Report toSustainable development panel<br/>27 November 2013Report ofHead of planning serviceSubjectLocal plan update

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# Purpose

This report updates members on progress with the forthcoming Norwich local plan examination and the recent submission of further modifications and additional evidence to the examination inspector. A short update is also provided on progress with the Joint Core Strategy following its public examination earlier this year.

## Recommendation

To note the submission of additional material to the Norwich local plan examination inspector, and to note the publication of the inspector's report for the examination into the soundness of the Joint Core Strategy.

## **Corporate and service priorities**

The report helps to meet the corporate priority A prosperous city and the service plan priority to deliver the Site Allocations and Development Management Policies DPDs.

## **Financial implications**

Ward/s: All wards

Cabinet member: Councillor Stonard – Environment and transport

## **Contact officers**

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# **Background documents**

None.

# Report

# Background

- 1. A report to sustainable development panel in September provided an update on progress with the public examination of Norwich's local plan documents (the Site allocations plan and Development management policies plan) and the Joint core strategy (JCS).
- 2. This report provides a short update on further progress with the JCS, and a more detailed update on the local plan examination in relation to the submission of further proposed modifications and evidence updates to the inspector.

# Joint Core Strategy update

3. The inspector for the JCS public examination has now published his report on the soundness of that plan. He concludes his report as follows:

'I conclude that with the recommended main modifications set out in the Appendix the Joint core strategy for Broadland, Norwich, and South Norfolk, the Broadland part of the Norwich Policy Area Local Plan satisfies the requirements of Section 20(5) of the 2004 Act and meets the criteria for soundness in the National Planning Policy Framework.'

- 4. The inspector's report and his positive conclusion on the soundness of the JCS as modified means that the examination into the city's local plan documents will be able to proceed with an adopted JCS in place. The inspector's report is available on the <u>GNDP website</u>.
- 5. A fuller report on the adoption of the JCS will be taken to cabinet on 11 December to recommend that council adopts the JCS. Similar reports will also need to be taken through the processes at Broadland and South Norfolk councils. It has not been possible to draft a report in time for this committee's reporting deadlines.

# Local Plan proposed modifications

- 6. The council has proposed a number of 'main' (ie. more fundamental) modifications to both plans, and the accompanying Policies map, to be considered as part of the examination process. All main modifications proposed to the plans and Policies map, including those that arise through the examination hearings, will be consulted upon following the end of the hearings.
- 7. Many of the proposed modifications relate to changes in circumstance since the submission of the plans to the Secretary of State in April 2013. For example a number of changes are necessary to the Site allocations plan to reflect the fact that some sites, or parts of sites, are no longer available for development; and some changes are necessary to the Development management policies plan to reflect recent changes in planning regulations.
- 8. Prior to submission, the council agreed a number of minor modifications to both plans to be included in the submitted version of the plan (the 'regulation 22' plan), which were made in response to representations. Since submission the Inspector has indicated that he considers that some of the modifications the council assessed as

minor are significant enough to be classed as main modifications. This is because they involve changes to policy wording or to the supporting text which explain how policies are to be implemented, or they change boundaries of the Policies map. These (previously minor) modifications specified by the Inspector are therefore included as further modifications. All of the modifications proposed are to the Regulation 19 ('soundness') version of the plan, rather than the Regulation 22 plan as submitted.

- All proposed modifications are set out on the council's website in the <u>Further</u> <u>Modifications document</u> which is accompanied by a set of <u>annexes</u> containing plans. The main document contains 3 schedules:
  - Schedule 1 includes proposed main modifications to the Site allocations plan,
  - Schedule 2 includes proposed main modifications to the Development management policies plan, and
  - Schedule 3 includes proposed main modifications to the Policies map.
- 10. The overall scale of change proposed to both plans by the proposed modifications is not judged to be so significant that the soundness of either plan is called into question. In the case of the Site allocations plan, the modifications seek to reflect current availability of sites so that the allocations are capable of implementation within the plan period. In the case of the Development management policies plan many of the proposed modifications respond to recent changes in planning regulations which extend permitted development rights for various forms of development, and are considered necessary to comply with current national policy.
- 11. The plans as proposed to be modified are considered to accord with the tests of soundness set out in the National Planning Policy Framework, in that they are: **positively prepared** to meet objectively assessed development and infrastructure requirements for Norwich; they are **justified** on the basis of evidence to be the most appropriate development strategy for the city; they are **effective** and capable of implementation; and they are **consistent with national policy**, in particular with recent changes to planning legislation.

