

Regional Spatial Strategy Review : EERA Request for Strategic Planning Authority Advice

Report by the Director of Planning and Transportation

Summary

This report outlines work carried out under EERA's request for advice to strategic authorities to inform the Review of the Regional Spatial Strategy for 2031. EERA required testing of four housing growth scenarios ranging from continuing the RSS residual growth rates to the upper end of the national housing projections, applied locally on the basis of the current RSS distribution. Report concludes that the only level of growth which can be accommodated within Norfolk to 2031 is in line with the RSS residual growth scenario. The report recommends members to agree this report to be submitted to EERA by 7 January 2009.

1. Background

- 1.1. The East of England Plan was published in May 2008. It provides the regional spatial strategy for the region up to 2021. The East of England Assembly (EERA) is committed to carrying out an early review of the Plan to 2031. Government expects this review to be completed by 2011 and has indicated that the primary focus for the review should be to roll the plan forward to 2031 and further increase the house building trajectory.
- 1.2. The current plan sets out a spatial strategy which broadly concentrates growth on key centres and EERA considers that provides the starting point for the review. Other spatial development options are to be tested including a major new settlement/urban extension as well as smaller urban extensions/new settlements.
- 1.3. To enable EERA to carry out the review it has requested the help of county and unitary authorities (called Section 4(4) authorities as set out in the Planning and Compulsory Purchase Act 2004) because they have strategic planning expertise. EERA issued the formal request for advice in late September 2008, following consultation on a draft request in Summer 2008. The timescale for this advice to be delivered is by 7 January 2009. Norfolk County Council's response was to acknowledge that the timescale was extremely challenging but it would use its best endeavours to deliver the work.
- 1.4. The full review timetable from January 2009 is for EERA to:
 - prepare development scenarios and consult on options and revise generic policies – **January to July 2009 (seven months)**

- prepare draft regional spatial strategy – **August to December 2009 (five months)**
- approve and submit draft regional strategy – **end 2009**

Government stages:

- Test the draft plan – consult on draft RSS and hold EIP
- Publish proposed changes for consultation
- Publish RSS – all by **end of 2010 (12 months)**

2. **Summary of the EERA request**

2.1. EERA recognises that the timetable for the Review may lead to difficulties in ensuring effective engagement for Borough/District Councils and has agreed that advice submitted on 7 January 2009 (essentially what is contained in this report and its appendices) will be subject to District / Borough Cabinet / Executive sign off during January 2009. There is a later date for submission of advice on any proposed changes to policies for Key Centres of Development and Change (KCDCs) called section 5(5) advice of 6 February 2008. To meet this deadline any response proposed on S5(5) advice will be taken to Cabinet on 26 January and for district sign off thereafter.

2.2. The EERA Brief includes the following requirements:

- Consultation with Districts/Boroughs and stakeholders
- Assessment of the sites proposed in the call for sites
- Responses to the Regional Scale Settlement study (final report expected 19 December 2008).
- Technical work to assess the district distribution of housing figures and the testing of the housing growth scenarios as provided by EERA.

2.3. Approach in Norfolk

In order to meet the requirements of the brief the following work has been undertaken in partnership:

- Five meetings of County/District/Borough Senior Planning Officers
- Two meetings of the County Strategic Service Provider Forum set up under the County Strategic Partnership (includes representatives from health, police, children's services, adult social services, transport, water, energy, local authorities)
- One workshop for LSP representatives
- Briefing for the Great Yarmouth/Lowestoft sub-regional group (informal partnership).
- Reports to Norfolk County Council Planning and Transportation and Economic Development Review Panels
- Shared reports for partners
- Report to Greater Norwich Development Partnership (GNDP) on 18

December 2008.

- Briefing letter for Parish Councils in December 2008. Parishes will be consulted on options next year.

2.4. The scenarios

The technical advice required falls into two parts: The S4(4) advice requires assessment of the growth scenarios to form a view on County and District housing and growth figures and advice on the most appropriate spatial strategy to deliver this for Norfolk. The S5(5) advice is linked in that, with partners, we need to address the implications of revised housing growth figures on the KCDCs and come to a view on whether the policies need changing.

2.5. EERA requires four new growth scenarios to be tested for Norfolk. The first is a continuation of current RSS Residual growth rates beyond 2026-2031. The other three rates are based on modelling forecasts and apply higher rates of growth from 2008-2031. Two of these are derived from the National Housing and Planning Advice Unit (NHPAU) and are regional based forecasts disaggregated to districts based on the current RSS distribution. The lower NHPAU rate is based on the latest demographic projections and delivery of national housing targets. The upper NHPAU rate is derived from a model to stabilise affordability at 2007 levels. The final rate is derived from a regional economic model and assigns housing growth to districts at a rate required to deliver the Regional Economic Strategy (RES) target of 2.1% per annum growth in Gross Value Added (GVA).

