

Darlington Local Plan Town Hall Darlington DL1 5QT

SENT BY EMAIL planning.policy@darlington.gov.uk 16/09/2020

Dear Sir / Madam,

# DARLINGTON BOROUGH DRAFT LOCAL PLAN: PROPOSED SUBMISSION LOCAL PLAN (REGULATION 19) CONSULTATION

Thank you for consulting with the Home Builders Federation on the Darlington Draft Local Plan Proposed Submission Local Plan (Regulation 19) Consultation.

The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing.

The HBF would like to submit the following representations to the above-mentioned consultation and in due course attend Examination Hearing Sessions to discuss matters in greater detail

#### **Specific Aims and Objectives**

The HBF is generally supportive of having a specific aim to meet housing needs and aspirations of those living and working in the borough. The HBF also generally support the objective to achieve and maintain a five-year supply of housing land, and to have a portfolio of sites.

#### **Plan Period**

The plan period is identified as 2016 to 2036, NPPF¹ looks for Plans to have a 15-year period from adoption. As the examination is expected to take place in 2021 it seems unlikely that the Plan will be adopted in 2021. Therefore, the HBF consider that it may be beneficial to take a cautious approach and to extend the Plan period.

# **Policy H1: Housing Requirement**

Proposed policy H1 is not considered to be sound as it is not positively prepared, justified, effective or consistent with national policy for the following reasons:

<sup>&</sup>lt;sup>1</sup> Paragraph 22 of NPPF 2019

This policy states that 'housing will be delivered to meet a minimum requirement of 422 net additional dwellings per annum over the plan period from 2016 to 2036'. However, it goes on to state the Council also has a 'Local Plan housing target of 492 net additional dwellings per annum over the plan period from 2016 to 2036' and that 'the above approach has been taken to provide a housing requirement range rather than a single figure' and that 'the housing target is not a restrictive maximum figure'.

The HBF consider that this policy is unclear and ambiguous and therefore contrary to the NPPF<sup>2</sup>. The HBF do not consider that a range is appropriate, the HBF are concerned that the top figure could be seen as maximum, even with text to state it is not, and could limit the development of homes. The HBF do not consider that this is line with national policy which looks to support the Government's objective of significantly boosting the supply of homes.

The HBF have considered the local housing need (LHN) using the Standard Methodology set out in Planning Practice Guidance (PPG), using the most up to date information it can be calculated as follows:

# Step 1 - Setting the baseline:

2014-based household projections in England average annual household growth over a 10-year period, with the current year being used as the starting point. The household projection for 2020 is 47,984 and in 2030 it is 49,541, therefore the growth equals 1,557, giving an average of 155.7 dwellings per annum (dpa).

## Step 2 - An adjustment to take account of affordability:

The most recent median workplace-based affordability ratio for Darlington (2019) is 5.00.

Where an adjustment is to be made, the formula is:

$$Adjustment\ factor = \left(\frac{Local\ affordability\ ratio\ -4}{4}\right)x\ 0.25 + 1$$

For Darlington this would be: Adjustment Factor =  $(((5-4)/4) \times 0.25) + 1 = 1.0625$ 

Minimum annual local housing need figure = (adjustment factor) x projected household growth

For Darlington this would be: Minimum annual local housing need figure = 1.0625 x 155.7 = **165dpa**.

# Step 3 - Capping the level of any increase

The Darlington Core Strategy was adopted more than 5 years ago, therefore the local housing need figure is capped at 40% above whichever is the higher of: the projected household growth for the area over the 10 year period identified in step 1; or the average annual housing requirement figure set out in the most recently adopted strategic policies.

The Darlington Core Strategy has a housing requirement of about 350 new homes each year 2016-2021, 40% above 350 would be 490dpa. The capped figure is greater than the minimum annual local housing need figure and therefore does not limit the increase to the local authority's minimum annual housing need figure.

