

Sustainable development panel

Date: Wednesday, 25 February 2015

Time: 09:00

Venue: Westwick room, City Hall, St Peters Street, Norwich, NR2 1NH

Committee members:

Councillors:

Stonard (chair)
Sands (M) (vice chair)
Ackroyd
Bogelein
Boswell
Bremner
Herries
Jackson

For further information please contact:

Committee officer: Jackie Rodger
t: (01603) 212033
e: jackierodger@norwich.gov.uk

Democratic services
City Hall
Norwich
NR2 1NH

www.norwich.gov.uk

Information for members of the public

Members of the public and the media have the right to attend meetings of full council, the cabinet and committees except where confidential information or exempt information is likely to be disclosed, and the meeting is therefore held in private.

For information about attending or speaking at meetings, please contact the committee officer above or refer to the council's website



If you would like this agenda in an alternative format, such as a larger or smaller font, audio or Braille, or in a different language, please contact the committee officer above.

Agenda

		Page no
1	Apologies	
	To receive apologies for absence	
2	Declaration of interest	
	(Please note that it is the responsibility of individual members to declare an interest prior to the item if they arrive late for the meeting)	
3	Minutes	5 - 10
	To approve the accuracy of the minutes of the meeting held on 28 January 2015.	
4	Home Energy Conservation Act (HECA) report 2015 - progress report	11 - 52
	Purpose - The draft HECA report sets out the energy conservation measures that the authority considers practicable, cost-effective and likely to result in significant improvement in the energy efficiency of residential accommodation in its area in line with government requirements.	
5	One Planet Norwich Sustainable Living Festival 2015	53 - 54
	Purpose - This report informs members of the arrangements for the first One Planet Norwich: Sustainable Living Festival 2015.	
6	Affordable housing supplementary planning document	55 - 126
	Purpose - This report concerns the <i>Affordable housing supplementary planning document</i> (SPD) which the panel considered and commented on before it was published as a draft for public consultation in October 2014.	
	The report outlines the main issues raised in the responses to the consultation, summarises the responses received and proposes a number of changes to the document to address	

those responses.

In addition, and of greater significance, the report has also been amended to take into account changes made to national planning policy which have raised the threshold over which local authorities can require a contribution to affordable housing and details how we propose to calculate the vacant building credit.

7 **Response to government consultation ‘Building more homes on brownfield land’** 127 - 130

Purpose - Response to government consultation ‘Building more homes on brownfield land’.

8 **Possible formal cooperation on strategic planning issues through a shared non-statutory strategic framework** 131 - 150

Purpose - This paper reports on discussions with planning authorities across Norfolk about joint working to continue to ensure that the Duty to Cooperate is discharged and there is beneficial cooperation on strategic planning issues across a wide area.

Date of publication: **Tuesday, 17 February 2015**

Sustainable development panel**10:00 to 12:45****28 January 2015**

Present: Councillors Stonard (chair), Ackroyd, Bogelein, Boswell, Bremner, Herries and Jackson

Apologies: Councillor Sands (M) (vice chair)

1. Declaration of interests

Councillor Jackson declared an other interest in item 4 (below) Planning update because of the impact proposals would have on landscape architecture.

2. Minutes

RESOLVED to approve the minutes of the meeting held on 17 December 2014.

3. Norwich City Council new build and Passivhaus

The senior housing development officer (enabling) gave a power point presentation and presented the report, and together with the executive head of strategy, people and neighbourhoods and the strategic housing manager, referred to the report and answered members' questions. (A copy of the presentation is available on the council's website.)

During discussion members welcomed the report and asked for further reports as Passivhaus schemes were developed. Members considered that it would be useful to have an analysis of the costs of a Passivhaus building over its lifetime for comparison with other builds. The capital cost of constructing to Passivhaus standard was higher than for Code for Sustainable Homes level 4 but there would be savings in running costs over the lifetime of the building. Members also noted that capital costs were coming down as more Passivhaus buildings were constructed in the UK. The council wanted to provide as many new houses as possible and reduce its carbon footprint, which involved improving its existing housing stock. The housing revenue account (HRA) business plan included financial modelling for the next 30 years. Part of the capital plan was fed by the revenue. Hastoe Housing Association had reported positive housing management benefits in that there had been a drop in rent arrears from its tenants in Passivhaus dwellings.

Discussion also ensued on educating tenants of Passivhaus dwellings on the behavioural change required for the building to operate efficiently. This included not being able to open windows on a hot day. Hastoe Housing Association provided training and support for its tenants.

Members of the panel considered it would be useful to visit existing Passivhaus dwellings to see how the technology works for themselves

In reply to a member's question, the executive head of strategy, people and neighbourhoods said that Passivhaus technology had been explored with the Clinical Commissioning Group as part of the Healthy Norwich initiative. However the benefits of reducing fuel poverty and the impact on health outcomes would require long-term investment and not be realised for decades which was difficult for a partner facing other priorities.

RESOLVED to:

- (1) note the progress of the council's approach to Passivhaus technology to date and ask officers to provide regular reports to the panel as the project progresses and to include analytical data of comparative costs of Passivhaus houses and standard houses over the lifetime of the buildings;
- (2) ask the officers to arrange for the panel to visit a Passivhaus scheme in the area.

4. Planning update

The head of planning services presented the first part of the report and referred to the government consultations and answered members' questions.

Detailed discussion ensued on the government's consultation on *Stepping onto the property ladder* and members concurred with the approach set out in the report. Members expressed concern about the impact of the government's proposal would have on the planning process and its ability to deliver the supply of housing as a planned and coherent process. The government rationale to boost the supply of homes by using employment land sites where land costs were less expensive did not fit with the National planning policy framework (NPPF) and a plan led approach. The panel considered it was difficult to challenge the principle of home ownership as it was part of the national culture although it was noted that, unlike in the rest of Europe where renting was the norm, the British economy was susceptible to fluctuations in the housing market.

The head of planning services said that some authorities had made the decision to not respond to the government's consultations on planning issues. The council's approach was to continue to do so as the panel had previously requested this to happen. The panel agreed that it was good use of officer time and that the council should continue to respond to consultations.

The planning team leader (policy) presented the section of the report on the national policy changes relating to sustainable drainage systems (SUDS) and, together with

the head of planning services, answered members' questions. Members were particularly concerned about the negotiations with the county council and the need for the city council to have access to technical expertise which was currently held by the county council as the lead local flood authority. The move would also place a burden on developers and local planning authorities. Members noted that because of the changes to national policy, policy DM5 would no longer apply to developments with fewer than 10 houses outside the critical drainage catchments and there was concern about the cumulative effect of these developments on surface water flooding.

The policy planning team leader (projects) presented the section of the report on the Wensum strategy and together with the head of planning services answered members' questions.

During discussion members welcomed early involvement in the development of the strategy by ward councillors and other stakeholders. Members were asked to advise officers of potential stakeholders who would be interested in the project. Members looked forward to opening up the river walk and suggested potential initiatives such as river taxis connecting new developments downstream with the city centre and the railway station; providing a pontoon for river users at New Mills, and the potential to harnessing river power at New Mills. One member suggested that there should be purpose built mooring for house boats on the river. Members agreed that the river was part of city life and its use and vitality should be enhanced.

RESOLVED to:

- (1) ask the head of planning services to:
 - (a) respond to the government consultation on *Stepping onto the property ladder* by sending a letter objecting in principle to the proposals and setting out an alternative way in which the provision of starter homes may be promoted to increase the supply of low cost market homes where this would meet local needs (as set out in paragraph 30 of the report); and,
 - (b) circulate a copy of the letter to members of the panel for information;
- (2) confirm that it is good use of officer time to respond to government planning consultations on behalf of the council;
- (3) ask the planning team leader (projects) to contact the owners of New Mills to invite them to participate as stakeholders in the consultation and development of the Wensum Strategy;
- (4) note the remainder of the report.

5. Greater Norwich sports facilities strategies

The planning team leader (policy) presented the report and, together with the head of planning services, answered members' questions.

During discussion members noted that council had agreed its site allocation plan before the Greater Norwich sports facilities strategies had been developed. Members noted the conclusions of the strategy and concurred that it was important to retain and enhance sports facilities, and ensure that there was community access, particularly in the city centre. The need for improvements to the Hewett School's swimming pool and its strategic importance was also noted. Members noted that the loss of the Wensum Sports Centre, unless alternatives could be found, was considered to be regrettable.

RESOLVED to note that the Greater Norwich Growth Board (GNGB) Infrastructure Delivery Board has:

- (1) signed off the Greater Norwich Playing Pitch Strategy and Action Plans and the Indoor Sports Facilities Strategy and Action Plans and their supporting Needs Assessments as material considerations in making planning decisions and as part of the evidence base for local plan making;
- (2) agreed to ongoing monitoring, managing, updating and implementation of the strategies, action plans and needs assessments, to be coordinated through the existing stakeholder group.

6. Environmental strategy

The executive head of strategy, people and neighbourhoods presented the report, referred to the consultation responses and said that annex B was the final draft of the strategy. The environmental strategy was subject to approval by the cabinet at its meeting on 4 February 2015. The scrutiny committee was also considering the strategy at its meeting on 29 January 2015. Members noted that the target for CO2 emissions for the local area had been set at 2.4% in the emerging corporate plan and should be amended in the draft environmental strategy.

The panel considered that it would be sensible not to replicate comments on the same areas of the report as the scrutiny committee. The panel considered that it would comment on the consultation and process.

Discussion ensued in which the head of strategy, people and neighbourhoods, together with the environmental strategy manager answered members' questions. The consultation had received 23 comments which had been of a high standard. The environmental strategy was essentially an internal document and the consultation had been targeted to a number of organisations and the press. The council was looking at improving access to its consultations and was piloting the use of text messaging. Public interest was more likely to be in the action plan than the strategy itself. A member pointed out that a low number of responses for such a

technical document was to be expected and that it was important to receive comments from groups who were experienced and interested in the subject.

Further discussion ensued on engagement and it was noted that consultation responses which were service specific had been passed on to the relevant service area to be followed up. Members referred to workshops as a way of developing the strategy and taking the action plan forward. The consultation should aim to encourage more responses from the public. The panel considered that the council should explore opportunities for co-designing and co-developing the action plan and future strategy development with stakeholders and the public.

The panel discussed the foreword to the strategy. There was general discussion about whether elements of the Norwich area transportation strategy (NATS) conflicted with the council's environmental strategy. Members agreed to disagree on whether the Northern distributor road (NDR) and the multi-storey car park at Rose Lane/Mountergate conflicted with the environmental strategy. The NATS had achieved the removal of traffic from the city centre and achieved outcomes of improving air quality in the city centre and promoted sustainable transport, walking and cycling in the city. Local authorities needed to make step changes to improve the environment, whilst also ensuring that the housing, jobs and infrastructure that local people wanted was delivered. Members had been disappointed and surprised at the local residents' opposition to the proposal to close Park Lane, as part of the Push the Pedalways consultation, and had to accede to public pressure and amend the scheme.

During discussion members of the panel considered that CO2 usage in the local area should be broken down into sectors ie transport, city council, housing and businesses, etc. The executive head of strategy, people and neighbourhoods said that there was potential to explore this suggestion with the University of East Anglia and the Tyndall Centre, as a research project.

In reply to a member's suggestion, the executive head of strategy, people and neighbourhoods said that he did not consider it necessary to align the expiry date of the environmental strategy with the corporate plan. The corporate plan was refreshed on an annual basis.

Consideration was given to the council's key environmental priorities. The head of planning services said that cycle use was monitored by the Department of Transport and that because of the Cycle Ambition grant the council was expected to exceed the target. The environmental strategy manager said that the environmental strategy would need to be amended where the council, as a district council, could not set the carbon reduction targets

RESOLVED to:

- (1) endorse the environmental strategy and recommend it to cabinet for approval;

- (2) recommend to cabinet that it asks the environmental strategy manager to:
 - (a) investigate a way to work with the University of East Anglia and the Tyndall Centre to further break down carbon usage data;
 - (b) look at opportunities for co-designing and co-developing the taking forward of the action programme and future strategy development with stakeholders and the public.

CHAIR

Report to	Sustainable development panel 25 February 2015	Item
Report of	Executive head of regeneration and development	4
Subject	Home Energy Conservation Act (HECA) report 2015 - progress report	

Purpose

The draft HECA report sets out the energy conservation measures that the authority considers practicable, cost-effective and likely to result in significant improvement in the energy efficiency of residential accommodation in its area in line with government requirements.

Recommendation

To comment on the HECA report and make recommendations to cabinet.

Corporate and service priorities

The report helps to meet the corporate priorities – Safe, clean and low carbon city, Healthy City good housing

Financial implications

Within existing budgets.

Ward/s: All wards

Cabinet member: Councillor Stonard – Environment, development and transport

Contact officers

David Moorcroft – Executive head of regeneration and development 01603 212226

Richard Willson – Environmental strategy manager 01603 212312

Background documents

None

Report

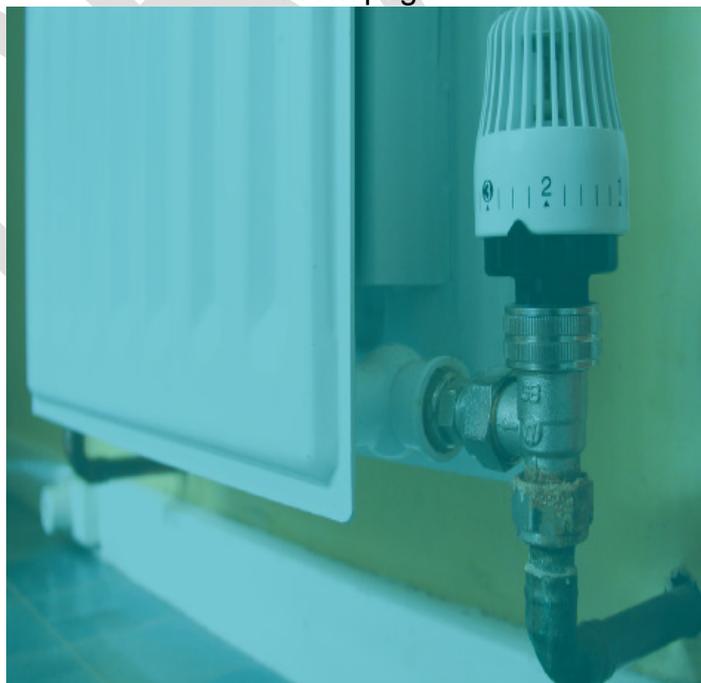
1. Since the implementation of the Home Energy Conservation Act 2013 (HECA), the Secretary of State for Energy and Climate Change requires all English authorities to prepare and publish reports on a biannual basis. The reports set out the energy conservation measures that the authority considers practicable, cost-effective and likely to result in significant improvement in the energy efficiency of residential accommodation in its area. The council produced its first HECA report in 2013.
2. Cabinet will consider the draft HECA report, attached as appendix A, for approval at its meeting on 11 March 2015. The approved report will then be submitted to the Secretary of State by 31 March 2015.
3. The draft HECA report (at appendix A) sets out Norwich City Council's approach to energy conservation measures to improve the energy efficiency of residential accommodation in the city.
4. This report is a living document and will be updated as the council continues work to improve the energy efficiency of residential accommodation in Norwich over the coming months and years.

Norwich City Council



HECA Report 2015

Front page



1.0 Foreword by Councillor Michael Stonard and Councillor Bert Bremner

- 1.1 Reducing energy use has important environmental, social and economic benefits and therefore clearly contributes to Norwich City Council's corporate priorities.
- 1.2 It will help meet national and international targets to reduce emissions of carbon dioxide, one of the main contributors to climate change. Recent increases in fuel prices have resulted in a rise in fuel poverty nationally, and so emphasised the importance of reducing the impact of this issue locally.
- 1.3 This is also vital to improve the health of the local community, enhance prosperity and improve the housing stock . Our programme of activities will, we hope, be assisted by a number of national Governmental incentives as well as some of our own funding.
- 1.4 However, more than a million households in the UK cannot afford to heat their homes sufficiently even though a member is in work. A study by Policy Exchange looking at the 2.3m households in England in fuel poverty found that half of them, around 1.1m households, had someone in work.
- 1.5 Therefore there appears to be a disconnect between the government's ambition to improve the energy efficiency of all fuel-poor homes to a decent band C level and the amount of money being spent on the issue.
- 1.6 Since the introduction of the Home Energy Conservation Act we have run a wide range of programmes and projects to promote energy efficiency to our residents. This report outlines how we will continue to develop this work over the next two years.



Councillor Michael Stonard
Cabinet member for Environment, Development and Transport



Councillor Bert Bremner
Cabinet member for Housing

2 Contents

- 1. Forward**
- 2. Contents**
- 3. Introduction**
- 4. Strategic Framework**
- 5. Current Position In Norwich**
- 6. What Are We Going To Do Next**
- 7. Action Plan**

DRAFT

3.0 Introduction

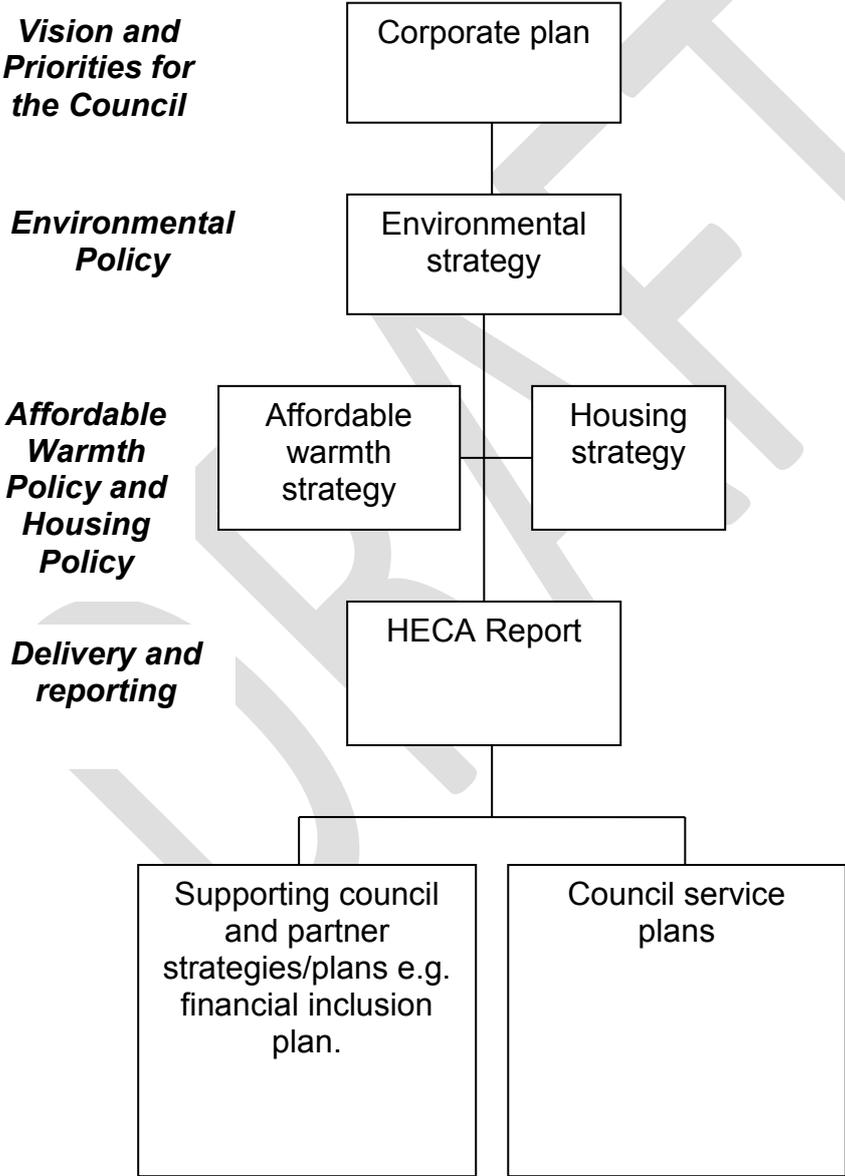
- 3.1 The city council is responsible for approximately 60 per cent of the urban area of the city, including the historic city centre, covering a population of circa 143,000 people. Norwich is an innovative, creative city with big ambition for both the place and the people who live here. The fastest - growing population in the east of England, it is home to the headquarters of many global companies, in the top nine shopping destinations in the country and is the regional cultural capital. Its economic, social, cultural and environmental influence is out of all proportion to its size, and extends far beyond its boundary.
- 3.2 But Norwich is also a tale of two cities. While the city has many positive aspects, it also has many of the tough challenges that urban centres can experience. Many city residents experience deprivation, poor educational attainment and poor health. Norwich is also a growing city (the fourth - fastest growing in the UK), which will put additional demands on the council's services and resources in the future.
- 3.3 One of the council's key corporate priorities within our corporate plan is 'to make Norwich a prosperous city' and within that we have said we will "support people on low incomes through advocacy and financial inclusion activities" and "reduce fuel poverty through affordable warmth activities". The HECA provides a framework for a number of housing improvement activities which can help to reduce fuel poverty, increase wealth and improve health.
- 3.4 On average resident earnings are low in Norwich compared to the rest of the region. Partly due to low incomes and financial capability, as well as limited access to products and services that enable people to manage their money more effectively. It is likely the recession and changes such as welfare reform will only make these issues worse.
- 3.5 We also have a number of citizens on fixed incomes, who maybe suffering from fuel poverty and its associated health issues due to the rise in fuel costs. Low incomes and rising cost generally result in some difficult financial choices.
- 3.6 In Norwich we believe that 12.3% of households are experiencing fuel poverty. That equates to a staggering 7,335 households. In addition in the last three years we have seen a credit crunch, a double dip recession and a period of limited economic growth. National policy changes such as welfare reform will also affect some of the most vulnerable residents in the city.
- 3.7 The Secretary of State for Energy and Climate Change requires all English authorities to prepare an update on HECA reports by 31 March 2015 setting out the energy conservation measures that the authority considers practicable, cost-effective and likely to result in significant improvement in the energy efficiency of residential accommodation in

its area. This HECA report will, therefore, set out Norwich City Council’s approach to energy conservation measures to improve the energy efficiency of residential accommodation in the City.

3.8 This report will be a living document and will be updated as we continue our work to improve the energy efficiency of residential accommodation in Norwich over the coming months and years.

4.0 Strategic framework

Strategic framework for HECA report (to be updated).



The diagram below sets out how the HECA reports fits in with other key strategies, polices and plans

5.0 Current position in Norwich

Properties and condition of the housing stock

- 5.1 In 2014 the council commissioned Building Research Establishment Ltd (BRE) to provide information on key housing and domestic energy variables, with a focus on private sector housing. The information has been derived from a series of models which make use of the Experian UK Consumer Dynamics database using a range of statistical methods. This supersedes the traditional private sector stock condition survey published in 2006.

Tables- When the properties were built - council and private

Council Stock	Total	Private Stock	Total
Pre 1918	48	Pre 1919	14,867
1918 - 1929	519	1919 - 1939	7,740
1930 - 1949	4,703	1940 - 1963	5,371
1950 - 1963	3,969	1964 - 2001	10,426
1964 - 1974	4,017		
1975 - 1982	1,607		
1983 - 1990	774		
1991 - 1997	27		

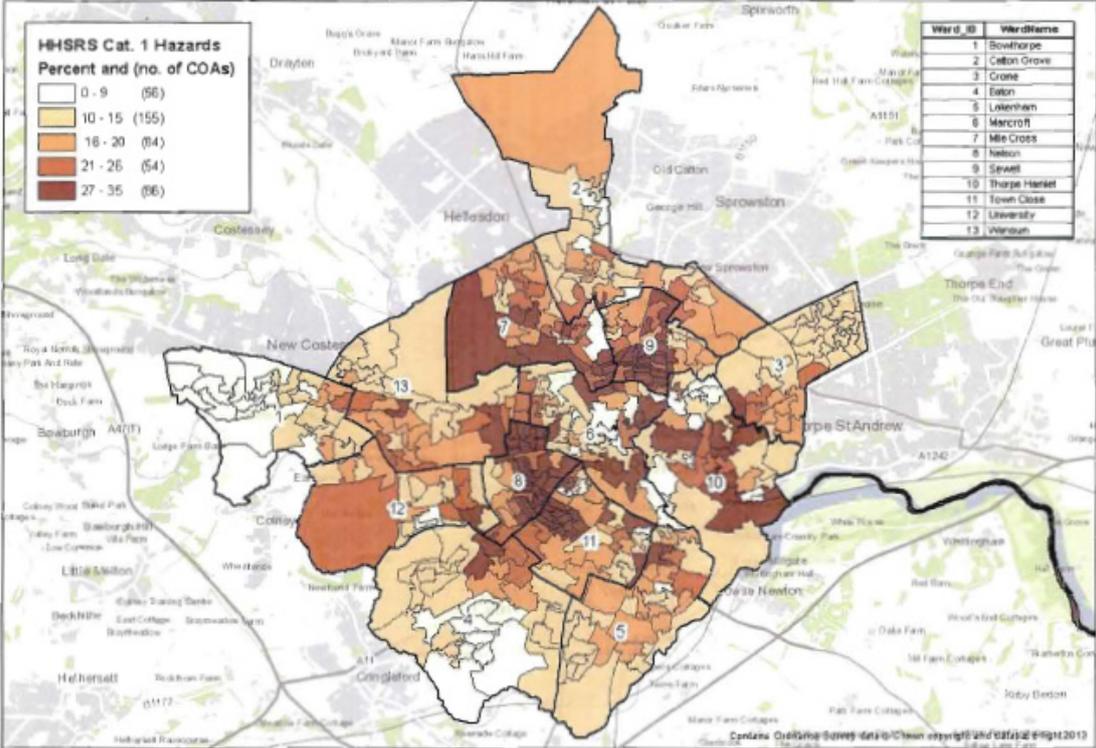
Table 1 - When the properties were built - council and private

Total: 54,068 properties 1918 - 2001

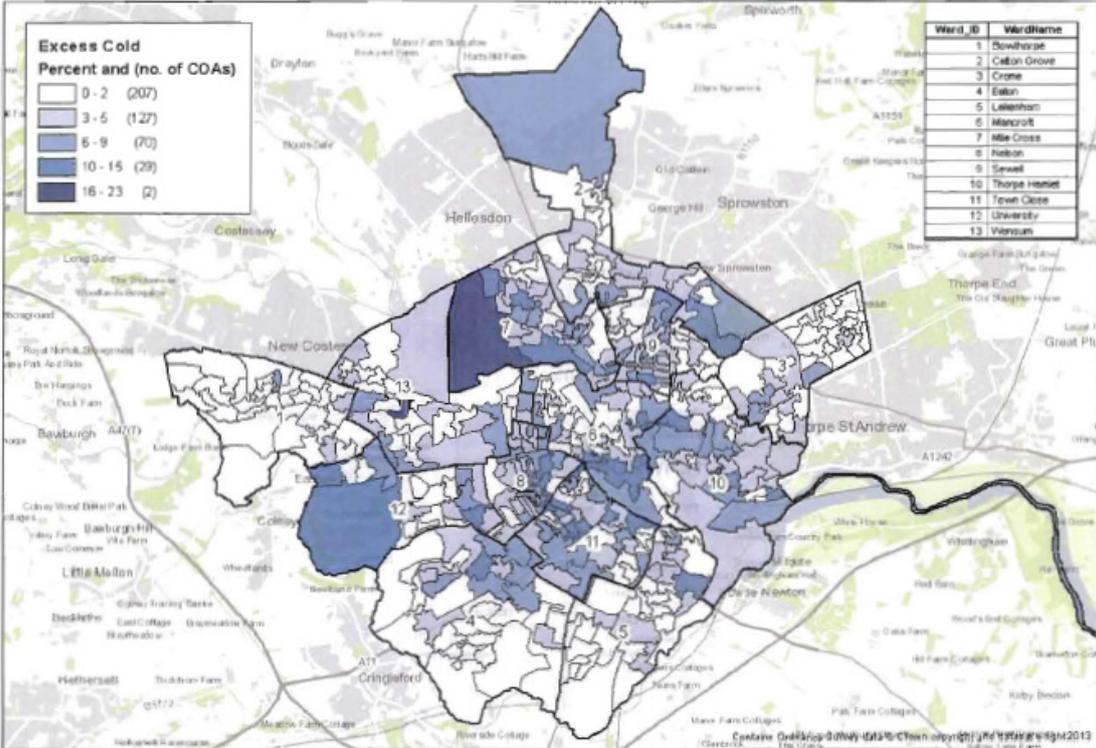
- 5.2 The 2014 stock modelling highlights the following key facts shown in the table and maps below:

Existence of Category 1 excess cold hazard	Estimate: 1,676 dwellings (7,981 properties predicted to have a category 1 hazard, of which 21% expected to be due to excess cold.)
Average private sector SAP	52

Table 2 - Condition of stock – private



Map 1: Cat 1 Hazards



Map 2: Excess Cold

Energy Efficiency Rating (Based on SAP) private sector stock

	Count	Percent
(92-100) A	0	0%
(81-91) B	122	<1%
(69-80) C	4,281	10%
(55-68) D	13,726	32%
(39-54) E	18,846	44%
(21-38) F	5,424	13%
(1-20) G	478	1%

Table 3 EPC in private sector

- 5.3 In regards to the condition of the council's housing stock, following achievement of the decent homes standard in December 2010 we wanted to continue the good work so we developed the Norwich Standard. This is a commitment to ensure that no individual component goes beyond its expectancy, for example no kitchen will be older than 20 years, no bathroom older than 30 years and no boiler older than 15 years.

