

Report to Sustainable development panel

Item

17 December 2014

Report of Head of planning service

4

Subject Joint core strategy (JCS) annual monitoring report (AMR)

Purpose

To inform members of the content of the *Joint core strategy annual monitoring report (JCS AMR)* for 2013-14. This consists of the Greater Norwich report monitoring progress of the *JCS* and a Norwich appendix monitoring local plan policies not covered by the *JCS* indicators. This year, the Norwich appendix takes a hybrid approach, measuring the indicators of the *Replacement local plan* for the final time, and the new indicators in the *Development management policies local plan* (the *DM policies local plan*) for the first time.

In addition, to inform members of the updated five year land supply position as updated to 1 December 2014.

Recommendation

That members note the content of the *JCS AMR*.

Corporate and service priorities

The report helps to meet the corporate priority A prosperous city and the service plan priority to deliver the local plan for Norwich

Financial implications

There are no direct financial implications.

Ward/s: All wards

Cabinet member: Councillor Stonard – Environment, development and transport

Contact officers

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Background documents

None

Report

Introduction

1. The purpose of this report is to inform members of the content of the *JCS AMR*. The AMR covers the period from April 1 2013 to March 31 2014. In addition, the report will inform members of the updated five year supply of housing for the Norwich Policy Area (NPA) to the 1 December 2014.
2. It is a long standing requirement for local planning authorities to produce an AMR. Prior to the Localism Act this had to be submitted to the Secretary of State by December of each year. Submission is no longer required but the monitoring of the plan still is.
3. This AMR includes the following sections:
 - the *Joint core strategy annual monitoring report* (JCS AMR) including the additional monitoring framework for the Broadland part of the Norwich policy area (NPA)
 - Appendix A: the Greater Norwich area five year supply of housing assessment;
 - Appendix B: CIL receipts for Broadland District Council and Norwich City Council
 - Appendix C: Update to the duty to cooperate paper
 - Appendix D: Update to the sustainability appraisal baseline information covering the Greater Norwich Growth Board (GNGB) area;
 - Appendix E: Broadland District Council AMR
 - Appendix F: Norwich City Council AMR
 - Appendix G: South Norfolk District Council Local development scheme update.
4. The remainder of this report provides a brief commentary on the findings of the JCS AMR and on the Norwich appendix. In compiling the AMR officers have noted that some indicators are out of date in that data is no longer published against them, or they are no longer fit for purpose. A review of all indicators is taking place and will be discussed at the Greater Norwich level. Any recommendations following this review will be reported to SDP as necessary in the future.

The *Joint core strategy annual monitoring report*

5. The framework for the monitoring report was set through the *JCS* and its sustainability appraisal which has its own monitoring targets.
6. Since adoption of the *JCS*, the government has cut the production of some data which has resulted in some gaps in the monitoring data in the AMR. Where

possible proxy indicators have been used, and to provide clarity for members, a note is added to highlight which indicators this affects.

7. The AMR for the JCS sets the baseline for future monitoring and provides a useful indication of how the GNGB area is currently performing in terms of the overall planning objectives.
8. There are many targets in the JCS's monitoring framework that are currently being met or where clear improvements have been made since last year:
 - whilst still below targets, net housing completions have risen on last year and are at their highest levels since 2009/10;
 - housing completions by bedroom number have remained broadly at last years' levels and are meeting the proportions set out in the *Sub-regional housing market assessment*. Of note, the numbers of 2 bedroom properties in both Broadland and South Norfolk District Councils have increased and for Broadland, are at their highest levels since the base date of the plan.
 - affordable housing completions have fallen on last year but still remain above target for Norwich City Council. Of significance, Broadland District Council has had an 18% reduction in affordable housing completions;
 - the percentage of new and converted dwellings being provided on previously developed land remains well above target in both Norwich and Broadland. However, South Norfolk has seen a drop from 23% in 2012/13 to 15% in 2013/14.
 - no permissions have been granted contrary to the advice of the Environment Agency. Where objections have been received these have been overcome by revisions to development proposals or through the imposition of conditions on permissions granted;
 - the number of new employee jobs has increased this year by more than the target requires for the first time since the base date of the plan (2008);
 - the proportion of 16-18 year olds not in education, employment or training has decreased in both Broadland and South Norfolk. Norwich has seen a small increase of 0.30%;
 - the proportion of local sites in positive conservation management has increased each year since 2007/08;
 - life expectancy has increased, and;
 - the proportion of people claiming Employment Support Allowance/Incapacity benefit has remained broadly stable over time across the Greater Norwich area, however, this has increased for Norwich.
9. There are a number of indicators where targets are not currently being met:
 - as stated above, net housing completions continue to be below target. However, total figures across the NPA have increased from last years'

