



# **Norwich Growth Area – Infrastructure Need and Funding Study**

## **Executive Summary**

**December 2007**



# EXECUTIVE SUMMARY

## Introduction

- 1.1. In April 2007 the EDAW team (EDAW and Peter Brett Associates) were commissioned to undertake an Infrastructure Needs and Funding Study on behalf of the Greater Norwich Development Partnership (GNDP). The GNDP brings together Norwich City Council, Broadland District Council, South Norfolk District Council, and Norfolk County Council. The Broads Authority and the East of England Development Agency also provide support to the Partnership and GO-East act as advisors.
- 1.2. The objective of the study was to identify the infrastructure required to facilitate growth in the area as set out in the draft East of England Plan (RSS14). There is no commitment to a particular spatial development pattern at present to accommodate this growth and it is envisaged that this study, along with others commissioned as a result of the designation of Norwich as a New Growth Point, will help inform potential development patterns. Therefore, the study assesses social and physical infrastructure in a sufficiently generic way that can be adapted to apply to any relevant development, residential or commercial, above a certain threshold.
- 1.3. In order to apply the study to a real situation, two growth scenarios have been put forward by the GNDP. It should be noted that the use of these scenarios was solely for the purpose of adding value to the study and do not imply a policy commitment by any of the Local Planning Authorities to this pattern of development.

## Growth Scenario One

- 1.4. Assumes the following broad pattern of development to 2021:
  - A major development of around 7,500 dwellings in the form of an Urban Extension to the north east of Norwich in Broadland. For the purposes of the study, the development is assumed to be bounded to the east by the railway line to Wroxham and to the west by North Walsham Road; and, an extension to Wymondham in South Norfolk, consisting of 3,500 dwellings.

## Growth Scenario Two

- 1.5. Assumes the following broad pattern of development to 2021:
  - A new village of 10,000 dwellings to the west of Stoke Holy Cross and north east of Mulbarton in the South Norfolk District.

1.6. Understanding the size and characteristic of the future population is fundamental to understanding the likely future demand for infrastructure in these growth areas. Population forecasts for the Norwich Policy Area have been generated from Chelmer model outputs provided by Anglia Ruskin University. The consultant team worked with the NCC demographers who agreed that the Chelmer outputs are the most accurate way of forecasting population projections within the NPA as they encompass population, households and dwellings and are consistent with the dwelling requirements as set out in the RSS.

#### **Infrastructure Requirements**

1.7. The study identifies what of the following types of infrastructure are required to facilitate the two growth scenarios:

- Social Infrastructure, including education, health and community facilities;
- Transport Infrastructure;
- Economic Infrastructure;
- Utilities Infrastructure.

1.8. The study uses the EDAW Social Infrastructure Framework Model (EDAW SIF Model) to calculate the emerging demands for a range of social infrastructure types. The conclusions reached are based on two stages of analysis. The first stage makes use of the EDAW SIF Model and identifies the net additional demand for each social infrastructure type at 2021 and 2031 based purely on supply versus demand at the district level. The second stage of analysis takes the outputs of the EDAW SIF Model and tests the likely demand for social infrastructure based on local sensitivity.

1.9. For each of the two growth scenarios significant amounts new social infrastructure are required, however the requirement for new education provision appears less than might be expected. Norwich Education Authority are reviewing the Chelmer population projections and comparing them with their own pupil forecasts to ensure an accurate infrastructure demand is identified.

1.10. Testing of the strategic transport implications of the two Growth Scenarios indicated that the level of growth planned for the Norwich area will place considerable pressure on the transport infrastructure within this area. Consequently, it is essential that appropriate transport improvements are introduced in order to ensure that the level of housing and employment planned for the area can be accommodated without having an unacceptable impact on highway safety and capacity.

- 1.11. These works include significant highways and junction upgrades as well as enhanced public transport networks and improved park and ride schemes. In order to sustain the level of growth planned for the Norwich area it is clear that a significant change in travel patterns will also need to occur, not just for the new residential population and employment workforce, but also for the existing residents of Norwich, Broadland and South Norfolk.
- 1.12. The level of growth planned for the Norwich area will also place considerable pressure on the utilities infrastructure within the NPA. Through direct liaison with the Utilities Companies, or through a review of detailed studies where applicable capacity issues and infrastructure improvement requirements were identified. The two most significant and urgent issues to be addressed relate to clean water provision in Norwich City Centre and Gas and Electricity supply to some of the key employment growth locations in particular Broadland business park and the Airport. Scenario one requires the least investment in utilities infrastructure because of the development's proximity to existing infrastructure networks. Scenario two requires significantly more investment in infrastructure, particularly clean and waste water, and would take longer to provide.
- 1.13. All infrastructure will require some form of improvement or upgrading during the growth period. When considering upgrades, utilities providers should consider growth post 2021 and plan accordingly
- 1.14. Economic and Employment Growth in the Norwich Policy Area are key policy objectives of each of the organisations represented on the Greater Norwich Development Partnership (GNPD). Achieving the jobs growth targets set out in the Regional Spatial Strategy for the East of England is critical to the wider sustainable development objectives of growth.
- 1.15. The study makes an assessment of the hard and soft economic infrastructure requirements in the NPA and identifies that a proactive approach is needed to ensure that the required amount and quality of infrastructure is developed. The Partnership's approach of prioritising and supporting the development of sites which have already been subject to a significant amount of feasibility work is sensible but ensuring that constraints to sites required in the medium to longer term are addressed now is essential. In particular there are several key designated employment sites which need assistance in providing infrastructure. Furthermore, to facilitate employment growth new developments will also be required in urban fringe locations close to the new growth areas. A fundamental element of a successful Inward Investment strategy will be ensuring that there is a pipeline of development sites to deliver future employment growth beyond 2021.