CO₂ emissions from across the city

- 6.1 UK primary energy consumption increased by 17 per cent between 1980 and 2005 but since 2005 the combined impact of energy efficiency and the recession have reduced consumption back 1980 levels with UK primary energy consumption at its lowest level since 1985¹.
- 6.2 In 2013 domestic energy consumption was 29% of the total UK final consumption of energy products, compared to 27% in 2000 and 26% in 1990, however, this reflects a significant fall in energy use by the Industrial sector over this time as since 2000 domestic energy use has decreased by 7%. Over the same period of time there has been a 9% increase in the UK population².
- 6.3 Heating is the major energy requirement of UK homes. In 2011, 78 per cent of energy use in homes was used for space and water heating. Gas accounted for 80 per cent of the heat demand, oil for another 9 per cent, electricity for another 5 per cent, and other sources the remaining 6 per cent³. Gas is the dominant fuel used in the domestic sector, however, there is a large amount of variation in the level of gas use by individual households.
- 6.3 Table 4 and Graph 1 show that between 2005 and 2012 the population of the city increased each year, in total by an additional 8,700 residents over the 8 year period. The per capita emissions dropped consistently and then levelled out in 2010, dropping significantly in 2011 and rising again in 2012. The increase in 2012 is across the Industrial (12%) and Domestic (10%) sectors, with a reduction in the Transport sector of (3%).

The peaks observed in 2010 and 2012 are due to an especially cold 2010 (average of 9.0 degrees Celsius per day) and a warmer than expected 2011 (average of 10.7 degrees Celsius per day) followed by a typical 2012 (average of 9.8 Celsius per day).

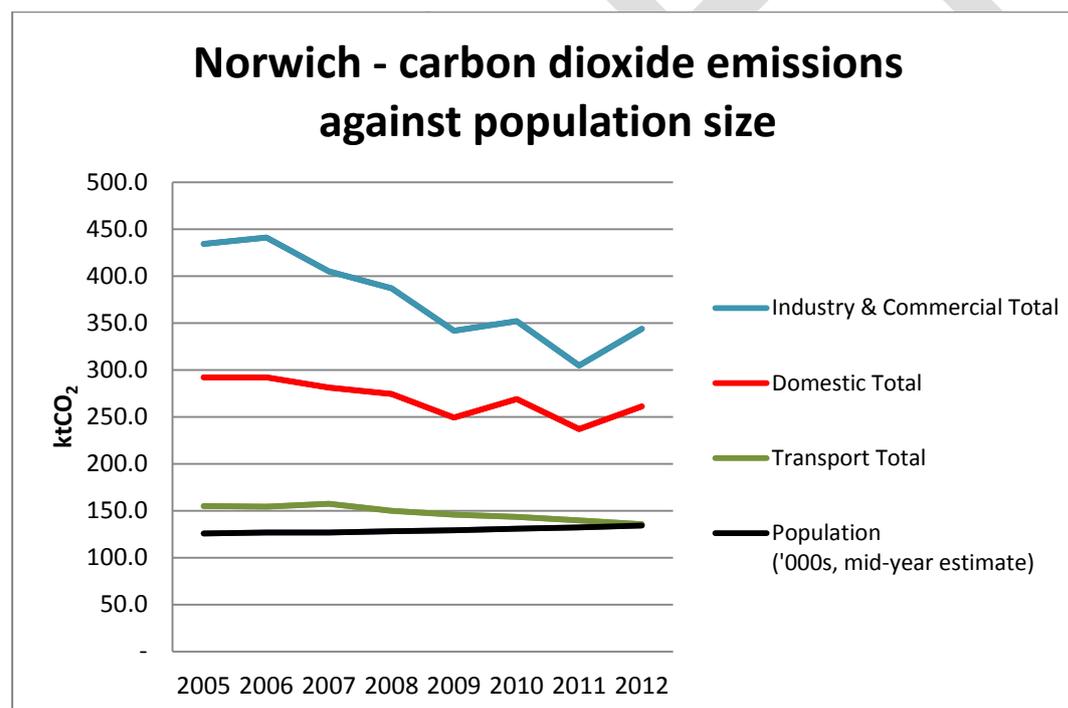
¹ DECC: Energy Efficiency Statistical Summary 2015 (January 2015) p.7

² DECC: Energy Consumption in the UK (2014) Chapter 3: Domestic energy consumption in the UK between 1970 and 2013 (July 2014) p.5

³ DECC: Energy Efficiency Statistical Summary (November 2012) p.16

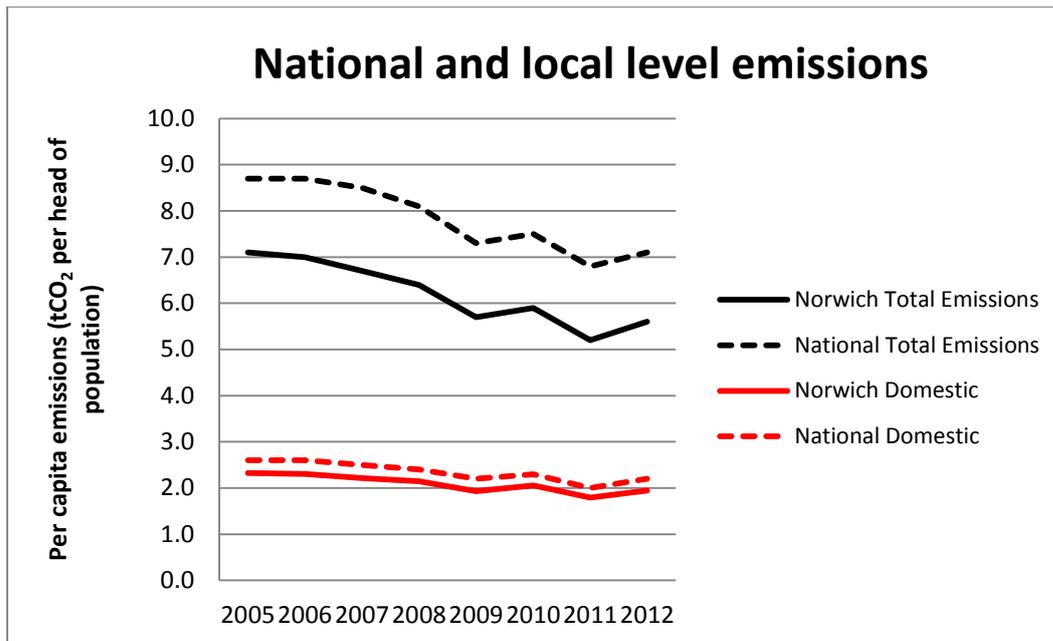
LA Region Name	Year	Industry & Commercial Total	Domestic Total	Transport Total	Grand Total	Population ('000s, mid-year estimate)	Per Capita Emissions (t)
Norwich	2005	434.2	292.0	155.1	881.3	125.6	7.0
	2006	441.2	291.9	154.4	887.5	126.8	7.0
	2007	405.2	281.3	157.3	843.8	126.9	6.6
	2008	387.1	274.5	149.8	811.4	128.0	6.3
	2009	341.9	249.3	145.7	737.0	129.2	5.7
	2010	352.1	269.1	143.4	764.6	130.9	5.8
	2011	304.6	236.9	139.7	681.2	132.2	5.2
	2012	343.9	261.2	135.7	740.8	134.3	5.5

Table 4. Source: DECC Local Authority Carbon Emissions (2014)



Graph 1: Source: DECC Interactive maps

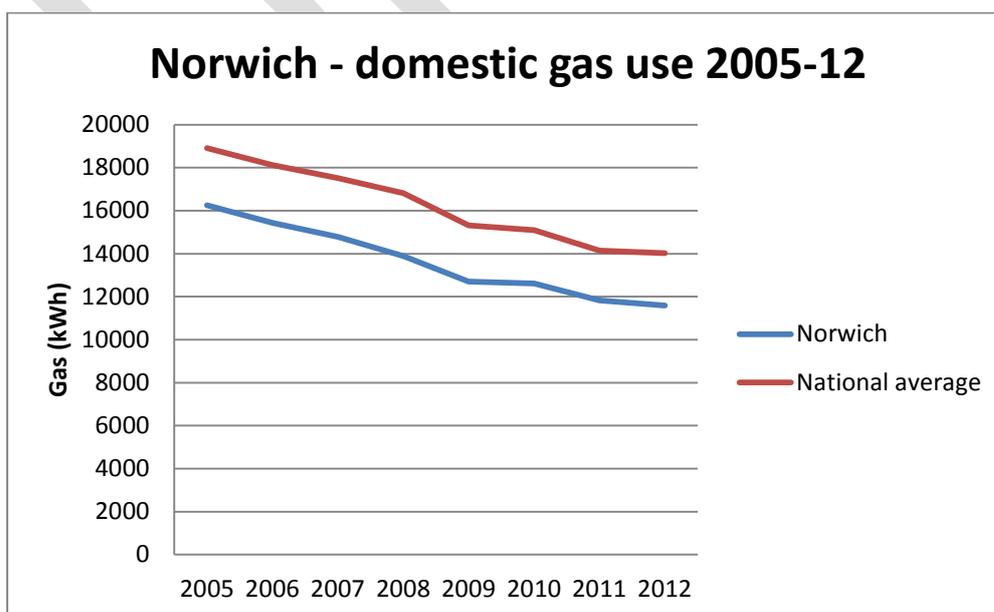
6.4 Graph 2 (below) shows that Norwich's domestic energy consumption mirrors that of the wider country decreasing year on year over the period, with a slight increase in 2010, then a dip followed by an increase in 2012. Again it is thought this may be largely influenced by temperature.



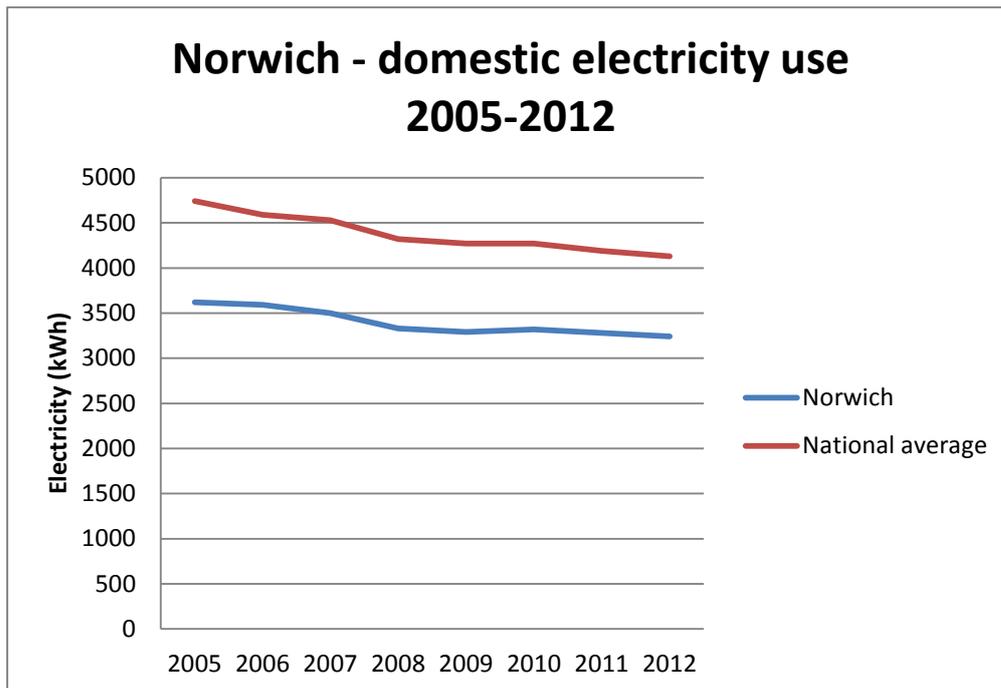
Graph 2: Source: DECC Interactive maps

Domestic energy use:

- 6.5 The following two graphs (3 and 4) show the trends in gas and electricity use in Norwich as compared to the national average energy consumption. Both the national average and Norwich figures show an overall decrease in energy consumption over the period to 2012. This is likely to be in part due to an increase in energy efficiency measures being installed, but also due to the increase in fuel prices over this period driving more households moving into fuel poverty. It is noticeable that both Norwich's domestic gas and domestic electric consumption is well below the national average consumption.



Graph 3 – Source: DECC Interactive maps



Graph 4 – Source: DECC Interactive maps

Fuel poverty:

- 6.6 Since the last HECA report the way that fuel poverty is measured has been re-defined by central government. Previously a household was considered to be in fuel poverty if they were required to spend more than 10% of their income on fuel to maintain an adequate standard of warmth. Under the new 'Low Income High Costs' (LIHC) measure a household is considered to be in fuel poverty if: they have required fuel costs which are above average (national median level) and were they to spend that amount, they would be left with a residual income below the official poverty line⁴. This makes comparing data prior to the new measure being implemented in July 2013 difficult to compare with data gathered since that time.
- 6.7 According to the most recent fuel poverty data released by DECC^{5,6} in 2012 there were 59,641 households in the Norwich City Council area. At this time, using the 10% fuel poverty indicator, 7,321 households were in fuel poverty, or 12.3%. Using the LIHC indicator, 7,272 households were in fuel poverty, or 12.2%.
- 6.8 Graph 5 (below) shows that over the period 2010 to 2012 the number of houses in fuel poverty has reduced by over 5% over this period. This is surprising given the cost of rising UK domestic gas prices over the same period of time as shown on Graph 6. Some of the drop in fuel poverty can be accounted for by the increase in the number of

⁴ DECC: Annual Report on Fuel Poverty Statistics 2013 (May 2013) p.6

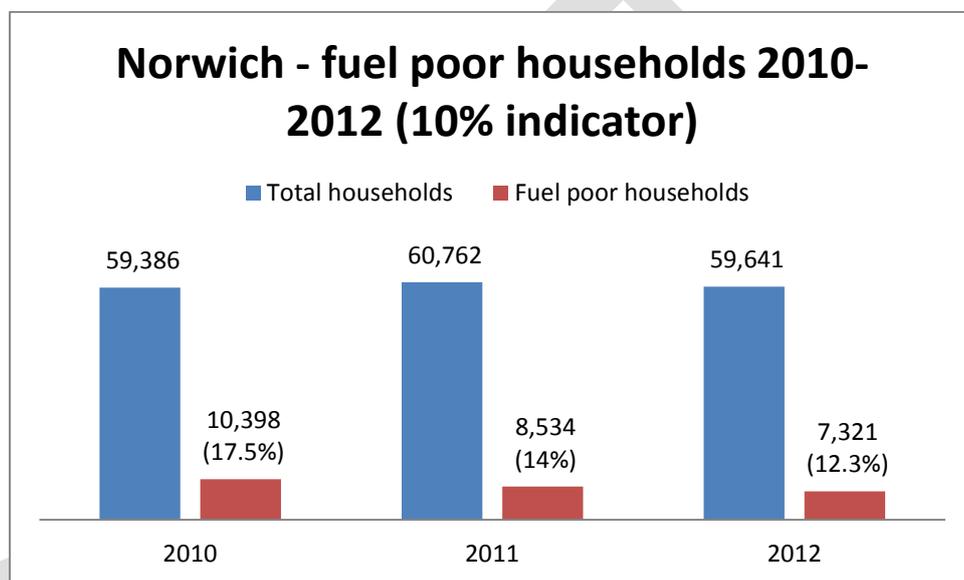
⁵ DECC: 2012 Sub Regional Fuel Poverty Data: low income high costs indicator (June 2014)

⁶ DECC: 2012 Sub Regional Fuel Poverty Data: 10% indicator (June 2014)

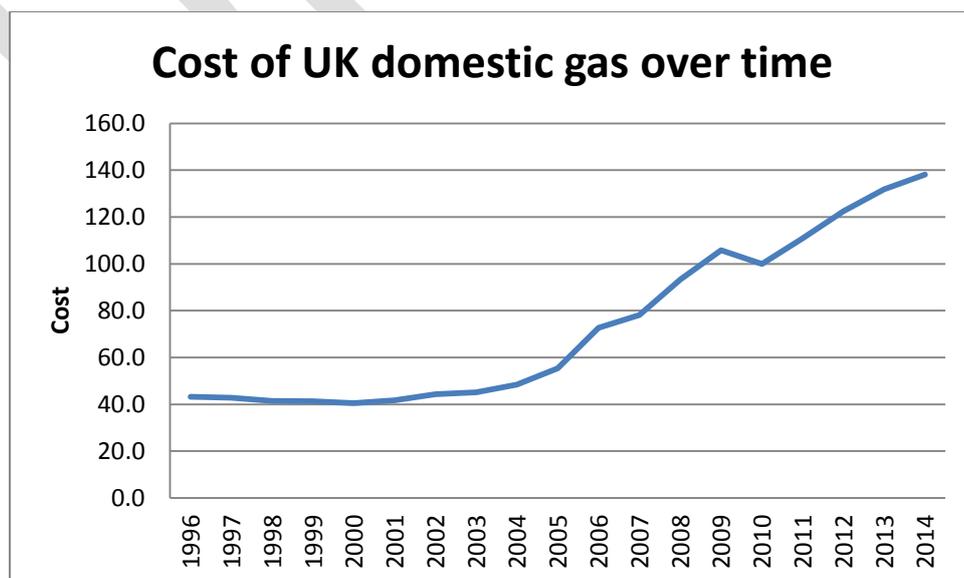
energy efficiency measures installed to date. In addition, Norwich City Council continues to work to drive down fuel prices through the successful Big Switch and Save scheme which has completed 5 tranches of switching, to date over 1500 households have benefitted from cheaper energy bills. (A collective saving of £250,000)

Norwich BIG SWITCH AND SAVE

Fed up with high energy bills?
Join for free and without obligation
Switching collectively is easy and safe

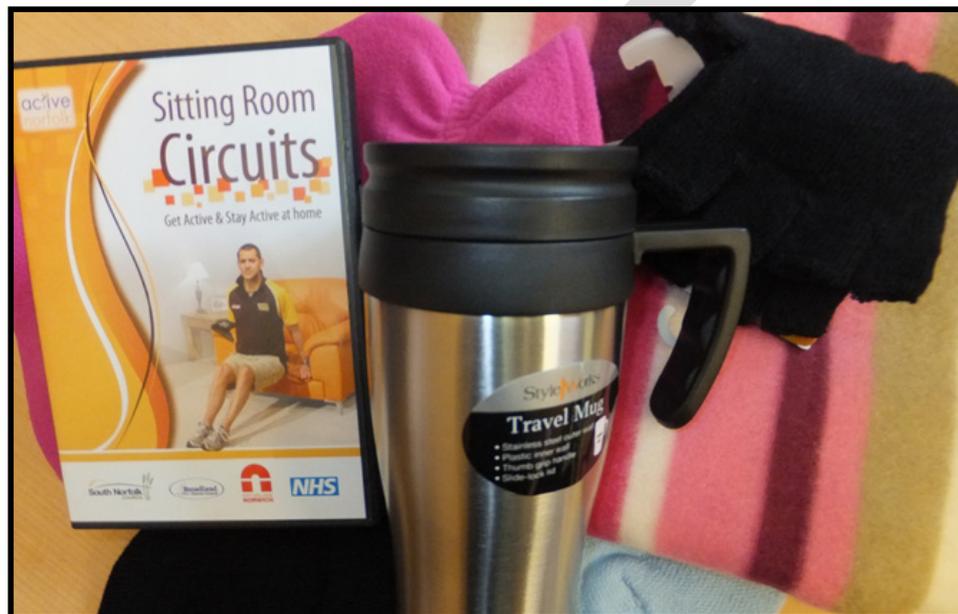


Graph 5: Source: DECC: sub-regional fuel poverty data: 10% measure (2012, 2013, 2014)



Graph 6: Source: DECC: Consumer Price Indexes: Fuel Components (2015)

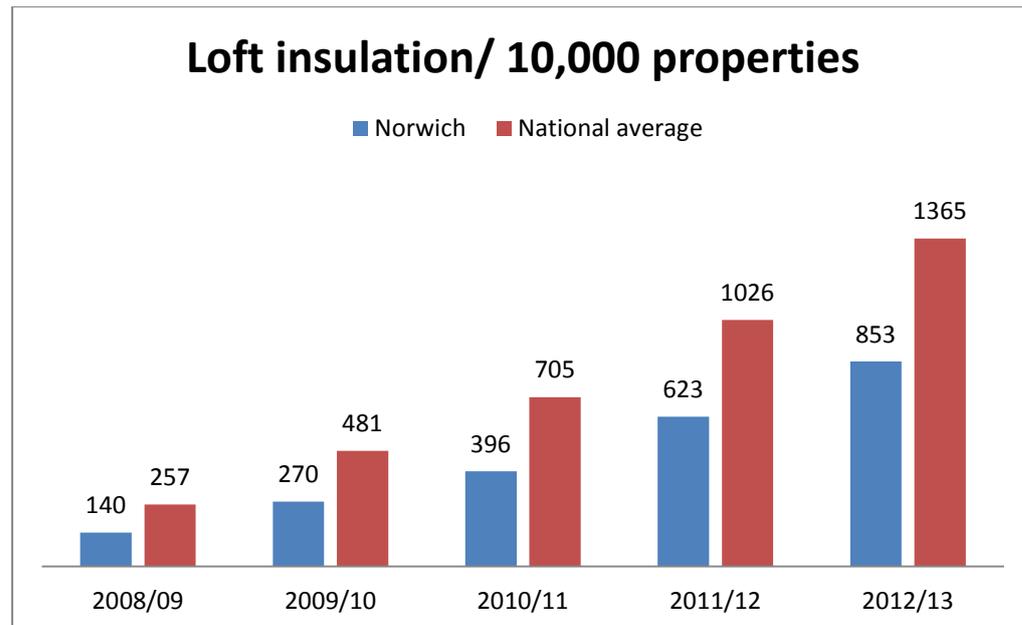
- 6.9 In addition to energy efficiency works and collective switching Norwich City Council has also been working with partners across the city to distribute “Warm and Well” packs to the most vulnerable. Most recently NCC has worked with the Foodbanks, Community Matrons and Age UK. Since the last HECA report the council has distributed over 300 “Warm and Well packs”. We have also distributed over 300 smaller energy efficiency measures to households including radiator foils and draught-proofing tape primarily via the annual Winter Wellbeing events.



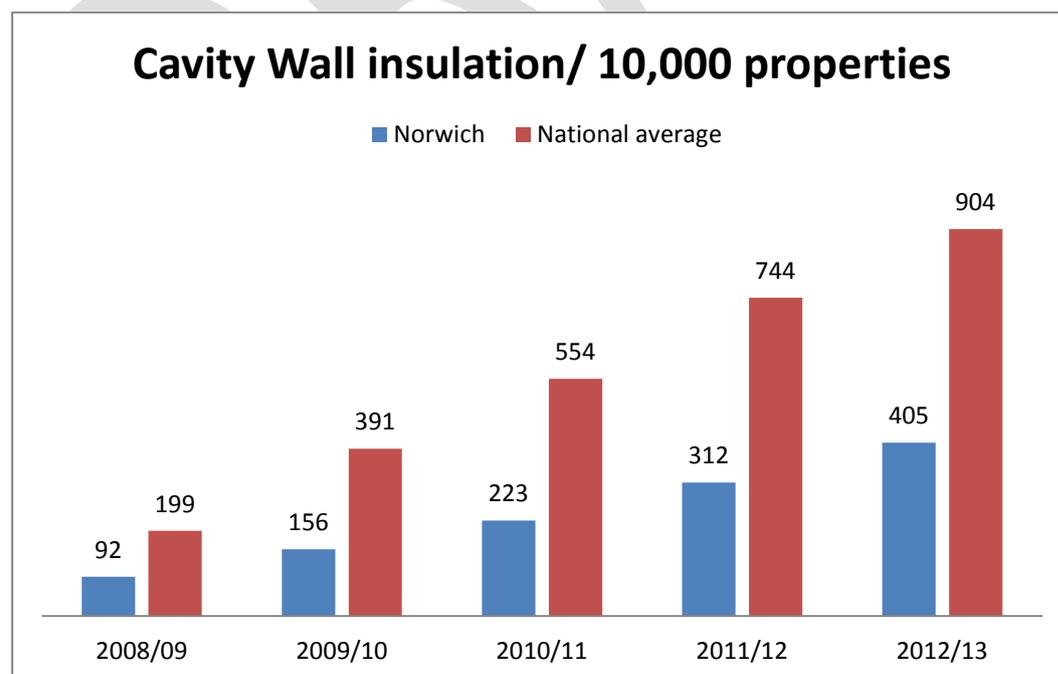
Warm and Well pack

Energy efficiency:

6.10 Some of the drop in domestic energy use over the period can be attributed to an increase in energy efficiency in properties. Whilst figures in Norwich are steadily increasing the city is well below the national mean figure for both cavity wall and loft insulation installations (Graphs 7 and 8). Of the two measures loft insulation has been a more popular measure, but this may be indicative of the fact that not all properties have cavity walls, and it requires specialist equipment to install.



