Greater Norwich Local Plan Examination in Public (Part 2)

Matter 15

Statement on behalf of Halsbury Homes Ltd









Greater Norwich Local Plan Examination

On behalf of Halsbury Homes
Our ref 64264/01/MS/BHy
Date 11 February 2022

Subject Matter 15 - Housing Provision

Does the Plan set out a positively prepared strategy for the supply and delivery of housing development that is justified, effective and consistent with national policy? In particular:

Q1. Should Table 6 of the Plan be updated to a base-date of 1st April 2021?

1.1 Yes, to reflect the most up to date position. As per our Matter 2 (Issue 2) statement, this update should consider discrepancies between the completion figures in 2018/19, 2019/20, and 2020/21.

Q2. Taken as a whole, do any alterations to the site-specific delivery assumptions (arising under previous matters) significantly alter the overall housing land supply position?

Taking together our amends to the supply (detailed in our risk assessment in Matters 2, 9, 10, 11, and 12 responses – as well as our response to Question 5 below) the overall housing land supply position has been significantly altered. Alongside this, the Examination has heard submissions that demonstrate that a higher housing requirement is justified in the Greater Norwich area. Bringing together our analysis and submissions (oral and written) from earlier matters, we consider that more sites need to be identified in this plan to ensure it is positively prepared and effective. We address the housing requirement matter here because it is material to the nature of the land supply position, particularly with regard to the appropriateness of the buffer.

Housing requirement

- As discussed in the Matter 2 hearing sessions, there are local reasons as to why this plan should seek, as a minimum, to deliver housing growth above that identified through the standard method for assessing local housing need; including:
 - 1 Local delivery in the past five years (prior to the pandemic) is 2,392 dpa on average, 365 homes above the minimum local housing need;
 - 2 The 2018 population projections are in excess of the 2014 projections. When applied through the methodology of the standard method, it outputs a higher level of need at 2,218 dpa compared to 2,027 dpa using the 2014 projections; and
 - When accounting for economic growth ambitions, higher population projections and the need to ensure the evidenced level of affordable housing need is delivered, c.49,000 to 50,000 home requirement may need to be delivered in the plan-period (as generally discussed in the Matter 2 hearing sessions). This is what we consider should be the housing requirement (plus a 20% buffer).

1.3

¹ in accordance with PPG - ID: 2a-010



Land supply risk assessment

- 1.4 The Partnership identify a 22% buffer; however, as per our Matter 2 (Issue 2) statement this is miscalculated and the buffer that is in fact being provided is only 19% (based on the Moderate Scenario described at Table 4, D3-2B). Notwithstanding, we agree that in the Greater Norwich context a buffer in the order of c.20% is justified.
- 1.5 We have undertaken a thorough risk assessment of the supply to determine whether sites will come forward as anticipated (as per PPG ID: 3-024). As part of this review, we have found that the Partnership have:
 - 1 Not consistently reviewed the deliverability/developability of rolled forward allocations and commitments as part of the iterative HELAA process;
 - 2 Applied over-optimistic delivery rates for sites against local and national averages without the evidence to justify such high rates²;
 - 3 Applied over-optimistic lead-in times for sites against national averages without the evidence to justify such short lead-in times³. This is partly because the Partnership has often not taken account of known barriers to the delivery of specific sites (for example Beeston Park see response to Question 5); and
 - 4 Overly relied upon complex urban regeneration sites in the assumed housing trajectory despite evidence that demonstrates there is not a realistic prospect of delivery at the point envisaged. Much of which is contained with the Partnership's own SoCG's. The approach to CC13 (which has now been withdrawn) exemplifies this issue.
- Overall, our risk assessment finds that if the Partnership assumes that sites deliver at more realistic rates, account for longer more realistic lead-in times, with a more prudent approach taken to the prospect of delivery on many urban regeneration sites (accounting for the clear difficulty in bringing them forward) then the overall plan-period supply would be reduced to a total of 38,400 homes. This figure is considered to be a more realistic prospect of what could be expected to be delivered in the plan-period (see Table 6, Matter 2, Issue 2).

