

EAST OF ENGLAND RSS REVIEW TO 2031: SCENARIOS FOR HOUSING AND ECONOMIC GROWTH - RESPONSE BY CPRE NORFOLK

INTRODUCTION

CPRE East of England has made a wide-ranging response to the RSS Review. It deals comprehensively with the over-arching topics affecting the Region Plan, and then responds to Questions 1 to 8 (see Addendum for topic content).

CPRE Norfolk fully supports the CPRE region response. We also respond below to questions 1-8. We live in a diverse region, and based on our experience in the county, give a Norfolk perspective. In addition, the very useful information provided in the three Norfolk Sub-area Profiles is threaded through our comments. Some key issues, such as the provision of affordable housing and the requirements of the local economy, are illuminated by the information provided in the Profiles.

RESPONSE TO QUESTIONS

QUESTION 1. *Do you think we've chosen the right growth scenarios to consider? If not, what other scenarios should we consider and why?*

A number of the assumptions built into the RSS for housing, jobs and hard and soft infrastructure were either doubtful or highly optimistic even in the boom period 2001-08, which led up to the adoption of the East of England Plan in May 2008. The continuation of the RSS levels of housing and economic growth, the 'roll-over' Scenario 1, represents the lowest level of growth now selected for the Review.

It is clear that the impact of the recession is going to be severe for at least the period 2008 to 2011, and recovery from then on is likely to be slow, and will continue to be so for some years to come. The problems are much more deep-seated than getting back to the 2007 economic assumptions, policies and performance. The reliance on housing growth, fuelled by heavy lending, as a major plank in the economy is just not sustainable in any sense of the word.

Within this the delivery of affordable housing has relied heavily on rising land and house prices and the planning gain approach. This has been an abysmal failure even in the 2001-2008 boom period, and is destined for collapse without some strong intervention. New thinking and policies are crucial to the provision of affordable housing for local people; and more widely, a new attitude on housing as a place to live, rather than an overdue reliance as an investment for the individual and central to a 'boom' economy, both funded by high levels of personal debt.

There is a pressing need to re-consider growth scenarios in relation to the feasibility of housing and affordable housing annual build rates, job generation, transport infrastructure, utilities infrastructure and education and health infrastructure; and the timescales for the provision and delivery of these in an integrated way. There is a clear necessity to include another scenario with significantly lower levels of growth than the RSS roll-over (see response to Q 2). It makes no sense to compare four scenarios while excluding much the most likely on grounds of necessity and realistic choice. Further, it is inherent in the SEA to examine all 'appropriate' scenarios.

QUESTION 2. *Do you have any comments on the four growth scenarios?*

Scenario 1

CPRE Norfolk considers the continuation of planned levels of growth in the RSS is much too high for county. Construction is at a stand-still. The Plan job numbers are now very doubtful, there is a body of evidence that the 'roll over' RSS rate of growth would generate unacceptable impacts on natural resources (land, water, minerals); and evident from the start, a major adverse impact on the character of the countryside.

Even if housing provision were to be partially achieved, there would be a deficiency of infrastructure, or at best a mis-match in the timing of the delivery. For Norfolk this is not just a matter of hard infrastructure. Education and training resource to improve skills level and opportunities are essential to the county. A disproportionate level of in-migration results in an aging population already higher than the national average. Delivery of affordable housing is crucial to serve the needs of local people, in town and country. These all compete for central Government funding.

The Greater Norwich Development Partnership places an unjustified emphasis on road schemes, in particular the Norwich Northern Distributor Road, but there is a pressing need for improvement in public transport systems to serve the Norwich Area and reduce car usage, for even modest levels of growth. Basic utilities such as waste water treatment will require major investment, with timescales running to 2020.

To go forward with an excess of allocated sites, as the GNDP propose, would see an outcome of unbalanced growth, developer and housing led on 'cherry-picked' sites.

Scenario 2

The Regional Scale Settlement Strategy included the Norwich area as continuing with a very high growth rate beyond 2031. We reject the whole concept of the study for 'competing' regional cities; and the general subservience to the London economy, with its constant outflow of 'over-spill' people, and poor record of self-containment.