<sup>&</sup>lt;sup>2</sup> Paragraph 16 of the NPPF

It should be noted that the Standard Method identifies a minimum annual housing need figure, it does not produce a housing requirement figure. It should also be noted that the Government is committed to ensuring that more homes are built and supports ambitious authorities who want to plan for growth. The Standard Method provides a minimum starting point, and there may be circumstances where it is appropriate to consider whether the actual housing need is higher than the Standard Method indicates. PPG (ID: 2a-010) goes on to state that these circumstances can include growth strategies for the area; strategic infrastructure improvements; previous levels of delivery; or where previous assessments of need are significantly greater than the outcome from the Standard Method.

As set out above the standard methodology identifies an indicative housing figure of 165dpa as the minimum starting point for Darlington. The HBF are supportive of Darlington's decision to utilise a figure over and above this level to help support sustainable development, to boost housing supply and to support the economic prosperity of the area.

The SHMA Update 2017 identifies an OAN of 492 dwellings each year, this includes consideration of the demographic baseline, market signals, economic growth and the need for C2 accommodation. The HBF would therefore recommend that the Council amend the housing requirement just to reflect the OAN rather than introducing a second lower figure.

It is noted that the 'Changes to the current planning system' (August 2020) document proposes changes to the standard method for assessing local housing need. These changes include consideration of the existing housing stock and an affordability adjustment that takes into account changes over time. This new method identifies an indicative housing figure of 253dpa for Darlington, again the consultation identifies that the standard method provides the starting point and not the final housing requirement.

Policy H1 goes on to state that 'at any point in the Local Plan period where there is no longer a demonstrable supply of sites to fully meet the five-year land requirement, sustainable housing sites located beyond development limits, that would both make a positive contribution to the five-year supply of housing land and be well related to the development limits of the main urban area or service villages (as defined in policy SH 1) will be supported. Such proposals should comprise of sustainable development and be consistent with relevant national and Local Plan policies'. The HBF support the need to take action where there is not a five-year housing land supply. However, whilst noting the addition of 'beyond development limits' the HBF would expect that regardless of supply the Council would be accepting of sites that are sustainable, consistent with relevant national and Local Plan policies and make a contribution to the five-year supply.

# **Policy H2: Housing Allocations**

Proposed policy H2 is not considered to be sound as it is not positively prepared, justified or consistent with national policy for the following reasons:

The HBF does not wish to comment upon the acceptability or otherwise of individual sites. It is, however, important that all the sites contained within the plan are deliverable over the plan period and planned to an appropriate strategy. The HBF would expect the spatial distribution of sites to follow a logical hierarchy, provide an appropriate development pattern and support sustainable development within all market areas.

The Council's assumptions on sites in relation to delivery and capacity should be realistic based on evidence supported by the parties responsible for housing delivery and sense checked by the Council based on local knowledge and historical empirical data.

The policy should ensure that there is a sufficient supply of deliverable and developable land to deliver the Borough's housing requirement. The housing land supply should meet the housing requirement, ensure the maintenance of a 5-year housing land supply and achieve Housing Delivery Test (HDT) performance measurements. The HBF consider the supply should include a short and long-term supply of sites by the identification of both strategic and non-strategic allocations for residential development, this would be in line with the NPPF<sup>3</sup> which requires local planning authorities to identify through the development plan and brownfield registers, land to accommodate at least 10% of their housing requirement on sites no larger than one hectare (unless it can be shown that there are strong reasons why this 10% target cannot be achieved). Housing delivery is optimised where a wide mix of sites is provided therefore strategic sites should be complimented by smaller non-strategic sites. The widest possible range of sites by both size and market location are required so that small, medium and large housebuilding companies have access to suitable land to offer the widest possible range of products. A diversified portfolio of housing sites offers the widest possible range of products to households to access different types of dwellings to meet their housing needs. Housing delivery is maximised where a wide mix of sites provides choice for consumers, allows places to grow in sustainable ways and creates opportunities to diversify the construction sector.