Graph 7: Source: DECC Interactive maps



Graph 8: Source: DECC Interactive maps

- 6.11 CERT/CESP funding was introduced by central government in 2008 and Norwich City Council widely promoted free and subsidised loft and cavity wall insulation. This funding expired at the end of 2012 and has since been replaced by the Green Deal.

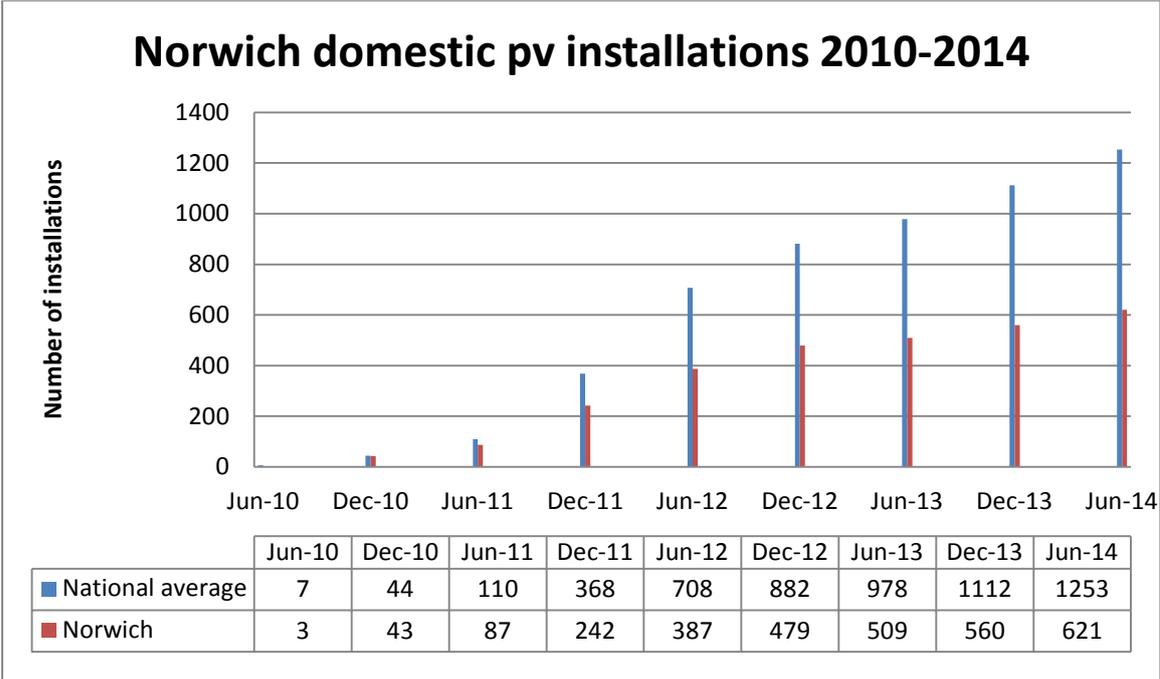
The Green Deal – Norwich’s Cosy City project:



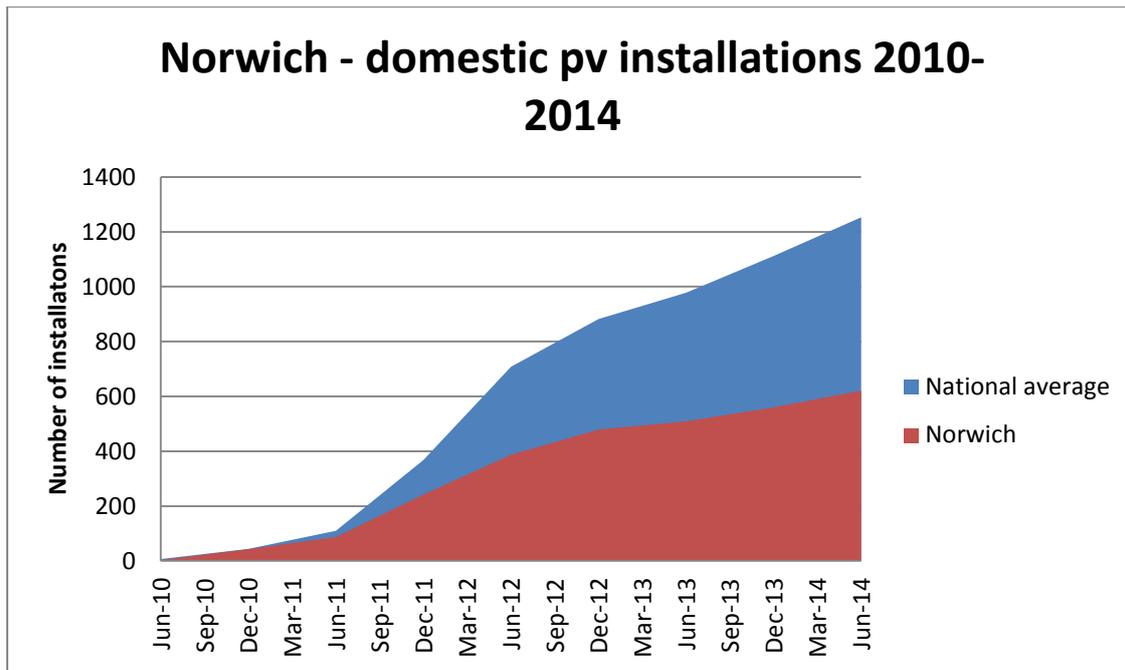
- 6.12 The Green Deal is a new way to pay for energy-saving home improvements. Householders can take out Green Deal finance to pay for measures such as loft, cavity or solid wall insulation, double glazing, a new boiler or even a 'micro-generation' system such as solar panels. The loan is repaid through savings made on the household's electricity bills, meaning bills shouldn't be any higher than usual. Once the loan is paid off the household benefits in full from the energy savings.
- 6.13 In response to the introduction of the Green Deal Norwich City Council launched the Cosy City project Spring 2014. It is a partnership with several Green Deal Providers. The council has promoted the scheme widely across the city and further details of the Cosy City scheme can be found at www.cosycity.co.uk A great deal of research has been done into understanding the property types and tenure type of houses across the city in order to most effectively promote Green Deal opportunities.
- 6.14 Following the launch of the Cosy City project, in Summer 2014 Norwich City Council was successful in gaining over £400,00 of DECC Greener Communities funding as part of a wider bid with Broadland and South Norfolk district councils. As part of the bid Norwich City Council are working hard to deliver heavily-subsidised Solid Wall Insulation installations, as well as smaller measures such as boiler replacements and loft and cavity wall insulation, across the city.

Renewable energy:

6.15 In April 2010 the Feed-in-tariff (FIT) scheme was introduced by the Government and the results in Norwich show an increase of over 100 times the number of photovoltaic schemes installed since June 2010, from 3 in the city to 387 in June 2012. It remains to be seen whether this level of interest in maintained following the reduction in FIT levels since April 2012.



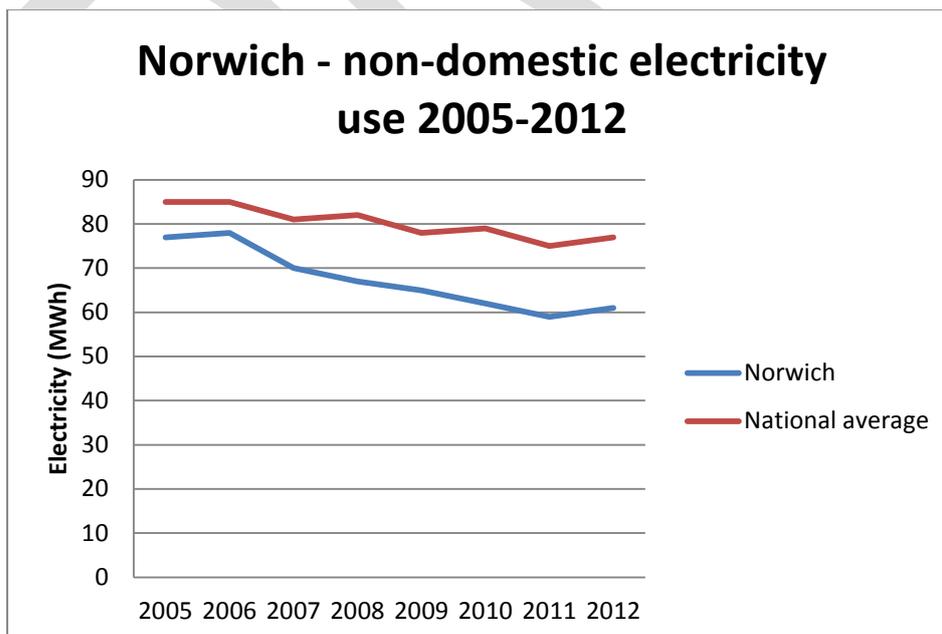
Graph 9a: Source: DECC Interactive maps



Graph 9b: Source DECC Interactive maps

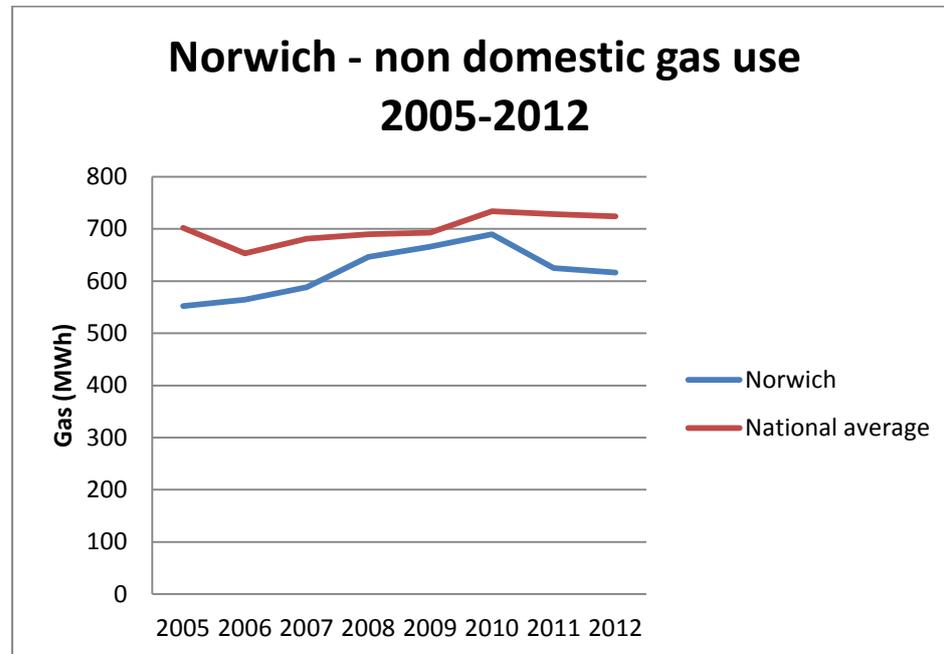
- 6.16 The above chart(s) shows the increase in the number of domestic photo-voltaic (PV) installations in Norwich between June 2010 to June 2014. During this time the government Feed in Tariff (FiT), a kind of subsidy for installing PV technology was made available at 43 pence / kWh, this was then significantly reduced to 21 pence/kWh on 1st April 2012. We note that while the number of installations continue to rise Norwich is dropping further and further behind the UK mean number of installations as time progresses.

Non-domestic energy use:



Graph 10: Source: DECC Interactive maps

- 6.17 Graph 10 shows that non-domestic electricity consumption in the city reduced consistently from the period 2006 to 2011. This long period of decreasing consumption was not mirrored in the national average figure which fluctuates over the same period of time. However, both local and national average consumption experienced an increase in 2012, which again may be due to the cold 2010, warm 2011, average 2012 temperatures referred to earlier in this report.



Graph 11: Source DECC Interactive maps

- 6.18 Conversely non-domestic gas consumption in Norwich increased over the period 2005 to 2010. There may be a link between the dropping electrical consumption and rising gas consumption if businesses moved away from electric heating to gas powered heating systems as gas is significantly cheaper per kWh of energy.
- 6.19 Graph 11 shows that in Norwich sales of non-domestic gas peaked in 2010 and since then have been dropping more rapidly than the national average gas sales. Whilst the peak in 2010 is likely to have been due to an extended snowy period the subsequent decrease is likely to have been caused by other factors such as the loss of 30 manufacturing businesses in the city and 35 food and accommodation businesses in the period 2010-2012.
- 6.20 Undoubtedly many businesses will have been engaged in cutting costs over this period and will have been implementing energy saving measures and looking at ways to reduce unnecessary energy consumption as part of wider cost saving measures.

CO₂ emissions from our own estate (NI185)

6.21 Norwich City Council has been reducing its carbon dioxide emissions year on year for the past 6 years through its carbon management programme, and in total has reduced these emissions by 26.6%.

This has been achieved through a variety of methods including;

- Voltage Optimisation
- T8 to T5 light replacement
- LED lighting scheme in our flagship long-stay car park
- Motorised pool covers – local leisure centre
- More efficient transport as a result of new contracts
- Staff behavioural change scheme
- PV and new AC systems

A highlight in 2014 was for the authority to win ESTA's Energy Manager of the Year

CO₂ emissions from our housing stock (section being updated)

6.22 The council has carried out arrange of work to improve the energy efficiency of its housing stock. The table below sets out some of the measures used;

Applied Renewable Technologies	Total Installations
Photovoltaic's	31
Solar thermal	1
Voltage optimisation	26
Air source heat pump	1
Loft insulation (300mm)	1,396
External wall insulation (EWI)	92
Condensing boilers	2,245

The photographs below provide examples of some of the work carried out:
Photograph - Property before external wall insulation was installed, SAP rating Band D



Photograph - Property after external wall insulation was installed, SAP rating Band C



Photograph - Photovoltaic panels installed at a sheltered housing scheme where 19 bungalows benefitted from Photovoltaic's following funding from CESP.



6.23 Following the introduction of CESP and CERT in 2008 & 2009 Norwich City Council secured funding and delivered the following installations working alongside Carillion (EAGA) & British Gas;

Renewable Technology – Delivered by CESP & CERT	Total
Loft insulation	269
Cavity wall insulation	6
Boilers & controls	202
PV	31
EWI	46

6.24 39 BISF (British Iron & Steel Federation) properties benefitted from external wall insulation (EWI). These properties were under insulated. The authority used a whole street approach and even offered the works to one private household (At a charge). Since the EWI has been installed these properties have benefited from a warmer home and better air quality, they are also cheaper to run and have an improved external appearance. This now has improved the whole street scene which empowers tenants and makes them proud of where they live. NCC will continue to roll out EWI using the whole street approach to enable the authority to access the ECO funding stream .

Photograph - BISF properties after EWI



Photograph – showing installed to council property alongside private property



CO₂ emissions from Private Sector Housing

Enforcement activity

6.25 NCC already tackles excess cold in privately rented accommodation through enforcement. This is currently mostly in response to complaints. However, the address-level information from our stock condition survey will enable us to target this enforcement activity more effectively and pro-actively. The council is also considering an extension of the existing houses in multiple occupation licensing scheme to an estimated 3000 properties (a 10-fold increase over the statutory scheme.) The landlords of these properties would be required by a licence condition to remove any excess cold hazard.

Photograph– Property before enforcement action showing no heating system



Photograph - Property before enforcement action showing defective single glazing



Photograph– After enforcement action – New double glazing





Energy performance calculation / SAP rating

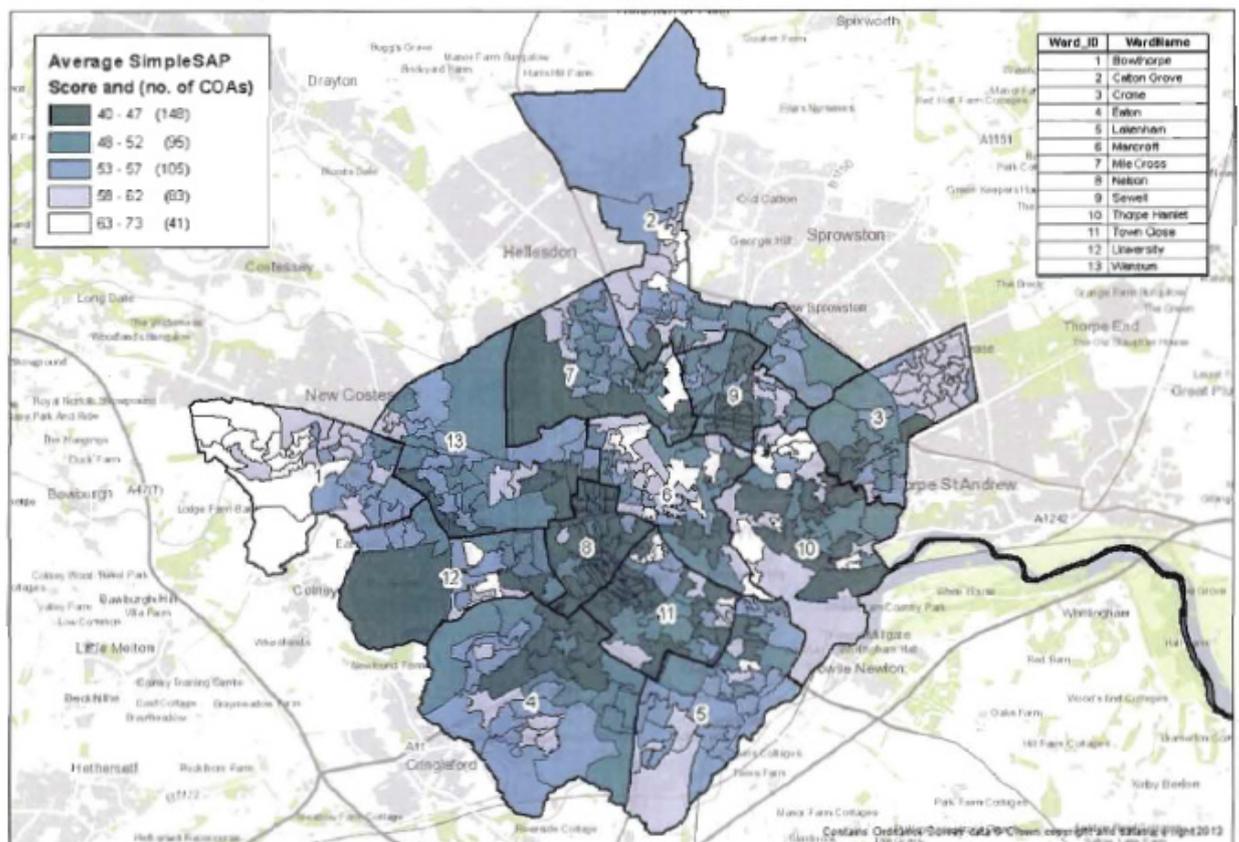
6.26 The current Norwich average SAP is 71% for our current tenanted housing stock. NCC report on average SAP quarterly, this allows the authority to capture all the renewable technologies that have been installed. Current SAP analysis is generated from 2005 Energy module from Codeman system. The tables below provide more information on rating of our properties.

Energy Efficiency Rating	Total
Band A	0
Band B	49
Band C	11,090
Band D	3,629
Band E	428
Band F	218

Band G	5
	15,465

Tonnes of CO ₂ per year	Total
Under 5 tonnes	14,204
Over 5 tonnes	1,453
Over 10 tonnes	7

6.27 The average SAP in the private stock is 52 (2014 stock modelling) which is just above the national average of 51 and compares with 54 in Broadland District which comprises a significant part of the Norwich urban area. This is probably due to a large proportion of hard-to-treat solid-wall pre 1919 terraced housing. Norwich also has a larger than average privately-rented sector (at 22%) which increases the likelihood of sub-standard heating and insulation.



6.28 NCC currently takes enforcement action for excess cold in a number of properties. Enforcement, whilst necessary, is resource intensive and will only be effective if used alongside promotional work. However, it does lead to significant improvements in the lives of some of the most

vulnerable private sector tenants in the city. An example of our recent work is with a large block of flats with SAP ratings of below 20 which involved the service of over 60 statutory notices. The flats that have been upgraded to date are returning new SAP ratings of over 70.

7 What are we going to do next?

The Green Deal

- 7.1 Continue to deliver our energy efficient improvements via our own Cosy City Programme and work with DECC to promote any national retrofitting funds.
- 7.2 Further investigate and explore what role the green deal may have to play for our housing stock.
- 7.3 We believe that there is considerable scope for the green deal to be taken up by private landlords and we are already beginning to promote it in individual cases. We expect the next update of our private sector stock condition survey to include predicted tenure and green deal variables to individual address level which will enable us to target our energy efficiency work, and the green deal in particular, effectively.
- 7.4 Develop a new solar programme to increase the take up of PV and other renewables.
- 7.5 Work with neighbouring authorities to maximise any grant funding.

Energy Company Obligation (ECO)

- 8.1 The council is networking with providers who have access to the ECO funding stream. The authority has a property list in place which is used to see what percentage of funding we could secure. ECO measures include;
 - Boilers
 - EWI
 - IWI
 - loft insulation
 - Cavity wall insulation
 - Draught proofing
 - Solar heating
- 8.2 The more measures that are applied to a property the more funding we would acquire. Also if the property falls within a LSOA (lower super output area) this will attract more funding.

Feed in tariff and renewable heat incentive (RHI)

- 10.1 The council has 31 PV installations across our housing stock which would be eligible. These were installed by Carillion to a variety of properties. A sheltered housing complex was our biggest single installation to - date. These PV panels were fitted for free, this will allow the tenant to benefit from free electricity and Carillion shall claim the FiT payment.

New Council Homes

- 10.2 The council has embarked on a programme of building up to 250 new council houses over the next five to ten years. It is intended to explore cost-effective technologies, including passivhaus techniques, to maximise the energy efficiency of these new homes. NCC will be working closely with a local housing association which will be building a large passivhaus development of 250 homes in central Norwich, to benefit from their experience and supply chain knowledge.

Site Waste Management Plans (SWMP)

- 10.4 All contractors working on a contract over £300k will need to have SWMP. This is a legal document and the company can incur a hefty fine if there is not an SWMP in place on a contract. The contractor is also responsible for keeping an audit trail of what percentage of waste is disposed and recycled. There are also Green Travel plans which enforce the need to use minimal numbers of vans when on site and the contractors also make sure there are enough materials within the van to complete the jobs for the day also minimising the need to continue to go back to a depot for more supplies. All our current contractors have SWMP's in place.

10 What did we achieve?

Progress against 2013 Action Plan:

Priority	Proposal	Timescale	2015 Update
Building relationships	Networking with the Big 6 Energy Providers	Ongoing	Investigating opportunity for tower block to be upgraded through funding via Big 6 energy company
	Working alongside Income Assistants to find tenants who may be in poverty		Improve links to other services that could benefit from this information too.
	Assisting with reports and supplying data to the Environmental Strategy team	Ongoing	Continuing to work across council services and with major contractors to assimilate energy data
	Tenant involvement by producing documentation on energy saving, tenant fund days & liaising with tenants regarding their energy bills		Documentation completed and handed out at fun events. Continued liaising with tenants regarding energy saving measures.
New equipment	Replacement of our asset database and upgrade. Our current database runs RdSAP 2005. Upgrading will allow us to use RdSAP 9.91.	2013/14	Database now using up to date RdSAP 2009 methodology, and in a position to easily update when required.
	Purchasing of additional thermal imaging camera and data loggers	2013/14	Data loggers bought. An additional thermal imaging camera has not been required.

Priority	Proposal	Timescale	2015 Update
Trial projects	IWI – 8 properties to be involved in a trial		Assets and tenants benefitting from application of technology. Reviewing and planning for future installs.
	Damp Trial – 6 month trial to reduce spend and investigate alternative methods alleviate damp within our homes. The trailing out of new products such as single, whole house ventilation and continuous running extractor fans working with the market leaders.		C. 1.2 million saved through trial. Programmed works for 15/16 modified to accommodate measures found, such as ‘french drains’ and bin/meter cupboard insulation (to specific assets). New extract fans being installed with continuous then boost as required features.
Trial projects cont/d...	Air source heat pumps – to carry out a trial		Applied where practicable.
	Thermodynamic hot water – potential trial of this technology that can provide hot water 365 days of the year, using a local company.		Trialled x 4 units. Feedback 100%. Contracted to install an additional x 28 units 14/15 with nearly 100% satisfaction from tenants. Assigned budget for 15/16 for additional units and shall investigate economies of for even wider application for future programmes.

Priority	Proposal	Timescale	2015 Update
Projects	95 homes on district oil heating. Exploring and investigating renewable options.	Ongoing	Solution being investigated – no works currently planned.
	Upgrading of old pipework, underground pipes from district boiler to be super insulated.	2013/14	This work was completed at one Sheltered Housing bungalow scheme (2013) and is scheduled to go ahead at a second site in Spring 2015
	PVT (photovoltaic thermal) – to install to c. 10 properties.	2013/14	Technology not in a position for use just yet. Review in future.
	Voltage Optimisation – to install c.500 units into our housing stock	2013/14	Completed with limited stock remaining. VO no longer traded. Investigation continue to find residential alternative.
Projects cont/d...	EWI – installation to c.82 properties with potential to deliver up to 200 properties by accessing ECO funding.	2013-18	Completed. Specification change to include relocation of gas meters has increased unit rates impacting future rates. Work set to proceed targeting poorest performing assets, or those in the areas of highest deprivation.
	IWI – following the trial, investigate opportunities to	2013-18	Ongoing review of methodology before committing to programme.

Priority	Proposal	Timescale	2015 Update
	complete the block using ECO funding		
Funding Streams – Green Deal/ ECO	<p>ECO - Investigating ECO funding opportunities to deliver EWI, IWI, new boilers, loft insulation and cavity wall insulation</p> <p>Green Deal - Investigate a wider whole city approach to Green Deal and the role the council should play</p>	<p>2013-18</p> <p>2013</p>	<p>None present.</p> <p>Cosy City launched Spring 2014. DECC Greener Communities bid successful Summer 2014. On target to deliver.</p>
Collective Switching	Working to promote Norwich Big Switch & Save. Leaflets and advice given when carrying out stock surveys, visits etc. also assisting offline registrants by offering paper-based registration.	2013-18	1500+ residents have successfully switched so far with an average saving of £250. The most successful local authority in the country.
Tackling Excess Cold	To identify privately-owned homes where an excess cold hazard exists and to take appropriate action to remove the hazard. This may include the use of improvement notices in the case of privately-rented	Affordable Warmth action plan (ongoing)	38 homes identified and 32 improvement notices served since 2013.

Priority	Proposal	Timescale	2015 Update
	accommodation and financial assistance for vulnerable owner-occupiers.		
Private sector housing energy efficiency information	To commission private sector stock condition research to identify the extent and distribution of excess cold hazards, poor thermal efficiency and fuel poverty.	2013-14	Report and stock modelling database received in January 2014.
New council homes to achieve high energy efficiency standards	To research and adopt an energy-efficiency design standard for all new council homes.	2013-14	
Private sector housing renewals strategy	To introduce a new strategy, based on information provided by the stock condition research, which will address the problem of excess cold and poor thermal performance in owner-occupied and privately rented homes in the city.	2013-15	<p>A number of initiatives and policies have been implemented instead of an overarching strategy which include:</p> <p>Private sector financial assistance policy which has been extended to offer help to private landlords</p> <p>Empty homes policy</p> <p>Private rented sector property registration scheme (launch due 2015) where minimum standards will be</p>

Priority	Proposal	Timescale	2015 Update
			required including energy efficiency.