2.6. The implications of the four scenarios for Norfolk (set out in Appendix 1) are:

- Continuing with the RSS residual growth rate. This requires an additional 20,750 dwellings beyond emerging LDFs, at an annual average rate of 4,150
- The lower end of the NHPAU range which requires an additional 36,390 dwellings, at an annual average rate of 4,830
- The upper end of NHPAU range which requires an extra 67,000 dwellings at an annual average rate of 6,160
- The GVA growth forecast of 2.1%. This requires an additional 27,800 dwellings at an annual average rate of 4,457.

3. **Technical Assessment**

(Note: all background work and evidence is contained in a separate Technical Appendix, available on Members Insight and copies to be placed in the Members' Room)

3.1. Officers have considered the above figures against potential capacity for further growth in each district and KCDC. Capacity has been based on existing evidence on water, flood risk, employment prospects, past housing delivery rates, high school capacities, transport availability and environmental constraints. Physical constraints have been mapped for each KCDC and main market town to indicate available undeveloped land. Proposals in the call for sites have also been mapped and assessed (see technical Appendix). The approach has focused on testing the capacity of KCDC's and larger market towns. Initially, districts were asked to identify smaller market towns that might

grow significantly but none were put forward. The option to disperse development more widely to towns and villages was also discounted at an early stage as unsustainable and contrary to the existing strategy. However, the existing RSS strategy is flexible enough to allow districts to identify smaller scale growth in key service centres.

- 3.2. ; The option for a large stand alone new settlement was investigated but the only unconstrained location that could be identified (around Tivetshall between Norwich and Diss) was considered unviable (in terms of providing rail access) therefore unlikely to be sustainable and could potentially damage the viability of Diss.

3.3 Summary of Technical Assessment of KCDCs and Market Towns

The following section summarises the capacity studies of the KCDCs and Market Towns considered capable of taking further growth. It includes consideration and assessment of the EERA call for sites, shown in the Technical Appendix.

3.4 **Greater Norwich**

A full report by the Greater Norwich Development Partnership (GNDP) which sets out the assessment for Greater Norwich is included in the Technical Appendix.

It concludes that the emerging Joint Core Strategy is capable of providing for a continuation of RSS residual rates within the GNDP. It is also capable of providing for further additional growth of up to around 2,000 dwellings to allow RSS residual rates to continue across Norfolk as a whole. However, none of this will be possible without significant investment in supporting infrastructure. Existing growth is dependent on large scale infrastructure investment including delivery of the Northern Distributor Road (NDR) and significantly enhanced public transport. Further growth could not be contemplated until this infrastructure is secured.

- 3.5 Growth beyond RSS Residual rates is untenable. There is no evidence that the local economy could provide the jobs to support these higher levels of growth and the housing delivery rates required are entirely unrealistic. Providing for additional growth by increasing the number of major new communities in the area would increase competition between them for limited resources and significantly undermine the ability to deliver sustainable communities. 12,000 dwellings is considered the absolute maximum level of additional growth for the area in the period to 2031 above the 23,000 already proposed..

3.6 **Great Yarmouth**

There are major physical constraints to greenfield growth in Great Yarmouth from flooding by sea and river, proximity to designated habitats, high grade agricultural land etc. There are also constraints relating to waste water treatment in the Bradwell area. The current strategy focuses on urban regeneration which could be threatened by major greenfield allocations. The current assessment of growth capacity includes an additional 1,600 up to 2031.

3.7 **King's Lynn**

There are considerable physical constraints to further growth at King's Lynn from flooding, high grade agricultural land and minerals extraction. However, there is some desire to see King's Lynn take a stronger sub-regional role through increased housing and job growth. The only unconstrained area where the town could expand significantly is to the southeast and east. King's Lynn is also aiming to deliver major urban renaissance which could be threatened by large scale greenfield allocations. Any further growth for the town might therefore need to be phased towards the later part of the review period. The current assessment for the District includes 3,150 additional dwellings but Members of the Borough Council are willing to discuss any further potential for growth with EERA, subject to infrastructure provision.

3.8 **Thetford**

Thetford is surrounded by habitat constraints which require a buffer of 1.5km from the edge of the Special Protection Areas (SPA) for protected birds by English Nature. These buffer zones severely limit the area which can be developed beyond the existing target.

3.9 **Other towns**

The other towns which were assessed for further growth are those larger towns in the most sustainable locations. These have good transport links by road and rail to higher order centres or provide the main service centre in a particular part of a district, such as Fakenham in North Norfolk or Dereham in Breckland. It should be remembered that Norfolk's market towns are small by regional standards and most will be at their capacity following this round of growth in current LDFs.

