

## **HEARING STATEMENT FOR**

# **GREATER NORWICH LOCAL PLAN EXAMINATION**

## **MATTER 6**

**ON BEHALF OF BARRATT DAVID WILSON HOMES (EASTERN  
COUNTIES)**

**TOWN & COUNTRY PLANNING ACT 1990 (AS AMENDED)  
PLANNING AND COMPULSORY PURCHASE ACT 2004**

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## **Matter 6 - Homes (Policy 5)**

### **Issue 1 - Is the policy for affordable housing justified, effective and consistent with the evidence and national policy?**

**Q.1. Are the requirements for affordable housing set out in Policy 5 justified by the evidence? Q.2 - Is the 33% requirement across the Plan area outside of Norwich City Centre justified by the evidence?**

No. The LHNA identifies an affordable housing need of 10,007<sup>1</sup> dwellings over the plan period and an overall housing need of 39,440<sup>2</sup>. Whilst there are other factors that will influence the true number of affordable homes that will be required the figure of 10,007 is the most up to date figure that is available. This represents 25% of the overall housing need. The Local Plan proposes a higher overall housing figure of 49,500, which includes a buffer. The figure also includes windfall sites, which are unlikely to deliver affordable housing.

It is reasonable to estimate that somewhere in the region of 10% of the 49,500 new homes would be delivered on sites where no affordable housing is provided. This would leave 40,550 that would be subject to the requirements of Policy 5. Assuming a 30/70 split between sites in Norwich City Centre (at 28% affordable housing) and outside (at 33% affordable housing), then this would still deliver 12,773 affordable homes. This greatly exceeds the affordable housing need of 10,007 homes. The councils have to demonstrate that the requirements of Policy 5 are justified and viable at the plan-making stage otherwise every development would need to do this at the application stage, which is an unreasonable burden.

**Q.4. Policy 5 allows for a viability assessment to be submitted at decision-making stage for brownfield sites. Is this approach justified and consistent with national policy?**

No. The specific mention of viability assessments only with reference to brownfield sites could lead the decision maker to conclude that viability assessments are not acceptable

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<sup>1</sup> Para. 19

<sup>2</sup> Para. 8.2

for all other sites. This is inconsistent with the NPPF<sup>3</sup>, which states "*It is up to the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage.*" The NPPF does not seek to restrict which types of sites should be subject to viability assessments. Therefore, Policy 5 should be amended so that it is clear that viability assessments can be submitted for any site. In accordance with the NPPF, the weight given to any viability assessment will be a matter for the decision maker, having regard to all the circumstances in the case, including whether the plan and the viability evidence underpinning it is up to date, and any change in site circumstances since the plan was brought into force. Abnormal costs are not just associated with brownfield sites and any changes in site circumstances after the plan is brought into force would also be applicable to other sites.

We wish to make clear at this stage that this approach does not and should not be used to avoid the need of the Council to test viability of the overall affordable housing requirement for the plan as a whole (as explained above in relation to question 11 below).

**Recommendation: The wording of criterion b) of the Affordable Housing section of Policy 5 should be amended to remove the word 'brownfield':**

*b) for ~~brownfield~~ sites where the applicant can demonstrate that particular circumstances justify the need for a viability assessment at decision-making stage;*

**Q.9. Is the requirement for 10% of the affordable housing to be for affordable home ownership justified? Is this requirement sufficiently clear for the policy to be effective?**

No. Whilst this accords with the NPPF<sup>4</sup>, without clarification the text in Policy 5 could be interpreted by a decision maker as requiring the remaining 90% to be for social or affordable rent. Such a tenure split has not been modelled in the councils' viability work and would further reduce any revenue from the sale of intermediate housing products.

**Q.11. Does the policy sufficiently recognise the need for viability considerations? Has the impact of affordable housing requirements on the viability of schemes**

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<sup>3</sup> Para. 58

<sup>4</sup> Para. 64

**been robustly assessed?**

No. The Councils have not demonstrated that the requirement for 33% affordable housing outside Norwich City Centre is viable. In addition to this there is an absence of any assessment of the costs associated with EV charging points and the reduced revenue from self-build plots in the councils' viability work.

Whilst our client does not want to add anything further about NDSS and M4(2) requirements, by responding to the relevant questions, they still wish to highlight the additional impact that these will have on the viability of developments. It is essential that all these matters are taken into account at the plan making stage to ensure that their cumulative impacts do not render sites undeliverable.