figures and many sites, particularly in the city, have commenced works. As a result net housing completions are expected to be higher in the monitoring period 2014/15;

- the percentage of household waste that is recycled and composted has reduced. A major contributing factor are the changes in regulations which mean that street sweepings cannot be recycled and that recyclable items are increasingly made using less material (the effect known as “light weighting”). All Norfolk councils have implemented a new recycling service from the 1 October 2014 to allow more materials than ever before to be recycled. This will have a positive impact on future recycling performance;
- Provision of Gypsy and Traveller pitches is still below target in both Norwich and South Norfolk. However, the city council has recently had confirmation that a bid for £820,000 to the Homes and Communities Agency has been successful. This funding will secure 13 new pitches in the city by 31 March 2018.
- There has been a significant loss of office floorspace in the city centre (-7,213sqm). Of this, 5,640sqm is as a result of permitted development rights for offices to change use to residential without the need for planning permission:

- i. Merchants Court, St Georges Street (2,134sqm – 17 flats)
- ii. Britannia House, Prince of Wales Road (912sqm – 20 flats)
- iii. Aldwych House, 57 Bethel Street (2,594 – 18 flats)

This trend looks set to continue with just over 11,400sqm of office floorspace granted a prior approval for conversion to residential in the city centre in the monitoring period 2014/15 to date.

- Norwich’s retail ranking has dropped from 13th to 14th. However, we are ranked jointly with Reading (who have taken 13th spot) so technically there is no fall;
- 1 listed building was demolished in the monitoring period: 52-54 All Saints Green. This building formed part of the site currently being developed for student accommodation at Queens Road/All Saints Green.

10. The JCS AMR reports a land supply of 4.7years as at 1 April 2014. This in itself is an improvement on 2012/13 supply. However, there has been significant progress made since the April 2014 figures published in the JCS AMR.

11. Overall, across the Norwich Policy Area (NPA) a net gain of 773 dwellings (from 1 April 2014 to 1 December 2014) can now be included in the 5 year supply period following the grant of planning permissions or committee resolutions to grant, changes to projected delivery of sites and taking into account lapses in existing permissions.

12. These changes bring the total number of dwellings in the 5 year supply period to 12,090, 262 in excess of the requirement of 11,828 dwellings. This equates to

102% of the requirement, 5.10 years of a 5 year supply. The update note is attached in full as Appendix 2 to this report. As a result of the current land supply position, paragraphs 49 and 14 of the NPPF, which render policies restricting the supply of housing *out of date* if a 5 year land supply position cannot be demonstrated, are no longer applicable. Policies restricting the supply of housing can now be taken into consideration in the determination of planning applications and full weight afforded to them.

Norwich City Council Appendix (Appendix F) – *Replacement local plan policies*

13. The JCS AMR replaces many aspects of the previous annual monitoring reports produced by Norwich City Council.
14. The Norwich appendix to the JCS AMR monitors the remaining *Replacement local plan* policies not covered by the JCS, and for the first time, also monitors the *DM policies local plan* policies.
15. Key findings from the *Replacement local plan* appendix show:

Employment:

- Targets for new small businesses (5 permissions per annum) were not met with only 2 permissions being granted. 1,545sqm of employment land was granted permission for alternative uses, most significantly was a permission for a karate club (900sqm).
- The permission granted for Norwich Airport, although not technically on employment land, was considered acceptable given that it was airport operational development and could not be accommodated elsewhere in the plan area. This will provide circa 80,000sqm of B use class floorspace.