In summary therefore for rural districts:

3.10 **Breckland**

Attleborough is already identified for major growth of 4,000 dwellings and there are major infrastructure constraints even for this level of growth. These relate to power supply, the need for a new road link and water treatment issues. It is considered that the current levels of growth for Attleborough will be difficult to deliver without adding more. Of the three other towns, Dereham is at capacity for its High Schools and further growth would require a step change in growth to provide a new High School. There is also no current rail link (although track is in place to Norwich) and major growth could put further strain on the A47. Swaffham and Watton are further from main centres, have poor road links and no rail access and are considered unsustainable for significant further growth. The current assessment includes 2,000 additional dwellings up to 2031.

3.11 **North Norfolk**

North Norfolk has many physical constraints along the coast which prevent both Cromer and Sheringham from major expansion. Away from the coast, North Walsham has limited capacity in High Schools and waste water treatment and there are highway constraints and energy restrictions until 2016. The rail link is also running over capacity in peak times. Major growth would be

needed to overcome the infrastructure constraints and it is doubtful whether the town could provide enough jobs to match housing growth. Fakenham has fewer physical constraints than other North Norfolk towns but has no rail links and is unlikely to attract enough jobs to support significant growth. This would also be true of RAF Coltishall put forward in the call for sites. The current assessment includes an additional 1,300 dwellings for the district up to 2031.

3.12 **King's Lynn and West Norfolk**

Downham Market is the only large market town in West Norfolk and lies on the A10 and rail line to Cambridge south of King's Lynn. It has few physical constraints and good connectivity although both rail and road links would require improvement to serve major growth. The town has a relatively small centre and growth to the east of the A10 would be further from the town centre than land to the north or south. However, further significant growth here could detract from bringing forward the urban renaissance in King's Lynn and is not supported at this stage.

The current assessment of 3,150 additional dwellings for the district would therefore be expected to be largely directed towards King's Lynn.

3.13 **Regional Scale Settlement**

EERA has commissioned a study to assess the Regional capacity to provide a new regional scale settlement (or urban extensions) of a minimum of 20,000 new dwellings. This study is due to report its findings to EERA on 19 December. Any implications for Norfolk will be reported orally.

4.0 **Conclusion of Technical Assessment**

The total of the additional growth considered feasible through this capacity exercise for Norfolk up to 2031 is about 20,000 dwellings. This capacity is in line with the RSS residual growth scenario. This demonstrates that none of the other three scenarios could be delivered in Norfolk on top of the existing levels of growth currently being planned for. It is certainly clear that based on past rates of development the higher growth rates would be undeliverable. The annual average completion rate over the last 15 years was 3,380 and in the last 5 years was 3,350 and both periods included boom building years. The highest annual average building rates were achieved in the 1970s when large numbers of council homes were built. Therefore, the GVA growth rate of 4,457 and lower NHPAU rate of 4,830 are unlikely to be deliverable particularly given the current recession and the higher NHPAU rate of 6,160 is simply unrealistic. The distribution of housing figures resulting from this assessment compared with the growth scenarios is shown in Appendix 2.

Other advice

Norfolk County Council has recently engaged with other S4(4) authorities to establish the adequacy of coastal policy as contained in the current RSS. It is intended that the relevant authorities will undertake a short term evidence based stream of work to carry out further investigation on this matter with a view to providing advice to EERA in February 2009.

Section 5(5) Advice on KCDCs

Norfolk County Council will consider the need to change or update existing RSS policies for the KCDCs and report their views to EERA by the deadline of 6 February 2009

5.0 **Resource Implications**

5.1 **Finance** : None

5.2 **Staff** : None

5.3 **Property** : None

5.4 **IT** : None

6.0 **Other Implications**

6.1 **Legal Implications** : None

6.2 **Human Rights** : None

6.3 **Equality Impact Assessment (EqIA)** : A full programme of equality impact assessments has been carried out covering all Planning and Transportation activities. This report is not directly relevant to equality in that it is not, at this stage, making proposals which may have a direct impact on equality of access or outcome. However, existing impact assessments will be reviewed as part of the technical work required to respond to EERA request for advice. At this very high level strategic assessment it is not possible to carry out an assessment.

6.4 **Communications** : None

7.0 **Section 17 – Crime and Disorder Act**

7.1 Not applicable at this strategic scale.

8.0 **Risk Implications/Assessment**

8.1 No risk implications.

9.0 **Review Panel Comments**

9.1 Following consideration, the Planning and Transportation, the Environment and Waste Review Panel and the Economic Development & Cultural Services Review Panel **agreed** to recommend to Cabinet that the points outlined below be included in a response to Government on the Regional Spatial Strategy Review.