In addition to the actions detailed 2013 action plan we were also successful in installing PV for free at 200 assets!

DRAFT

11 What are we going to do next?

Future actions:

Priority	Proposal	Timescale
Building relationships/ changing behaviours	Working to identify opportunities for 'habit discontinuity' where tenants and residents can be encouraged to change their habitual behaviour	2015-16
	Once 'habit discontinuity' opportunities are identified work to promote energy efficiency and sustainable lifestyle changes when people move home through the use of tenancy packs etc.	2015-2016 and then ongoing
	To develop an open-homes online network to enable residents to learn from one another on how to improve their home's energy efficiency	2015/15 and then ongoing
	To raise awareness and encourage skills development in the local construction industry in the green deal and the installation energy savings measures through the council's Cosy City service and other activities	To date 5 NVQ's fully funded with 'Building Futures' via the Cosy City Greener Communities project.
	To implement initiatives to raise awareness and create action at a local neighbourhood level about energy efficiency, managing energy use and the benefits of installing renewable energy by providing information, advice and education	Ongoing

Priority	Proposal	Timescale
Research/ Projects	Investigating opportunities from heat from rivers via the DECC HNDU project	2015/16
	Investigating the country's first Collective PV auction with switching partner iChoosr.	2015/16
	To explore with partner organisations the potential for a district heating scheme for the City and other options for the development of renewable energy for the future	2015/16
	To explore the development and delivery of a large scale PV scheme on council housing across the City in consultation with tenants and review other opportunities for micro- generation	Ongoing
	To ensure the council's private landlord accreditation scheme promotes energy efficiency	2015/16
	To continue to lobby OFGEM for a standard for renewable energy tariffs so that this can be included within the council's switch and save scheme.	2015/16
New homes	To explore the potential use of Passivhaus or Sustainable Homes level 4 for all new build	2016/17
	To develop new homes for the City Council that conform to Sustainable Homes Level 4 or Passivhaus	Ongoing
	To ensure the Threescore phase 2	2016

Priority	Proposal	Timescale
	development is planned to provide 75% dwellings to Passivhaus standards	
	To continue to deliver an affordable warmth strategy and programme to reduce fuel poverty and increase wellbeing	Ongoing

DRAFT

Report to Sustainable development panel
25 February 2015
Report of Executive head of regeneration and development
Subject One Planet Norwich: Sustainable Living Festival 2015

Item

5

Purpose

This report informs members of the arrangements for the first One Planet Norwich: Sustainable Living Festival 2015.

Recommendation

To note the report.

Corporate and service priorities

The report helps to meet the corporate priorities – Safe, clean and low carbon city

Financial implications

Within existing budgets.

Ward/s: All wards

Cabinet member: Councillor Stonard – Environment and development

Contact officers

David Moorcroft – Executive regeneration and development

01603 212226

01603 212312

Richard Willson – Environmental strategy manager

Background documents

None

Report

1. The One Planet Norwich project is run by Norwich City Council's environmental strategy team. Its central premise is that in this day and age we sadly consume so much we need three planets to sustain us. So, One Planet Norwich seeks to encourage people, businesses, organisations and groups in our fine city to reduce the amount they consume so that our one planet can be sustained.
2. One Planet Norwich's flagship event will be the city's first ever council run Sustainable Living Festival. It is set to take place between 10am and 4pm on Saturday 7 and Sunday 8 March 2015 at The Forum.
3. The whole inside and outside of the Forum will be filled with interesting stalls, activities and talks all promoting the aim of living more sustainably. To date the council has arranged a number of electric cars, a bio gas bus and a number of other sustainable travel activities to be on public show outside the forum.
4. Inside the environmental strategy team has created a series of lectures, plays and films to be shown in the Curve and Fusion screen whilst in the main event space there will be a number of stalls helping to educate members of the public to live more sustainably.
5. The council hopes the event will be a fun and engaging family day out with plenty of activities and great tips to help people make changes to their lifestyle.
6. Depending on the feedback from the attendees and stall holders the council's environmental strategy team hope to make this an annual event for the city, which will also include the council's annual Eco Awards.

Report to Sustainable development panel
25 February 2015
Report of Head of planning service
Subject Affordable housing supplementary planning document

Item
6

Purpose

This report concerns the *Affordable housing supplementary planning document* (SPD) which the panel considered and commented on before it was published as a draft for public consultation in October 2014.

The report outlines the main issues raised in the responses to the consultation, summarises the responses received and proposes a number of changes to the document to address those responses.

In addition, and of greater significance, the report has also been amended to take into account changes made to national planning policy which have raised the threshold over which local authorities can require a contribution to affordable housing and details how we propose to calculate the vacant building credit.

Recommendation

To:

- (1) note the *Affordable housing supplementary planning document* with proposed amendments;
- (2) recommend cabinet to approve the document as amended for formal adoption as a supplementary planning document in accordance with Part 5 of the Local Planning Regulations (2012).

Corporate and service priorities

The report helps to meet the corporate priority decent housing for all and the service plan priority to implement the local plan for the city.

Financial implications

There are no direct financial consequences for the council regarding adoption of this document.

Adoption of the SPD is likely to result in additional Section 106 funding being received by the council. Any such funding will be ring fenced and only able to be spent on the provision of affordable housing. If the SPD increases the amount of planning and development activity there may also be financial impacts associated with planning fees and new homes bonus payments to the Council.

Ward/s: All wards

Cabinet member: Councillor Stonard – Environment and transport

Contact officers

Mike Burrell, planning team leader (policy)

01603 212525

Sarah Ashurst, planner (policy)

01603 212500

Background documents

None

Report

Introduction

1. This report presents the responses to the recent consultation on the *Affordable housing supplementary planning document* (SPD) reported to the September 2014 meeting of the panel. The SPD provides essential detail to implement *Joint core strategy* (JCS) policy 4 and policy DM33 of the *Development management policies local plan* which was adopted in December 2014. Policy 4 of the JCS seeks to achieve a proportion of affordable housing on all housing development sites of 5 or more dwellings, taking into consideration viability issues. Policy DM33 of the local plan sets out the planning obligations not covered by the Community Infrastructure Levy (CIL) and the circumstances in which negotiation of planning obligations will occur where non-viability of development can be demonstrated
2. The policy background and purpose of the SPD was discussed in detail in the report to panel in September 2014. Broadly, the SPD is intended to outline how the policy framework should be interpreted and implemented in order to promote mixed and sustainable communities, and to formalise the 2011 *Interim statement on affordable housing* and the *Prioritisation framework* to provide guidance on the circumstances in which the council will accept contributions in lieu of on-site provision of affordable housing.
3. It should be noted that procedurally, a full council resolution is not necessary in order to adopt an SPD. This is because SPD does not involve a substantive change in the council's policy approach, rather it is intended to supplement and update a policy which is already adopted. Subject to the agreement of members, the SPD would be reported to cabinet for approval on the 11th March 2015.
4. The draft document (with amendments to address comments made in response to the two consultations) is attached as Appendix 1. The detailed comments received to the first consultation, alongside the council's response, are attached as Appendix 2. The detailed comments received to the focused re-consultation (see paragraph 13), alongside the Council's response, are attached as Appendix 3. A schedule of the amendments made to the document is attached at Appendix 4.

The consultation

5. The *Affordable housing SPD* was published in draft format on the Council's website on the 1st October 2014. Copies of the document were made available for inspection at City Hall and the Forum. The consultation ran for a period of just over 4 weeks in accordance with the adopted *Statement of community involvement* (SCI).
6. A range of groups and individuals were consulted including developers, agents and architects, registered providers of affordable housing, adjacent district councils, local interest groups, and councillors. Consultation was carried out via email and letters.

Issues raised in the consultation

7. A limited number of responses, 4 in total, were received to the consultation. However, a number of useful comments were made by those respondents.
8. Points raised included:

- Appendix 4 (Viability assessment requirements) being overly prescriptive, particularly for outline applications.
 - Conflict with RICS guidance in relation to exceptional circumstances.
 - The need for explanation of how the Broads Authority will use this SPD.
 - More explanation of JCS policy 4 is needed.
 - Reference to whom should pay for independent viability assessments should be made.
 - Queried whether contributions for part dwellings would be accepted?
 - Queried whether sensitivity testing is required and if yes then reference to this should be made within the document.
 - Recommendation of the use of 'claw back' as well as reviews of viability of development proposals.
 - Minor edits to wording and format.
9. One representation in support of the SPD was made by Norfolk County Council, specifically welcoming the inclusion of the section on prioritisation of planning obligations.

National planning policy changes

10. A ministerial statement was issued on the 28th November 2014 introducing the new threshold for affordable housing contributions so that only developments of **over 10** dwellings, or a 1,000 square metre gross floorspace, would be liable for affordable housing contributions through Section 106 agreements.
11. As a result of this national planning policy change some parts of adopted JCS policy 4 can no longer be applied. In particular:
- a) bullet point 1 (requiring 20% affordable housing provision on sites of 5-9 dwellings) can no longer be applied at all, and
 - b) bullet point 2 (requiring 30% affordable housing provision on sites of 10-15 dwellings) can now only apply to sites of 11 to 15 dwellings.
- All other parts of the adopted JCS policy 4 will be applied in full.
12. In addition, a 'vacant building credit' can now be offered to developers to incentivise them to develop sites. This applies where existing vacant buildings are proposed to be brought back into lawful use or demolished and redeveloped. This does not apply to buildings which have been abandoned.

The re-consultation

13. It was considered necessary to carry out a focused re-consultation on the changes proposed to the document following this national policy change.

14. The new section (Section 4) proposed to be included in the draft SPD was advertised on the council's website on the 19th January 2015. The consultation ran for a period of 2 weeks.
15. A range of groups and individuals were consulted including developers, agents and architects, registered providers of affordable housing, adjacent district councils, local interest groups, and councillors. Consultation was carried out via email and letters.

Issues raised in the re-consultation

16. While only 3 responses were received, a particularly useful comment was made on the 'vacant building credit' calculation.
17. A respondent proposed an alternative method to that proposed by officers. After consideration of the proposed alternative methodology it is considered to be a simpler calculation which is not influenced by unit sizes or by the specific design of the scheme. It is also considered to be more adaptable if elements of the scheme change and more appropriate for flatted developments.

Proposed changes from the draft SPD

18. A number of minor changes have been made to the document. These are outlined in the modifications table in appendix 4 of this report and relate to some of the points detailed in paragraph 8 of this report.
19. In addition a number of minor changes have been made by officers to provide clarity, for example, how the document will be updated following production of the new SHMA, how hybrid sites will be considered, inclusion of additional terms in the glossary, and changes to wording and formatting etc.
20. More significantly, the area within which commuted sums will be spent is proposed to be changed from within 1km of the site to within the same or an adjacent electoral ward. It is considered that 1km is too restrictive a radius and alternative sites are unlikely to be found which are suitable for off-site affordable housing provision. Extending the area within which commuted sums can be spent is likely to give rise to more opportunity for affordable housing development to occur whilst also ensuring balanced and mixed communities are formed.
21. Most significant is the amendment to the proposed Section 4, particularly how the 'vacant building credit' will be calculated. The methodology proposed by officers was based on the net increase in floorspace but had the potential to be influenced by unit numbers and sizes as it involved calculation of an average unit size to determine the affordable housing requirement. This could potentially have been used to negative effect by developers. The methodology proposed by a respondent to the re-consultation was simpler and revises the affordable housing percentage requirement according to the net increase in floorspace only, irrespective of the number or size of the units proposed. Section 4 of the SPD outlines the methodology in full. The previously proposed methodology which was consulted on is outlined for information in appendix 5. Members should note that it is not intended to publish the previously proposed methodology in the SPD when it is adopted.

Conclusions

22. As amended (and subject to approval by cabinet), officers are confident that the SPD will provide a sound basis for the future determination of applications where affordable housing is required and/or where planning obligations are to be negotiated due to poor development viability.
23. Members are asked to note the content of this report and the amended SPD and agree to recommend the SPD for approval by cabinet.

**Affordable housing Supplementary planning document
(2015)**



**This document supplements *Joint core strategy* policy 4 and
Norwich local plan policy DM33**



Executive summary

This supplementary planning document (SPD) provides detailed guidance on how policy 4 of the *Greater Norwich Joint Core Strategy (JCS)* and policy DM33 of the *Development management policies local plan*, both relating to delivery of affordable housing, should be interpreted and implemented in order to help promote mixed and sustainable communities. In November 2014 central government introduced changes to National planning policy which increased the threshold over which affordable housing can be required by a local planning authority. This SPD acknowledges this national policy change and outlines the parts of JCS policy 4 which can no longer be applied, and how the 'vacant building credit' will be calculated.

The SPD reiterates the requirements for affordable housing on development sites of 11 or more dwellings as required by *JCS* policy 4¹, and makes clear the design requirements for affordable housing provision.

Development viability is a material consideration currently affecting the implementation of *JCS* policy 4 and local evidence shows low levels of delivery of affordable housing.

Where non-viability of sites can be demonstrated, the council's approach to prioritisation of planning obligations is outlined.

Where non-viability of development is accepted but affordable housing is prioritised over other policy requirements, and/or where a reduced on-site provision is accepted, then *JCS* policy 4 and the design criteria outlined in this SPD should be applied.

Where affordable housing is not prioritised over other planning obligations, the council's approach to provision of off-site affordable housing via a commuted sum is outlined.

Further, the council's approach to reviewing development viability is also covered, recommending a review within 12 months of permission being granted if no commencement on site has occurred in order to incentivise development and promote housing delivery.

In response to the varying quality of viability assessments submitted to date, the SPD seeks to provide best practice guidance in relation to what should be contained in viability assessments in order to better inform developers of the council's expectations and ease the process at planning application stage.

¹ Bullet point 1 of *JCS* policy 4 ('affordable housing section') can no longer be applied, and bullet point 2 now only applies to sites of 11-15 dwellings following changes to National planning policy.

Affordable housing SPD



This SPD is for use by applicants, agents, developers and land owners applying for residential development and development management staff and members of planning applications committee in assessing and determining applications. It incorporates advice from the council's planning and housing services.

Consultation on the draft SPD took place in the autumn of 2014. The adopted SPD will be a material consideration in determining planning applications and will supersede the 2011 *Interim statement on affordable housing* and the corresponding *Prioritisation framework*.

The SPD is flexible and will be updated annually to reflect changes in development viability and market conditions at that time and any relevant changes in Government policy.



1. National Planning Policy

1. National planning policy in the *National Planning Policy Framework (NPPF)* requires local authorities to ‘deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive, and mixed communities’. In order to achieve this local authorities should:

- plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes);
- identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand, and;
- where they have identified that affordable housing is needed, set policies for meeting this need on site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified (for example, to improve or make more effective use of the existing housing stock) and the agreed approach contributes to the objective of creating mixed and balanced communities. Such policies should be sufficiently flexible to take account of changing market conditions over time.

(NPPF, paragraph 50)

2. For the purposes of this SPD the same definition of ‘affordable housing’ is used as that within the *NPPF* and as shown in Figure 1 on the following page.

3. The following paragraphs of the *NPPF* have been taken into account in preparing this document: paragraphs 56 (good design), 69 (mixed and healthy communities), 159 (the need for a Strategic housing market assessment (SHMA)), and 173 and 179 (viability and deliverability).

4. In addition, relevant guidance in *National Planning Practice Guidance (NPPG)* published in March 2014 and amended in November 2014, has also been taken into consideration, in particular the sections on planning obligations and design². Following changes made in November 2014, the *NPPG* now stipulates that ‘contributions should not be sought from developments of 10 units or less, and which have a maximum combined gross floorspace of no more than 1000sqm’.

² <http://planningguidance.planningportal.gov.uk/>

Affordable housing SPD



5. When considering development of a vacant (empty/cleared) site and proposed unit numbers the NPPG is clear: only sites of 11 or more dwellings should provide affordable housing on site.
6. When considering sites where vacant buildings are present and are proposed to be brought back into lawful use or demolished and replaced with a new building, the NPPG states that developers should be offered a 'financial credit equivalent to the existing gross floorspace...' and that 'affordable housing contributions would be required for any increase in floorspace'. The process for determining the vacant building credit is set out in section 4 of this document.
7. For clarity, the vacant building credit applies only where the building has not been abandoned.
8. Any references within this document to housing tenures, including affordable rent, social rent and intermediate housing, will be as defined in the glossary of this SPD (see Appendix 6).

'Affordable housing':

Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.

Social rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.

Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including charges, where applicable).

Intermediate housing is homes for sale and rent provided at costs above social rent, but below market levels subject to the criteria in the affordable housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.

Homes that do not meet the above definition of affordable housing, such as "low cost market" housing, may not be considered as affordable housing for planning purposes.

NPPF Annex 2: Glossary

Figure 1: Affordable housing definition from the National Planning Policy Framework (NPPF)



2. Local policy context

9. The local plan for Norwich consists of the *Joint Core Strategy (JCS)*, the *Site allocations and site specific policies local plan* (the *Site allocations local plan*), the *Development management policies local plan* (the *DM policies local plan*), the policies map, and the *Northern city centre area action plan (NCCAAP)*.
10. Policy 4 of the *JCS* seeks to achieve the following proportion of affordable housing on sites of 5 or more dwellings³:
 - on sites of 5-9 dwellings (or 0.2-0.4ha), 20% with tenure to be agreed on a site by site basis (numbers rounded upwards from 0.5);
 - on sites for 10-15 dwellings (or 0.4-0.6ha), 30% with tenure to be agreed on a site by site basis (numbers rounded upwards from 0.5), and;
 - on sites of 16 dwellings or more (or over 0.6ha) 33% with approximate 85% social rented and 15% intermediate tenures (numbers rounded upwards from 0.5).
11. Following changes to National planning policy in November 2014, bullet point 1 of *JCS* policy 4, shown above, can no longer be applied. Further, bullet point 2 relates only to sites of 11-15 dwellings.
12. The policy also states that the proportion of affordable housing may be reduced, and the balance of tenures amended, where it can be demonstrated that the site is unviable in prevailing market conditions.
13. It should be noted by those using this document that affordable housing requirements apply to the **net increase of dwellings only** (where planning permission is required). For example, if an application is submitted to demolish 10 open market dwellings and replace them with 20 dwellings then the net increase is 10 dwellings. The policy should only be applied to the 10 new dwellings.
14. The requirement for affordable housing provision applies to **all C3 dwellings, C4 dwellings and sui generis dwellings (eg HMOs)** irrespective of tenure or ownership model.
15. All relevant development proposals should have regard to the principles set out in this SPD.
16. The appropriate mix of tenures is as set out in *JCS* policy 4. For sites of 5-9 dwellings and 10-15 dwellings, tenure is to be agreed on a site by site basis. On sites of 16 or more dwellings a split of 85% social rented and 15% intermediate tenures is

³ See appendix 1 for a full version of *JCS* policy 4.



advocated. However, in accordance with *JCS* policy 4, this can be negotiated in exceptional circumstances and/or where certain tenures are not appropriate in specific areas of the city. The publication of any new SHMA may update the required tenure split. This document will be updated as necessary thereafter including any amendments as necessary to the calculations set out in Appendix 3.

17. It is current practice to accept affordable rent dwellings only where a developer can provide evidence that social rent is unviable or where evidence is provided that registered providers (RPs) will not accept social rented dwellings. It is considered preferable to accept affordable rent dwellings on-site, rather than a commuted sum as this helps build sustainable mixed communities.
18. Provision of affordable housing on-site is the city council's preferred approach, and is also the preference set out in government guidance. This promotes social inclusion and the design of individual sites should take account of this objective.

Affordable housing design

19. The policies of the *DM policies local plan* relating to amenity (DM2), design (DM3), and principles for residential development (DM12) should be adhered to when applying for planning permission for any development of residential dwellings. These standards should be applied to *all* forms of housing development, including affordable units.
20. It is critical that the design process recognises at an early stage the need to accommodate a mix of affordable tenures, and has the ability to incorporate affordable housing which meets the needs of, and is attractive to, RPs. Applicants should undertake early discussions with RPs, considering alternative designs where necessary, to try to accommodate on site affordable housing in the first instance.
21. Paragraph 12 of this document outlines the threshold for an affordable housing requirement and the corresponding required percentage of affordable housing to be provided on site. In order to achieve the mixed and balanced communities advocated in *JCS* policy 4, as a minimum, the following design criteria should be met:
 - there should be no distinction between affordable units and market units, (i.e. development should be 'tenure-blind');
 - the same levels of car parking provision should be made for the affordable units as for market units (i.e. if 80% of the market housing has a parking space, then 80% of the affordable units should have a parking space), and;
 - if reasonable and practical to do so, affordable units should be distributed evenly throughout the development to promote social inclusion and mixed communities.



Where a flatted development is proposed, the affordable housing units should meet the requirements of the RP taking on the units upon completion of the development.

Residential institutions

22. Both purpose built student accommodation (C1 halls of residence) and care homes (C2 residential institutions) make a valuable contribution to meeting housing need, which in turn releases accommodation in open market housing stock. Any consent granted for such a use is likely to be subject to a condition restricting and making clear the approved use.
23. Neither student accommodation nor residential institutions have permitted development rights to transfer to C3, C4 or sui generis dwellings. Therefore, any proposal to convert such accommodation would require a new planning consent. These forms of development are not subject to the same requirements for affordable housing provision as market housing.

Application requirements

24. Full planning applications should confirm the amount of development proposed, including the amount of affordable housing to be provided, the dwelling mix in terms of tenure and unit size and the location of the affordable homes. If, subject to the criteria outlined in this SPD, the affordable dwellings are not to be provided on site, applicants should use the tables in Appendix 3 of this document to calculate the amount of commuted sum required to be paid in lieu of on-site provision.
25. Outline planning applications should as a minimum secure the full affordable housing provision in accordance with JCS policy 4. The overall numbers to be provided with, if possible, an indicative tenure mix, dwelling sizes, types and proposed location should be outlined. Any subsequent reserved matters applications can review the affordable housing provision and tenure mix. Submissions should comply with the requirements for a full planning application (listed above).

How adjoining authorities will use this document

26. For clarity, the Broads Authority does not have a strategic housing function. Policy DP23 of the adopted *Broads Authority Development management policies development plan document (2011-2021)* states that the Broads Authority applies the policies of its constituent District Councils (in both Norfolk and Suffolk) regarding affordable housing. Therefore, this SPD will also apply to housing proposals within the Broads Authority area.



27. All other adjoining authorities will produce their own SPDs as necessary.

Artificial sub-division of sites

28. Where a site is in a single ownership, artificial sub-division to avoid provision of affordable housing will not be permitted. The intention behind this statement is to distinguish between those schemes which are prepared with the intention of circumventing *JCS* policy 4, and those schemes which have been drawn up addressing legitimate planning considerations, and therefore may not be able to provide affordable housing in accordance with the core strategy policy.

Hybrid applications

29. Sites which are proposed to be developed partly under permitted development rights as outlined in The Town and Country Planning (General Permitted Development) Order 1995 (as amended), and partly requiring planning permission will be considered on a case by case basis regarding viability and resulting planning obligations.



3. Local evidence on affordable housing delivery

30. It is recognised that affordable housing provision secured through JCS policy 4 is dependent on the overall viability of development and that this is, in itself, dependent upon a wide range of site specific circumstances.
31. Wider economic conditions over past years have impacted on levels of housing delivery on all sites, and the viability of sites has been significantly affected by the levels of affordable housing required under the JCS policy 4 and other planning obligations.
32. Table 1 below shows numbers of housing completions since the start of the plan period (2008), the average annual requirement and the actual annual requirement taking into account the actual rate of housing delivery in previous years.

	2008/09	2009/10	2010/11	2011/12	2012/13
Completions	527	399	377	280	377
JCS allocation annualised over 18 years (2008-2026)	477	477	477	477	477
Managed delivery target – annual requirement taking account of past/projected completions	477	474	479	486	531

Table 1: Extract from the JCS AMR 2012/13

33. As a result of low levels of house building due to poor site viability, levels of affordable housing provision from private development have also been affected (see table 2 below).

	2008/09	2009/10	2010/11	2011/12	2012/13
AH Completions	235	92	112	171	145

Table 2: Affordable Housing completions 2008-2013

34. The particularly successful years of delivery in 2011/12 and 2012/13 can be largely attributed to the work of the city council in partnership with the Homes and Communities Agency (HCA) to deliver affordable homes on council owned sites (shown as RP sites in table 3 below). From this partnership, between December 2011 and March 2013 108 dwellings were delivered on small sites of 10 dwellings or fewer, all counting towards provision of affordable housing.

Affordable housing SPD



35. The JCS AMR has raised concern in previous years with poor affordable housing delivery, and the impact of the requirements on JCS policy 4 on development viability.
36. Table 3 below sets out the number of sites which have provided on-site affordable housing provision and those where a commuted sum has been accepted in lieu of on-site provision.

	5-9 dwellings	10-15 dwellings	16 plus dwellings
Total sites where JCS policy 4 applicable:	24	13	17
-of which private	13	8	16
-of which RP	11	5	1
Private Schemes			
Delivering on-site provision	3 (23%)	2 (25%)	11 (69%)
Delivering a commuted sum and/or overage for off-site provision	10 (77%)	6 (75%)	5 (31%)
RP Schemes			
Delivering on-site provision	11 (100%)	5 (100%)	1 (100%)
Delivering a commuted sum and/or overage for off-site provision	0 (0%)	0 (0%)	0 (0%)

Table 3: Number of sites where on-site affordable housing provision has been made, and where a commuted sum has been accepted since base date of JCS 01.04.2008 to 31.03.2014.

37. The city council is continuing to identify sites where affordable homes can be delivered. However, it is clear from low levels of schemes, particularly small and medium sites up to 15 dwellings, providing on-site affordable dwellings since adoption of the JCS that the private market is struggling to meet the on-site policy requirements of JCS policy 4.
38. The current approach of the council of accepting a commuted sum for off-site provision delivers a valuable funding stream to provide affordable dwellings off site.

Affordable housing SPD



39. This SPD proposes to continue this approach, to ensure that potential funding sources are not lost and to ensure affordable housing is provided. The council considers that this approach takes account of the need for flexibility advocated by government in prevailing market conditions which are a material consideration when determining planning applications.



4. Changes in national legislation and implications for JCS policy 4

40. In 2014 the government consulted on a proposed change to the threshold for affordable housing contributions so that only developments of over 10 dwellings, or a 1,000 square metre gross floorspace, would be liable for affordable housing contributions through Section 106 agreements. The Government considers that this will aid the delivery of housing small-scale sites and brownfield land.

41. The results were published by the Department for Communities and Local Government (CLG) and a ministerial statement was issued on the 28th November 2014 introducing the new threshold for affordable housing contributions as set out above. In addition, a 'vacant building credit' can now be offered to developers to incentivise them to develop sites. This applies where existing vacant buildings are proposed to be brought back into lawful use or demolished and redeveloped. This does not apply to buildings which have been abandoned.