It is important that the plan should seek not only to provide sufficient development opportunities to meet the housing requirement but also to provide a buffer over and above this requirement. The reasons for the inclusion of such a buffer are two-fold. Firstly, the NPPF is clear that plans should be positively prepared, aspirational and significantly boost housing supply. In this regard the housing requirements set within the plan should be viewed as a minimum requirement, this interpretation is consistent with numerous inspectors' decisions following local plan examination. Therefore, if the plan is to achieve its housing requirement as a minimum, it stands to reason that additional sites are required to enable the plan requirements to be surpassed. Secondly, to provide flexibility. A buffer of sites will therefore provide greater opportunities for the plan to deliver its housing requirement. The HBF recommend a 20% buffer of sites be included within the plan.

Under Policy H2, there will be housing land supply for 6,709 dwellings, the justification also identifies commitments for 3,953 dwellings, Appendix A identifies 1,266 completions between 2017-2019, giving a total of 11,928 dwellings. Appendix A identifies a total housing provision of 11,540 dwellings as part of the trajectory, so it is assumed the previous figures include some double counting. However, assuming that these figures are correct the HBF generally support the Council in providing a buffer in terms of housing land supply, although this should be increased to 20%.

# **Policy H4: Housing Mix**

Proposed policy H4 is not considered to be sound as it is not positively prepared, justified or consistent with national policy for the following reasons:

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<sup>&</sup>lt;sup>3</sup> Paragraph 68 of NPPF

The HBF understands the need for a mix of house types, sizes and tenures and is generally supportive of providing a range and choice of homes to meet the needs of the local area. It is, however, important that any policy is workable and ensures that housing delivery will not be compromised or stalled due to overly prescriptive requirements or the need to provide significant amounts of additional evidence. The HBF would also highlight the need for creating a housing market that will attract investors to Darlington, and to provide an element of aspiration to ensure working people and families are retained within the area.

## Accessible and Adaptable Homes

Policy H4 then goes on to require 80% of all dwellings to meet M4(2) standards and 9% of market housing to meet M4(3) standards.

The HBF is generally supportive of providing quality living environments for residents both now and in the future. However, if the Council wishes to adopt the higher optional standards for accessible and adaptable homes the Council should only do so by applying the criteria set out in the PPG. It is incumbent on the Council to provide a local assessment evidencing the specific case for Darlington which justifies the inclusion of optional higher standards for accessible and adaptable homes in its Local Plan policy. PPG<sup>4</sup> identifies the type of evidence required to introduce such a policy, including the likely future need; the size, location, type and quality of dwellings needed; the accessibility and adaptability of the existing stock; how the needs vary across different housing tenures; and the overall viability.

Part 2 of the SHMA 2015 appears to provide the Council's evidence for this policy. Unfortunately, this evidence is severely lacking on the majority of these elements. This lack of evidence does question how the percentages identified in the policy were derived. Whilst the HBF does not dispute the ageing population or the presence of those entitled to claim PIP or DFG as identified by the SHMA, it is not clear how this evidence reflects in the need for 80% of all new homes to be provided at M4(2) standards. If it had been the Government's intention that generic statements identifying an ageing population or those claiming PIP justified adoption of the accessible & adaptable homes standards then the logical solution would have been to incorporate the M4(2) as mandatory via the Building Regulations which the Government has not done. The optional higher M4(2) standard should only be introduced on a "need to have" rather than a "nice to have" basis. Although there is evidence of an ageing population having regard to the PPG this does not amount to the justification required for the Council to include the optional standard on 90% of all new dwellings as specified in Policy H4.

No further information is provided in relation to the adaptability and accessibility of the existing stock, or the size, location, type and quality of dwellings needed based on future demand. The HBF may have expected to see information in relation to how the need is consistent across the Borough rather than in particular locations, whether there were any sizes or types of homes that were of particular need for example will it be single people, older couples or will it be family homes with facilities for older or disabled members. It is considered that the policy lacks finesse with no regard to the type or location of the housing being provided.

The SHMA also identifies that 3.3% of households have at least one wheelchair user using data taken from the CLG guide to available disability data. It goes on to note that rates are higher for those living in social housing and for older households. However, this is an England wide report,

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<sup>&</sup>lt;sup>4</sup> PPG ID 56-07

and again it could be queried why if this justification is sufficient Government had not introduced the standard as mandatory through the Building Regulation requirements. The HBF would conclude that this does not support the need for 10% of market housing and 10% of affordable housing to meet M4(3) standards.