Implications and testing

- 1.7 The implications of both our 'housing requirement' points and 'supply risk assessment' demonstrates why more housing sites need to be identified now. The Partnership's supply is inherently high risk and predicated on over-optimistic lead-in times, delivery rates, and general optimism bias. The Partnership would have to be right about all of its assumptions for its identified requirement to be delivered in full.
- 1.8 When accounting for our supply risk assessment, in all housing requirement scenarios the Greater Norwich Local Plan will fail to deliver the overall housing requirement, with consequent adverse implications for the delivery of affordable housing. Even based on the Partnership's own supply, if a higher requirement is adopted then the total requirement might not be delivered on a very limited buffer.

² See Lichfields 'Start to Finish' report - https://lichfields.uk/content/insights/start-to-finish

³ See Lichfields 'Start to Finish' report - https://lichfields.uk/content/insights/start-to-finish



Table 1: GNLP - Supply Testing Scenarios

Requirement Scenario	Annual Requirement	PP Housing Requiremen	Partnership	Supply	Lichfield Risk Assessment Supply				
		t (20% buffer)	Supply*	Surplus / Shortfall (Buffer Against Requirement) (Diff to 20% buffer)	Amended Supply	Surplus / Shortfall (Buffer Against Requirement) (Diff to 20% buffer)			
GNLP Scenario:	2,027 dpa	40,541	48,087	+7,546 (19%)	38,400	-2,141 (-5%)			
Local Housing Need		(48,649)		(-562)		(-10,249)			
Lichfields Scenario 1: Standard Method (2018 PP)	2,218 dpa	44,360 (53,232)	48,087	+3,727 (8%) (-5,145)	38,400	-5,960 (-13%) (-14,832)			
Lichfields Scenario 2: 5-year average delivery (15/16 to 19/20)	2,392 dpa	47,840 (57,408)	48,087	+247 (1%) (-9,321)	38,400	-9,440 (-20%) (-19,008)			
Lichfields Scenario 3: Economic Growth, 2018 PP, Affordable Housing	c.2,500 dpa	c.50,000 (60,000)	48,087	-1,913 (-4%) (-11,913)	38,400	-11,600 (-23%) (-21,600)			

Source: Lichfields Analysis (Scenario 1 and 2 is based on Table 2 in our Matter 2, Issue 2 response. Scenario 3 response is based on wider discussion to Matter 2, Issue 2 at the hearing session and our response to Matter 3, Issue 1). *Not including CC13 as this has been removed (45 units).

Red = Not sufficient supply to meet requirement in plan period. Orange = Sufficient supply to meet requirement, but not sufficient flexibility to ensure it is delivered (i.e., buffer). Green = Sufficient supply and sufficient buffer.

Conclusions

- We have identified both a number of site alterations as detailed in our Matter 2 statement with further detail in our Matter 9, 10, 11 and 12 statements. Furthermore, we have identified a number of adjustments that should be made to the expected housing delivery from other rolled forward allocation sites (see our response to Question 5 below). These adjustments to the trajectory taken together irrespective of the requirement figure significantly alter the housing land supply position reducing it by 9,687 units. The trajectory should be amended to reflect a more realistic delivery scenario. As a consequence, the plan is not positively prepared or effective in addressing housing needs (both market and affordable) within the plan period to 2038.
- 1.10 The remedy to this is that the Partnership should allocate additional suitable sites identified through the HELAA iterations (or instead of allocating identify further contingency sites see our response to Question 3). This will ensure the delivery of homes continues to remain at higher levels to meet actual housing needs commensurate to local circumstances and economic growth ambitions.
- 1.11 In our risk assessment we have amended or discounted the delivery from many urban regeneration sites in Norwich. The conclusion of this review should not be taken to mean removing supportive site-specific policies and allocations wholesale from the plan as they provide the certainty needed for the wider development industry, local community, and stakeholders to support the delivery of brownfield urban regeneration sites. These policies also ensure the plan makes as much use as possible of previously developed land (NPPF, Paragraph 119). However,

1.9



we are firmly of the view that the housing trajectory needs to be reviewed and updated to reflect the yield to be expected from these sites in order to accurately account for and reflect the inherent difficulties of bringing forward such sites in the local market context with their identified site complexities and viability constraints at the point envisaged in the trajectory. This could either be through allocating additional sites (to increase the buffer on top of a 49,000 requirement) or simply reducing the level of reliance on these sites' delivery in the plan-period; instead, treating delivery from such sites as a 'windfall bonus'.