- Norfolk is already facing a huge challenge to deliver the 78,700 homes required in the current East of England Plan. Any increase on this number is unreasonable and unattainable.

- The Review actually requires Norfolk to test whether it can accommodate between 20,700 and 67,000 extra homes up to 2031 at annual average rates of between 4,150 and 6,160. Average completion rates in Norfolk have been around 3,300 since 1993 and that included the period of recovery from the last recession and the boom building years. Planning for houses that cannot be delivered will have significant negative impacts, for example, on the delivery of supporting infrastructure. Market delivery should be a major factor in the RSS Review.
- The extra levels of growth would result in greater impact on the environment and local communities, and widen the infrastructure funding gap. There is considerable anxiety about the ability to generate sufficient jobs and economic growth proposed by the NHPAU 67,000 additional dwellings which requires building an annual average of 6,160 homes a year which is simply not credible.

10.0 **Alternative Options**

10.1 The alternative option would have been not to submit S4(4) advice to EERA under this short timescale but this would not be in the interests of Norfolk County Council as a strategic authority.

11.0 **Conclusion**

11.1 The technical work carried out in partnership with District/Borough Councils, the GNDP and stakeholders indicates that there is limited capacity to deliver higher levels of housing growth upto 2031 beyond what is currently planned. Partners accept that the only viable scenario for Norfolk is for continuing the RSS residual rate of development, requiring an additional 20,700 dwellings, and this is subject to major infrastructure requirements.

Recommendation or Action Required

- (i) That Cabinet agrees the contents of this report as the S4(4) response to be submitted to EERA by 7 January 2009, together with the Technical Appendix and subject to sign off by all District/Borough Councils in Norfolk during January 2009
- (ii) That Section 5 (5) Advice relating to any updates for the RSS Policies for Key centres for development and change be considered by Cabinet on January 26 and submitted to EERA by 6 February 2009.

Background Papers

The Technical Appendix contains background information which has informed this advice.

Officer Contact

If you have any questions about matters contained in this paper please get in touch with:

Name	Telephone Number	Email address
Alison McErlain	01603 222729	alison.mcerlain@norfolk.gov.uk



If you need this report in large print, audio, Braille, alternative format or in a different language please contact Alison McErlain on 01603 222729 or textphone 0844 8008011 and we will do our best to help.

Appendix 1

District	1. East of England Plan 08 Average Annual Rate 2001- 2021	2. RSS 2006-2021 Residual Rate being used in emerging LDF's*	3. Total no. required 2008 to 2026 Applying Residual Rate 2006- 2021*	4. Additional growth 2008- 2031 above total in column 3 If 2006-2021 residual RSS rate applied*	5. Lower NHPAU Rate	6. Additional growth 2008-2031 above total in column 3 If Lower NHPAU rate applied	7. Upper NHPAU Rate	8. Additional growth 2008-2031 above total in column 3 If Upper NHPAU rate applied	9. GVA Growth Average Annual net additions 2008-2031	10. Additional growth 2008- 2031 above total in column 3 If GVA Growth rate applied
Breckland	760	780	14,040	3,900	861	5,763	1,067	10,501	609	-33
Grt. Yarmth	300	320	5,760	1,600	386	3,118	532	6,476	370	2,750
KLWN	600	630	11,340	3,150	679	4,277	906	9,498	584	2,092
N. Norfolk	400	420	7,560	2,100	509	4,147	668	7,804	260	-1,580
Broadland	610	700	12,600	3,500	789	5,547	995	10,285	961	9,503
Norwich	705	710	12,780	3,550	933	8,679	1,146	13,578	844	6,632
S. Norfolk	560	590	10,620	2,950	673	4,859	847	8,861	829	8,447
Norfolk	3,935	4,150	74,700	20,750	4,830	36,390	6,161	67,003	4,457	27,811
NPA	1,650	1,800	31,680	8,800	2,108	16,795	2,629	28,797	2,318	21,632
GNDP	1,875	2,000	36,000	10,000	2,395	19,085	2,988	32,724	2,634	24,582

* The Emerging LDF's are planning using the 2006-2021 residual rate up to 2026, alternative rates in the table start at 2008 but extend to 2031

Appendix 2

	Norfolk			GNDP		
LDFs 2008 to 2026	74,700			36,000		
	To Find	Offered	Difference	To Find	Offered	Difference
RSS Rate 2008 to 2031	20,750	20,050	-700	10,000	12,000	+2,000
Low NHPAU 2008 to 2031	36,390	20,050	-16,340	19,085	12,000	-7,085
High NHPAU 2008 to 2031	67,003	20,050	-46,953	32,724	12,000	-20,724
GVA 2008 to 2031	27,811	20,050	-7,761	24,582	12,000	-12,582