**Recommendation: A further viability assessment needs to be carried out to confirm that all the affordable housing requirements of Policy 5 are deliverable.**

**Matter 6 - Homes (Policy 5)****Issue 5 - Self/Custom Build housing**

**Q.1. Is the requirement for at least 5% of plots on sites of 40 dwellings or more to be self/custom build housing justified by the evidence and consistent with national policy? Has this requirement been subject to viability testing?**

No. Whilst councils are required to promote self and custom build plots there is no nationally prescribed way for them to do so. The councils propose policies to deliver self and custom build plots on large scale developments and through windfalls. However, the evidence in the LHNA<sup>5</sup> shows that past demand has been met without plots being delivered on larger sites. The LHNA also concludes that a greater number of self-build plots are likely to have been delivered as some were not explicitly submitted as self-build and custom housebuilding applications<sup>6</sup>. It is clear that the register is not a true reflection of demand and that those wishing to self-build have found opportunities to do so on sites they have

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<sup>5</sup> Figure 63

<sup>6</sup> Para. 9.40

found themselves.

Using Policy 5 as the principal policy to secure self and custom build plots introduces complexity and delay to the delivery of major developments, and potentially delivers plots on sites that are not appealing to people on the councils' register. Moreover, as densities can be lower for self-build areas, as they often require separate accesses and space for individual sites compounds, this could reduce the numbers of market and affordable homes delivered by allocated sites.

Councils can request applicants to provide additional information to support a greater understanding of the nature of demand for self-build and custom housebuilding in their area, inform local planning policies and assist in bring forward appropriate land<sup>7</sup>. By using preferences expressed by those on their registers it can guide decisions when looking at how to meet the duty to grant planning permission for self and custom build plots. Councils can also introduce a local connection test<sup>8</sup> as part of their registers to focus where self-builders can apply for plots.

By providing a mechanism for self-builders to secure planning permission on sites adjacent to villages, that would only be permitted by the amended wording of Policy 7.5 for self and custom build housing, it ensures that permission will be granted on sites where people on the register are keen to live. It is essential that this approach to identifying the sites, or types of locations with the greatest prospect of attracting self and custom builders be carried out at the plan preparation stage. This would ensure that Policies 5 and 7.5 are effective and that the application of Policy 5 in particular does not delay or impact negatively on the delivery of other types of housing.

No account is taken of the profit derived from the sale of self-build against market dwellings in any of the councils' viability work. Therefore, there is no evidence that the 5% requirement will not make sites unviable.

## **Q.2. Is there evidence to indicate that this level of provision will be delivered?**

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<sup>7</sup> NPPG Para. 006 Reference ID: 57-006-20210208

<sup>8</sup> NPPG Para. 019 Reference ID: 57-019-20210208

Taking 5% of the total allocations in the Local Plan<sup>9</sup> would equate to 2,369 self-build plots being delivered. Some of the 800 homes identified to come forward under Policy 7.5 will also be self-build plots. Based evidence from the councils' register<sup>10</sup> of numbers between 2016 and October 2020 (approximately 100 per annum) it is clear that Policy 5 alone will deliver more self and custom build plots than number of people on the councils' register. However, once the existing and any future need is met Policy 5 will still require applicants to demonstrate a lack of need for self and custom build plots.

It is likely that the councils' register will always have people on it, as the self and custom build plots that are delivered may not be acceptable or desirable for all those on the register, especially those not wanting to live on large-scale developments. Therefore, the only way open for applicants to subsequently demonstrate a lack of demand for their specific plots is to market them for 12 months. Whilst this process allows any unsold plots to subsequently be developed, the costs of developing them, especially if the developer has already moved off site, is likely to be greater than if they were built out as part of the wider development proposals.

The introduction of a local connections test would help direct permissions to sites where people on the register may have ties to specific parishes and want to live. This will ultimately build stronger and more resilient communities by allowing people to contribute socially and economically to parishes where they have cultural and historical relationships. Delivering self and custom build plots on major developments will not maximise the potential to capitalise on building stronger rural communities and greater social resilience as self and custom builders will have less choice where they can build their homes. Therefore, increasing the thresholds in Policy 7.5 for self and custom build plots only, and removing the requirement from Policy 5, are the most effective way to capitalise on these social benefits.

**Recommendation: The Councils should introduce a local connections test to focus permissions for self and custom build in locations where people want to live. These permissions will be deliverable if applications comply with the amended wording of Policy 7.5. Alongside the amendment of Policy 7.5, Policy 5 should be amended to remove the requirement for 5% of plots on developments of 40**

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<sup>9</sup> 47,396 dwellings

<sup>10</sup> Figure 63

**dwelling or more to be self and custom build plots.**