The proposed levels of growth for Norwich will utterly destroy the character of the city and its surrounding countryside, and indeed blight much of Norfolk as a whole. The argument for growth through job expansion was heavily dependent on continuing growth in two dominant areas; finance and retail. Finance in particular is vulnerable with the fall-out from the recession; and the clear trend both for centralisation and the 'de-manning' of the operations. Retail is not far behind on both these factors.

Scenario 3

The same points apply as in the first two scenarios. We add that the key need in Norfolk is less the increase in number of new jobs, but a re-structuring of the Norfolk economy to a greater proportion of the whole being highly skilled and well paid jobs. Otherwise we further embed the lack of opportunity, too much reliance on jobs in tourism, and the service and care industries. In turn this further inflates the need for affordable housing. Even without the continuation of this trend, there is a need for a much higher provision of affordable housing from a lower overall housing provision.

Scenario 4

This is a scenario for environmental and social vandalism in the three sub-areas, as we set out below. We deal with it in some detail as it would accelerate existing structural social and economic fault lines in the county, as well as despoil fine countryside.

The North Sub-Area Profile: Breckland, Kings Lynn West Norfolk, North Norfolk

For the North sub-area Scenario 4 would inflate the housing figures from Scenarios 1, 2 and 3 from 34,000 new dwellings to 54,000 new dwellings for the period 2011-2031. This breaks out at a 'lift' of 7,170 dwellings for Breckland, 7,880 for Kings Lynn & West Norfolk and 4,950 for North Norfolk.

The average annual build rate for the three would increase from 1,700dpa to 2,700dpa. Given the high demand originating from the London area for in-migration and second homes, the proposed levels could well be achieved even in recession. But 'viability' and the small size of plots would mean that the pathetic 'cut' for affordable housing (7%) would further reduce. The resulting net increase (28%) in population would be 105,000, made up of a **decrease** of 21,000 due to natural change (more deaths than births) and an increase of 127,000 due to people moving into the area.

We should be looking for a 1:1 ratio for new houses to new jobs in county and region. But even Scenario 1 sees the ratio of new houses to new jobs running a 2.5:1 for Breckland, 2.4:1 for KLWN, and 2.0:1 for North Norfolk. The additional 59% housing influx proposed by Scenario 4 would be for retired people and second homes. The additional jobs would be few and in the main part-time in house cleaning, gardening and care for the elderly. This further pushes the range of job opportunities in the wrong direction, and badly fails community needs. It is the serf economy.

The Deprivation Index for 2007 (1 the most deprived) for the East of England region (out of 48) are KLWN 12th, North Norfolk 14th and Breckland 19th.

The Great Yarmouth and Waveney Sub-Area Profile

There are similar trends in Great Yarmouth and Waveney. Scenario 4 envisages 28,000 new dwellings for 2011-2031, rather than 11,420; the increase of 16,580 dwellings represents 145% over Scenario 1. The population would increase by 50,000 (24%) compared to that at 2006. The increase comes from a **decrease** of 6,000 by natural change and 57,000 by people moving into the area. Given the nature of the problems in the sub-area and lower market demand, it is less likely that these levels of building could be delivered in practice than that proposed for the 'North'.

Great Yarmouth is rated at 1 in the Deprivation Index, the most deprived area in the region, and Waveney ranked 8th. The track record for delivery of affordable housing is as bad as that in the rural areas of the 'North' (see response to Q 7).

The Greater Norwich Sub-Area Profile

With the growth point status of the Norwich Policy Area, the Greater Norwich sub-area has a more modest 'lift' in Scenario 4, with housing growth from 2001-2031

being 48,000 new dwellings, an increase of 4,620 (10.7%) over 43,380. It would see a population of 468,000 by 2031, with 100,000 more people than in 2006. This would arise by an increase of 20,000 by natural change, and 81,000 by in-migration. For the reasons pointed out above, we reject the Scenario 1 'roll over' growth levels, and a further increase from Scenario 4 is totally out of the question.