Q3. Is it justified to identify contingency sites within the Plan?

- As per our response to Question 2, additional suitable sites need to be identified in this plan. There are opportunities available for the Partnership to consider as suitable sites already exist such as Halsbury's wider 'Dairy Farm' (ref. GNLP4030⁴⁵) site. Our primary conclusion is that these and other such sites should therefore be allocated to increase the buffer accounting for higher levels of need (and accordingly higher requirement). This would be a more effective approach than allocating 'contingency sites'.
- 1.13 Notwithstanding, if the Partnership considers there is a justified case to identify additional contingency sites despite allocating more sites being a more effective approach then this should be formalised in a more effective contingency site policy. For contingency sites to be effective in addressing the housing requirement, the policy should:
 - 1 Set out a list of contingency sites; and
 - **2** Define the circumstances under which each contingency site would be triggered.
- 1.14 In terms of how one might forecast the supply, Policy MLS1 (Managing Land Supply) in the adopted 'Reigate & Banstead, Development Management Plan' (2019) provides a good example. Adapted to the Greater Norwich context, such a policy might state:

"The Partnership will proactively consider the need for release of the allocated Contingency sites based on a forward-looking mechanism. In order to maintain a five-year housing supply, it will forecast whether such supply can be maintained over the next year and subsequent two years. Where the Housing Monitor predicts that a five-year housing supply would not be maintained over this period, allocated Contingency sites will be released for development as necessary."

Q4. Will there be at least a 5-year supply of deliverable housing land on adoption of the Plan?

- 1.15 From our supply amends, the Partnership will initially be able to demonstrate a joint five-year land supply of deliverable sites (assessed against Local Housing Need with a 5% buffer). However, from our risk assessment we would expect the Council to be unable to demonstrate a five-year land supply from 2025/26.
- 1.16 Based on the evidence heard in respect of Matter 2, Issue 2 and our response to Question 2 above, the housing requirement figure across Greater Norwich should be higher. If a higher requirement of c.50,000 was adopted then a five-year supply could still initially be demonstrated on adoption.

 $^{^{\}rm 4}$ For up to 1,200 dwellings which the HELAA [see B1.36] concludes to be suitable site.

⁵ A planning application (ref. 20200202) submitted by Halsbury has been granted for 130 units (in addition to 92 C3 extra care facilities) on part of this wider site in June 2021.



However, from 2023/24 the Partnership's joint supply would fall short; engaging Paragraph 11(d) of the NPPF.

Q5. Are the assumptions for homes to be delivered on existing commitments justified? Will 31,452 homes will be delivered on these sites between April 2020 and 2038?

- 1.17 No.
- 1.18 We do not consider there is the evidence available to conclude the existing commitments will be delivered as expected in the plan-period (as summarised in our Question 2 response to this Matter). The Partnership has adopted over-optimistic delivery rates and lead-in times in its trajectory (despite referencing Lichfields 'Start to Finish' report but not then implemented its findings See document D3-2); has not reflected what the situation is on the ground; and has not fully taken account of the information in published SoCGs where these would challenge the optimistic assumptions made by the Partnership.
- 1.19 The total commitment figures also include a number of sites allocated in the 'Growth Triangle'. These sites are not considered in other Matters in the Part 2 hearings. We have adjusted the trajectory for the delivery of four of such sites in our Matter 2 (Issues 2) statement. These sites were not considered in the HELAA updates and there are no SoCGs for any of these sites; albeit there are some generic comments in document D3-2:

1 Beeston Park:

An outline application has been approved for the whole development in February 2016 (3,520 units) (ref. 20121516).

This is an extremely complex site which has had significant delays in bringing it forward. Overall, the evidence suggests that Phase 1 (c. 733 units) is coming forward with TOWN promoting it; with its aim to sell off plots to developers (albeit the notes in document D3-2 state no housebuilder is on board). The Phase 1 infrastructure reserved matters application has been submitted and is pending approval (ref. 20180708, validated 30/04/18).

However, Phases 2 and 3 are reliant on further phases of infrastructure to come forward. An unsuccessful bid was made to the Housing Infrastructure Fund to deliver this, and it is not clear how this infrastructure will now be funded. The proforma return by TOWN as part of the 'GNHLS 2019/20'6 notes that without public sector funding, the landowners and promotors will need to consider their strategy. There is no evidence before this examination that demonstrates these funding issues have been addressed.

