Greater Norwich Local Plan

Local Plan Examination Hearings Statement relating to: Matter 15

On behalf of Barratt David Wilson Homes (Eastern Counties) & Pigeon Investment Management



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Hearings Statement relating to Matter 15



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Matter 15 – Housing Provision

Question 2. With regard to the September 2022 housing trajectory update (Document D3.2D Topic Paper) and housing forecast (Document D3.2E Topic Paper) ... taken as a whole, do any alterations to the site delivery assumptions significantly alter the overall housing land supply position?

Yes.

(NB In the MIQs for the March 2023 hearing sessions, the Inspectors note that:

"These [the revised housing supply forecasts and trajectory] effectively bring the housing land supply and forecast work to a base date of April 2022 and take account of the nutrient neutrality issue. Whilst this work has taken account of some of our questioning at the previous hearing sessions, we are likely to require further adjustments following the close of the hearing sessions as a whole."

It is therefore evidence before beginning that the latest published delivery assumptions, housing delivery trajectory, and 5-Year Housing Land Supply will need to be further revised following the closure of the hearing sessions. As such, it is difficult for us to know what the Greater Norwich Development Partnership (GNDP) or Inspectors consider to be the evidenced trajectory or overall supply.)

It is clear that the requirement to address and mitigate impacts on nutrient neutrality will have an effect on housing land supply and housing delivery.

The GNDP itself has stated (Examination Document G2.2A) that:

- Of the 37,651 homes in the latest housing land supply trajectory, 23,948 of these (almost two thirds) will be "impacted" by nutrient neutrality mitigation requirements.
- A further 1,500 homes, largely on unallocated sites, are also being "held up" at planning stage.

At paragraphs 14 to 24 of the Topic Paper on Policy 1 – Growth Strategy (<u>Examination Document G3.2D</u>) the GNDP set out the 'adjustments' that have been made to the delivery projections for different types of sites.

The Topic Paper explains that an 18 month delay to delivery has been factored in to take account of the need to address nutrient neutrality, the Topic Paper explaining (paragraph 19):

"An 18 month delay is considered to be a reasonable timescale to allow for mitigation schemes to come into effect and to account for delays in decision making that has taken place as a result of uncertainty created by nutrient neutrality requirements. The delay also allows time for renegotiations to take place on schemes that need to be amended to take account of the impact of nutrient neutrality on scheme layout or viability."

However, what the Topic Paper doesn't explain is the source of the '18 month' figure, or why it is not another figure.

At the time of writing, there remains no available practical method for addressing nutrient neutrality – each individual affected site (equating to some two-thirds of all homes proposed) will need to either:

• Deliver extensive mitigation on-site;

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- Secure extensive off-site mitigation; and/or
- Make a financial contribution in lieu of making / securing site-specific mitigation.

At present the 140 separate references to 'nutrient neutrality' in the notes accompanying the updated housing delivery trajectory (Examination Document D3.2E) include references to:

- 'developer exploring own mitigation',
- 'as a result further work on the site has been delayed',
- 'delays in the discharge of conditions',
- 'a resubmission could be constrained',
- 'developer is reliant on 3rd party for mitigation',
- 'submission delayed',
- 'potentially enabled by site-specific mitigation',
- 'application cannot currently be determined',

and so on (this is not a full analysis of all reasons stated).

The extent of mitigation required will, in many cases, not only have an impact on deliverability, but also viability, potentially the capacity of a site (if on-site mitigation is proposed / required) the ability of the site to deliver on other requirements including affordable housing, and thus potentially on the acceptability of a proposal.

It is distinctly possible that some sites currently in the overall housing land supply will either become unviable and/or undeliverable, or be delayed by substantially longer than the brief 18 month period assumed by the GNDP (which assumes that a viable and deliverable solution will be identified in relation to each and every site).

It is thus seemingly very evident that additional sites should be identified by the GNDP that are either unaffected by nutrient neutrality, or can accommodate on-site mitigation without any adverse impact on viability or deliverability.