PPG<sup>5</sup> also states that policies for wheelchair accessible homes should be applied only to those dwellings where the local authority is responsible for allocating or nominating a person to live in that dwelling. Therefore, there will need to be a clear policy for how the Council will work with developers and housing associations to deliver these homes. This will also need to give consideration to the significant additional costs associated with the provision of M4(3(2b)) dwellings.

The NPPF<sup>6</sup> establishes the importance of viability testing to ensure that policies do not undermine the deliverability of the plan. The Council will need to be mindful that it is unrealistic to negotiate every site on a one by one basis because the base-line aspiration of a policy or combination of policies is set too high as this will jeopardise future housing delivery. Paragraph 5.7.21 of the Viability Assessment suggests that the additional costs associated with providing the M4(2) and M4(3) standards had no material impact on viability. However, the HBF are concerned that the Viability Assessment shows that low value areas are not viable, and that there are marginal brownfield typologies in the medium and high value areas. The HBF consider that the cumulative impact of the requirement for M4(2) and M4(3) alongside other requirements will still play a part in the viability of development and should be considered as such.

The PPG<sup>7</sup> is clear that 'local Plan policies should also take into account site specific factors such as vulnerability to flooding, site topography, and other circumstances which may make a specific site less suitable for M4(2) and M4(3) compliant dwellings, particularly where step free access cannot be achieved or is not viable. Where step-free access is not viable, neither of the Optional Requirements in Part M should be applied'. This does not seem to have been taken into account within this policy.

The HBF does not consider that this policy is required, it is considered that local needs can be met without the introduction of the optional housing standards. However, if the Council wish to pursue this policy the HBF recommends the Council ensure that an appropriate evidence base, including full viability testing, is available to support this policy in line with that set out in the PPG, that each of the requirements for consideration as set out in the PPG are contained within the policy and that appropriate viability and feasibility clauses are provided. The HBF also recommend that a transitional period is included within the policy to allow for homebuilders to adjust to the new requirements.

#### **Policy H5: Affordable Housing**

Proposed policy H5 is not considered to be sound as it is not justified or consistent with national policy for the following reasons:

This policy will require the provision of affordable housing in residential schemes of 10 or more dwellings, there is a range of requirements from 10% to 30% dependent on ward. The policy goes

<sup>6</sup> Paragraph 34 of the NPPF

<sup>7</sup> PPG ID: 56-008

<sup>&</sup>lt;sup>5</sup> PPG ID: 56-009

on to suggest that affordable housing provision should provide 50% affordable rent and 50% as other affordable products.

The Strategic Housing Market Assessment (SHMA) 2015 identified an affordable housing need of 160dpa, it does not appear to have identified the tenure of affordable homes that would be required or have recommended an appropriate split.

Paragraph 6.5.4 of the Local Plan suggests that the tenure split have been derived from the SHMA and Viability Assessment. The Viability Assessment does appear to have used the 50:50 tenure split as part of their base appraisal, it does not appear to have tested any alternative scenarios in relation to the tenure, and therefore it is not entirely clear why this split has been chosen or whether it is the most appropriate in terms of need or viability.

The NPPF states that where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership. This suggests that if 100 homes were to be built, based on this policy 10 of those homes should be available for affordable home ownership. Based on Policy H5:

• In Bank Top and Lascelles, Northgate, Park East, Stephenson - 10% of homes should be affordable, of which 50% should be for affordable rent and 50% should be for other affordable products, therefore if 100 homes were to be built 10 of them would be affordable and 5 of those would be for other affordable products including affordable home ownership.

Therefore, the HBF do not consider that the policy is consistent with national policy. The tenure split set out in the policy should be amended and should ensure that the requirements of the NPPF for 10% of homes to be for affordable home ownership are incorporated. In some areas this may mean all the homes provided are for affordable home ownership.