The consultation response document can be found here:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/381349/Planning_Contributions__Section106_planning_obligations_.pdf

The ministerial statement can be found here:
<http://www.parliament.uk/documents/commons-vote-office/November%202014/28%20Nov%202014/2.%20DCLG-SupportForSmallScaleDevelopersCustomAndSelf-Builders.pdf>

42. As a result of this national planning policy change some parts of adopted JCS policy 4 can no longer be applied. In particular:

- bullet point 1 (requiring 20% affordable housing provision on sites of 5-9 dwellings) can no longer be applied at all, and
- bullet point 2 (requiring 30% affordable housing provision on sites of 10-15 dwellings) can now only apply to sites of 11 to 15 dwellings.

All other parts of the adopted JCS policy 4 will be applied in full.

Calculating the 'vacant building credit'

43. Where the 'vacant building credit' is applicable, it will be calculated in the following way:

- The existing affordable housing requirement is outlined in bullet points 2 and 3 of JCS policy 4, ie for proposals of 11-15 dwellings 30% affordable housing

Affordable housing SPD



will be required, for developments of 16 plus dwellings 33% affordable housing will be required.

- The net affordable housing requirement should be recalculated to take into account the two gross floor areas (the original building floorspace to be demolished or brought back into lawful use, and the proposed replacement building) to arrive at the net maximum affordable housing target for that site. The following formulae will be applied:

A = existing affordable housing target (ie 11-15 dwellings 30% affordable housing, 16 plus dwellings 33% affordable housing)

Coefficient⁴ = 1 (existing floorspace / proposed floorspace)

Net affordable housing requirement = A x coefficient

44. Once the affordable housing requirement has been calculated, all other parts of this SPD should then be applied to the affordable housing contribution.

45. For clarity, a worked example for a scheme of 26 dwellings is shown below:

- A = 33%

The GIA schedule on the following page has been supplied with the application. This shows an existing vacant floorspace of 865sqm and a proposed residential floorspace of 1607.1sqm.

- $1 - (865 / 1607.1) = 0.46$
- $33 \times 0.46 = 15\%$ net affordable housing requirement.

46. If, after such a calculation has been made, development of the site is still not viable, the following sections of this SPD will apply.

⁴ A coefficient is a number multiplied with a variable (in this case the existing floorspace / the proposed floorspace) in an algebraic term.

Affordable housing SPD



Proposed housing		
Plot	Beds	GIA Sqm
1	1	46.2
2	1	46.2
3	2	70.2
4	2	64.2
5	2	64.2
6	2	64.2
7	2	64.2
8	1	45.2
9	1	46.2
10	1	46.2
11	2	70.2
12	2	64.2
13	2	64.2
14	2	64.2
15	2	64.2
16	1	45.2
17	1	46.1
18	3	83.2
19	2	70.2
20	2	64.2
21	2	64.2
22	2	64.2
23	2	64.2
24	1	45.2
25	3	84.3
26	3	92.3
Total GIA		1607.1
Average GIA		61.8

Existing vacant retail floorspace	
Unit No	GIA Sqm
Unit 1	565
Unit 2	300
Total GIA	865

Example GIA schedule



5. Establishing development viability

47. Planning Law requires that applications for planning permission must be determined in accordance with the development plan unless material considerations indicate otherwise⁵. The issue of viability is a material consideration.
48. It is recognised that seeking provision of affordable housing on site is an important and longstanding aspect of government planning policy which enables mixed communities and social cohesion. However, the requirements of JCS policy 4 are still putting increased pressure on development viability in the current economic market and with the government drive to deliver homes the planning system must be flexible to ensure that developments can go ahead.
49. The fundamental issue in considering development viability is whether an otherwise viable development is made unviable by the extent of planning obligations or other policy requirements. Figure 2 below illustrates this point.

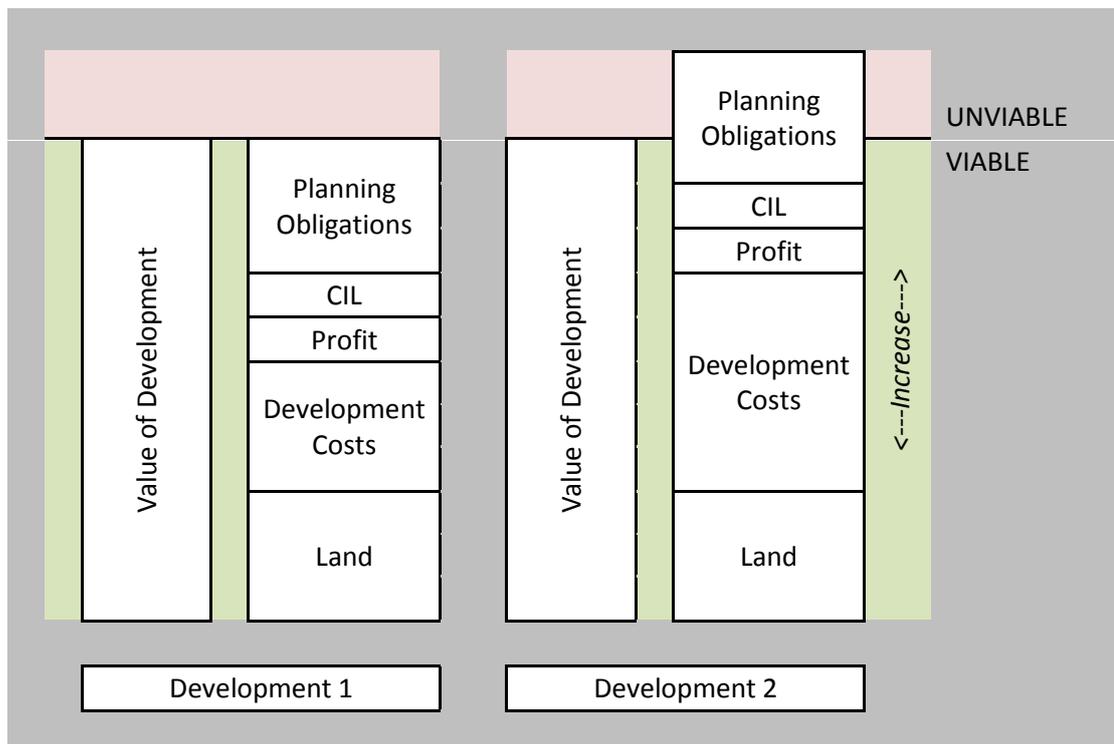


Figure 2: Adapted from RICS 'Financial Viability In Planning' (2012)

⁵ Section 38(6) of the Planning and Compulsory purchase Act 1004 and Section 70(2) of the Town and Country Planning Act 1990.



50. In “development 1” the value of the development can be met whilst meeting all planning obligations and costs and maintaining a reasonable return for the land owner.
51. In “development 2” the costs have increased and as a result the development becomes unviable. In such a case a viability assessment would be required to be provided by the developer.
52. The council’s requirements for viability assessments are set out in section 11 and appendix 4 of this document. Upon receipt of an assessment, the council will seek independent verification (where necessary) of the developer’s viability assessment to determine the accuracy of the projected development cost, land values and the level of return, and to ascertain those planning obligations that could be negotiated, and to what level, to render the site viable whilst still retaining a reasonable return for the land owner. The council will do this taking into consideration the planning obligation prioritisation framework outlined in the following section of this document. The council will expect the developer to pay for such independent assessment and the costs of this can be added to the viability assessment.



6. Planning obligations prioritisation framework

53. In 2009 a *Prioritisation Framework* was agreed by Executive with an update agreed in March 2011. This Framework sought to provide guidance for development management officers and members of planning applications committee on how to prioritise requirements for developer contributions covered by Section 106 agreements, planning conditions and planning obligations. This list included essential policy requirements such as transport contributions, education and library contributions, play and open space provision/contributions and affordable housing, amongst others.
54. In June 2013 the city council adopted the *Community Infrastructure Levy (CIL)*. CIL is a planning charge, introduced by the Planning Act 2008, as a tool for local authorities in England and Wales to help deliver infrastructure to support the development in their area. It came into force through the Community Infrastructure Levy Regulations 2010.
55. The introduction of CIL effectively renders the *Prioritisation Framework* of 2011 null and void as many of the essential policy requirements now have contributions paid under the mandatory levy rather than through Section 106 agreements.
56. However, planning obligations are still relevant in certain circumstances and are required in order to secure acceptable development. Policy DM33 of the local plan outlines when such obligations will be required. The remaining obligations include (positioning in the list below is not an indication of priority)⁶:
- the delivery of affordable housing;
 - the delivery of on-site open space and playspace required directly to serve the development, and;
 - pedestrian and highway safety improvements necessary to secure satisfactory access to the development via a range of modes of transport.
57. In the event that a developer can demonstrate that a development is not viable with the full range of planning obligations being met, the council will undertake an assessment of the priority of those obligations required from the development.
58. Prioritisation of planning obligations will be made on a case by case basis, taking into consideration site specific circumstances and other material considerations.
59. It is important to recognise that provision of affordable housing on site may be prioritised over other obligations and that the following sections of this SPD may not

⁶ Policy DM33 is appended in full at Appendix 2.

Affordable housing SPD



always apply. Where affordable housing provision on site is considered to be a priority over other obligations, *JCS* policy 4 and paragraphs 15, 16 and 21 of this SPD should be applied and dwelling numbers and tenures negotiated as appropriate.

60. Where affordable housing provision on-site is considered to be of a lesser priority to other site specific planning obligations, or where development remains unviable even when all planning obligations are removed, then the following sections of this SDP will apply.



7. Reduced on-site affordable housing provision

61. It is recognised that affordable housing provision through *JCS* policy 4 is dependent on the overall viability of development. In turn, this is dependent upon a wide range of site specific circumstances.
62. *JCS* policy 4 states, in addition to setting the levels of affordable housing provision, that 'The proportion of affordable housing sought may be reduced and the balance of tenures amended where it can be demonstrated that site characteristics, including infrastructure provision, together with the requirement for affordable housing would render the site unviable in prevailing market conditions, taking account of the availability of public subsidy to support affordable housing'.
63. Provision of affordable housing on site is the council's preferred approach. However, taking a flexible approach, if non-viability of development with a policy compliant level of affordable housing can be demonstrated via an open book viability assessment (see Appendix 4), then reduced provision on-site will be considered in the first instance. As set out in Section 11, any viability assessment submitted to support non-viability of development should set out all sensitivity testing that has been undertaken.
64. In such cases, the design considerations outlined in paragraphs 19-21 of this SPD should be applied and dwelling numbers and tenures negotiated as appropriate.
65. In addition, paragraphs 75-78 of this SPD regarding review of viability where non-commencement of development occurs, will also apply.



8. Off-site affordable housing provision via a commuted sum

66. In December 2011 an *Interim Statement on off-site affordable housing provision* (the *Interim Statement*) was adopted by cabinet following adoption of the *JCS*. The *Interim statement* saw a significant change in policy in respect of housing provision and particularly affordable housing in *JCS* policy 4. At that time, the scale of the challenge involved in meeting the requirements of *JCS* policy 4 was significant with housing completions down significantly on the annual requirement.
67. The purpose of the *Interim Statement* was to identify the issues relating to implementation of *JCS* policy 4 and introduced a payment contribution in lieu of provision of affordable housing on site in certain circumstances.
68. The criteria outlined in the *Interim statement* for accepting contributions in lieu of on-site provision of affordable housing provision have been successfully applied to several development schemes across the city, ultimately helping to deliver much needed homes. It is therefore proposed that this approach is continued at present, but also updated to reflect current circumstance, and formalised in this SPD.
69. This SPD supersedes in full the *Prioritisation framework* of March 2011 (discussed in section 5 of this SPD) and the *Interim Statement* of December 2011.

Where are we now

70. The *NPPF* and CIL regulations set out the tests against which planning obligations should be considered:
- **necessary** to make the development acceptable;
 - directly **related** to the development, and;
 - fairly and reasonably **related in scale and kind** to the development.
71. The following sections of this SPD outline the circumstances in which provision for affordable housing to be made off-site via a commuted sum may be considered acceptable whilst not undermining the *NPPF* objective to create mixed and balanced communities, and whilst still providing a contribution towards provision of affordable homes.
72. *JCS* policy 4 seeks provision of affordable housing on site to meet this objective. However, in relation to some sites, this can create certain practical difficulties and tensions with other policy objectives such as the minimum density requirement. This may lead to single units being required, or flatted forms of development with high service charges or small floor areas, both of which may be unattractive to RPs.



73. It is also recognised that the viability of providing affordable housing on site for some developments may be difficult in the current housing market and that the RP capacity to take on affordable dwellings on private developments is limited at present. However, as stated at paragraph 20 of this SPD, developers should undertake early discussions with RPs, considering alternative designs where necessary, to try to accommodate on-site affordable housing in the first instance.
74. In accordance with government policy to secure balanced communities, the provision of affordable housing on-site in accordance with JCS policy 4 is favoured and will remain the starting point in all cases. However, in recognition of local evidence, and in the light of government statements about the need for flexibility in the planning system and recognition of the need to stimulate the development economy to increase the rate of provision of homes and jobs, it is considered that, in certain circumstances it is pragmatic to accept the provision of off-site affordable housing via a commuted sum to ensure sites are not stalled and much needed housing can be delivered:

Example 1:

On **any site** where after an open-book viability appraisal has been conducted and accepted by the council after independent assessment where necessary (based on a residual method) it can be demonstrated that the site is not sufficiently viable to enable the provision of a single affordable dwelling on site.

Example 2:

On relatively **small sites** proposed for flatted developments (typically developments of 15 or fewer units on sites of 0.2ha or less) where it can be demonstrated that RPs are reluctant to take on the management of affordable units.

In these cases developers will be expected to provide written evidence that no RP is willing to take on the unit(s) and that their preferred scheme design has difficulty accommodating affordable housing on site and that they have considered alternative arrangements which would be more attractive to RPs. The housing development team will contact the relevant RPs on behalf of the developer if requested. A list of contact details for local RPs is listed in appendix 5 of this document;

Example 3:

On **any site** with exceptional site specific factors which would not be attractive to RPs (evidence of which will be required), such as inappropriate floor areas or high service charges.

It will be up to the developer to demonstrate that the constraints associated with development of the site make it impractical for development to be brought forward



in a form which may be more attractive to RPs and that RPs are not prepared to manage units as proposed. Each application will be considered on its own merits.

75. Where it is demonstrated that a development is unviable if a fully policy compliant scheme is sought, or where reduced on-site provision cannot be provided, then a commuted sum for provision of off-site affordable housing will be accepted.
76. A schedule of the level of payments that will be used in calculating such a commuted sum in lieu of provision of on-site affordable housing is set out in appendix 3. These are set at a level that will enable the city council to typically deliver a unit equivalent in type to the those being provided on the site proposed for development i.e. a site providing for 10 one bedroom units and not able to provide three affordable units on site will be expected to make a contribution sufficient to provide for three one bedroom units as part of another development elsewhere in the city. Appendix 3 will be updated upon publication of the new SHMA and thereafter reviewed annually to ensure it is kept up to date with changing costs. Any changes will be published on the website.
77. The level of contribution may be reduced *only* if an open-book viability assessment has been agreed demonstrating that the full level of provision would render the development unviable. Where the council considers it necessary, viability assessments will be subject to independent assessment. The council will expect the developer to pay for such independent assessment and the costs of this can be added to the appraisal. The council will seek a fee quote for such an assessment and expect the developer to provide the council with the funds to meet this inclusive of VAT before the independent assessment commissioned.

How will commuted sums be spent?

78. Commuted sums collected by the council in lieu of on-site provision of affordable housing will be spent on delivery of affordable housing schemes across the city.
79. A clause in the Section 106 agreement will impose a time limit of 10 years on the council within which they must spend the commuted sum received from the development. Such a time limit will start from the date of receipt of the commuted sum.
80. The commuted sum will be spent on the provision of affordable housing within the same electoral ward, or adjacent electoral ward to the site from which the sum was received in order to ensure balanced and mixed communities are created as a result of the development, albeit, not on site. However, in the instance that a suitable site cannot be identified by the Council, the commuted sum will be spent on provision of affordable housing city wide.



9. Section 106BA applications

81. The government has recently introduced a new clause within the Town and Country Planning Act 1990 to allow applicants to renegotiate affordable housing contributions as part of previously approved developments. This new clause ceases on the 30th April 2016.
82. This applies to sites where a policy compliant provision of affordable housing is agreed, and also sites where a reduced on-site provision of affordable housing has been agreed.
83. The process for considering these applications will be similar to that for considering the viability of new planning applications. A viability appraisal and associated supporting information is required to be submitted by the applicant and this will usually be required to be considered by an independent party, appointed by the council.
84. Any proposed changes to the amount of affordable housing approved as a result of previous committee resolutions, would need further committee authorisation. In such cases it is unlikely that such applications would be determined within the initial 28 day period specified by the legislation. The council will look to agree alternative timescales for a decision through the use of a post-application agreement with the developer.
85. The council will expect any changes to affordable housing provision to be formally agreed via a deed of variation to the original Section 106 agreement. The council would look to include the measures set out within the government guidance (Department for Communities and Local Government (DCLG): 'Section 106 affordable housing requirements: Review and appeal' (or any such subsequent document)) to encourage schemes to be implemented rapidly. This will include a clause within the deed of variation which stipulates that the modifications to the original Section 106 agreement are for a three year period only. The original Section 106 requirements will apply to any completions following the temporary three year period. This will incentivise developments to be completed within 3 years of the date of the Section 106BA application. If the scheme is of such a size and complexity that would render this unlikely, alternative timescales will be agreed on a case by case basis.



10. Review of development viability

86. It is important to recognise that a viability assessment represents a snapshot of development viability at a particular moment in time, and is based upon the best available up to date information at that point. As a result, the assumptions within the viability assessment could change.
87. Where reduced on-site provision or off-site provision is accepted by means of a commuted sum it will be necessary to revisit the viability assessment for the development scheme if the scheme has not been commenced. This will ensure that the values associated with the development are still valid should the development be implemented some time after the viability appraisal was originally undertaken.
88. Any Section 106 agreement relating to a development where reduced on-site provision or a commuted sum has been accepted as necessary due to development viability considerations will include an 'affordable housing viability review clause'. Such a clause will come into effect upon either of the following criteria being met:
- if there has been no commencement of the permission within 12 months of the date of the decision being issued, or;
 - if commencement has occurred within 12 months of the decision being issued but where there has been no occupation within a further 12 month period from commencement, unless the scheme is of such a size and complexity that occupation is unlikely to take place within 12 months of commencement.
89. The review will reassess the total commuted sum to be paid in lieu of on-site affordable housing provision and a Deed of Variation to the original Section 106 agreement will be required.



11. Viability assessment requirements

90. As a result of varying quality and content in viability assessments submitted to the council in the past, this section of the SPD offers guidance on the information the council expects to be submitted in a viability assessment if the case for non-viability is being pursued.
91. This information is expected **as a minimum** if a development is proposed which does not provide the amount or type of affordable housing and/or commuted sum required by *JCS* policy 4.
92. The following bullet points outline some general points to consider when submitting a viability assessment with any application:
- the applicant should provide a brief covering report providing an overview of why the viability case is being made. This should detail the viability case being made and what the issue is. The report should be clear on the request / offer that is being made (i.e. the extent of departure from Policy compliance considered necessary) and the reasons why, in the applicant's view, this should be considered;
 - the report should be accompanied by the supporting information / evidence associated with the viability assessment including:
 - appraisal(s) / sensitivity tests,
 - a detailed costs plan (prepared by a Quantity Surveyor),
 - appropriate evidence to support the existing land use valuation, and
 - evidence of comparable sales in the area to support the projected sales value for the proposed units;
 - the appraisals content and summaries should be supplied in PDFs. In addition, a "live" (functional) appraisal version(s) should also be submitted in order to aid the review process and enable the independent assessor to examine the data across a range of scenarios;
 - appraisal(s) should be consistent with, and clearly linked to the written submission / covering report;
 - applicants should provide a policy compliant viability assessment to illustrate the viability issues as a baseline;
 - appraisals should show the optimum planning obligations position that can be reached, in the opinion of the applicant, based on their viability assessment;
 - if sensitivity analysis has been carried out, an explanation of sensitivity assumptions should be provided.
 - a development appraisal toolkit, which incorporates a cash flow analysis, should be used, for example the Homes and Communities Agency (HCA) Development Appraisal Tool (DAT). The toolkit to be used should be agreed prior to submission;



93. Appendix 4 offers a detailed guide to what should be included in any viability assessment submissions.
94. If applicants are submitting viability assessment information which is commercially sensitive and confidential then a redacted version of the assessment which can be made available to members of the public should also be submitted. Applicants should clearly detail why they believe the information to be confidential and should be aware that the council cannot guarantee the confidentiality of information submitted. Information held by the council is subject to the Freedom of Information Act. The Act has exemptions for trade secrets and the disclosure of information which would be likely to prejudice the commercial interests of any person. Further guidance is provided on the Information Commissioner's website.



Appendix 1: Joint core strategy policy 4: housing delivery

Policy 4: Housing delivery

Allocations will be made to ensure at least 36,820 new homes can be delivered between 2008 and 2026, of which approximately 33,000 will be within the Norwich Policy Area (NPA – defined in Appendix 4), distributed in accordance with the Policies for places.



Housing mix

Proposals for housing will be required to contribute to the mix of housing required to provide balanced communities and meet the needs of the area, as set out in the most up to date study of housing need and/or Housing Market Assessment.

Affordable Housing

A proportion of affordable housing, including an appropriate tenure mix, will be sought on all sites for 5 or more dwellings (or 0.2 hectares or more). The proportion of affordable housing, and mix of tenure sought will be based on the most up to date needs assessment for the plan area. At the adoption of this strategy the target proportion to meet the demonstrated housing need is:

- on sites for 5-9 dwellings (or 0.2 – 0.4 ha), 20% with tenure to be agreed on a site by site basis (numbers rounded, upwards from 0.5)
- on sites for 10-15 dwellings (or 0.4 – 0.6 ha), 30% with tenure to be agreed on a site by site basis (numbers rounded, upwards from 0.5)
- on sites for 16 dwellings or more (or over 0.6 ha) 33% with approximate 85% social rented and 15% intermediate tenures (numbers rounded, upwards from 0.5)

The proportion of affordable housing sought may be reduced and the balance of tenures amended where it can be demonstrated that site characteristics, including infrastructure provision, together with the requirement for affordable housing would render the site unviable in prevailing market conditions, taking account of the availability of public subsidy to support affordable housing.

At appropriate settlements, sites that would not normally be released for housing will be considered for schemes that specifically meet an identified local need for affordable homes. Such schemes must ensure that the properties are made available in perpetuity for this purpose.

Housing with care

Mixed tenure housing with care will be required as part of overall provision in highly accessible locations. In particular provision will be required in Norwich, and the major growth locations of Old Catton, Sprowston, Rackheath and Thorpe St Andrew growth triangle, Cringleford, Hetherset, Wymondham and Long Stratton, and at Aylsham, Acle and Wroxham.



Gypsies and Travellers

Provision will be made for a minimum of 58 permanent residential pitches for Gypsies and Travellers between 2006 and 2011 to ensure full conformity with Regional Spatial Strategy Policy H3. These will be provided on the following basis: Broadland 15, Norwich 15, and South Norfolk 28.

Between 2012 and 2026, an additional minimum 78 permanent residential pitches will be provided to ensure full conformity with Regional Spatial Strategy Policy H3. These will be distributed on the following basis: Broadland 20, Norwich 20, and South Norfolk 38.

These will be provided on a number of sites. Generally sites will not have more than 10 to 12 pitches, but may be varied to suit the circumstances of a particular site. The sites will be provided in locations which have good access to services and in locations where local research demonstrates they would meet the needs of the Gypsy and Traveller communities. Some of the allowance to be provided after 2011 is

expected to be provided in association with large-scale strategic housing growth.

In addition, 17 transit pitches will be provided, with the expectation that these will be provided by 2011. These will generally be in locations providing good access to the main routes used by Gypsies and Travellers, such as the A11, A47, A140 and A 143/A1066. Again, sites would not normally be expected to accommodate more than 10 to 12 pitches.

Research also shows the need for additional plots for Travelling Show People. The expectation is that 15 additional plots will be provided by 2011 and a further 12 between 2012 and 2026. These will be located on sites within the Norwich urban area, or if sites within the urban area cannot be identified, with easy access to it.

The Government has signalled its intention to revoke the Regional Spatial Strategy. When this is enacted new targets for permanent residential and transit pitches for the period after 2011 will be set, based on local evidence.

Contributes to spatial planning objective 2



Appendix 2: Policy DM33 of the *Development management policies local plan*

Policy DM33 - Planning obligations

General principles

Delivery of essential infrastructure on or adjoining a site which:

- a) is only necessary as a direct consequence of the development proposed; and
- b) cannot be secured via condition; and
- c) is not identified as infrastructure to be delivered through the Community Infrastructure Levy (infrastructure identified on the “Regulation 123 list”) will be secured by a site specific planning obligation.

Planning obligations will be required to secure infrastructure which is necessary to ensure:

- a) the delivery of sustainable development (through compliance with the policies of this plan, other development plan documents and relevant neighbourhood plans);
- b) the delivery of affordable housing;
- c) the delivery of on-site open space and playspace required directly to serve the development
- d) pedestrian and highway safety improvements necessary to secure satisfactory access to the development via a range of modes of transport.

Viability considerations

In cases where it is demonstrated by independent viability assessment that:

- a) the impact of CIL contributions, planning obligations and abnormal development costs either individually or in combination, would result in a proposed development becoming economically unviable; and
- b) a viable scheme cannot be achieved by amendments to the proposals which are consistent with the other policies within this plan,

specific policy requirements which would clearly and demonstrably compromise scheme viability may be negotiated, and planning obligation requirements covering specific matters may be reduced, by agreement. Negotiation on planning obligation requirements should be in accordance with the council’s approved Planning Obligations Prioritisation Framework (or successor document) or consideration may be given to specific infrastructure which would normally be delivered through a planning obligation being added to the “Regulation 123 list” and delivered instead via CIL.



Appendix 3: Methodology for calculating payments for off-site affordable housing provision in circumstances where provision off-site is considered acceptable.