1.16. The study also identifies that soft economic infrastructure provision is required in terms of labour force development and enhanced Inward Investment activities. The success to date of the Norwich Economy Round Table should be built upon and its economic leadership role strengthened.

#### **Housing Trajectories**

1.17. The study identifies and sets out accurate housing trajectories for each of the growth scenarios. Each housing trajectory shows Plan, Monitor and Manage lines, as well as total past and projected completions by year. The total completions have been calculated from Past Completions, Existing Commitments, Urban Capacity and Other Strategic Sites and the Growth Scenarios. The housing trajectory enables a full assessment of the likely phasing of infrastructure requirements, any pinch-points in infrastructure provision and lead in times for project build out can be identified and form the basis of an infrastructure delivery programme.

#### **Delivering Infrastructure for Growth**

1.18. The successful delivery of the infrastructure required to reach growth targets is dependent on the creation of a robust development framework based on a strategic and inclusive process for planning and committing expenditure by all relevant public organisations and private investors.

1.19. The framework therefore needs to be based upon and include:

- An accurate housing growth trajectory;
- A cost plan of infrastructure required to deliver the policy-driven level of sustainable growth;
- A funding plan, including all public and private sector funding sources;
- A robust approach to capturing developer/landowner contributions;
- Organisational arrangements amongst the various Local and District Authorities and public sector agencies; and
- A detailed Business Plan/Prospectus setting out the strategic approach to financial planning to deliver a spatial plan for the Norwich Policy Area..

1.20. The study explored each of these issues and makes recommendations on how each of them can be taken forward.

- 1.21. The issue of developer contributions is one that is explored in some depth. As is widely known, a standard charge approach is being developed in Milton Keynes, Peterborough, Bedford and Ashford to capture increases in land value to contribute to the funding of the infrastructure to support growth. Each of the approaches being brought forward in these growth areas is based around a standard charge (principally attracting contributions from residential development), and a detailed business plan which identifies the medium to long-term infrastructure requirements. Associated funding requirements are 'cash flowed' against possible future public sector receipts and private land owner contributions.
- 1.22. It is important to recognise that this approach, which is compliant with the guidance in ODPM Circular 05/2005 'Planning Obligations', can help fund a fuller range of infrastructure elements than is currently required by the planning authorities within the Norwich Policy Area. Clearly, taking this forward will require cognisance to GNDPs emerging proposals on the community infrastructure charge.

#### **Coordination and Management**

- 1.23. The scale of growth planned for the NPA will generate a series of complex organisational challenges that the Local Authorities and infrastructure providers will need to address. Experience from other growth areas suggests that well developed and defined mechanisms for decision making and delivery are critical in demonstrating to DCLG that the growth targets can be met and therefore justify growth area funding.
- 1.24. An initial assessment identified that there are a series of tasks and activities that need to be undertaken as a matter of urgency directly related to the growth areas. Given the current uncertainties created by the boundary commission review and unitary status there is a need to develop an approach to these tasks that works within the current organisational and political parameters.
- 1.25. The study recommends an improved and expanded Programme Implementation Unit (PIU). The unit could be developed in such a way that it becomes a recognised growth delivery unit headed up by a Director level officer with sufficient resources to undertake the majority of tasks and activities identified above but in particular:
- Management and Coordination of the growth infrastructure model;
  - Maintaining day to day contact with the individual growth area project leads;
  - Coordinating the overall delivery of the infrastructure programme and seeking agreement with the key infrastructure delivery agencies.

- Activities to maintain the sub regional approach to delivery by the individual authorities
- Servicing the GNDP Policy Board and Directors Group as appropriate;
- Inputs into the Core Spatial Strategy.

1.26. In summary, this approach to organisational delivery builds on existing strengths and puts in place a structure that can promote a suitable focus for spatial planning and delivery in the short term. Clearly, once the results of the boundary commission reviews and unitary status are known an alternative delivery structure could emerge.