The HBF supports the need to address the affordable housing requirements of the borough. The NPPF is, however, clear that the derivation of affordable housing policies must not only take account of need but also viability, this is set out in Paragraph 34 which states that such policies should not undermine the deliverability of the plan. The viability assessment clearly concludes that in the low value areas schemes are unable to contribute to either S106 or have any affordable housing, and that some of the medium value areas are marginal.

The Council should be mindful that it is unrealistic to negotiate every site on a one by one basis because the base-line aspiration of a policy or combination of policies is set too high as this will jeopardise future housing delivery. Therefore, site by site negotiations on these sites should occur occasionally rather than routinely.

## Policy IN 4: Parking Provision including Electric Vehicle Charging

Proposed policy IN4 is not considered to be sound as it is not justified or consistent with national policy for the following reasons:

This policy states that 'every new residential property which has a garage or dedicated marked out residential car parking space within its curtilage should include an electrical socket suitable for charging electric vehicles. An exemption would be made for residential apartments and residential care homes with communal parking areas'.

The HBF is supportive of encouragement for the use of electric and hybrid vehicles via a national standardised approach implemented through the Building Regulations to ensure a consistent

approach to future proofing the housing stock. The Department for Transport held (ended on 7th October 2019) a consultation on Electric Vehicle Charging in Residential & Non-Residential Buildings, this consultation set out the Government's preferred option to introduce a new functional requirement under Schedule 1 to the Building Regulations 2010. The inclusion of EVCP requirements within the Building Regulations 2010 will introduce a standardised consistent approach to EVCP in new buildings across the country. The requirements proposed apply to car parking spaces in or adjacent to buildings and the intention is for there to be one charge point per dwelling. It is proposed that EVCPs must be at least Mode 3 or equivalent with a minimum power rating output of 7kW (expected increases in battery sizes and technology developments may make charge points less than 7kW obsolete for future car models, 7kW is considered a sufficiently futureproofed standard for home charging) fitted with a universal socket to charge all types of electric vehicle currently on the market and meet relevant safety requirements. All charge points installed under the Building Regulations should be un-tethered and the location must comply with the Equality Act 2010 and the accessibility requirements set out in the Building Regulations Part M. The Government has estimated installation of such charging points add on an additional cost of approximately £976.

The Government has also recognised the possible impact on housing supply, where the requirements are not technically feasible. The Government's consultation proposed introducing exemptions for such developments. The costs of installing the cables and the charge point hardware will vary considerably based on site-specific conditions in relation to the local grid. The introduction of EVCPs in new buildings will impact on the electricity demand from these buildings especially for multi-dwelling buildings. A requirement for large numbers of EVCPs will require a larger connection to the development and will introduce a power supply requirement, which may otherwise not be needed. The level of upgrade needed is dependent on the capacity available in the local network resulting in additional costs in relation to charge point instalment. The Government recognises that the cost of installing charge points will be higher in areas where significant electrical capacity reinforcements are needed. In certain cases, the need to install charge points could necessitate significant grid upgrades which will be costly for the developer. Some costs would also fall on the distribution network operator. Any potential negative impact on housing supply should be mitigated with an appropriate exemption from the charge point installation requirement based on the grid connection cost.

Therefore, the HBF consider that this policy should be deleted as it will be unnecessary and a repetition of building regulations. However, if the policy is to be retained, the HBF consider that the Council will need to consider the viability of the policy and consider potential exemptions to the requirement.

# **Monitoring Framework**

The HBF consider that the monitoring framework could be improved by incorporating trigger points at which action will be taken, for example if the number of homes completed does not achieve 422 per annum, will any action be taken, how many years would the target have to be missed before action was taken. It may also be useful to consider what action would be taken, for example if a trigger and action were identified in relation to the number of homes granted permission this could mean that the Council could have addressed this issue through actions before it meant that homes were not delivered.

#### **Future Engagement**

I trust that the Council will find these comments useful as it continues to progress its Local Plan. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry.

The HBF would like to be kept informed of the publication of the Inspector's report and the adoption of the Local Plan and associated documents. Please use the contact details provided below for future correspondence.

Yours sincerely,

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