Matter 6 – Homes (Policy 5) Persimmon Homes Ltd, Hopkins Homes Ltd, Taylor Wimpey UK Ltd



GREATER NORWICH LOCAL PLAN EXAMINATION (PART 1) HEARING STATEMENT

Quality Assurance

Site name:

Client name:

Type of report:

Prepared by: Signed

Date

Reviewed by:

Signed

Date



Greater Norwich Local Plan Examination (Part 1) Persimmon Homes Ltd, Hopkins Homes Ltd, Taylor Wimpey UK Ltd

Hearing Statement

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13th January 2022

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13th January 2022

1.0 Introduction

- 1.1 This Hearing Statement has been prepared by Bidwells LLP on behalf of Persimmon Homes Ltd, Hopkins Homes Ltd and Taylor Wimpey UK Ltd (hereafter 'the Consortium') in support of representations made to the Greater Norwich Local Plan. By way of background, the Consortium are promoting land off Blue Boar Lane/Salhouse Road, White House Farm, Sprowston – site GNLP0132 – for residential-led development of approximately 1,000-1,200 dwellings.
- 1.2 This Statement provides the Consortium's response to Matter 6, Issue 1 of the Inspectors' Matters Issues and Questions (Part 1), specifically questions 4 and 11.

2.0 Issue 1 – is the policy for affordable housing justified, effective and consistent with the evidence and national policy?

2.1 <u>Q4. Policy 5 allows for a viability assessment to be submitted at decision-making stage for</u> brownfield sites. Is the approach justified and consistent with national policy?

- 2.1.1 This approach is neither justified nor consistent with national policy, as it restricts the use of application stage viability assessments to brownfield sites only. Whilst viability testing has been undertaken at the plan making stage (notwithstanding our concerns about robustness of the Viability Study, see separate representations), there is the potential that unforeseen matters will arise during the preparation of an application that will influence development viability. These could, for example, include an increase in build costs, which as we have seen in recent years, is not offset by a similar increase in sales values. In addition, notwithstanding the work done at the local plan promotion stage, which tends to be desktop assessments, there is the potential that unforeseen costs associated with matters such as archaeology and contamination will arise as the preparation of a planning application is progressed. There is also the potential that changing Government guidance/policy will impact the viability of a development. In recent years continually evolving guidance in relation to flooding and surface water drainage has impacted the quantum of development that can be secured on a site, as well as the cost of development. These issues are not restricted to brownfield sites only, and are just as likely to affect greenfield sites. All of this requires flexibility in relation to viability and ultimately the need to be able to undertake an application stage Viability Assessment.
- 2.1.2 Furthermore, the approach set out in Policy 5 is not consistent with national policy; paragraph 58 of the NPPF does not restrict application stage viability assessments to brownfield sites only it allows the weight given to such an assessment to be determined by the decision maker having regard to all the relevant circumstances of the specific case. It is important that this approach is carried through to the Greater Norwich Local Plan, so that all sites, greenfield or brownfield, have the ability to submit an application stage viability assessment should their circumstances change in the period between plan making and submission of an application.

Suggested Revisions/Modification

2.1.3 This part of the policy should be expanded to allow for application stage viability assessments for all sites, in order to ensure that the approach is justified and consistent with national policy. This can be achieved through the deletion of the wording, "for brownfield sites" from this part of Policy 5.

2.2 <u>Q11. Does the policy sufficiently recognise the need for viability considerations? Has the impact of affordable housing requirements on the viability of schemes been robustly assessed?</u>

- 2.2.1 The impact of affordable housing requirements on the viability of schemes has not been robustly assessed, and the policy does not sufficiently recognise the need for viability considerations.
- 2.2.2 The policy is underpinned by the Viability Appraisal prepared by NPS Group in December 2020. As set out in the Regulation 19 Representations prepared by Intali (ID: 23833, 23835 and 23836), it is considered that there are a number of significant flaws in the Viability Appraisal, particularly in relation to typology 11 – the 1,000-unit Urban Fringe/Main Town typology. These concerns are set out in detail in the above referenced Regulation 19 Representations and are not repeated here, but in summary, the key issues relate to Benchmark Land Value, Revenue Assumptions, and the net-to-gross site area ratio and approach to open space provision adopted for typology 11.
- 2.2.3 Given these flaws in the evidence base, it is considered that the impact of affordable housing requirements on the viability of schemes has not been robustly assessed, particularly in respect of those sites that fall under typology 11, such as GNLP0132 (Land off Blue Boar Lane/Salhouse Road, White House Farm, Sprowston).
- 2.2.4 Notwithstanding our comments in relation to question 4 (i.e. that application stage viability assessments should be allowed for all types of site in accordance with NPPF paragraph 58), the Planning Practice Guide (PPG) (paragraph 10-002-20190509) is clear that the role for viability assessment is primarily at the plan making stage. Policy requirements should be set at a level that takes account of affordable housing and infrastructure needs (our emphasis added) and allows for the planned types of development to be deliverable, without the need for further viability assessment at the decision-making stage. Therefore, although the Partnership have informally indicated to the Consortium that they would be willing to consider a site-specific viability assessment for GNLP0132 at application stage, there needs to be confidence at this stage that the policy as drafted is deliverable. Indeed, the Planning Practice Guide (paragraph 10-005-20180724), states that it is important to consider the specific circumstances of strategic sites at plan-making stage.
- 2.2.5 In relation to the question of how viability for education provision should be addressed at planmaking stage, the PPG (paragraph 10-029-20190509) states that, "It is important that costs and land requirements for education provision are known to inform site typologies and site-specific viability assessments.". The Viability Study does not include any consideration of the costs or land requirements of the proposed secondary school, but instead suggests that this will be addressed through the separate assessment of individual strategic sites. Paragraph 56 of the Viability Study states, "With regard to the assessment of 'specific circumstances of strategic sites' it is acknowledged that such sites will be impacted by strategic infrastructure costs over and above the usual developments costs of an average development site." Paragraph 57 goes on to say, "These strategic sites will be appraised in greater detail independently." However, this independent appraisal does not appear to have taken place.
- 2.2.6 On the matter of the specific costs and land requirements of the proposed secondary school (or any other form of strategic infrastructure) on site GNLP0132 there is also a lack of clarity. Officer level discussions have indicated that there may be scope for shared use of sports pitches, and the potential to forego the provision of a primary school, but this is not reflected in the wording of Policy GNLP0132. Whilst it may be more appropriate to discuss the specifics of this in more detail during

the Part 2 Hearing Sessions, it is also relevant at this stage as it demonstrates that the approach taken is not in accordance with the PPG; these factors are likely to have a significant bearing on the impact of accommodating the secondary school on the site's viability.

2.2.7 Without greater clarity and certainty about the impacts of strategic infrastructure on the viability of the larger sites, it is not possible to be confident that these sites are deliverable with the levels of affordable housing currently proposed.

Suggested Revisions/Modification

- 2.2.8 The Viability Study needs to be revisited, and the issues relating to BLV, Revenue Assumptions and the assumptions underpinning typology 11 addressed.
- 2.2.9 In addition, site-specific viability assessments should be undertaken for the strategic sites, including GNLP0132, to ensure that the viability implications of accommodating strategic infrastructure are properly understood, and other developer contributions such as affordable housing adjusted accordingly if required.



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