Retailing:

- Retail vacancy rate of all retail *units* in the city centre rose by 0.1% on 2012/13 figures. This is a very small increase and shows that the market is stabilising. Vacant *floorspace* has fallen by 1.9% to 4.9% which is low in comparison to previous years and in comparison to the national average. Both these indicators show that the city centre remains relatively resilient to the recession. Further, the Norwich Lanes have recently won an award for 'Great British high street of 2014'. Although the award was won in November 2014 it is worthy of note in this AMR.
- The 2014 retail survey was carried out using the frontages set out in the *DM policies local plan*. The *Main town centre uses and retail frontages supplementary planning* document has been through public consultation and is being reported back to members recommending progress to adoption in late December 2014. This SPD document sets the frontage thresholds for non-retail uses in each defined frontage. No retail frontages are below the thresholds set by the SPD.
- Vacancy rates have fallen in both district and local centres from last years' figures. 4 of the 9 district centres have no vacant units. In local centres, of the 28 in total, 16 have no vacant units.

Housing:

- Total completions for the monitoring period (210) are low compared to previous years. However, building has commenced on many sites in the last 12 months, so this figure is expected to increase in 2014/15.
- Affordable housing completions are down on last years' figures, but account for a higher proportion of total completions. There is still very limited delivery of affordable housing on private sites. The *Affordable housing supplementary planning document* which has been through consultation addresses how the council will continue to accept commuted sums for off-site provision of affordable housing where non-viability of development with affordable housing on site can be demonstrated.
- Average densities for housing completions (44.6%) were low compared to years prior to 2012/13 where averages densities of 78% and 97.6% were achieved.
- The total percentage of dwellings completed at less than 30 dwellings per hectare dropped significantly from 14.2% (2012/13) to 2.8% (2013/14). This is highlighted by the increase in the number of completions at higher densities of between 30-50dph and 50+dph as would be expected in an urban authority.

Office floorspace:

- There has been a significant loss of business (B1a) office floorspace in the city centre in the monitoring period. Permissions for the loss of just over 1,500sqm have been granted. However, most significant is the trend for conversion of office floorspace to residential under permitted development rights via a prior approval process which can only consider limited material considerations (flooding, transport and contaminated land). Such 'prior approvals' will amount to a loss of 5,640sqm in the city centre if all are implemented. This trend is set to continue with prior approvals for a further 11,400sqm of office floorspace in the city centre granted in the 2014/15 monitoring period.
- The above, when considered against the losses felt last year and projections for next year, along with new provision of high quality office floor space on the edge of the city, are of considerable concern. The JCS requires an additional 100,000sqm of office floorspace to be built in the city centre by 2026 but at this time, the trend is for significant losses. In addition, the government recently consulted on the potential to make this permitted development right permanent (it is currently temporary until 31 May 2016). Council officers objected to the consultation and stated that:

'Evidence shows that the temporary office to residential permitted development rights introduced in 2013 have already resulted in some depletion of the office stock and employment base in the city centre. The majority of prior approvals granted in Norwich have been for the conversion of vacant and underused offices of generally poorer quality, however in one instance, more modern, good quality office space has been lost to allow conversion to a free school. Our fear is that introducing these rights on a permanent basis without appropriate local safeguards

will continue to threaten prospects for retaining office employment in the city centre, undermining the adopted strategic policy approach of the JCS and emerging local plan policies to protect high quality office accommodation and promote significant floorspace growth. Because the prior approval tests for this category of development are so limited, there would continue to be no mechanism for the council to secure acceptable standards of design, layout, outlook or amenity for the residential occupiers of former office buildings. There would also be no opportunity to deliver much needed affordable housing so long as this category of conversion scheme does not require planning permission, nor could the introduction of housing in former offices in locations such as the Late Night Activity Zone be prevented. Despite offering some benefits to the housing supply in terms of absolute numbers, the continuing availability of an attractive low cost flat conversion option for housing developers (without their needing to provide affordable housing or any other planning obligation) is likely to distort the market and delay the beneficial regeneration of larger and more complex development sites'.