Norwich is ranked 2nd in the deprivation index for the region (62nd in England), while Broadland and South Norfolk are ranked 38th and 34th out of the 48 districts in the East of England region.

The information presented in the Sub-area Profiles provides further strong evidence that an additional scenario should have been presented, one that is below the lowest set out, Scenario 1.

QUESTION 3. *What is your preferred growth scenario and why?*

The preferred scenario for CPRE Norfolk is one which is significantly lower (see below) than Scenario 1, the RSS roll-over scenario for housing provision, and one that relates better to the provision of jobs, and hard and soft infrastructure. Scenario 1 looks for an annual target for 2001-2031 of 2,160 dwellings in the GNDP area, and 4,140 in Norfolk as a whole. Over the 20 year period this amounts to 43,380 dwellings in the GNDP and 83,000 in the county.

Recent annual average housing delivery rates in Norfolk for the economic growth period 2001-08 were 3,800 dwellings, and the longer term average is 3,500. These are well below the Scenario 1 and 2 requirement of 4,140dpa.

Given the outlook for the economy, an additional scenario is required with a delivery of 3,500dpa (the longer term average) as the **maximum** that could be achieved in the county. This comes with proviso of being coupled with the prospects for new jobs, and a timely delivery of infrastructure requirements. The affordable housing target in order to reflect need, and which must be delivered, would be about 40% of all housing provision; but this will require a massive funding from central Government, which then puts a very heavy burden on overall infrastructure delivery.

QUESTION 4. *Do you agree we have covered all the regional impacts of the four scenarios that have been identified? If not, what else should we have addressed?*

The four scenarios in varying degrees do not take a full account of social, economic and environmental issues across the region, and less so again at the local level. This is highlighted by the impact Scenario 4 would have on Norfolk, see in particular our response to Q 2. There is also a lack of realism in relating targets and objectives to what can be achieved. There needs to be some challenging reality checks in the process through a rigorous adoption of the plan, monitor and manage approach.

QUESTION 5. *Do you agree the vision and objectives of the current Plan remain suitable for the revised Plan? If not, what changes would you make and why?*

We make some proposals for changes which reflect our experience in Norfolk.

Overall Spatial Vision

We are supportive, with the exception of '*realising its economic potential*'. We suggest this should be replaced by:

'achieving a sound and broad-based economy at region and local level'

Our reasons are that it better reflects that a growth driven economy should not continue to be seen as over-riding all other considerations, which has been imposed and acted upon in recent years; and makes the point that the 'local owned' economy is important to the range and quality of jobs and opportunities, and the length of time expenditure is held in circulation locally.

Objectives

(i) Climate change, 4th bullet point, an addition:
'reducing the risk of adverse impact of flooding and coastal erosion to people, property and wildlife habitats'.

Coastal erosion is a major problem for Norfolk, Suffolk and Essex.

(ii) Housing:

1st bullet point: change to securing a sustainable delivery of additional housing, focussed in the Key Centres for Development and Change.

Seeking a 'step change' is not viable, and should not be taken without due weight being given to what is required to support the housing.

2nd bullet point: give the required priority to meet identified need to the provision of affordable housing.

'Giving priority' has been a classic example of the divergence of policy and outcome.

(iii) Economic Potential (nb note the comment on Vision)

3rd bullet point: delete, and replace with: Maintaining and strengthening the local rural economy across the region.

This better reflects the need of the county than the London connection it replaces.

4th bullet point: an addition: ensuring adequate and sustainable transport provision, in line with climate change imperatives.

To seek a less roads orientated strategy around Norwich, in particular the NDR.

(iv) To improve the quality of life for the region's people.

3rd bullet point on cultural diversity is not best promoted by the planning system and could be deleted; in any case there is a need in this section for an addition:

Maintaining the character, tranquillity and local distinctiveness of landscapes and habitats in all parts of the region.

(v) To improve and conserve the region's environment by:

2nd bullet point: a rewrite: re-using previously developed land and phase new development to minimise the use of greenfield land

4th bullet point: delete, and replace with: Support productive and environmentally conscious farming, local foods, and access to the wider countryside.