Summary

Overall, it is seemingly clear that there will be an adverse impact on the viability and/or deliverability of a majority of residential development sites in the plan area. This impact will vary by site and whilst an assessment of major sites proposed has been carried out, the means through which individual sites will secure the necessary mitigation remains unknown, thus the extent of the overall impact remains unknown. As a result, additional sites should be identified that are either unaffected by nutrient neutrality, or can accommodate on-site mitigation without any adverse impact on viability or deliverability.

Question 4. With regard to the September 2022 housing trajectory update (Document D3.2D Topic Paper) and housing forecast (Document D3.2E Topic Paper) ... will there be at least a 5 year supply of deliverable housing land on adoption of the Plan?

No.

This matter is discussed at paragraphs 39 to 60 of the Topic Paper on Policy 1 – Growth Strategy (Examination Document G3.2D).

At paragraphs 42 and 43 it is stated that (emphasis added):

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"In the Partnership's view, <u>the clear progress that is being made towards identifying mitigation solutions to address</u> <u>nutrient neutrality</u>, as outlined in paragraphs 7 to 13, should be given significant weight in the assessment of the deliverability of sites for the purposes of Plan Making. In the Partnership's view these are the exact type of strategic mitigation schemes the Chief Planner refers to in their letter of 21 July 2022 and should, as set out in that letter, be taken into account in the assessment of the deliverability of sites."

"The Partnership considers that consequently there would be, based on current figures, a clear justification to confirm a housing land supply of circa 6.05 years on adoption of the plan for the period 1 April 2023 to 31 March 2028."

However, the referenced letter from the Chief Planner actually states:

"We will make clear in planning guidance that judgements on deliverability of sites should take account of strategic mitigation schemes and the accelerated timescale for the Natural England's mitigation schemes and immediate benefits on mitigation burdens once legislation requiring water treatment upgrades comes into force. DLUHC will revise planning guidance over the summer to reflect that sites affected by nutrient pollution forming part of housing land supply calculations are capable of being considered deliverable for the purposes of housing land supply calculations, <u>subject to relevant evidence to demonstrate deliverability</u>."

As yet:

- Planning guidance has not yet been amended, thus this cannot be relied upon; and
- There is no such "evidence to demonstrate deliverability" as required: the GNDP is still progressing "towards identifying mitigation solutions".

This is recognised (to some extent) by the GNDP in paragraph 44 of the Topic Paper wherein it accepts that if the as-yet-unknown mitigation solutions for each site required to demonstrate deliverability are not considered sufficient, it will not be able to demonstrate a 5-year housing land supply (5YHLS) on adoption of the Plan.

In response to not being able to demonstrate a 5YHLS, the GNDP proposes two options:

- Openly accept that it will not be able to demonstrate a 5YHLS; or
- Adopt a 'stepped' Local Plan housing requirement, with a requirement of 1,150 dpa for 2022/23 to 2027/28, and a requirement of 2,491 dpa for the remainder of the plan period 2028/29 to 2035/36. According to the Topic Paper this would ensure the overall remaining requirement of 31,813 homes (as at 1st April 2022) is met.

However, these figures are based on an overall housing requirement for the plan period of 40,541 homes, which we demonstrated in relation to Matter 2 and previously also in relation to Matter 15, is not a 'properly-established housing requirement'.

Neither of the options identified by the GNDP represents a sound approach to plan-making.

The GNDP does identify a third option – referred to as: 'alternative distribution strategies'. In relation to this it simply states (paragraph 56):

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"... given the scale of the unaffected site deficit and limited areas within Greater Norwich that lie outside the affected catchments, it is not considered that the substantial, but ultimately short-term, interruption to housing delivery is proportionate justification to reconsider the strategy in this way."

Summary

As with the overall supply (see above), it is thus clear that additional sites should be identified that are either unaffected by nutrient neutrality, or can accommodate on-site mitigation without any adverse impact on viability or deliverability, in order to bolster the short-term supply of housing and ensure that a 5YHLS can be demonstrated on the adoption of the Plan.

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