SOCIAL RENT								
Property type	Land costs (£) (a)	Build costs (£) (b)	On costs (£)	Total scheme costs (£)	RP/LA borrowing (£) (c)	Cost (£) (d)	Typical floorspace* (sqm) (e)	Cost per sqm (£) (d/e) (f)
Studio	20,000	26,000	1,950	47,950	10,314.91	37,635.19	20	1,881.75
1B 2P	20,000	66,300	4,973	91,273	21,367.71	69,904.79	51	1,370.68
2B 3P	20,000	85,800	6,435	112,235	28,070.10	84,164.90	66	1,275.23
2B 4P	20,000	100,100	7,508	127,608	30,237.61	97,369.89	77	1,264.54
3B 5P	20,000	120,900	9,068	149,968	40,537.15	109,430.35	93	1,176.67
4B 6P	20,000	137,800	10,335	168,135	57,077.91	111,057.09	106	1,047.71
Average	20,000	89,479	6,711	116,190	31,267.57	84,922.36	68.83	1,233.80

Affordable housing SPD



SHARED OWNERSHIP – 25% equity sold									
Property type	Land costs (£) (a)	Build costs (£) (b)	On costs (£)	Total scheme costs (£)	Value to RP (£) (c)	Value to tenant (£) (d)	Cost (£) (e)	Typical floorspace* (sqm) (f)	Cost per sqm (£) (d/e) (g)
Studio	20,000	24,000	3,300	41,925	4,965.30	32,500	4,459.7	20	222.99
1B 2P	20,000	61,200	6,090	81,915	14,388.61	55,000	12,526.39	51	245.62
2B 3P	20,000	79,200	7,440	101,265	17,524.59	62,500	21,240.41	66	321.82
2B 4P	20,000	92,400	8,430	115,455	21,705.90	72,500	21,249.10	77	275.96
3B 5P	20,000	111,600	9,870	136,095	29,038.56	90,000	17,056.44	93	183.40
4B 6P	20,000	127,200	11,040	152,865	33,219.87	100,000	19,645.13	106	185.33
Average	20,000	82,600	7,695	104,920	20,140.47	68,750	16,029.53	68.83	232.89

*Net internal

Average cost of provision of affordable floorspace is therefore calculated to be $(£1233.80 \times 0.85) + (232.89 \times 0.15) = £1083.66$.

Total contribution due therefore equals net internal floorspace of open market housing proposed x 0.30 (if 11-15 dwellings), or 0.33 (if 16 plus dwellings) x £1083.66. Plus flat fee of £1000 to cover legal charges associated with the land transfer.

Figures correct at February 2015. Figures will be updated annually.

Affordable housing SPD





Appendix 4: Viability assessment requirements

Scheme details and context – the report/appraisal(s) should include / provide the following:

- **an Ordnance Survey based site plan and overview layout plan**
 - to include indication of the location and extent of any adjoining highways works or similar.

- **scheme description/details to include**
 - site areas (ha) - gross and net (developable)
 - land areas for any other non-residential / ancillary / other uses
 - confirmation of resulting development density
 - total residential unit numbers; both market and affordable (with percentage of affordable housing)
 - residential unit schedules (market and affordable housing) with:
 - type of units
 - number of bedrooms
 - floor areas of each unit (usually GIA)
 - any non-saleable floor areas / net : gross ratio
 - any commercial / other / mixed use development details – equivalent information (to include gross and net internal floor areas)
 - evidence of consideration of affordable housing requirements in the design process as part of the scheme

- **details of timings and any phasing**
 - include numbers and types of units in each phase
 - assumed project / phase start and end dates
 - construction start and period
 - sales period, rate of sale and any post construction sales period
 - cash flow
 - affordable housing timing
 - construction period
 - payments / handover / receipts.

Site value – the report/appraisal(s) should include / provide the following:

- **details of current use(s)** of the site and planning context / status (with any relevant supporting information)

- **value of site / premises** at the assessment (current) date – include supporting evidence
 - full explanation with valuation and other supporting details where relevant including existing rental values being achieved



- details of any special assumptions and planning risk adjustment being made with respect to alternative use value assessment as a basis for site value
- clear approach on whether site value being used as an appraisal input or as a benchmark against which a RLV is being compared (i.e. is the viability benchmark based on land value or profit)
- land purchase and timing details may be relevant – including background, basis / planning assumption, any conditions, etc. The value of the site should normally be based on the Existing Use Value with a premium to allow for a reasonable profit for the landowner. An alternative use value may be considered acceptable where it can be clearly evidenced, eg where an extant permission or allocation exists. Evidence of how the Existing Use Value or Alternative Use Value has been calculated will need to be provided.’
- **land purchase related costs / fees**
 - stamp duty, legal and any agent’s fees plus supporting information if necessary.

Gross development value (GDV) – the report/appraisal(s) should include / provide the following:

- **assumed sales values⁷**
 - provide sales values both as £ per unit and £/m²
 - ground rents
 - total revenue summarised
 - provide supporting evidence including analysis of any comparable cases/ research / agents advice / other justification.
 - service charges or any other deductions / incentives that may impact on value
- **Affordable housing revenue assumptions**
 - provide revenue assumptions both as £ per unit and £/m² (where based on offer(s) from Registered Providers please indicate offer and provide supporting evidence)
 - indicate tenure assumptions - by unit type and overall mix (eg affordable rent / shared ownership or similar ratio)
 - affordable and/or social rent assumptions
 - rent assumptions
 - percentage of market rent assumed
 - other financial criteria used to calculate affordable housing revenue where applicable
 - assumptions for shared ownership revenue
 - percentage initial equity share and percentage rent on retained equity;
 - equivalent information / explanation on any other affordable housing models / variation.
 - details of any offers from RPs for the affordable units

⁷ NB Rental values will not be accepted.



- **Commercial / non-residential values (where applicable):**
 - rental values
 - yields
 - void rates
 - rent free periods
 - tenant incentives
 - any other area that impacts on value (eg purchaser's costs).
 - evidence of any pre-development agreement with future occupiers (eg retailer)

The above is to be provided with supporting evidence.

Development costs – the report /appraisal(s) should include / provide the following:

- **build costs**
 - basis and source of build cost assumptions / estimates – eg all-in / unit costs plus external / site works; contingency percentage and any other costs additions.
 - £/m² rates for each element (if separated) and totals provided.
 - a cost plan drawn up by a registered Quantity Surveyor
- **other**
 - Eg abnormalities (provide supporting evidence including qualified assessments and details of the mitigation/solutions needed to overcome issues with supporting details of costs)
 - site or other works
 - infrastructure or services related costs etc. not otherwise allowed-for.
- **build cost related fees**
 - Details and basis / percentage (of build costs). Eg professional fees (architect, planning, surveyors etc.).
- **survey / investigation or similar costs**
 - provide details and supporting evidence.
- **sustainability standards**
 - provide details and supporting evidence for costs relating to:
 - sustainable design and construction costs (Code for Sustainable Homes (or successor document) / renewable energy or equivalent for both market and affordable (*NB – These will not be accepted as 'abnormal costs' where meeting normal policy requirements. Where policy requirements are being exceeded, a balanced judgement will be made on a case by case basis, as to whether these costs should be classed as 'abnormal'*).
 - any additional measures and costs.



- **Section 106 obligations and contributions**
 - provide details and costs including explanation and any council / formulaic calculations
 - anticipated CIL liability and any relevant assumptions where applicable.
- **finance costs**
 - finance rates assumed (negative and positive cash flow balance)
 - related fees
 - the appraisal cash flow should be provided.
- **development profit**
 - clear statement on target return / assumed fixed appraisal input and basis (percentage of value / percentage of cost or other) including:
 - profit assumptions on private / affordable housing and commercial / other non-residential elements of the scheme where applicable.
- **sale & marketing costs**
 - usually expressed as a percentage of value with details of any separate elements provided.
- **legal fees on sale**
 - provide details and supporting evidence where applicable. Generally expressed as a rate per unit or percentage of value.

Please note, documents and accompanying evidence should be provided by the applicant / their agent(s) as a package with an explanatory note of the components / appendices in electronic format where possible.



Appendix 5: List of registered providers

Company / Name	Telephone	E-mail	Additional details
Norwich City Council			
Andrew Turnbull	01603 212778	andrewturnbull@norwich.gov.uk	
Debbie Gould	01603 212851	debbiegould@norwich.gov.uk	
Broadland Housing Association			
Andrew Savage	01603 750211	Andrew.savage@broadlandhousing.org	
Ed Mumford-Smith	01603 750241	Ed.mumford-smith@broadlandhousing.org	
Mark Walker	01603 750247	Mark.walker@broadlandhousing.org	
Cotman Housing Association / Places for People			
Paul Smith	01603 731644	Paul.smith@placesforpeople.co.uk	
Circle Anglia (Wherry Housing Association)			
Jerry Harkness		Jerry.harkness@circleanglia.org	
Dean O'Regan	01603 703853	Dean.oregan@circleanglia.org	
Pete Goodrick	01603 703889	Peter.goodrick@circleanglia.org	
Flagship Housing Group (Peddars Way Housing Association)			
Mike Cramp	01603 255439	Mike.cramp@flagship-housing.co.uk	
Orbit Housing Association			
Laura Hanford	01603 283302	Laura.hanford@orbit.org.uk	
Orwell Housing Association			
Wendy Evans-Hendrick	01473 228602	weh@orwell-housing.co.uk	
Greg Dodds	01473 228648	gdodds@orwell-housing.co.uk	
Saffron Housing			
John Whitelock	01508 532000	jwhitelock@saffronhousing.co.uk	

Affordable housing SPD



Company / Name	Telephone	E-mail	Additional details
Victory Housing			
Mark Burghall	0800 371860	Mark.burghall@victoryhousing.co.uk	
Iceni			
Paul Bonnett	01284 723834	paul@icenihomes.com	
Phil Murton	01284 723834	phil@icenihomes.com	
YMCA			
Darryl Smith	01603 621263	darrylsmith@ymca-norfolk.org.uk	
Housing 21			<i>Specialist older person provider, limited stock in Norwich</i>
David O'Neill	0370 192 4000	David.oneill@housing21.co.uk	
Hanover			<i>Specialist older person provider, limited stock in Norwich which is not a key area for them</i>
Sarah Baker	01480 223986	Sarah.baker@hanover.org.uk	



Appendix 6: Glossary

Term	Definition
Affordability	A measure of whether housing may be afforded by certain groups of households.
Affordable housing (AH)	<p><i>Social Rented, Affordable Rented and Intermediate Housing</i>, provided to eligible households whose needs are not met by the market.</p> <p>Affordable housing should:</p> <ul style="list-style-type: none"> • Meet the needs of eligible households including availability at a cost low enough for them to afford, determined with regard to local incomes and local house prices. • It should include provision for the home to remain at an affordable price for future eligible households or, if these restrictions are lifted, for the subsidy to be recycled for alternative affordable housing provision. <p>The definition does not exclude homes provided by private sector bodies or provided without grant funding. Where such homes meet the definition above, they may be considered, for planning purposes, as <i>Affordable Housing</i>. Those homes that do not meet the definition, for example, 'low cost market' housing, may not be considered, for planning purposes, as <i>Affordable Housing</i>.</p>
Affordable rented housing	Rented housing let by Registered Providers of social housing to households who are eligible for <i>Social Rented</i> housing. <i>Affordable Rent</i> is not subject to the national rent regime but is subject to other rent controls that require a rent of no more than 80 per cent of the local market rent.
Alternative Use value (AUV)	Where an alternative use can be readily identified as generating a higher value for a site, the value for this alternative use would be the market value with an assumption, as defined for Site Value for financial viability assessments for scheme specific planning applications.
Bedspaces	The maximum number of full size beds which can be accommodated in the sleeping area of a house.
Benchmark	A comparator for either outputs or inputs into the appraisal, ie Site Value or developers return, etc.
CIL	Community Infrastructure Levy. A levy allowing local authorities to raise funds from owners or developers of land undertaking new building projects in their area. CIL is levied on a wider range of developments and in accordance with a published tariff or charging schedule. This spreads the cost of funding infrastructure and provides certainty to developer of how much they will have to pay. In addition, the charging authority must produce a regulation 123 list of the infrastructure projects CIL monies will be spent on.

Affordable housing SPD



Commencement	<p>Commencement of development is taken to be initiated if any material operation or change of use is carried out:</p> <p>Any work of construction in the course of erection of a building;</p> <p>Any work of demolition of the building;</p> <p>The digging of a trench which is to contain the foundations, or part of the foundations of any building;</p> <p>The laying of any underground main pipe to the foundations or part of the foundations of a building, or to any such trench mentioned in bullet point 3 above;</p> <p>Any operation in the course of laying out or constructing a road or part of a road;</p> <p>Any change in the use of the land which constitutes material development.</p>
Commuted payment	<p>Payment made by a developer to the local planning authority (usually secured by means of a Planning Obligation) to fund provision of a facility needed to serve a development, but to be built or provided elsewhere or in some way other than by the developer.</p>
Core strategy	<p>The spatial planning strategy that sets out long term objectives for planning across the authority area.</p>
Current Use Value (CUV)	<p>Market value for the continuing existing use of the site or property assuming all hope value is excluded, including value arising from any planning permission or alternative use. This also differs from the Existing Use Value. It is hypothetical in a market context as property generally does not transact on a CUV basis.</p>
Current Use Value (Plus a premium) (CUV+premium)	<p>Used by some practitioners for establishing Site Value. The basis is as with CUV but then adds a premium (usually 10% to 40%) as an incentive for the landowners to sell. However, it does not reflect the market and is both arbitrary and inconsistent in practical application.</p>
Density (housing development)	<p>A measure of the average concentration of housing within a given area (normally expressed as n dwellings per hectare). Net density is a more refined measure of the actual area developed for housing purposes and excludes open space, major distributor roads, landscaped strips and primary school sites from the calculation of the developed area.</p>
Development	<p>Defined in planning law as ‘the carrying out of building, engineering, mining or other operations in, on, over, or under land, or the making of a material change of use of any building or land’.</p>
Existing Use Value	<p>The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction after properly marketing and where parties had each acted knowledgeably, prudently and without compulsion, assuming that the buyer is granted vacant possession of all parts of the property required by the business and disregarding potential alternative uses and any other characteristics of the property that would cause market value</p>

Affordable housing SPD



	to differ from that needed to replace the remaining service potential at least costs.
Existing Use Value (plus a premium) (EUV+premium)	Used by some practitioners for establishing Site Value. The basis is as with EUV but then adds a premium (usually 10% to 40%) as an incentive for the landowner to sell. However, it does not reflect the market and is both arbitrary and inconsistent in practical application.
Gross development value (GDV)	The total value achieved on sale of the completed development. It is shown before the deduction of any costs or allowances and is simply the total of funds realised on the sale of the completed development.
Implementation	Implementation of development is taken to be initiated when, in the case of a change of use, the new use is begun, or, in the case of residential development, upon the development being capable of being occupied.
Intermediate affordable housing	Housing at prices and rents above those of Social Rented, but below market price or rents, and which meet the criteria set out above. These can include shared equity (eg Home Buy), other low cost homes for sale and Intermediate Rent but does not include Affordable Rented housing.
Local plan	The plan for the future development of the local area, drawn up by the local planning authority in consultation with the community. In law this is described as the development plan documents adopted under the Planning and Compulsory Purchase Act 2004. Current core strategies or other planning policies, which under the regulations would be considered to be development plan documents, form part of the Local Plan. The term includes old policies which have been saved under the 2004 Act. Previously referred to as the Local Development Framework.
Market housing	Housing for those households who can afford to pay the full market price to buy or rent their home, i.e. occupied on the basis of price alone.
Market value (MV)	The estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.
Material considerations	Factors which will be taken into account when reaching a decision on a planning application or appeal. Under Section 38 of the Planning and Compulsory Purchase Act 2004, decisions on planning applications 'must be made in accordance with the [development] plan unless other material considerations indicate otherwise'. Material considerations include issues regarding traffic, wildlife, economic impacts and the historical interest of the area (this list is not exhaustive). Issues such as the loss of a view or the impact on property values are not material to planning decisions.
Mixed use developments	Development comprising two or more uses as part of the same scheme (eg shops on the ground floor and residential flats above). This could apply at a variety of scales from individual buildings, to a street, to a new

Affordable housing SPD



	neighbourhood or urban extension.
National Planning Policy Framework (NPPF or The Framework)	This document sets out national planning policies for England and the Government's requirements for the Planning System. The policies in the NPPF must be taken into account when preparing Local Plans.
Permitted development	Certain types of minor changes to houses or businesses can be made without needing to apply for planning permission. These changes can be made under " permitted development rights ". They derive from a general planning permission granted not by the local authority but by Parliament. The permitted development rights which apply to many common projects for houses do not apply to flats, maisonettes or other buildings.
Planning condition	A condition imposed on a grant of planning permission (in accordance with the Town and Country Planning Act 1990 (as amended)) or a condition included in a Local Development Order or Neighbourhood Development Order.
Registered provider (RP)	Registered providers (RP) are landlords who provide affordable accommodation for rent and/or sale. The way they operate is governed by a government body called the Homes and Communities Agency.
Residual land value (RLV)	Land value and referred to as a residual because it is the amount remaining after a calculation that deducts from the GDV (as above) the various costs of development (eg usually comprising of costs including build costs and contingencies, professional fees, site purchase costs, finance costs, developer's profit, marketing and sales expenses). The amount left over (hence 'residual') indicates the land price that can be justified by the calculation and the assumptions used within it.
Section 106 (S106)	Legal agreements entered into under Section 106 of the Town and Country Planning Act 1990 (as amended) between a planning authority and a developer, or undertakings offered unilaterally by a developer to ensure that specific works are carried out, payments made or other actions undertaken which would otherwise be outside the scope of the planning permission. Also referred to as Planning Obligations. Section 106 agreements differ to CIL in that whilst they secure monies to be paid to fund infrastructure to support new developments, the agreements are negotiable and not all new development is subject to such agreements.
Shared ownership	A form of intermediate tenure low cost home ownership housing. Homes in which the occupier owns a share of the equity and pays rent on the remaining share.
Site Value (SV) (for financial	Market Value (MV) subject to the following assumption: that the value has regard to development plan policies and all other material planning

Affordable housing SPD



viability assessments for scheme specific planning applications)	considerations and disregards that which is contrary to the development plan.
Strategic housing market assessment (SHMA)	Evidence study providing a detailed analysis of housing need in a specified area, to inform how local authorities should plan for new housing development. Typically, a SHMA will define housing market areas and provide analysis of housing need, demand and supply both in the market areas and in individual local authority areas or other geographic areas used for planning purposes. It shows how housing need and demand will be translated into requirements for a specific number of homes and for different sizes, types and tenures of homes in each area in future years. SHMAs also identify the key drivers of need and demand for both market and affordable housing, including the affordability of accommodation, the impact of welfare reform, economic growth and the potential effects of other current and emerging policies. For Norwich a new joint SHMA is in production covering the wider Norwich housing market area including Norwich city, Broadland and South Norfolk districts and extending into North Norfolk and Breckland. When published later in 2014 it will supersede the present Greater Norwich SHMA dating from 2007 and updated in 2011.
Social housing	Housing let at lower than market rents to people in housing need. It includes social rent, affordable rent and intermediate housing tenures and is usually provided by not-for profit organisations including housing associations and councils.
Social rented	Rented housing owned and managed by local authorities and registered social landlords, for which guideline target rents are determined through the national rent regime. The proposals set out in the Three Year Review of Rent Restructuring (July 2004) were implemented as policy in April 2006. It may also include rented housing owned or managed by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency as a condition of grant.
Supplementary planning document (SPD)	Guidance published by the local planning authorities to provide further detailed information on how local plan policies are to be applied or interpreted in order to bring forward sustainable development. SPD may be prepared jointly, particularly where a consistent policy approach is required over an area covered by more than one local planning authority.
Viability assessment	An objective financial viability test of the ability of a development project to meet its costs including the cost of planning obligations/CIL, while ensuring an appropriate site value for the landowner and a market

Affordable housing SPD



	risk adjusted return to the developer in delivering that project.
--	---

Affordable Housing SPD - Comments received in response to the consultation draft and the city council's response

Rep Ref	Name	Organisation	Date of response	Nature of Rep	Summary	Council's response
5068-1	Andy Scales	NPS Property	15.10.2014	Object	<p>The approach outlined in the draft is generally welcomed. However, the requirements of Appendix 4 are excessively prescriptive and detailed and focus on fully designed schemes. It is unreasonable to require such a level of detail and cost information in many cases, particularly where full design has not taken place. The level of detail required to be submitted should be proportionate for each site/development proposal. BCIS costs would normally be used.</p> <p>The approach to land purchase and timing on page 31 is in conflict with RICS guidance in relation to 'exceptional circumstances' – this should be more flexible.</p>	<p>NOT ACCEPTED: The Council considers the level of detail outlined in Appendix 4 to be proportionate and necessary in order for a robust assessment of viability of a scheme to be made. Applications which are made in outline, i.e. not yet fully designed, should be made as policy compliant schemes (see paragraph 25 of the document).</p> <p>ACCEPTED: The reference to 'exceptional circumstances' will be removed. However, it will be made explicit that the value of the site will be based on the existing use value unless use of the alternative use value can be clearly evidenced either through an extant permission or allocation.</p>
5246-1	Stephen Faulkner	Norfolk County Council	07.10.2014	Support	<p>The SPD is not considered to raise any strategic concerns to the County Council and is considered to be consistent with the adopted JCS (Policy 4 – housing delivery).</p> <p>The County Council welcomes paragraph 46 of the SPD which indicates that prioritisation of planning obligations will be made on a case by case basis taking into consideration site specific circumstances and other material considerations.</p>	N/a

Affordable Housing SPD - Comments received in response to the consultation draft and the city council’s response

Rep Ref	Name	Organisation	Date of response	Nature of Rep	Summary	Council’s response
5481-1	Sue Bull	Anglian Water	14.10.2014	Support	On this occasion, we have no comment to make	N/a
5544-1	Natalie Beal	Broads Authority	07.11.2014 (date of committee)		<p>Section 2 of the SPD needs to explain how the BA defers to this SPD for development within NCCs authority boundary. In addition, this SPD will be referred to for any application submitted to the BS which triggers JCS4</p> <p>Paragraph 7 – The wording of JCS 4 does not make it clear if the AH contribution should be 20% or 30% if a site is 0.4HA in size. It would be useful if the SPD could clarify the policy intention here.</p> <p>Paragraph 41 – reference should be made to who will pay for independent verification of viability assessments.</p> <p>Paragraph 63 – Criterion 1: if the appraisal has demonstrated the development cannot deliver 1 AH unit, would it allow for a commuted sum for the partial cost of a dwelling?</p>	<p>ACCEPTED: The document has been amended in section 2 to reflect these circumstances.</p> <p>NOT ACCEPTED: It is considered that the JCS policy is sufficiently clear. If a site is 0.4ha and 5-9 dwellings are proposed, the affordable housing provision should be 20%. If 10-15 dwellings are proposed then 30% affordable housing should be provided. Officers should determine on a case by case basis if the greater requirement of JCS policy 4 (i.e. 30%) is being deliberately circumvented through lower density development than appropriate for the site.</p> <p>ACCEPTED: Inclusion of such a reference has been updated in the document. (See paragraph 52)</p> <p>NOT ACCEPTED: The intention behind the commuted sum is that the Council provides the affordable dwelling in lieu of on-site provision by the developer. It is not possible to provide only part of a dwelling, therefore it is not considered prudent to accept a commuted sum on this basis.</p>

Affordable Housing SPD - Comments received in response to the consultation draft and the city council's response

Rep Ref	Name	Organisation	Date of response	Nature of Rep	Summary	Council's response
					<p>Notwithstanding the above, is there an element of sensitivity testing required, e.g. 20%, 30% provision etc.</p> <p>Further, should the last sentence of criterion one state 'even one' dwelling? The JCS policy will typically require more than 1 dwelling.</p> <p>Some guidance on the information required to demonstrate that the constraints of a site make it impractical for development in a form attractive to RPs.</p> <p>Paragraph 69 – suggest 'The City Council will provide justification for spending money on a city-wide basis' is added.</p> <p>Paragraph 74 – add 'S106' into sentence.</p> <p>We recommend that the option of 'clawback' is used as well.</p>	<p>ACCEPTED: Section 11 refers to the need for sensitivity testing. Paragraph 52 will be updated to make this clearer.</p> <p>NOT ACCEPTED: This is a matter of expression. The criterion states 'a single' which is effectively the same as 'even one'. No change is proposed.</p> <p>ACCEPTED: It is considered that each application should be considered on its own merits. Therefore, the reference to guidance at this point will be removed.</p> <p>NOT ACCEPTED: the justification would be the absence of a site within 1km of the site. However, this is proposed to be changed to allow the commuted sum to be spent within the same or an adjacent electoral ward (see paragraph 80).</p> <p>ACCEPTED: A change will be made to the document.</p> <p>NOT ACCEPTED: Where an overage clause has been used in the past, no sites have yet got to a point where the second viability assessment is required. It is unclear at this time how the process will work, how much officer time is involved, and, most importantly, whether the Council will secure any further funding for</p>

Affordable Housing SPD - Comments received in response to the consultation draft and the city council’s response

Rep Ref	Name	Organisation	Date of response	Nature of Rep	Summary	Council’s response
					<p>Paragraph 81 – the bullet points, whilst useful, are not in a logical order and could be worded more clearly.</p> <p>We recommend that the formulae are written out using the letters included in the column headers to each row of the table.</p> <p>Appendix 4, ‘sustainability standards’ bullets – reference to CSH should be removed given the Government’s clear intention as set out in the Housing Standards Review? Perhaps ‘or successor document’ could be added.</p>	<p>provision of affordable dwellings. Guidance produced by the Royal Institute of Chartered Surveyors (RICS) suggests that rather than an ‘overage’ clause, a ‘review’ of the viability assessment should be made where non-commencement occurs. Such an approach would have significant benefits for housing delivery and positive resource implications:</p> <ul style="list-style-type: none"> • More incentive for developers to build out schemes and complete them within a specified time period, thereby boosting housing delivery, and; • Less officer time negotiating complicated overage clauses with developers. <p>The S106 agreement for any development would have a ‘review’ clause as outlined in paragraph 88 of the SPD.</p> <p>ACCEPTED: These will be re-ordered and re-worded as necessary to provide more clarity.</p> <p>NOT ACCEPTED: The appendix formulas are considered to be clear without this.</p> <p>PARTIALLY ACCEPTED: The wording ‘or successor document’ will be added rather than removal of reference to CSH.</p>

Affordable Housing SPD - Comments received in response to the consultation draft and the city council's response

Rep Ref	Name	Organisation	Date of response	Nature of Rep	Summary	Council's response

Affordable Housing SPD - Comments received in response to the focused re-consultation and the city council’s response

Rep Ref	Name	Organisation	Date of response	Nature of Rep	Summary	Council’s response
6949-1	Laura Waters	Norfolk County Council	20.01.2015	Comment	At this stage it is not considered that the SPD raises any strategic cross-boundary issues with Norfolk County Council.	N/A
6950-1	Simon Mitchell	Planning Issues	21.01.2015	Comment	Supportive of recognition that the Vacant Building Credit should be applied and that only the net increase of floor space should be liable for affordable housing. Advised that this should be applied immediately. Suggest that the method proposed for calculating the ‘credit’ is reasonable using unit numbers is cumbersome and potentially confusing. The net effect of this initiative is to reduce the target affordable housing percentage. An alternative method is proposed that arrives at a revised target percentage no matter how many units are proposed (or the size of those units). The target percentage should be recalculated to take into account the two gross floor areas (the original building and the proposed replacement building) to arrive at a net affordable housing target. This will be the revised maximum target for that site. It should be made clear that VBC applies on all sites where buildings are vacant, not just on existing residential buildings.	ACCEPTED: The alternative methodology is simpler than that proposed by officers. It is recommended that this methodology is used and Section 4 of the SPD has been drafted to reflect this.
5544-2	Natalie Beal	Broads Authority	30.01.2015	Comment	No further comments	N/A

Modifications to the *Affordable housing supplementary planning document* in response to consultation and at officer level

Page/Para	Modification	Reason
Cover	Amendment to title to read: Affordable housing supplementary planning document to Joint Core Strategy Policy 4 and Local plan policy DM33. Addition of new sub-heading to read: <u>This document supplements <i>Joint core strategy policy 4</i> and <i>Norwich local plan policy DM33.</i></u>	For clarification.
Cover	Removal of 'draft for consultation'	This sub-heading is not required upon adoption.
Page 2/Executive Summary Para 1	Amendment to paragraph 1 of the executive summary as follows: 'This supplementary planning document (SPD) provides detailed guidance on how policy 4 of the <i>Greater Norwich Joint Core Strategy (JCS)</i> and policy DM33 of the local plan, both relating to delivery of affordable housing, should be interpreted and implemented in order to help promote mixed and sustainable communities. <u>In November 2014 central government introduced changes to National planning policy which increased the threshold over which affordable housing can be required by a local planning authority. This SPD acknowledges this national policy change and outlines the parts of JCS policy 4 which can no longer be applied, and how the 'vacant building credit' will be calculated.</u>	To add reference in the executive summary to the changes to National planning policy made in November 2014.
Page 2/Executive Summary Para 2	Amendment to paragraph 2 of the executive summary as follows: 'The SPD reiterates the requirements for affordable housing on development sites of <u>511</u> or more dwellings as required by JCS policy 4 ¹ , and makes clear the design requirements for affordable housing provision.' Inclusion of footnote 1: 1 - 'Bullet point 1 of JCS policy 4 ('affordable housing section') can no longer be applied, and bullet point 2 now only applies to sites of 11-15 dwellings following changes to National planning policy.'	To update the threshold over which affordable housing can be required following the changes to National planning policy made in November 2014, and to add the footnote for clarity on the parts of JCS policy 4 which can no longer be applied.
Page 3/Executive Summary	Amendment to paragraph 10 of the executive summary as follows: 'Consultation on this <u>the</u> draft SPD will take <u>took</u> place in the autumn of 2014. The adopted SPD will be a material consideration in determining planning applications and	To provide an update to the progress of the SPD to adoption.