Environment

- No permissions were granted contrary to saved policy NE1 concerning the protection of environmental assets from inappropriate development.
- Only 1 telecommunications mast was permitted within a conservation area. Twelve applications for equipment cabinets associated with upgrading broadband connections were granted in conservation areas but the collaborative working between the telecoms operators and city council officers has ensured that these are as sensitively positioned as possible.

Transport:

- A significant level of contributions for transport schemes were negotiated through Section 106 agreements with a total of just over £1million secured.
- A significant number of enhancements to the cycle network were delivered including provision of cycle stands, improvements to pedestrian and cycle crossings, provision of new cycle paths and associated lighting and other infrastructure, and measures to reduce car speeds in the vicinity of new crossing points.

Norwich City Council Appendix (Appendix F) – *DM policies local plan*

16. Key findings from the *DM policies local plan* appendix show (in addition to the above):

- 4 areas of public open space have been completed in the monitoring year: Taylors Row, Wentworth Green, Dowding Road and Bertram Way;
- A total of 460 student bedrooms have been permitted. 228 at Queens Road/All Saints Green (currently under construction) and a further 232 at the UEA which have recently been completed. In addition to this, the UEA is currently consulting on proposals to provide up to an additional 850 student bed spaces on campus.

- 8,949sqm of new community facilities have been permitted including church and community centres, gyms, yoga studios, a screen heritage centre at Cinema City and sports related clinics.
 - Just over 4,000sqm of education and training facilities have been provided;
 - 3 assets of community value have been registered.
17. Worth noting are the recent permissions granted by Broadland District Council and South Norfolk District Council for retail floorspace, not in defined centres as set out in the retail hierarchy in JCS policy 19. Norwich City Council made strong objections to all related planning applications and was disappointed that these applications were granted approval. The impact of these developments, as and when they are completed, will be closely monitored for any impact on the city centre and our district and local centres.
18. Below is an outline of the development approved by both South Norfolk and Broadland district councils:
- Longwater retail park: Removal of conditions restricting items for sale to bulky goods in units A2 (Next), C (Dreams Bed Centre) and E1 and E2 (Staples). As such each of these units has an open A1 (retail) use permitted. In addition, Unit C (Dream bed Centre) has permission for a mezzanine to provide a further 465sqm of unrestricted A1 (retail) floorspace. (South Norfolk).
 - Longwater retail park: Permission has been granted for the erection of an A1 retail store with conservatory, garden centre, ancillary coffee shop and associated car parking, landscaping and service area for use by Next plc. The new store will provide 4,669sqm of comparison retail floor area. This is in comparison to existing floor space at Hay Hill of 2,502sqm. (South Norfolk).
 - Taverham Garden Centre, Fir Covert Road: Full permission for an open A1 (retail) use supermarket (4,181sqm), a 12 pump petrol filling station and associated parking and landscaping. Outline permission for an A3/A4 (café/restaurant/public house) family public house (1,262sqm), a mixed A1 (retail), A3 (café/restaurant), B1 (office/light industrial) lifestyle leisure unit (3,252sqm) with associated parking. (Broadland).

Conclusions:

19. In compiling the AMR both for the period 2012/13 and for this year (2013/14), officers have noted that some indicators are out of date in that data is no longer published against them, or they are no longer fit for purpose. A review of all indicators is taking place and will be discussed at the Greater Norwich level. Any recommendations following this review will be reported to SDP as necessary in the future.
20. The full *JCS AMR* is appended to this report at Appendix 1. It is included here for members to note the content and make comment. The AMR is due to be published following this meeting.