	Breckland			Great Yarmouth			Kings Lynn West Norfolk			North Norfolk		
LDFs 2008 to 2026	14,040			5,760			11,340			7,560		
	To Find	Offered	Difference	To Find	Offered	Difference	To Find	Offered	Difference	To Find	Offered	Difference
RSS Rate 2008 to 2031	3,900	2,000	-1,900	1,600	1,600	0	3,150	3,150	0	2,100	1,300	-800
Low NHPAU 2008 to 2031	5,763	2,000	-3,763	3,118	1,600	-1,518	4,277	3,150	-1,127	4,147	1,300	-2,847
High NHPAU 2008 to 2031	10,501	2,000	-8,501	6,476	1,600	-4,876	9,498	3,150	-6,348	7,804	1,300	-6,504
GVA 2008 to 2031	-33	2,000	+2,033	2,750	1,600	-1,150	2,092	3,150	+1,058	-1,580	1,300	+2,880

East of England Plan Regional Spatial Strategy (RSS) Review: Response by the GNDP

Summary

The County Council has a statutory duty to assist the East of England Regional Assembly with the review of the Regional Spatial Strategy. This report sets out a range of potential growth rates for consideration in the period to 2031. Based on the emerging Joint Core Strategy, and subject to necessary infrastructure investment, it is recommended that the GNDP area has the potential to continue to deliver at the current "RSS residual rate" of 2,000 dwellings per year in the period 2026-2031. There is additional potential for a further 90 dwellings per year (2,000 in total).

1. Background

- 1.1. Norfolk County Council has a statutory responsibility to contribute to the review of East of England Plan. The East of England Plan is the Regional Spatial Strategy (RSS). The County Council is working with the GNDP to develop this response.
- 1.2. The East of England Regional Assembly (EERA) is seeking views on the appropriate scale of housing growth and the wording of sub-regional policies. Appendix 1 includes the range of housing growth options to be tested. It should be noted that Column 3 of the Table sets out the level of growth being planned for in current Local Development Frameworks. Subsequent columns outline the additional growth that would be required beyond this level. Appendix 1 includes growth by district. However, attention should be focussed on the targets for the GNDP and Norwich Policy Area (NPA) as the distribution of growth within these areas should be subject to local analysis and determination. Appendix 2 sets out the current wording of Policy NR1 which covers the Norwich Key Centre for Development and Change.
- 1.3. EERA requires four new growth rates to be tested. The simplest is a continuation of current RSS Residual growth rates beyond 2026 to 2031. The other three rates are based on modelling forecasts and apply higher rates of growth from 2008 to 2031. Two of these are derived from the National Housing and Planning Advice Unit (NHPAU) and are regional based forecasts disaggregated to districts based on the current RSS distribution. The Lower NHPAU rate is based on the latest demographic projections and delivery of national housing targets. The Upper NHPAU rate is derived from a model to stabilise affordability at 2007 levels. The final rate is derived from a regional economic model and assigns housing growth to districts at a rate required to deliver the Regional Economic Strategy (RES) target of 2.1% per annum growth in Gross Value Added (GVA).
- 1.4. The results of the four alternative growth rates for the GNDP/NPA are set out in Appendix 1. The additional growth required over and above that in the

emerging JCS is outlined below (totals rounded to nearest 100):

- Continuation of RSS Residual growth. The lowest rate for the GNDP, would simply add 5 years of growth 2026-2031. It would require an additional 10,000 allocations, 8,800 of which would be in the NPA.
- National Housing and Planning Advice Unit (NHPAU) Lower rate. This is the second lowest rate for the GNDP (third lowest for Norfolk) and would mean an additional 19,100 allocations, of which 16,800 would be in the NPA
- RES target of 2.1% per annum growth in GVA. This is the third highest rate for the GNDP but the second lowest for Norfolk as a whole. This demonstrates the extent to which the GNDP area is a dominant driver for the Norfolk economy. It would require 24,600 additional allocations in the GNDP of which 21,600 would be in the NPA.
- NHPAU Higher rate would require 33,700 additional allocations, of which 28,800 would be in the NPA.