Para 10	will supersede the 2011 Interim statement on affordable housing and the corresponding Prioritisation framework.'	
Pages 4-5/National planning policy Paras 4, 5, 6 & 7	<p>Amendment to paragraph 4 as follows and the addition of 3 new paragraphs:</p> <p>4. In addition, relevant guidance in <i>National Planning Practice Guidance</i> (NPPG) published in March 2014, <u>and amended in November 2004</u>, has also been taken into consideration, in particular the sections on planning obligations and design. <u>Following changes made in November 2014, the NPPG now stipulates that 'contributions should not be sought from developments of 10 units or less, and which have a maximum combined gross floorspace of no more than 1000sqm'.</u></p> <p>5. <u>When considering development of a vacant (empty/cleared) site and proposed unit numbers the NPPG is clear: only sites of 11 or more dwellings should provide affordable housing on site.</u></p> <p>6. <u>When considering sites where vacant buildings are present and are proposed to be brought back into lawful use or demolished and replaced with a new building, the NPPG states that developers should be offered a 'financial credit equivalent to the existing gross floorspace...' and that 'affordable housing contributions would be required for any increase in floorspace'. The process for determining the vacant building credit is set out in section 4 of this document.</u></p> <p>7. <u>For clarity, the vacant building credit applies only where the building has not been abandoned.</u></p>	To outline the changes made to National planning policy in November 2014.
Page 6/Local policy context Para 9	<p>Amendment to paragraph 9 as follows:</p> <p>'9. The local plan for Norwich consists of the Joint Core Strategy (JCS), the emerging Site allocations and site specifics policies local plan (the Site allocations local plan), the emerging Development management policies local plan (the DM policies local plan), the emerging policies map, and the Northern city centre area action plan (NCCAAP). At time of writing this draft the Site allocations plan, DM policies plan and corresponding policies map have all been subject to examination in public by the Secretary of State and are nearing adoption.'</p>	Removal of reference to the emerging local plan documents following adoption of the Norwich local plan in December 2014.
Page 6/Local policy context	<p>Inclusion of a new paragraph as follows:</p> <p><u>'Following changes to National planning policy in November 2014, bullet point 1 of JCS policy 4 can no longer be applied. Further, bullet point 2 relates only to sites of 11-15</u></p>	For clarification following changes to National planning policy in November 2014.

Para 11	dwellings.'	
Page 6-7/Local policy context Para 16	Amendment to paragraph 16 as follows: 'The appropriate mix of tenures is as set out in JCS policy 4. For sites of 5-9 dwellings and 10-15 dwellings, tenure is to be agreed on a site by site basis. On sites of 16 or more dwellings a split of 85% social rented and 15% intermediate tenures is advocated. However, in accordance with JCS policy 4, this can be negotiated in exceptional circumstances and/or where certain tenures are not appropriate in specific areas of the city. <u>The publication of any new SHMA may update the required tenure split. This document will be updated as necessary thereafter including any calculations in Appendix 3.</u>	The final sentence has been added to provide clarity on how this document will be updated following publication of any future Strategic Housing Market Assessment (SHMA).
Page 7/Local policy context Para 17	Amendment to paragraph 17 as follows: 'It is current practice to accept affordable rent dwellings <u>only where a developer can provide evidence that social rent is unviable or where evidence is provided that registered providers (RPs) will not accept social rented dwellings.</u> because registered providers (RPs) are currently not taking on dwellings provided under social rent tenure. It is considered preferable to accept affordable rent dwellings on-site, rather than a commuted sum as this helps build sustainable mixed communities.	Amended to provide clarification of when affordable rent tenures will be accepted.
Page 8/Local policy context Para 26	Inclusion of a new paragraph as follows: ' <u>For clarity, the Broads Authority does not have a strategic housing function. Policy DP23 of the adopted Broads Authority Development management policies development plan document (2011-2021) states that the Broads Authority applies the policies of its constituent District Councils (in both Norfolk and Suffolk) regarding affordable housing. Therefore, this SPD will also apply to housing proposals within the Broads Authority area.</u> <u>All other adjoining authorities will produce their own SPDs as necessary.</u>	Change made in response to comments received from the Broads Authority during consultation. Commentary has been added on how the Broads Authority will use this SPD when determining applications within their authority area.
Pages 6-9/Local policy context Paras - various	Inclusion of new sub-headings: ' <u>Affordable housing design</u> ', ' <u>Residential Institutions</u> ', ' <u>Application requirements</u> ', ' <u>How adjoining authorities will use this document</u> ', ' <u>Artificial sub-division of sites</u> ', and ' <u>Hybrid applications</u> '.	For clarification and ease of use of the document
Page 9/Local policy context Para 29	Inclusion of a new paragraph as follows: ' <u>Sites which are proposed to be developed partly under permitted development rights as outlined in The Town and Country Planning (General Permitted Development) Order 1995 (as amended), and partly requiring planning permission will be considered on a case by case basis regarding viability and resulting planning obligations.</u>	Commentary added to provide guidance on how applications which are proposed to be developed partly under permitted development rights, and partly requiring planning permission, are to be considered.

Page 13-15/Changes in national legislation	Insertion of a new 'Section 4' to cover the changes in national legislation and resulting implications for the Joint Core Strategy policy 4. Additional information on how the vacant building credit will be calculated. New section appended to this document.	Changes made to national policy which impact on how JCS policy 4 is implemented is detailed. Clarification of how the 'vacant building credit' will be calculated including changes made in response to the focused re-consultation from Planning Issues.
Page 17/Establishing development viability Para 52	Inclusion of the following sentence at the end of paragraph 52 as follows: <u>'The council will expect the developer to pay for such independent assessment and the costs of this can be added to the viability assessment.'</u>	Change made in response to comments received from the Broads Authority during consultation. Although this is also made explicit elsewhere in the document, for clarity it has also been referred to here.
Page 20/Reduced on-site AH Para 63	Amend paragraph 63 as follows: 'Provision of affordable housing on site is the council's preferred approach. However, taking a flexible approach, if non-viability of development with a policy compliant level of affordable housing can be demonstrated <u>via an open book viability assessment (see Appendix 4)</u> , then reduced provision on-site will be considered in the first instance. <u>As set out in Section 11, any viability assessment submitted to support non-viability of development should set out all sensitivity testing that has been undertaken.'</u>	For clarification and in response to comments received by the Broads Authority that reference to sensitivity testing should be made.
Page 20/Reduced on-site AH Para 64	Amendment of reference to paragraphs 14-17 for affordable housing design to paragraphs 19-21.	Factual update following insertion of new paragraphs.
Page 22/Off-site AH Para 73	Amendment to reference to paragraph 16 to paragraph 20.	Factual update following insertion of new paragraphs.
Page 22/Off-site AH Para 74	Amendment to final sentence of paragraph 74 as follows: 'However, in recognition of local evidence, and in the light of government statements about the need for flexibility in the planning system and recognition of the need to stimulate the development economy to increase the rate of provision of homes and jobs, it is considered that, in <u>the following certain</u> circumstances <u>it is pragmatic to accept the provision of off-site affordable housing via a commuted sum to ensure sites</u>	To allow for flexibility in the application of the examples outlined and to ensure that cases can be assessed on their own merits.

	are not stalled and much needed housing can be delivered will be acceptable.	
Pages 22-23/Off-site AH Para 74	Amendment to headings from 'criterion' to 'examples'. Amendment to the final sentence of 'Example 3' as follows: 'Each application will be considered on its own merits. City council officers can advise further about the level of evidence that will be necessary to be submitted in relation to both matters.	To allow for flexibility in the application of the examples outlined and to ensure that cases can be assessed on their own merits. Detailed guidance on the detail to be submitted in viability assessments is now included in Appendix 4 of the SPD.
Page 26/Off-site AH Para 75	Amendment to paragraph 75 as follows: 'Where it is accepted <u>demonstrated</u> that a development <u>is unviable if a fully policy compliant scheme is sought, or where reduced on-site provision cannot be provided,</u> meets any of the 3 criteria outlined above then a commuted sum for provision of off-site affordable housing will be accepted.	For clarification and following changes as listed above at page 22/para 74.
Page 23/Off-site AH Para 76	Amend reference to 'flats' to 'units' throughout the paragraph	For clarification
Page 23/Off-site AH Para 80	Amend paragraph 80 as follows: 'The commuted sum must <u>will</u> be spent on the provision of affordable housing within <u>1km the same electoral ward, or adjacent electoral ward to</u> of the site from which the sum was received in order to ensure balanced and mixed communities are created as a result of the development, albeit, not on site. However, in the instance that <u>a suitable site cannot be identified by the Council such provision within 1km is not practical, feasible or viable itself,</u> the commuted sum will be able to be spent on provision of affordable housing city wide.	It is considered that 1km is too restrictive. Extending the area is likely to give rise to more opportunity for AH development to occur whilst also ensuring balanced and mixed communities are formed.
Page 24/Section 106BA applications Para 84	Amendment to last sentence of paragraph 84 as follows: 'The council will look to agree alternative timescales <u>for a decision through the use of a post-application agreement with the developer</u> for consideration of such application with the applicant.	For clarification
Page 24/Section 106BA applications	Inclusion of the words 'Section 106' in the first sentence. Addition of the final sentence as follows: ' <u>If the scheme is of such a size and complexity that would render this unlikely,</u>	For clarification

Para 85	alternative timescales will be agreed on a case by case basis.'	
Page 26-27/Viability assessment requirements Para 92	<p>Amendments to the order and language of the bullet points following this paragraph as follows:</p> <ul style="list-style-type: none"> • the applicant should provide a brief covering report providing an overview of why the viability case is being made. This should detail the viability case being made <u>and</u> what the issue is. <u>The report</u> # should be clear on the request / offer that is being made (i.e. the extent of departure from Policy compliance considered necessary) and the reasons why, in the applicant's view, this should be considered; • the report should be accompanied by the supporting information / evidence associated with the viability assessment <u>including</u>: <ul style="list-style-type: none"> ○ and appraisal(s) / sensitivity tests, for example ○ a detailed costs plan (prepared by a Quantity Surveyor), ○ appropriate evidence to support the existing land use valuation, and ○ evidence of comparable sales in the area to support the projected sales value for the proposed units; • the appraisals content and summaries should be supplied in PDFs. In addition, a "live" (functional) appraisal version(s) should also be submitted in order to aid the review process and enable the independent assessor to examine the data across a range of scenarios; • appraisal(s) should be consistent with, and clearly linked to the written submission / covering report; • <u>applicants should provide a policy compliant viability assessment to illustrate the viability issues as a baseline;</u> • appraisals should show the optimum planning obligations position that can be reached, in the opinion of the applicant, based on their viability assessment; • if sensitivity analysis has been carried out, an explanation of sensitivity assumptions should be provided. • <u>a development appraisal toolkit, which incorporates a cash flow analysis, should be used, for example the Homes and Communities Agency (HCA) Development Appraisal Tool (DAT). The toolkit to be used should be agreed prior to submission;</u> 	Change made in response to comments received from the Broads Authority during consultation.
Pages 31-	Figures updated as at February 2015. Formulae amended following removal of AH	Figures not updated since 2011.

32/Appendix 3	contributions on sites of up to and including 10 dwellings.	
Page 34/Appendix 4	Inclusion of the following bullet point under 'scheme description/details to include': <ul style="list-style-type: none"> o <u>evidence of consideration of affordable housing requirements in the design process as part of the scheme</u> 	For clarification
Page 35/Appendix 4	Amendment of the final bullet point under 'value of site/premises' as follows: <ul style="list-style-type: none"> o land purchase and timing details may be relevant – including background, basis / planning assumption, any conditions, etc. The value of the site should normally be based on the Existing Use Value with a premium to allow for a reasonable profit for the landowner. Only in exceptional circumstances will an Alternative Use Value be acceptable (such as an extant permission/site allocation for alternative use). Evidence of how the Existing Use Value has been calculated will need to be provided. Land purchase and timing details may be relevant including background, basis/planning assumption, any conditions etc. <u>The value of the site should normally be based on the Existing Use Value with a premium to allow for a reasonable profit for the landowner. An alternative use value may be considered acceptable where it can be clearly evidenced, eg where an extant permission or allocation exists. Evidence of how the Existing Use Value or Alternative Use Value has been calculated will need to be provided.'</u> 	Change made in response to comments received from NPS during consultation and to explain when an 'alternative use value' will be considered.
Page 35/Appendix 4	Inclusion of a footnote against 'assumed sales value' to state that rental value will not be acceptable in the open book viability assessment on residential schemes.	For clarification
Page 36/Appendix 4	Inclusion of '(or successor document) in the second bullet point under 'sustainability standards' to acknowledge that this document may be superseded.	Change made in response to comments received from the Broads Authority during consultation and to ensure that any successor document to the Code for Sustainable Homes is considered.
Pages 40-45/Appendix 6	Inclusion of the following definitions within the Glossary: <p><u>Alternative Use Value: Where an alternative use can be readily identified as generating a higher value for a site, the value for this alternative use would be the market value with an assumption, as defined for Site Value for financial viability assessments for scheme specific planning applications.</u></p> <p><u>Benchmark: A comparator for either outputs or inputs into the appraisal, ie Site Value</u></p>	For clarity

or developers return, etc.

Current Use Value: Market value for the continuing existing use of the site or property assuming all hope value is excluded, including value arising from any planning permission or alternative use. This also differs from the Existing Use Value. It is hypothetical in a market context as property generally does not transact on a CUV basis.

Current use Value (plus a premium): Used by some practitioners for establishing Site Value. The basis is as with CUV but then adds a premium (usually 10% to 40%) as an incentive for the landowners to sell. However, it does not reflect the market and is both arbitrary and inconsistent in practical application.

Existing Use Value: The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after properly marketing and where parties had each acted knowledgeably, prudently and without compulsion, assuming that the buyer is granted vacant possession of all parts of the property required by the business and disregarding potential alternative uses and any other characteristics of the property that would cause market value to differ from that needed to replace the remaining service potential at least costs.

Existing Use Value (plus a premium): Used by some practitioners for establishing Site Value. The basis is as with EUV but then adds a premium (usually 10% to 40%) as an incentive for the landowner to sell. However, it does not reflect the market and is both arbitrary and inconsistent in practical application.

Market Value: ~~The value of market housing.~~ The estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Site Value (for financial viability assessments for scheme specific planning applications): Market Value (MV) subject to the following assumption: that the value has regard to development plan policies and all other material planning considerations

	and disregards that which is contrary to the development plan.	
--	--	--

4. Changes in national legislation and implications for JCS policy 4

40. In 2014 the government consulted on a proposed change to the threshold for affordable housing contributions so that only developments of over 10 dwellings, or a 1,000 square metre gross floorspace, would be liable for affordable housing contributions through Section 106 agreements. The Government considers that this will aid the delivery of housing small-scale sites and brownfield land.

41. The results were published by the Department for Communities and Local Government (CLG) and a ministerial statement was issued on the 28th November 2014 introducing the new threshold for affordable housing contributions as set out above. In addition, a 'vacant building credit' can now be offered to developers to incentivise them to develop sites. This applies where existing vacant buildings are proposed to be brought back into lawful use or demolished and redeveloped. This does not apply to buildings which have been abandoned.

The consultation response document can be found here: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/381349/Planning_Contributions__Section106_planning_obligations_.pdf

The ministerial statement can be found here: <http://www.parliament.uk/documents/commons-vote-office/November%202014/28%20Nov%202014/2.%20DCLG-SupportForSmallScaleDevelopersCustomAndSelf-Builders.pdf>

42. As a result of this national planning policy change some parts of adopted JCS policy 4 can no longer be applied. In particular:

- a. bullet point 1 (requiring 20% affordable housing provision on sites of 5-9 dwellings) can no longer be applied at all, and
- b. bullet point 2 (requiring 30% affordable housing provision on sites of 10-15 dwellings) can now only apply to sites of 11 to 15 dwellings.

All other parts of the adopted JCS policy 4 will be applied in full.

Calculating the 'vacant building credit'

43. Where the 'vacant building credit' is applicable, it will be calculated in the following way:

- a. The existing affordable housing requirement is outlined in bullet points 2 and 3 of JCS policy 4, ie for proposals of 11-15 dwellings 30% affordable housing will be required, for developments of 16 plus dwellings 33% affordable housing will be required.
- b. The net affordable housing requirement should be recalculated to take into account the two gross floor areas (the original building floorspace to be demolished or brought back into lawful use, and the proposed replacement

building) to arrive at the net maximum affordable housing target for that site. The following formulae will be applied:

A = existing affordable housing target (ie 11-15 dwellings 30% affordable housing, 16 plus dwellings 33% affordable housing)

Coefficient² = 1 (existing floorspace / proposed floorspace)

Net affordable housing requirement = A x coefficient

44. Once the affordable housing requirement has been calculated, all other parts of this SPD should then be applied to the affordable housing contribution.

45. For clarity, a worked example for a scheme of 26 dwellings is shown below:

a. A = 33%

The GIA schedule on the following page has been supplied with the application. This shows an existing vacant floorspace of 865sqm and a proposed residential floorspace of 1607.1sqm.

b. $1 - (865 / 1607.1) = 0.46$

c. $33 \times 0.46 = 15\%$ net affordable housing requirement.

46. If, after such a calculation has been made, development of the site is still not viable, the following sections of this SPD will apply.

² A coefficient is a number multiplied with a variable (in this case the existing floorspace / the proposed floorspace) in an algebraic term.

Proposed housing		
Plot	Beds	GIA Sqm
1	1	46.2
2	1	46.2
3	2	70.2
4	2	64.2
5	2	64.2
6	2	64.2
7	2	64.2
8	1	45.2
9	1	46.2
10	1	46.2
11	2	70.2
12	2	64.2
13	2	64.2
14	2	64.2
15	2	64.2
16	1	45.2
17	1	46.1
18	3	83.2
19	2	70.2
20	2	64.2
21	2	64.2
22	2	64.2
23	2	64.2
24	1	45.2
25	3	84.3
26	3	92.3
Total GIA		1607.1
Average GIA		61.8

Existing vacant retail floorspace	
Unit No	GIA Sqm
Unit 1	565
Unit 2	300
Total GIA	865

Example GIA schedule

Proposed 'Section 4' of the *Affordable housing supplementary planning document*

4. Changes in national legislation and implications for JCS policy 4

38. In 2014 the government consulted on a proposed change to the threshold for affordable housing contributions so that only developments of over 10 dwellings, or a 1,000 square metre gross floorspace, would be liable for affordable housing contributions through Section 106 agreements. The Government considers that this will aid the delivery of housing small-scale sites and brownfield land.

39. The results were published by the Department for Communities and Local Government (CLG) and a ministerial statement was issued on the 28th November 2014 introducing the new threshold for affordable housing contributions as set out above. In addition, a 'vacant building credit' can now be offered to developers to incentivise them to develop sites. This applies where existing vacant buildings are proposed to be brought back into lawful use or demolished and redeveloped. This does not apply to buildings which have been abandoned.

The consultation response document can be found here:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/381349/Planning_Contributions_Section106_planning_obligations_.pdf

The ministerial statement can be found here:
<http://www.parliament.uk/documents/commons-vote-office/November%202014/28%20Nov%202014/2.%20DCLG-SupportForSmallScaleDevelopersCustomAndSelf-Builders.pdf>

40. As a result of this national planning policy change some parts of adopted JCS policy 4 can no longer be applied. In particular:

- a. bullet point 1 (requiring 20% affordable housing provision on sites of 5-9 dwellings) can no longer be applied at all, and
- b. bullet point 2 (requiring 30% affordable housing provision on sites of 10-15 dwellings) can now only apply to sites of 11 to 15 dwellings.

All other parts of the adopted JCS policy 4 will be applied in full.

Calculating the 'vacant building credit'

41. Where the 'vacant building credit' is applicable, it will be calculated in the following way:

- a. The affordable housing requirement will be calculated based on the number of units as outlined in bullet points 2 and 3 of JCS policy 4, ie for proposals of 11-15 dwellings 30% affordable housing will be required, for developments of 16 plus dwellings 33% affordable housing will be required.

- b. The existing vacant gross internal area (GIA) of any buildings proposed to be brought back into lawful use or demolished and redeveloped, will be deducted from the proposed residential GIA leaving the total increase in floorspace. (**Note:** for wholly residential schemes this will be the total GIA of all dwellings, for mixed use schemes the GIA of the proposed residential elements only will be used. Where flatted development is proposed the GIA will include all communal and circulation areas).
 - c. The average floorspace of the residential scheme will be calculated by dividing the total residential GIA by the total number of units proposed.
 - d. The increase in total floorspace will then be divided by the average residential floorspace to calculate how many dwellings could be provided on the increase in floorspace.
 - e. The required percentage of affordable housing will then be applied to the dwellings which are to be provided *only* on the increase in floorspace.
42. Once the affordable housing requirement has been calculated, all other parts of this SPD should then be applied to the affordable housing contribution.
43. For clarity, a worked example is shown below:
- a. In a scheme where 26 dwellings are proposed there is a requirement for 33% to be affordable. Equating to 9 affordable dwellings.
 - b. In this example, the GIA schedule on page 19 has been supplied with the application. This shows an existing vacant floorspace of 865sqm and a proposed residential floorspace of 1607.1sqm. This results in a net increase of floorspace of 742.1sqm.
 - c. The average floorspace of the proposed residential units is calculated at 61.8sqm. Therefore 12 dwellings can be provided on the net increase in floorspace ($742.1\text{sqm} / 61.8\text{sqm} = 12$).
 - d. Therefore, 4 affordable dwellings need to be provided (33% of the total dwellings (12) provided on the net floorspace increase).
44. If, after such a calculation has been made, development of the site is still not viable, the following sections of this SPD will apply.

Proposed housing

Plot	Beds	GIA Sqm
1	1	46.2
2	1	46.2
3	2	70.2
4	2	64.2
5	2	64.2
6	2	64.2
7	2	64.2
8	1	45.2
9	1	46.2
10	1	46.2
11	2	70.2
12	2	64.2
13	2	64.2
14	2	64.2
15	2	64.2
16	1	45.2
17	1	46.1
18	3	83.2
19	2	70.2
20	2	64.2
21	2	64.2
22	2	64.2
23	2	64.2
24	1	45.2
25	3	84.3
26	3	92.3
Total GIA		1607.1
Average GIA		61.8

Existing vacant retail floorspace

Unit No	GIA Sqm
Unit 1	565
Unit 2	300
Total GIA	865

Example GIA schedule

Report to Sustainable development panel
25 February 2015

Report of Head of planning service

Subject Response to government consultation 'Building more homes on brownfield land'.

Item

7

Purpose

This report discusses the main proposals in the current government consultation on brownfield land, and seeks members' comments to inform a subsequent city council response for submission by 11 March.

Recommendation

To comment on the government's proposals outlined in this report, to inform the city council's consultation response.

Corporate and service priorities

The report helps to meet the corporate priorities A prosperous city and Decent housing for all, and the service plan priorities To develop the local economy, promote inward investment and regeneration activities; and to develop new affordable housing in the city.

Financial implications

There are no direct financial implications from this report.

Ward/s: All wards

Cabinet member: Councillor Stonard – Environment and transport

Contact officers

Judith Davison, planning policy team leader (projects) 01603 212529

Graham Nelson, head of planning services 01603 212530

Background documents

None

Report

Introduction – consultation proposals

1. The Department for Communities and Local Government (DCLG) published a consultation 'Building more homes on brownfield land' in late January 2015, with a six week period for responses ending on 11 March. It can be accessed using this link: <https://www.gov.uk/government/consultations/building-more-homes-on-brownfield-land>
- 2.
3. The measures outlined in the consultation document are promoted by the government as a means of increasing the level of house building in England by encouraging greater levels of development on brownfield sites. To this end, the document proposes:
 - A new requirement for local planning authorities to bring forward local development orders (LDOs) on brownfield sites suitable for housing development, with the objective that by 2020 LDOs should be in place on over 90% of brownfield land suitable for housing that does not already have planning permission. See paragraphs 6 to 9 below for further information about LDOs.
 - A definition of brownfield land which is suitable for new housing, which includes land which is deliverable, free of constraint, and capable of development (for more than 5 dwellings). The definition does not make clear whether it is intended to apply to allocated brownfield sites.
 - Sharing of information on progress with bringing forward brownfield land, with data on sites (including size, estimated units, and ownership details) provided to an agreed, common standard and published annually by local planning authorities.
 - Two options for measures to encourage progress:
 - Designation of authorities under section 62A of Town and Country Planning Act 1990 if they under-perform against suggested criteria. Where an authority is designated, applicants would be able to apply directly to Secretary of State for planning permission. Authorities would be liable for designation if LDOs are not in place on 90% of suitable brownfield land by 2020. An intermediate threshold is also proposed, whereby authorities will be liable for designation if they have not got LDOs in place on 50% of brownfield land by 2017.
 - Policy based incentive: local planning authorities which have not made sufficient progress against the brownfield objective would be unable to claim the existence of an up-to-date five year land supply when considering applications for brownfield development.
4. In tandem with this consultation the government is offering local authorities the opportunity to bid for funding from the Local Development Order Incentive Fund to support a local development order for housing on brownfield land, to be submitted by 11 March. The Planning Advisory Service (PAS) is also offering training for local authorities staff to help develop LDOs.