Taking the above together and applying average local delivery rates it seems reasonable that only Phase 1 (733 units) will be delivered in the plan period; reducing the Partnership's supply by 1,517 units (see Matter 2, Issue 2, Table 5). However, later phases should not be relied upon until the funding for the infrastructure has been secured.

Table 2 Amended Delivery – Beeston Park

Trajectory	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38+	Total
																				(in PP)
Partnership			25	125	150	150	150	150	150	150	150	150	150	150	150	150	150	150	1,270	2,250
Lichfields			0	0	0	0	0	0	12	80	80	80	80	80	80	80	80	80	2 5 1 7	2,517
			U	U	U	U	U	U	13	80	80	80	80	80	80	80	80	80	2,517	(-1,517)

⁶ https://www.southnorfolkandbroadland.gov.uk/downloads/file/1338/gnhls-2019-20-statement-for-amr - see page 51 of the PDF



2 North Rackheath (GT16):

Our trajectory (see Matter 2, Issue 2, Table 5) amends the lead-in times and delivery rates, removing 1,135 units from the Partnerships supply.

Table 3 Amended Delivery - North Rackheath (GT16)

Trajectory	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38+	Total
																				(in PP)
Partnership						50	150	175	175	175	175	175	175	175	175	175	175	175	875	2,125
Lichfields						10	40	40	40	40	120	120	120	120	100	80	80	80	2,010	990 (-1,135)

3 Land at Brook Farm & Laurel Farm (GT6):

This site was originally anticipated to start delivering homes in 2018/19. The site has an outline permission which was granted planning permission in June 2013 (validated in July 2007). This development had been held up because an approved roundabout needed to be amended. This has only recently been approved in September 2021 under a separate permission having been submitted in October 2016 (ref. 20161873). Furthermore, in order to deliver the access roundabout a landownership dispute needs to be resolved and it is unclear when (or indeed if) this will happen (see Broadland DC cabinet report April 2021).

Assuming the site comes forward, the Partnership has adopted delivery rates above the local average (see Matter 2, Issue 2, Table 3) without the evidence to justify such rates (we might expect such evidence to include higher levels of affordable housing or multiple developers/brands operating from the site (as per Start to Finish)).

Our trajectory (see Matter 2, Issue 2, Table 5) therefore adjusts the site's annual build rate, removing 200 units from the Partnerships supply⁷.

Table 4 Amended Delivery – Land at Brook Farm & Laurel Farm (GT6)

Trajectory	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38+	Total
																				(in PP)
Partnership									73	73	73	73	73	73	73	73	16			600
Lichfields									40	40	40	40	40	40	40	40	40	40	200	400 (- <mark>200</mark>)

4 Norwich RFU (GT13):

The development was originally anticipated to start delivering in 2018/19. Local media⁸ reports that the rugby club can no longer relocate to enable the development as the University of East Anglia has pulled out of the plans given changing priorities and difficulty with a legal agreement on the land. Consequently, there is not sufficient evidence to suggest the site is developable and, on this basis, it should be removed from the supply (see Matter 2, Issue 2, Table 5).

⁷ Without prejudice to our position that at present there is also no evidence when the site will become available given the landownership dispute.

⁸ https://www.edp24.co.uk/news/blow-for-norwich-rugby-club-s-proposed-move-to-uea-1568054



1.20 We also made amends to the LNGS1 AAP Allocation. This is a wider allocation around Long Stratton that was only recently adopted in a neighbourhood plan. There has been significant delay in bringing forward the sites and the lead-in times and build rates proposed are not justified by the evidence.

Table 5 Amended Delivery – LNGS1 AAP Allocation (Part 1)

Trajectory	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38+	Total
																				(in PP)
Partnership							50	75	100	150	150	150	150	150	100	75	50			1,200
Lichfields							40	40	40	40	40	40	40	40	40	40	40	40	720	480 (- 720)

Table 6 Amended Delivery – LNGS1 AAP Allocation (Part 2)

Trajectory	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38+	Total
																				(in PP)
Partnership				30	30	30	40	40	40	40	40	40	40	40	40	40	40	40	30	570
Lichfields				0	30	30	40	40	40	40	40	40	40	40	40	40	40	40	60	540
																				(-30)

Q6. Can the market absorb the number of additional homes envisaged in and around Norwich City Centre? Is this supported by demonstrable evidence?