2. **Growth pressures on the GNDP area**

- 2.1. Analysis for Norfolk as a whole, and ongoing discussions with Districts, suggest that some parts of the County are highly constrained and cannot deliver even RSS residual rates beyond 2026. Particularly strong constraints for post-2026 growth exist at Great Yarmouth, Thetford and across much of North Norfolk. These constraints include flood risk, coastal issues, nature conservation sites of international importance, high quality agricultural land and nationally important landscapes. In addition, Breckland already has very challenging levels of provision to deliver including 7,000 dwellings for Thetford, 4,000 dwellings at Attleborough, 1,000 dwellings at Dereham. 750 in Swaffham and 500 dwellings in Watton. Currently planned growth at King's Lynn of around 7,000 dwellings is focussed on urban regeneration sites and greenfield opportunities are limited. An assessment of the range of constraints suggests that potential growth rates in the area of Norfolk outside the GNDP would be around 2,000 dwellings in total (i.e. over the period to 2031 not per annum) short of the target required from the continuation of RSS Residual rates. If Norfolk as a whole is to deliver, as a minimum, continuation of RSS Residual growth then the ability of the GNDP area to absorb these 2,000 dwellings extra must be considered. Over the whole period 2008-2031 this would equate to an increase of the RSS Residual Rate from 2,000 per annum to 2090 dwellings per annum .
- 2.2. The results of the GVA analysis and the identification of the Norwich area as an engine of regional growth in the RES support this pressure for a greater concentration of Norfolk's growth in the GNDP area.

3. **Growth in the emerging JCS**

- 3.1. Based on the above, continuation of RSS residual rates over the period to 2031 would require 10,000 to 12,000 additional allocations in the GNDP area.
- 3.2. It is recognised that the emerging JCS is likely to include a pattern of growth that is different in scale and distribution to any of the three Options in the recent Regulation 25 Technical Consultation. However these Options have

been in the public domain and subject to some testing. They must be a starting point for the consideration of additional growth.

- 3.3. The three Options for growth in the NPA are each capable of delivering 24,000 dwellings by 2026. Recent monitoring of housing completions and projected delivery on already identified sites demonstrates that we only need deliver 21,000 dwellings on new allocations through the JCS in this period. Consequently the NPA consultation Options demonstrate the potential to provide 3,000 additional dwellings above what is now required.
- 3.4. The three NPA Options include varying quantities of post 2026 growth. Option 1 includes 8,000 post-2026 dwellings, Option 2 includes 7,000 post-2026 dwellings and Option 3 includes 4,000 post-2026 dwellings. Post-2026 growth in Option 2 could match Option 1 with some additional growth at Long Stratton, Wymondham and/or Easton/Costessey. It would also be perfectly feasible to bring Option 3 into line with Options 1 and 2 by including post-2026 growth at Mangreen. Potential delivery rates in individual locations would mean that some of this growth would be delivered beyond 2031 but it could be assumed that perhaps 6,000 dwellings could be delivered by any of the Options between 2026 and 2031. This growth would represent a low completion rate of only 1200 per annum.
- 3.5. It can be concluded that any of the three Options could deliver 9,000 additional dwellings in total in the period to 2031 (i.e. the 3,000 in the existing Options, which are now excess to requirements, up to 2026 plus 6,000 post 2026). This analysis takes no account of additional growth in Norwich or on smaller sites in Broadland and South Norfolk after 2026. These could quite reasonably be expected to total a further 1,000 dwellings bringing total additional NPA growth to around 10,000 based on any one of the tested Options in the Technical Consultation.
- 3.6. The current RSS requires the development of 4,500 dwellings in the rural part of the area over 20 years or 225 per annum. Updated housing monitoring indicates that only about 1600 new allocations are required for the period 2008-2026 to achieve the RSS target. This equates to 90 per annum. Actual delivery rates are well in excess of this at around 300 per annum 2001-2008 and even higher at around 340 per annum in the longer period 1993-2007. A significant element of this delivery is on “windfall” sites and such sites can be expected to continue to deliver a large proportion of rural growth. Nevertheless if Members wish to maintain these historic rates of delivery it might be assumed that allocations could be made for perhaps 150 dwellings per annum. Consequently allocations could be made for 3,450 dwellings in the 23 years 2008-31, representing an additional 1,800 allocations more than in the emerging JCS. With high rates of windfall development likely to continue, actual completions (allocations plus windfall) are likely to be well in excess of this.
- 3.7. It can be concluded that the locational strategy in the emerging JCS, with limited modification, could accommodate around 12,000 additional dwellings in the period to 2031 (10,000 in the NPA, and at least 1,800 in the rural area).

4. Locations for Major Growth in the NPA

- 4.1. The three growth Options in the recent Reg 25 JCS consultation included a number of possible growth locations each with a potential scale of growth to be

tested. All of these locations have therefore undergone a considerable amount of testing and evidence gathering. Development proposals have been submitted for all the locations in response to the JCS. In addition, seven settlement proposals have been put forward to EERA by development interests at:

- Ex RAF Coltishall (partly in Broadland)
- Rackheath
- Rest of NE Sector
- Hethersett (X2)
- Wymondham and
- Weston Longville

Of these locations, Coltishall and Weston Longville have not been proposed as potential growth locations by the GNDP through the JCS process. Both locations are remote, do not relate well to the rest of the Norwich area, and would require significant infrastructure investment.