Local Development Orders

5. LDOs were introduced with the Planning and Compulsory Purchase Act 2004 and allow local authorities to extend permitted development rights for certain forms of development. They aim to streamline the planning process by removing the need for developers to apply make a planning application to a local planning authority.
6. LDOs have not been well taken up across the country to date and only a very small percentage of those confirmed so far relate to new residential development. They have been most commonly used in areas zoned for commercial development to allow the development of employment uses or warehousing.
7. Norwich City Council has an LDO in place for replacement windows and doors in flats, adopted in August 2012. As a result, planning permission is not needed for the replacement of windows and doors in flats, providing the conditions in the order are met; however this does not apply to flats in listed buildings or those in conservation areas.
8. LDOs are promoted as having a number of potential benefits including speeding up the planning process, providing greater certainty for developers, leading to improved marketability of sites, and encouraging greater community involvement in the planning of their area.
9. Although the focus on improving development on brownfield land is to be welcomed in principle, the use of LDOs is largely untested as a means of increasing housing supply, and the consultation document raises a number of potential issues of concern for Norwich City Council and other local authorities. In addition, it is not possible to seek Section 106 payments through LDOs, which will impact on delivery of key aspects of the local plan as set out below.

Emerging response and next steps

10. Officers are still trying to assess the possible implications of the proposals for Norwich and produce an appropriate draft response. This process is not helped by a lack of clarity and specificity in the document which makes it difficult to fully assess its impact at this stage. However, if there is a requirement to prepare LDOs for most of the brownfield sites in the city over the next few years this will potentially have very significant impacts on: the ability of the council and the public to engage with the detail of design on particular sites; the ability to secure delivery of affordable housing as part of development proposals; and the ability to influence the mix of uses on particular sites. It could also have significant impacts on the level of income to the planning department and the workload of the service.
11. Further clarification and assessment of the proposals are required before a response to the consultation can be drafted. A verbal update will be given on this work and likely areas of response.
12. Members' comments on the government's proposals are sought. Following the Panel meeting, these comments will be incorporated into the consultation response for submission by 11 March.

Report to	Sustainable development panel 25 February 2015	Item
Report of	Head of planning service	8
Subject	Possible formal cooperation on strategic planning issues through a shared non-statutory strategic framework	

Purpose

This paper reports on discussions with planning authorities across Norfolk about joint working to continue to ensure that the Duty to Cooperate is discharged and there is beneficial cooperation on strategic planning issues across a wide area.

Recommendation

To note the attached report and comment on it before it is considered by cabinet on 11 March.

Corporate and service priorities

The report helps to meet the corporate priority A prosperous city.

Financial implications

Still being investigated

Ward/s: All wards

Cabinet member: Councillor Stonard – Environment and transport

Contact officers

Mike Burrell, planning policy team leader 01603 212525

Graham Nelson, head of planning services 01603 212530

Background documents

None

Report

1. The NPPF states (paragraph 181) that *“Local planning authorities will be expected to demonstrate evidence of having effectively cooperated to plan for issues with cross-boundary impacts when their Local Plans are submitted for examination. This could be by way of plans or policies prepared as part of a joint committee, a memorandum of understanding or a jointly prepared strategy which is presented as evidence of an agreed position.*
2. The Norfolk Duty to Cooperate (DtC) Member Forum was established in early 2013 to address the government’s requirement that the DtC should be member led. The portfolio holder for the environment and transport is Norwich City Council’s representative on the group.
3. Appendix A to this paper is a report that was considered by the county wide forum at its meeting on 14 January. It examines options for addressing the DtC in Norfolk. The options identified were:
 1. Informal cooperation (i.e. continue the current approach)
 2. Structured cooperation through a Memorandum of Understanding
 3. Formal cooperation through a shared non-statutory strategic framework
 4. A statutory Joint Strategic Plan
 5. A statutory single Local Plan.
4. The forum agreed to:
 1. Endorse the principle of option 3, formal cooperation through a shared non-statutory strategic framework.
 2. Recommend that each constituent authority agrees formally to take forward option 3 at its earliest convenience subject to later agreement of:
 - A) Amended terms of reference for the member Duty to Cooperate Group;
 - B) Appropriate officer and member working arrangements; and
 - C) Budget and timetableto support preparation of the shared non-statutory framework.
 3. Instruct officers to prepare detailed reports on matters 2 A-C for consideration at the next member Duty to Cooperate meeting.
5. In accordance with paragraph 4 above, cabinet will consider the principle of cooperation through a shared non-statutory strategic framework at its meeting on 11th March. Work is continuing on the details of the practical arrangements for how a non-statutory strategic framework can be prepared and to establish its area of coverage.

Norfolk Duty to Cooperate Member Forum – 14th January 2015

Duty to Cooperate Options Report

Purpose

1. The purpose of this report is to set out options to the Norfolk Duty to Cooperate Member Forum on how best to address the government's requirements for local planning authorities (LPAs) to cooperate on cross-boundary issues through their Local Plans. It presents 5 potential options and recommends that option 3, formal cooperation through a shared non-statutory strategic framework, should be progressed.

The NPPF

2. The NPPF states (paragraph 181) that *“Local planning authorities will be expected to demonstrate evidence of having effectively cooperated to plan for issues with cross-boundary impacts when their Local Plans are submitted for examination. This could be by way of plans or policies prepared as part of a joint committee, a memorandum of understanding or a jointly prepared strategy which is presented as evidence of an agreed position.*
3. It also states (in paragraphs 156 and 162) that Local Plans should include strategic policies, and LPAs should work with other authorities and providers to meet forecast demands and deliver:
 - homes and jobs;
 - retail, leisure and other commercial development;
 - infrastructure for transport, telecommunications, waste management, water supply, wastewater, flood risk and coastal change management;
 - minerals and energy (including heat);
 - health, security, community and cultural infrastructure and other local facilities;
 - climate change mitigation and adaptation, conservation and enhancement of the natural and historic environment, including landscape;
 - nationally significant infrastructure.
4. It is a fundamental principle of the Duty to Cooperate that it should be member led.

The role of the Norfolk Duty to Cooperate Member Forum

5. The Terms of Reference of the Norfolk Duty to Cooperate Member Forum (attached as appendix 1) state that the objectives of the group are:
 1. To discuss strategic planning issues that affect local planning authorities
 2. To understand the viewpoints of other authorities
 3. To consider comment upon and potentially commission relevant supporting evidence base to support local plans (as appropriate)
 4. To consider the need for joint or coordinated working on particular topics or evidence
 5. To coordinate if at all possible timelines for the production of plans.

Recent progress

6. At the Duty to Cooperate Member Forum on 23rd January 2014 different examples of approaches to addressing the requirements of the Duty to Cooperate from around the country were presented to members.
7. It was recommended that a coordinated planning approach is required, based on a joint or coordinated set of Strategic Housing Market Assessments (SHMAs) with agreed housing numbers in each Local Plan and that effective strategic planning will require strong links to strategic economic planning.
8. Members agreed that the first step towards this was to produce a Compendium bringing into one place the current strategic elements of the adopted local plans around Norfolk. This Compendium has now been produced.
9. In addition to this, a Duty to Cooperate Schedule covering a variety of issues including the need for an overarching strategic framework, evidence supporting local plans and the coordination timescales for plan making has been produced.
10. Members have agreed that evidence, whether commissioned by individual local authorities or collectively, will look forward 20 years to 2036.

11. Despite the above progress having been made, no specific commitment yet has been made to implementing a means of addressing the Duty to Cooperate requirements. Up to now, there does not appear to have been full recognition of the importance of the process at all levels in the district councils. All LPAs in the area risk facing significant issues in progressing their Local Plans if significant steps are not taken to meet Duty to Cooperate requirements.
12. Effective coverage of strategic issues such as housing, jobs, transport and water is necessary to meet the NPPF requirement to promote sustainable development and to assist economic growth whilst providing for environmental protection. In addition, effective cooperation should lead to significant cost savings.

The Options

13. Options 1 to 5 below set out different potential approaches to addressing the Duty to Cooperate, along with advantages, issues and risks associated with each.
14. Options 1 to 5 are:
 1. Informal cooperation (i.e. continue the current approach)
 2. Structured cooperation through a Memorandum of Understanding
 3. Formal cooperation through a shared non-statutory strategic framework
 4. A statutory Joint Strategic Plan
 5. A statutory single Local Plan.

Option1 - Informal cooperation (i.e. continue current approach)

The current structure would be retained with the Strategic Planning Officers Group progressing the work through the Member Forum, with the forum making recommendations to individual authorities. The process would be documented via minutes of officer meetings and forum/council resolutions. Expected outcomes would not be formalised at the outset and the degree to which each authority cooperated would remain a matter for each council. Individual authorities produce their own Local Plan and may commission joint evidence base with other authorities as necessary and relevant.

Structure	Method	Advantages	Issues / Risks
Norfolk strategic planning member forum	1. Continue use of current Terms of Reference in appendix 1 2. Informal agreement on specific issues as they arise. 3. Shared evidence base and/or /shared approach to evidence collection at different geographical scales dependent on issue	This is the least prescriptive approach which potentially enables individual authorities to maximise control over their plan making processes	Inability to agree on key issues (e.g. housing numbers) risks leading to failure to reach the Local Plan examination stage. In November 2014 alone, there were four examples ¹ of authorities having their plans delayed or significantly amended as a result of failing to address housing need issue.
		Decision making powers are retained at the district level	Approach vulnerable to challenge – each local authority will have to prove its case on housing numbers at each Local Plan examination with no formal coordination
			Whilst short term costs may be low, the costs of producing an evidence base are difficult to predict without a careful analysis of existing strategic evidence having been done. Therefore this approach risks unnecessary work being undertaken by consultants. The financial and reputational costs of any failure to progress Local Plans to examination on Duty to Cooperate issues would be very high.

¹ Cheshire East, South Worcestershire, East Staffordshire and Chiltern

Option 2 – Structured cooperation through a Memorandum of Understanding

Under option 2 the current structure would be retained with the Strategic Planning Officers Group progressing the work through the Member Forum, with the forum making recommendations to individual authorities. The process would be documented via minutes of officer meetings and forum/council resolutions. In addition, each authority would make a formal commitment to a ‘Memorandum of Understanding’ (MoU). This would be a formal agreement between the authorities to cooperate on strategic issues, setting out the issues the authorities would cooperate on and principles for how the LPAs would work together e.g.

Principle 1 – All authorities will agree to common principles on the implementation of green infrastructure.

Individual authorities would produce their own Local Plan and commission joint evidence with other authorities as necessary and relevant.

Structure	Method	Advantages	Issues / Risks
Norfolk Strategic Planning Member Forum making recommendations to each authority Lead officers in each district	1. Memorandum of Understanding 2. Revised Terms of Reference 3. Shared evidence base and/or /shared approach to evidence collection at different geographical scale dependent on issue	Enables each district to have significant control over their plan making processes	Possibly insufficient commitment to meet local plan duty to cooperate requirements Depending on the content of the MoU, there may be potential for inability to agree on key issues e.g. housing numbers, which risks leading to failure to reach Local Plan examination stage
		Decision making powers are retained at the district level	Approach somewhat vulnerable to challenge – each local authority will have to prove its case on housing numbers at each Local Plan examination with limited coordination
		Would support integration and alignment of strategic spatial and investment priorities	The costs of collecting the evidence base are difficult to predict without a careful analysis of existing strategic evidence having been done. Therefore this approach risks unnecessary work being undertaken by consultants. Whilst short term costs may be low, the financial and reputational

			costs of any failure to progress Local Plans to examination on Duty to Cooperate issues would be very high.
--	--	--	---

Example - Memorandum of Understanding between authorities in **Somerset** and **Dorset**:

http://www.southsomerset.gov.uk/media/568924/ssdc_h55.pdf

The South Somerset Local Plan has had its plan making process delayed for over a year, but this relates to the approach to sustainability appraisal rather than the overall housing numbers for the district. Thus it appears that in this case Duty to Cooperate issues have been effectively addressed by this approach.

DRAFT

Option 3 - Formal cooperation through a shared non-statutory strategic framework

The current structure would be retained with the Strategic Planning Officers Group progressing the work through the Member Forum, with the forum making recommendations to individual authorities. A dedicated staff team would greatly assist the implementation of this approach. The process would be documented via minutes of officer meetings and forum/council resolutions. In addition, each authority would make a formal commitment to the preparation and delivery of a non-statutory Joint Strategic Framework which would agree the approach to cross boundary strategic issues, e.g. housing numbers; jobs growth targets; cross boundary infrastructure etc. The LPAs would sign up to a series of objectives on strategic issues which they would then address in their Local Plans. This is similar to the approach taken in Cambridgeshire and Peterborough (see example below the table).

Structure	Method	Advantages	Issues / Risks
<p>Norfolk Strategic Planning Member Forum making recommendations to each authority</p> <p>Probably requires small dedicated officer team to deliver either with seconded or new staff</p>	<ol style="list-style-type: none"> 1. Amended Terms of Reference 2. Non-statutory shared strategic framework on housing numbers 3. Additional non-statutory document covering broad spatial approach to other duty to cooperate issues e.g. water, economic development, 	<p>Reasonably comprehensive approach meets NPPF and Duty to Cooperate requirements to plan for issues with cross-boundary impacts and fully meet objectively assessed needs, providing housing targets for each district</p>	<p>Issue of housing numbers still likely to be raised (generally by developers) at each Local Plan examination as new evidence arises, but evidence base can be updated to reflect this</p>
		<p>'Light touch' approach to loss of statutory strategic regional planning which enables promotion of coordinated, sustainable growth</p>	<p>Potential need to undertake sustainability appraisal as part of this process, though recent experience in East Cambs. and Fenland suggests this may not be necessary.</p>

	<p>energy, natural environment (2 and 3 could be combined)</p> <p>4. Shared evidence base and/or /shared approach to evidence collection at different geographical scales dependent on issue.</p>	<p>Makes recommendations for policy approaches in Local Plans - decision making powers retained at the district level</p>	<p>There has not been the same history of cooperation on strategic issues within Norfolk (or in Norfolk and Suffolk) as there has been in Cambs. and Peterborough e.g. Cambridgeshire Horizons</p>
		<p>Work on the framework can assist in identifying when, where and at what scale evidence (as set out in the Schedule of Future Evidence Work Report) is required. Cooperation on evidence will ensure a coordinated approach to other strategic issues in Local Plans and would potentially lead to significant cost savings</p>	<p>Need to explore willingness to fund an officer team. Such costs may be reduced if applied over a wide area or if the LEP contributes to funding</p>
		<p>The creation of a dedicated officer team could provide a 'neutral space' for discussion and mediation between authorities</p>	
		<p>Allows for effective coordination with the Strategic Economic Plan (SEP), incorporating strategic spatial planning in the economic planning for the area</p>	

Example: **Cambridgeshire / Peterborough** have produced the [Cambridgeshire and Peterborough Memorandum of Cooperation - Supporting the Spatial Approach 2011-2031](#) . This document addresses the requirements of paragraph 181 of the NPPF. It is a non-statutory document which sets out agreed levels of future housing growth. By demonstrating that emerging district-level strategies contribute to a strategic, area-wide vision, objectives and spatial strategy, it provides additional evidence of how the Duty to Cooperate is being met in the area.

More recently, the authorities have supplemented the memorandum with [Strategic Spatial Priorities: Addressing the duty to cooperate across Cambridgeshire & Peterborough 2014](#) . This document highlights how the local authorities have addressed the Duty to Cooperate across a number of other strategic priorities as required by paragraphs 156 and 162 of the NPPF, providing objectives and policy recommendations for Local Plans on cross-cutting issues such as economic development, design, water and energy.

These documents have recently successfully been used as evidence for the East Cambridgeshire and the Fenland Local Plans. Cambridge and South Cambridgeshire are currently using the evidence to support the joint examinations of their Local Plans.

The support work to help develop this coherent approach to planning across the area is provided by the Cambridgeshire & Peterborough Joint Strategic Planning Unit (JSPU). Its two members of staff, paid for by contributions of £10k per year from the seven districts involved, are employed through the county council and hosted at a district council (South Cambs.). The governance structure used includes:

- A dedicated cross-party members group
- The Public Service Board (Chief Executives)
- Senior Officer Groups – consisting of staff from both local authorities and the LEP
- Working groups and project teams.

Option 4 - Joint Strategic Plan

This would be a comprehensive statutory strategic plan which would form part of the Local Plan for each district. The plan and approach would be similar in nature to the Joint Core Strategy. More formal joint member decision making structures may be necessary if such an approach were taken, although the process used for the Joint Core Strategy required decisions to be made at constituent councils.

Structure	Method	Advantages	Issues / Risks
<p>Most likely binding joint member decision making group (possibly through a combined authority), although could be done through Norfolk Strategic Planning Member Forum making recommendations to each authority</p> <p>Probably requires small dedicated officer team to deliver either with seconded or new staff</p>	<p>Statutory joint strategic plan covering housing numbers, economic development and transport examined once and adopted by all authorities as part of their Local Plan</p> <p>Each LPA would also produce separate Local Plan documents covering development</p>	<p>Provides the greatest certainty and coordination for key strategic issues</p>	<p>Potentially an unsuitable structure given the large geographical area, the differing characteristics of the districts and their current progress with plan making. This emerging approach is currently mainly being taken in conurbations</p>
		<p>Allows for effective coordination with the LEP SEP, incorporating strategic spatial planning in the economic planning for the area</p>	<p>Issue of housing numbers still likely to be raised at each Local Plan examination</p> <p>Issue of whether this of approach meets NPPF requirement that each LPA should set out its planning strategy with other policies in their Local Plan (paragraph 156), unless the production of additional development plan documents is clearly justified (paragraph 153)</p>

	management policies and site allocations		Need to explore willingness to fund an officer team. Costs may be reduced if applied over a wide area or if the LEP contributes to funding. Each LPA would have to fund joint strategic planning document production and separate documents for sites and development management.
--	--	--	---

Examples:

The **Greater Manchester** Spatial Framework, envisaged as a statutory joint strategic plan to manage the supply of land to support jobs and new homes, is at an early stage of production. There has recently been an initial consultation on evidence for future growth to identify the priorities the plan should address. It is available at:

[http://www.agma.gov.uk/what we do/planning housing commission/greater-manchester-spatial-framework/index.html](http://www.agma.gov.uk/what_we_do/planning_housing_commission/greater-manchester-spatial-framework/index.html)

A number of authorities in the **West Midlands** have committed to a similar approach, and are looking to gain additional support. For more information, see http://www.planningportal.gov.uk/general/news/stories/2014/november14/131114/131114_1.

More recently, a spokesman announced that **London** mayor Boris Johnson is keen to create a strategic regional plan covering the capital and the greater South East and is organising a summit next spring to discuss the issue with Home Counties council chiefs.

Option 5 – Joint Local Plan

A Joint Local Plan would not only cover strategic issues, but also site allocations and development management policies for all of the districts in a single, area wide, Local Plan. More formal joint member decision making structures would be likely to be necessary if such an approach were taken.

Structure	Method	Advantages	Issues / Risks
<p>Most likely binding joint member decision making group (possibly through a combined authority), although could be done through Norfolk Strategic Planning Member Forum making recommendations to each authority</p> <p>Probably requires dedicated officer team to deliver either with seconded or new staff</p>	<p>Joint Local Plan covering strategic issues, site allocations and development management examined once and adopted by all authorities</p>	<p>Provides coordination of key strategic issues with implementation through site allocations and detailed development management policies</p>	<p>Unsuitable structure given the large geographical area and differing characteristics of the districts</p> <p>Disproportionate approach - coordination of site allocations across a number of districts through a single Local Plan would be likely to be highly problematic</p>
		<p>Allows for effective coordination with the LEP SEP, incorporating strategic spatial planning in the economic planning for the area</p>	<p>Costs of a dedicated team to cover area wide single Local Plan would be likely to be high, though this would be offset to a certain extent as there would not be the need for each LPA to produce its own Local Plan.</p>
		<p>Economies of scale as all evidence base shared</p>	<p>Could be perceived as an approach which does not comply with government's focus on localism</p>

Examples:

We have not been able to identify any examples of a number of districts producing a single Local Plan. However, there are county wide unitary authorities such as Cornwall and Wiltshire, which are both producing Local Plans consisting of separate strategic and site allocations plans. See:

<http://www.cornwall.gov.uk/environment-and-planning/planning/planning-policy/cornwall-local-plan/?page=17394>

Discussion

15. Options 1 to 4 would enable the timeframes of individual Local Plans to be coordinated and for a shared evidence base and/or /shared approach to evidence collection at different geographical scales dependent on relevant issues to be covered.
16. Options 1 to 3 would be non-statutory approaches, retaining all decision making powers at the district level, with testing of the Duty to Cooperate requirements taking place after the submission of each district's single document Local Plan. Options 4 and 5 would involve the production of area wide statutory plans. Option 4 would be an area wide strategic plan which would form part of the Local Plan for each district. Option 5 would be a single Local Plan for the whole area. Options 4 and 5 would probably necessitate the establishment of a joint member decision making group or a combined authority, although the approach taken for the Joint Core Strategy for Broadland, Norwich and South Norfolk (JCS) requiring all decisions to be made by each district council could potentially be used.
17. Short term costs generally increase from options 1 up to 5, but as risks of failing on the Duty to Cooperate generally decrease accordingly, options 1 and 2 could ultimately prove by far the most expensive. Options 1 and 2 would not involve a detailed analysis of the existing evidence base or the production of a document setting out housing numbers. Therefore they risk potentially unnecessary consultancy work being done which would be better done by an experienced strategic planning unit undertaking analysis of the existing evidence base and identifying areas in which new evidence is required. Whilst there would be staff costs associated with option 3, long term cost savings could result from analysis of the existing evidence base before identifying any additional evidence work required. Any cost savings from evidence gathering for option 4 are likely to be offset by the additional spending required in taking a formal strategic plan through examination to adopt it as part of each district's Local Plan. Option 5 could bring some economies of scale, though the costs of a dedicated team to produce an area wide single Local Plan would be likely to be high.
18. Options 2 to 5 could involve a commitment by each local authority, subject to local space and environmental constraints, to agree to maximise the potential to meet their own housing needs within their own boundaries.
19. All options could apply at different geographical scales and could also involve Suffolk authorities subject to all parties agreeing this. This would enable coordination of planning with the economic role of the LEP through its Strategic Economic Plan (SEP). Options 3 - 5 in particular would allow for strategic spatial planning, currently not part of the SEP, to be incorporated in the approach to development taken by the LEP, helping to address barriers to economic growth.

Conclusion

20. The evidence above and the experience of other authorities suggest that we need to take a more formal approach so option 1 is not favoured. Options 4 and 5 are considered too unwieldy and uncertain. Therefore, realistically, the choice is between options 2 and 3, or some hybrid between them. Of these two options, option 3 is favoured because:

- there are recent examples of this approach successfully addressing NPPF requirements in Fenland and East Cambridgeshire
- it demonstrates shared commitment and partnership which can be used to access funding, so is likely to secure positive outcomes and appropriate infrastructure
- it has the potential to enable strategic planning to be tied with economic planning in the SEP
- It has significant potential to save money for each district when preparing its Local Plan.

Recommendation

It is recommended that the forum agrees to:

1. Endorse the principle of option 3, formal cooperation through a shared non-statutory strategic framework.
2. Recommend that each constituent authority agrees formally to take forward option 3 at its earliest convenience, subject to later agreement of:
 - A) Amended terms of reference for the member Duty to Cooperate Group;
 - B) Appropriate officer and member working arrangements; and
 - C) Budget and timetableto support preparation of the shared non-statutory framework.
3. Instruct officers to prepare detailed reports on matters 2 A-C for consideration at the next member Duty to Cooperate meeting.

Report prepared by Mike Burrell, Norwich City Council, 8th December 2014

Appendix 1

Norfolk Duty to Cooperate – Member Forum Terms of Reference

Introduction

The Localism Act 2011 inserts section 33A into the Planning and Compulsory Purchase Act (2004) the requirement for authorities and certain public bodies to discuss key issues under a ‘Duty to Cooperate’ when preparing Development Plan Documents (principally Local Plans), and other Local Development Documents .

The Act states, *inter alia*, that Local Planning Authorities must:

‘...engage constructively, actively and on an ongoing basis in any process by means of which development plan documents (or supplementary planning documents) are prepared or supported, so far as relating to ‘strategic’ matters. For the purposes of the Duty to Cooperate, strategic planning matters are development or infrastructure that significantly affects more than one planning authority area, or those that comprise, or significantly affect, county planning matters.’

The Duty to Cooperate is a legal test. Local Planning Authorities will need to provide evidence to demonstrate that they have complied with the duty as part of the examination of Local Development Documents.

However, the outcomes arising from the Duty to Cooperate would also be considered as part of the wider soundness test that Local Development Documents are judged against. This is a test of whether the document is ‘effective’.

It is possible that a document can successfully pass the Duty to Cooperate legal test, but fail the ‘effectiveness’ test. This is because cooperation may still be required to deliver a key element(s) of a plan and there have been some high-profile examples of this scenario elsewhere in the country.

The Duty to Cooperate cannot be complied with retrospectively, and failure to do so would mean that a plan would not be able to progress until such time as sufficient engagement had been carried out. This presents a significant risk to local authorities and will affect the timescale for preparing and adopting local plans.

Therefore, bringing elected Members together on a regular basis as part of a single forum will create efficiencies for authorities and avoid duplication of discussion on key issues. Such an approach will mean that time and resources will be saved by negating the need for each authority to have separate discussions on the same topics with its neighbours and others.

Purpose

The purpose of the forum is for members to discuss the strategic issues that are planning related and affect all or the majority of local planning authorities and others affected by the Duty to Cooperate under the Localism Acts 'Duty to Cooperate'.

The forum will discuss the implications of these issues for plan-making, or other activities that contribute towards plan-making under the duty (such as evidence base etc) and work to achieve a common understanding or approach to that issue.

Objectives

1. To discuss strategic planning issues that affect local planning authorities
2. to understand the viewpoints of other authorities
3. to consider comment upon and potentially commission relevant supporting evidence base to support local plans (as appropriate)
4. to consider the need for joint or coordinated working on particular topics or evidence
5. to co-ordinate if at all possible timelines for the production of plans

Operation of the Forum

Discussions at the forum will not be binding on any authority. The sovereignty of each LPA and their Local Plan(s) is not affected by this group.

The discussions that take place within this forum will be formally recorded and used by individual authorities at Examinations in Public (EiP) to demonstrate that meaningful engagement at political level has been held under the duty.

Membership

- Member with responsibility for planning from each District Council, the Broads Authority and the County Council, other Members as appropriate.
- The forum will need to engage with elected Members from authorities in other counties.
- Representatives from local authorities beyond Norfolk will receive a standing invite to the meetings.
- Other Duty to Cooperate bodies listed in the Act will be invited to attend as appropriate.
- Other planning issues that only affect two individual authorities should be considered separately between those authorities.

Reporting back

It is anticipated that individual authorities will be kept up to date with reports / minutes from the Forum reported back to suitable committees or cabinets. Where specific endorsement or agreement to a particular action is required individual authorities will be responsible for facilitating this.

The Terms of Reference of this forum will be reviewed annually to ensure that they meet the needs of participating authorities and reflect the requirements of the Act.

