a population capable of sustaining existing and new services and facilities.
- 2.25 Additionally, as a result of the pandemic, households are seeking homes with greater access to open space and the countryside rather than the limited opportunities provided in more urbanised areas such as Norwich. In order to respond and to provide the homes that households are seeking it would therefore be appropriate to support a greater proportion of housing in the Main Towns and Key Service Centres to both support existing and new facilities, meet

- the existing need for infrastructure and facilitate greater access to the recreational opportunities.
- 2.26 In order to address this, the spatial strategy should be reviewed to ensure that a sufficient number of homes are delivered to support the vitality of each of the Main Towns and Key Service Centres and to ensure that opportunities to provide supporting facilities or employment where these will enhance the sustainability of the community are considered favourably.
- 2.27 The above should also be viewed in the context that the identified housing need does not accord with national policy and guidance (see our response to Question 1). It is therefore evident that the quantitative elements of the Spatial Strategy will need to be revised to ensure that housing needs can be met across the GNLP area. Given the above, this should be achieved by directing more growth to some of the Main Towns and Key Service Centres to counterbalance the challenges of increased delivery in the Norwich Urban Area.

Summary: The role of the Market Towns and Key Service Centres should be enhanced to reflect their increased role and prominence in the post-pandemic society, which can be achieved by the direction to them of the additional housing required.

Q6. Is the identification of a supply buffer of 22% against the housing requirement justified?

- 2.28 The 22% figure comprises the 10% 'deliverability buffer' and 12% 'flexibility allowance'. As noted in our submission relating to Question 1, the 12% flexibility allowance (and potentially more) should form part of the identified housing need. As such the 'buffer' is only 10%; however, this too is predicated on a number of assumptions as the Plan does not establish a housing requirement but simply uses the minimum Standard Method LHN as a proxy, directly contrary to national policy and guidance.
- 2.29 Summary: The Plan does not include a 'buffer' of 22% against the housing requirement as it incorrectly calculates housing need and does not establish a housing requirement.

Q7. Is the figure of 1,200 homes assigned to the South Norfolk Village Clusters Housing Site Allocations Local Plan justified?

2.30 The Plan states (para. 32):

"South Norfolk District Council is at an advanced stage with its Village Clusters Housing Allocations Local Plan. ... There is an aspiration for every village cluster to have new housing sites allocated, with a focus on smaller sites, and to be in accordance with the overarching GNLP strategy which identifies sites for a minimum of 1,200 additional homes"

2.31 This makes it clear that the basis for the 1,200 home figures is the GNLP. Yet there is no explicit justification for this figure.

Summary: There is no justification for the 1.200 home figure assigned to the South Norfolk Village Clusters Housing Site Allocations Local Plan.

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?

2.32 We do not consider that the need for around 360 hectares of employment land is supported by credible and robust evidence; or that the evidence clearly supports that the development of 360 hectares of employment land will aid the delivery of the 33,000 additional jobs.

2.33 The target for 33,000 additional jobs is identified within Policy 1 for the period 2018 - 2038. The GNLP incorrectly cites the East of England Forecasting Model from 2010 (paragraph 168, footnote 54 of the GNLP) as the source of this target but goes onto correctly cite the source as the Avison Young Greater Norwich Employment Land addendum (2020) (paragraph 289 of the GNLP).

2.34 The Avison Young report (table 25) states that 7,754 of the 33,000 jobs will be within former B-use classes and that 76.4ha of former B-use employment land

is required. The GNLP (paragraph 289) confirms that there is no quantitative need for additional employment sites to meet this need. However, the GNLP includes an over allocation of 283.6ha relative to the identified need.

- 2.35 Whilst we acknowledge and support the principle of over allocation of employment land to assist economic growth, the over-allocation within the GNLP is proposed without regard to the need for a greater number of new homes to accommodate the resultant workforce. As a result the GNLP will either fail to deliver the proposed jobs growth or lead to increased in-commuting from outside of the GNLP area, contrary to paragraph 105 of the NPPF.

Summary: The need for around 360 hectares of employment land is not supported by robust and credible evidence; and the evidence does not clearly support that the development of 360 hectares will aid the delivery of 33,000 additional jobs.