## Local plan evidence updates

- 12. The report to sustainable development panel in September referred to two additional evidence studies being undertaken by the council to supplement the existing evidence base for both plans in relation to office development and viability issues. These studies have now been completed and have helped to inform the further modifications referred to above. Both have now been submitted to the Inspector alongside the Further Modifications and appear on the council's website.
- 13. The <u>Office floorspace evidence study</u> (November 2013) examines the impact of the temporary relaxation of permitted development rights commencing in May 2013 on emerging policy for office development and office space protection in the city.
- 14. The report concludes that the recent changes to permitted development rights are likely to have relatively little impact in Norwich and are unlikely to result in large scale depletion of its office floorspace stock. Only a small number of proposals have come forward to take advantage of the new permitted development rights, and the survey

results indicate that relatively few office premises are being actively considered for conversion to residential use. It is therefore considered unlikely that this short term planning deregulation will significantly undermine the long term strategy for employment growth and locational policy for new office development in the city set out in the JCS and carried forward in the Development management policies plan and Site allocations plan.

- 15. This evidence has been taken account of in the proposed modifications referred to above. No modifications are proposed to the Site allocations plan in respect of this evidence but a number of modifications are proposed to the Development management policies plan in relation to the changes in permitted development rights. These changes can be seen in Schedule 2 of the Proposed Main Modifications report in relation to policies DM12, DM19, DM20, DM21 and DM22.
- 16. A study of the viability of site allocations was undertaken to build on work carried out for the recent JCS public examination. The <u>Viability Study</u> (November 2013) is now complete and has been submitted to the Inspector for the local plan examination. This is a high level study which assesses the viability of types of sites included in the Site allocations plan, and also assesses whether policies in the Development management policies plan will adversely affect the viability of development proposed in the Site allocations plan.
- 17. The study uses a viability model approved by the Planning Advisory Service and which has been used in similar studies undertaken by Broadland and South Nofoflk councils.
- 18. The study shows that the majority of residential and mixed use development allocations in Norwich are commercially viable, although the viability of high density residential development in the city centre is more marginal. Small uplifts in sales values, which appear likely in the near future, or a small reduction in the affordable housing requirement on sites, would increase the viability of this more marginal development.
- 19. Employment development allocations in the plan are assessed to be unviable, which reflects the national and local picture. Likely market improvements should improve the viability of this form of development. The current lack of viability for employment development does not however undermine the major employment allocation in the Site allocations plan at Hall Road; it is important to retain a large accessible site for employment development.
- 20. Overall the study concludes that that it can be reasonably assumed that the sites allocated in the Site allocations plan are viable and can be delivered in the plan period. It also shows that policies in the Development management policies plan do not adversely affect the viability of development proposed in the Site allocations plan or the delivery of other developments in the period. No modifications are proposed to either plan as a result of the Viability study.

## Sub-regional evidence update

21. For information, an update of the Greater Norwich Strategic housing market assessment (SHMA) has recently been commissioned jointly by Norwich City Council, Broadland District Council, and South Norfolk Council. Consultants Opinion Research Services were appointed in October 2013. This document will update the SHMA published by the three councils in 2007 and updated in 2009 and 2011. When complete the SMHA will update the evidence base for the Joint Core Strategy, the local plan and the housing strategy and will inform decision-making. Members will be kept informed of progress at key stages in the strategy's development. It is anticipated that the SHMA will be completed by May-June 2014.

## Timescales for local plan examination and adoption

22. The public examination hearings are expected to commence in late February and extend into March. Once the hearings have concluded, the proposed modifications will be subject to sustainability appraisal and a further round of public consultation before the inspector's report is published. It is anticipated that the plans will be adopted by September 2014.