In the interests of food security, the local economy, and less extensive use of fossil fuels; a re-connection of people with, and enjoyment of, the countryside.

QUESTION 6. Do you have any evidence that policies other than those identified need to be updated or created?

The suggestions listed in Q 5 above would require changes in a number of policies. What is vital for all policies is their realism and deliverability.

The over-arching new policy on climate change needs to link to objectives, for example effecting a major shift in travel away from the use of the car, the value of productive and energy efficient farming, and lowering of 'food miles' in retail.

QUESTION 7. Do you have any comments on the sub-area profiles?

We have commented on the sub-area profiles in Q 2. We do this as we consider it important that a 'bottom-up' approach to the scenarios complements the overall 'top-down' approach. Clearly they also illuminate some major differences between policy and delivery, especially in the provision of affordable housing, which we discuss now.

Affordable Housing Provision in the Norfolk Sub-Areas

We make comment on the three Norfolk sub-areas in the crucial area of affordable housing for local people, cited by Government at all levels for the need of a 'step change' in housing provision. A target that **'some 35%'** of all housing completions be 'affordable' can be justified on need, but will remain wildly unrealistic without fundamental changes in the approach to the housing market and the provision of housing, and how the affordable element is financed.

If we consider the economic growth years of 2001-08, the average annual delivery of affordable housing in the Greater Norwich area was **22%** of all completions (Norwich 28%, some higher level of direct central Government intervention?), South Norfolk was 18% and Broadland 15%).

For the North Sub-area the delivery of affordable housing as a proportion of all housing was **7%**, with a peak of 12% in 2007-08. Yarmouth and Waveney achieved **6%** in this period, with a peak of 7% in the final year.

This is a graphic illustration of the failure of an undue reliance on increasing land and house prices as a mechanism to subsidise an affordable 'cut' from new housing completions. The failure of system is most apparent in the more rural and deprived urban centres. But still it is seriously misleading for the GNDP to continue with Core Strategy consultations with a strapline of 'Jobs, homes, prosperity for local people'.

There is a clear need for an additional scenario with lower growth rate of housing provision, but within that a significant increase in the provision of affordable houses.

QUESTION 8. *Do you have any comments on the Integrated Sustainability Appraisal. Is there any further information that should be taken into account?*

As indicated above, there is a need to incorporate an informed approach to the delivery of various types on infrastructure as regards cost and timescale to delivery, and the linkages and interdependencies in achieving a level of growth in the region. This also has to take account of impacts on the natural environment.

There is a need for a yet more thorough and long term approach to water resource and usage. This is most acute when usage level is at its peak, in the summer months. It arises then from an increased per capita consumption, the increased 'population' from tourism, and the main use period for agricultural irrigation. This coincides with the aquifer levels at minimum, perhaps zero, replenishment. The natural environment and the needs of agriculture, both under climate change pressure, must not suffer.

The region consumption for domestic use remains stubbornly high at an average level of 156 litres per head per day. The Environment Agency seeks a reduction to 110-120 litres per head per day, with those in new build reducing by 25% and in existing dwellings by 8%. Again it is clear that we will have a divergence of intent with delivery. The majority of the EU designated sites in Norfolk are water dependent; the county is important nationally for the production of arable crops and vegetables. It is not feasible to augment the 'home' source in the aquifers by import by pipeline from wetter regions. The costs and likely increasing scarcity and uncertainty of fossil fuel supplies make this a non-starter; and if it were possible, the bill in terms of carbon dioxide emissions would be huge.

CPRE NORFOLK, November 2009.

ADDENDUM: TOPIC CONTENT OF CPRE EAST of ENGLAND RESPONSE.

• OVER ARCHING TOPICS

Providing for the appropriate levels of growth. Plan, monitor, manage. New settlements and strategic urban extensions. Green Belt.

Housing and employment alignment. Transport. Affordable housing. Development in rural areas. Regeneration and previously-developed land.

Landscape and tranquillity. Agricultural land. Water. Renewable energy. Climate change. Waste. Strategic planning for the Region.

• RESPONSES TO QUESTIONS 1-8 POSED BY EERA.