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Dear Ms St John Howe,

Greater Norwich Development Partnership - Inspectors' Changes to be Advertised

Endurance Estates Strategic Land would like to comment on the changes proposed by the Inspector to the Greater Norwich Development Partnership Joint Core Strategy. We are concerned that the proposed changes could adversely affect the viability of new development, particularly in the short to medium term. The comments relate to the Inspectors' proposed changes in respect of Policy 3: Energy and Water, and Policy 4: Housing Delivery (Affordable Housing).

Background

The UK economy is in the early stages of a recovery from a recession and the Country is beginning to address a substantial budget deficit in public spending. The availability of bank finance is limited and current mortgage lending terms are restricting entry into, and mobility within, the housing market. Houses prices have generally dropped and the number of houses being built across the UK are substantially below historic trends. There is also likely to be a major reduction in the availability of public funds to support the development of infrastructure, affordable housing and regeneration schemes as a result of the public sector spending review. Compare this to the increasing cost of fuel, resources and materials. It is clear that the housing and development sectors face tough times. In general, the value of new development is likely to level out, if not decline, whilst the costs of undertaking development increases. This combines to place a significant strain on the viability of developments. The planning system needs to be sufficiently flexible to respond to these challenges so as to ensure development can continue to take place.

Policy 4: Housing Delivery (Affordable Housing)

To that end, Endurance Estates Strategic Land is concerned that the Inspectors' proposed changes could adversely affect the viability and delivery of development, particularly residential schemes in the short to medium term. One critical issue is the indication that the policies should look to front load the delivery of affordable housing. Whilst this would theoretically help to meet the backlog of need for affordable homes, it will place a further burden and pressure on development schemes at a time when the development sector is already struggling to deliver. Furthermore, the spending reviews are likely to limit the grant funding available for affordable housing and there could be shift towards discounted market rented housing, which again may not sit well with the tenure splits suggested by the Inspectors' policy. Endurance believes the policies should be as flexible as possible to

deliver sites in the short term. The focus must be on delivery otherwise none of the wider benefits of the development will be realised. It is suggested that it would be better have an element of affordable delivered even if this is below policy requirements compared to no new housing at all.

Notwithstanding the above, we welcome the inclusion in the the text to suggested paragraph 5.29 which introduces the ability to review affordable housing provision through an open-book assessment on schemes where meeting policy requirements in full would render schemes non-viable. Endurance Estates wholeheartedly supports this approach at it maintains the objectives to deliver and the targets that are to be applied, however, it allows the financial implications of the policy requirements to be assessed in terms of the impact this has on viability and ultimately on delivery. This flexibility is crucial and similar wording should be added to all policies that place any form of requirement (be it a financial contribution or an on-site provision of facilities) on development schemes that could affect viability.

Policy 3: Energy and Water

The inclusion of greater flexibility as outlined above, should be incorporated into the suggested wording for Policy 3. Endurance Estates agrees that we should aim to derive more of our energy from renewable sources. However, the cost of on-site renewable energy generation facilities could adversely affect the viability of development schemes.

The policy should be sufficiently flexible so that alternative measures to on-site renewable electricity generation such as a reduction in overall energy consumption or the use of off-site renewable generation can be considered. Off-site generation can provide wider benefits to on-site generation. There are economies of scale, which means facilities are often cheaper to develop per unit of electricity produced, the development schemes are more efficient and largely supply much higher quantities of heat or electricity. This can help to reduce the use of fossil fuels.

There should be provision within the policy to allow the use of alternatives to on-site renewable generation where this provides the most beneficial solution that is financially viable. The aim should be to secure the benefits in the most efficient way possible, yet still ensure the development is viable and can be delivered.

Local Example

To illustrate the points made above, we would like to draw attention to a scheme we are promoting in the GNPD area. Endurance Estates Strategic Land is working with Royal Norwich Golf Club to facilitate the relocation of their club from a site in Hellesdon to a site in Weston. This relocation will offer substantial gains in term of qualitative and quantitative improvements to the golfing facilities available in the District. This relocation is effectively being funded by a redevelopment of the existing course at Hellesdon. The Hellesdon site has the potential to deliver over a 1,000 residential units, on a major transport corridor and which is situated in a sustainable location.

The Hellesdon site, therefore, needs to generate sufficient capital to fund the relocation of the golf club, the qualitative and quantitative improvements required at Weston and to pay for initial development of the infrastructure to open up and service the Hellesdon site, in particular the highway works. We understand there are highway issues in terms of capacity and congestion. We would look to resolve this by providing major improvements

to the local highway network and would seek to create a bus priority system and cycleways along Drayton High Road. The costs of these off site works are significant. However, the benefits to the local area will be substantial and tackling congestion on Drayton High Road will help reduce emissions and encourage people to use more sustainable forms of transport. This would also be complementary to the provision of the Northern Distributor Road.

We believe that the two schemes provide benefits that justify the development of each site. However, by factoring in additional costs for on-site renewable energy generation and by providing a 'front loaded' skew on affordable housing delivery, the viability of the scheme could be questioned. We do not believe the delivery of the affordable housing and renewable energy should be disregarded, simply that there is the flexibility incorporated into the Core Strategy that allows the policy requirements to be considered against the wider benefits being offered by a development.

Endurance Estates believes that in the current economic climate it is better to achieve a high quality development by increasing the flexibility and ability to manage policy requirements so as to enable some beneficial development to be delivered. We therefore call on the Inspector to increase the flexibility contained within the policies of the Core Strategy in the interests of securing the much needed development and investment that will help to provide new homes, provide enhanced local facilities and help to stimulate economic growth and local employment.

We hope this letter provides you with sufficient information for the Inspector to consider our concerns. However, should you require any further information then please do not hesitate to contact Ben Hooton on 01223 873750 or at ben.hooton@endurance-estates.co.uk

Yours sincerely

A solid black rectangular box used to redact the signature of Ben Hooton.

Ben Hooton
Planning Director - Endurance Estates