4.2. All the JCS locations emerged from a long list of ten possible areas, following the initial Issues & Options consultation in winter 07/08. Inclusion in the latest “technical” consultation suggests that each location is reasonable in principle. The preferred pattern of growth that is now emerging is expected to exclude some locations and scales of growth that are reasonably well supported by evidence. The GNDP area is likely to come under very significant pressure locally and regionally from proponents of locations/scales of growth that are not put forward in the JCS and these could be in a strong position to meet higher development rates in the RSS.

5. **Infrastructure**

5.1. The Growth Infrastructure Study (by EDAW) demonstrated a large funding gap. Since EDAW reported, the downturn in the housing market has further reduced the ability for development to contribute to infrastructure. The recession is also likely to limit the Government’s ability to fund infrastructure. This infrastructure deficit will be replicated across the region and many other parts of the country. However, there are a number of significant constraints to delivering growth in the Norwich area which will need to be overcome. These issues reinforce the need to plan for a pattern of growth that is best able to provide necessary supporting infrastructure.

6. **Jobs**

6.1. Evidence on the ability of the local economy to support additional housing growth should be a fundamental consideration.

6.2. The recent Economic Study by Ove Arup and Oxford Economics included a Baseline forecast that looked at the capacity of the local economy to grow. From this level of economic growth a housing requirement was derived that was about 18% higher than the actual RSS provision (i.e. the overall 2001-21 target not the higher RSS Residual Rate). Although not necessarily applicable

to the period to 2031, this 18% increase can be applied to original RSS rates to give some indication of the capacity of the local economy to support housing growth in the longer term. This suggests that the maximum rate of development that could be supported is about 2,200 dwellings per annum for the GNDP (1,950 for the NPA). Such rates are above the RSS Residual rate but less than any of the other potential rates to be tested. However, we have now entered a period of recession and the medium and long term impact on the local economy is unclear. It would be safe to assume that economic growth and consequent housing requirement will be somewhat lower than suggested by the Economic Study Baseline forecast.

7. Delivery

- 7.1. Current RSS rates are already high compared to historic rates of delivery and consequently very challenging. While the Residual rate was met and even exceeded in the last 2 monitoring years this was partly based on high levels of development for flats in Norwich that will not be sustained long term.. The recession will have a significant impact on completions and house prices are not expected to return to previous levels for around five years. This will exacerbate the backlog and make it very unlikely that we will exceed RSS Residual rates for the JCS period 2008-26.
- 7.2. The emerging spatial strategy includes an extremely large urban extension in Broadland and possibly one large new settlement in South Norfolk. Delivering these large scale new communities in a sustainable way will be an unprecedented challenge. An additional large scale new community on top of these would directly compete for sales and infrastructure and is very likely to significantly undermine the ability to deliver sustainable new communities.
- 7.3. Under the Government's current policies on the need to maintain a 5-year land supply, setting provision at a level that is undeliverable will result in the granting of an over abundance of additional planning permissions on unallocated sites. This will not increase the ability of the market to deliver actual completions but will undermine the delivery of planned new sustainable communities.
- 7.4. **Other potential growth locations**
- 7.5. In order to begin to establish an evidence base for the response to the RSS review, the County Council is looking at the physical constraints for existing towns to grow significantly. For the GNDP area the JCS process provides significant evidence for growth in the Norwich Policy Area. However rural area towns have not been investigated for large scale growth. To contribute significantly to overall provision the minimum consideration might be 1,000 dwellings, while much more housing might be required to overcome some infrastructure deficiencies. The GNDP area includes the towns of Aylsham, Diss, and Harleston.
- 7.6. The attached maps include strategic physical constraints around the three towns:
 - Aylsham is tightly constrained and has very limited sewage treatment capacity
 - Harleston is less constrained but has poor transport connections and a

relatively small town centre.

- Diss is relatively unconstrained to the north of the A1066 and on the Suffolk side of the Waveney. Strategic rail access is good and the town lies close to the junction of the A140, A143 and A1066. The town has an established employment base and the town centre is relatively large, with scope for expansion. The town is served by two superstores. Growth could benefit the business base of the town. However, there are potentially constraints related to water supply and disposal, the A140 provides poor strategic access and the A1066 running through the town is a fundamental constraint to any significant growth. Given the length, and additional costs, such as railway and/or river crossings, an A1066 bypass would be very expensive. While further analysis would be required it might be assumed that the scale of growth required to deliver the necessary infrastructure would be in the region of 5-10,000 dwellings. Further work to test such an option would require co-ordination with Mid Suffolk District Council and Suffolk County Council.