1.21 No.

As per our Matter 3 (Issue 1) statement, the price growth of flatted homes in Norwich has been flat between 2007 and 2021 (see Table 1). Other forms of housing have by comparison all increased which is important in the context of increasing labour and material costs. The price data for this has been calculated based on all sales data over that period as collected by Land Registry and collated by ONS (a significant sample size).

1.23 While we do not disagree that there is a valid planning case for the urban regeneration of brownfield land in Norwich, the market has been unable to deliver such sites at scale or pace. As set out in our Matter 11 and 12 statements, many urban sites that would deliver apartment schemes have been allocated for years and in some cases for nearly two decades¹⁰) without coming forward. If there was sufficient demand for such sites to come forward with viable development (consistent with the costs of building such schemes, and at a sufficient land value), those sites would have delivered.

1.24 Consequently, while the plan should rightly include policies to set out the requirements under which such sites can come forward and be determined, the Partnership's trajectory should be more realistic in terms of likely delivery: removing them from a trajectory which forms the backbone of the delivery strategy of the plan, whilst supporting their development if the conditions can be progressed and confirmed to bring them forward. Therefore, the plan should allocate additional sites now to ensure the appropriate degree of certainty that delivery in line with the trajectory can be met.

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https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/medianhousepricefornationalandsubnationalgeographiesquarterlyrollingyearhpssadatasetoq (Note - our data originally look the date to December 2021 and the ONS has since updated this).

10 For example, Ber Street 147-153 which was originally allocated in 2004



Q7. Is there compelling evidence that the proposed windfall allowance (of 1,296 dwellings) will provide a reliable source of supply?

1.25 See response to Question 8 regarding the potential for triple counting.

Q8. What confidence is there that the South Norfolk Village Clusters Plan will identify sites for a minimum of 1200 homes and that these sites can be delivered by 2038? Is it appropriate for this to be a minimum requirement?

- 1.26 It is proposed to delay the selection and allocation of a number of village cluster sites (totalling c.1200 homes); despite being included in Policy 7 and relied upon to meet housing requirements of this plan.
- 1.27 Instead, these sites will be allocated and examined through a separate Village Clusters DPD for the South Norfolk part of the plan area. Unlike the village cluster sites in Broadland district (which are assessed within the GNLP process but contribute a much lower proportion than South Norfolk¹¹), no site assessment work has been published for the South Norfolk Village Cluster sites.
- 1.28 As such, there will be considerable delay in the assessment, options, selection, and consultation on potential development sites in the South Norfolk Village clusters. Equally, no robust evidence has been published to demonstrate there is confidence sufficient suitable, viable and deliverable sites can be identified to meet the 1,200 homes relied on in the Council's trajectory.
- 1.29 Furthermore, rather than adopting a strategy of spatial dispersal for new growth (which is what underpins the Village Clusters policy), meeting this housing need through further suitable site allocations in the GNLP would be a more sustainable way to meet housing needs not only through location relative to the urban area/main towns and KSCs, but also in terms of delivering affordable housing and infrastructure.
- 1.30 With regard to windfalls, it is our understanding that Policy 7.4 and Policy 7.5 operate in a standalone manner. On this basis, the housing trajectory includes allowance for dwellings to come forward under Policy 7.4; dwellings to come forward under Policy 7.5 as well as a more traditional windfall allowance for dwellings that come forward outside of any given policy.
- 1.31 We are concerned that the housing trajectory is 'triple counting' and may be materially overestimating the likely number of dwellings to come forward from these sources as they are seeking sites of a very similar.
- 1.32 Given the above, we contend that the proposed windfall and South Norfolk Village Clusters Plan allowance is not supported by robust evidence and should be reconsidered as part of a comprehensive review of Table 6 of the Plan.

Q9. What confidence is there that the Diss and area Neighbourhood Plan will identify sites for 250 dwellings and that these sites can be delivered by 2038?

1.33 No specific response.

¹¹ See B1.28 - B1.47



Q10.Does the Plan identify that at least 10% of the housing requirement will be met from sites no larger than one hectare in accordance with Paragraph 69 of the Framework?

1.34 No specific response.