7.7. A large stand alone new town could be considered although this would require massive infrastructure investment, would have to be large enough to establish a level of economic independence, and would only deliver a limited amount of growth in the plan period. A rail corridor would be the most likely candidate. Locations served by the Wherry Line are constrained by very high quality agricultural land, impact on the Broads and potential impact on regeneration of Great Yarmouth, and would relate poorly to the rest of the region. Locations on the A140/Great Eastern mainline corridor, where there are no existing stations or local services and the road is of a poor standard, would require very large investment in road and rail infrastructure.

7.8. EERA have commissioned consultants to look at the potential for regional scale new towns (around 20,000 dwellings). The results of this analysis have not been published. EERA consider that growth provided through these new towns would be additional to the rates being tested.

7.9. **East of England Plan : Policy NR1**

7.10. Policy NR1 provides the strategic planning context for Norwich and the NPA. The overall approach remains valid but the Policy could be updated to:

- Reflect agreed housing provision to 2031
- Include strategic reference to the pattern of major growth locations to be agreed through the JCS
- Provide a distribution of growth derived from the evidence base
- refer to specific infrastructure requirements including the NDR and associated high quality public transport infrastructure, A47 Southern Bypass junction improvements, and the Long Stratton Bypass.

8. Conclusion

- 8.1. The emerging JCS strategy is capable of providing for a continuation of RSS Residual rates within the GNDP. It is also capable of providing for further additional growth up to a total of around 2,000 dwellings (i.e. an additional 90 dwellings per annum 2008-2031). This additional growth would reflect the economic status of the GNDP area and allow RSS Residual Rates to continue for Norfolk as a whole. However, none of this will be possible without significant investment in supporting infrastructure. Existing growth is dependant on large scale infrastructure investment including delivery of the NDR and significantly enhanced public transport. Further growth could not be contemplated until this infrastructure is secured.

Growth beyond RSS Residual rates is untenable. There is clear evidence that the local economy could not provide the jobs to support these higher levels of growth and the housing delivery rates required are entirely unrealistic. Providing for additional growth by increasing the number of major new communities in the area would increase competition between them for limited resources and demand, and significantly undermine the ability to deliver sustainable communities.

Recommendation

- (i) GNDP Policy Group advise the County Council that, subject to further work to understand the impact of the recession on the local economy and a clearer commitment to fund necessary infrastructure, 12,000 dwellings is the absolute maximum level of additional growth for the area in the period to 2031
- (ii)

Officer Contact

If you have any questions about matters contained in this paper please get in touch with:

Name	Telephone Number	Email address
Phil Morris	01603 222730 07747020292	p.morris@gndp.org.uk



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GNDP Policy Group

Item No 7

Area	RSS Residual Rate 2006-2021 (used in emerging LDFs to 2026)				NHPAU Lower Rate		NHPAU Upper Rate		GVA Growth based rate	
	1. East of England Plan 08 Annual Rate 2001- 2021	2. Annual rate*	3. Total no. required 2008 to 2026 Applying Residual Rate	4. Additional growth 2008- 2031 above total in column 3 *	5. Lower NHPAU Rate	6. Additional growth 2008-2031 above total in column 3	7. Upper NHPAU Rate	8. Additional growth 2008-2031 above total in column 3	9. GVA Growth rate	10. Additional growth 2008- 2031 above total in column 3
Breckland	760	780	14,040	3,900	861	5,763	1,067	10,501	609	-33
Grt. Yarmth	300	320	5,760	1,600	386	3,118	532	6,476	370	2,750
KLWN	600	630	11,340	3,150	679	4,277	906	9,498	584	2,092
N. Norfolk	400	420	7,560	2,100	509	4,147	668	7,804	260	-1,580
Broadland	610	700	12,600	3,500	789	5,547	995	10,285	961	9,503
Norwich	705	710	12,780	3,550	933	8,679	1,146	13,578	844	6,632
S. Norfolk	560	590	10,620	2,950	673	4,859	847	8,861	829	8,447
Norfolk	3,935	4,150	74,700	20,750	4,830	36,390	6,161	67,003	4,457	27,811
NPA	1,650	1,800	31,680	8,800	2,108	16,795	2,629	28,797	2,318	21,632
GNDP	1,875	2,000	36,000	10,000	2,395	19,085	2,988	32,724	2,634	24,582

* The Emerging LDF's are planning using the 2006-2021 residual rate up to 2026, alternative rates in the table start at 2008 but extend to 2031