

## **Matter 4: Housing development**

*The Council's response to PQ24 proposes modifications to ensure that the various references to the number of dwellings expected to be built on land identified in the Plan are accurate and consistent.*

*The Council's response to PQ24 goes on to state that the housing trajectory will be updated at the end of the current financial year and that this information will be provided as soon as possible. Depending on the timing of this information, I may publish supplementary questions prior to the relevant hearing sessions to help me to consider whether main modifications need to be made to the Plan.*

### **Commitments**

*Table 6.4 in the Plan lists commitments, with total capacity for 3,953 dwellings, 2,652 of which remain to be completed between 2020 and 2036. The housing trajectory in Appendix A to the Plan sets out the number of dwellings that the Council expects to be built on each site each year between 2016 and 2036. The Council has proposed a modification to the trajectory in Appendix A to clarify the dates.*

### **Q4.1. Is there a reasonable prospect that a total of 2,652 dwellings will be built on the housing commitment sites listed in table 6.4 between 2020 and 2036?**

1. Table 6.4 of the Local Plan lists the housing commitments, the site size, the total number of dwellings and the remaining dwellings to be completed. It is assumed that where the total number of dwellings and remaining dwellings differ that the sites are under construction. The Plan provides very limited information in relation to the status of the other commitments; however, more information can be found in the Five Year Supply Position Statement (Jun 2020).
2. The PPG sets out how an authority can demonstrate there is a reasonable prospect that housing sites are developable, this includes evidence such as a written commitment or agreements that relevant funding is likely to come forward, written evidence of agreement between the local planning authority (LPA) and the site developer which confirms the developers delivery intentions and anticipated start and build-out rates, the likely build out rates based on sites with similar characteristics, and the current planning status.
3. The HBF does not wish to comment on the deliverability or developability of individual sites. However, the HBF would expect the Council to work closely with the developers of the sites set out in Table 6.4 to ensure that they have the necessary evidence as set out in the PPG to demonstrate their deliverability and developability and to ensure that these sites come forward as expected.

*The Council's response to PQ28 advises that a total of 2,102 dwellings are expected to be built on the housing commitments between 2020 and 2025. Of these, 1,262 are expected on sites of 10 or more dwellings with detailed planning permission and 840 are expected on sites of 10 or more dwellings with outline planning permission.*

*National policy advises that sites of 10 or more dwellings with detailed planning permission should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years. However, sites of 10 or more dwellings with outline planning permission should only be considered deliverable if there is clear evidence that completions will begin within five years. The Council's response to PQ29 summarises its evidence.*

**Q4.2. Is the assumption that a total of 2,102 dwellings will be built on the sites listed in table 6.4 between 2020 and 2025 justified? In particular, has the Council provided clear evidence for the assumption that 840 dwellings will be built on the sites of 10 or more dwellings with outline planning permission?**

4. In response to PQ28 the Council provides a table of sites and their expected completions in the period 2020/21 to 2024/25. It splits these sites into those with 10 or more dwellings with detailed planning permission, sites with 10 or more dwellings with outline permission and allocations without planning permissions.
5. The NPPF<sup>1</sup> defines a deliverable site, it states that to be considered deliverable sites for housing should be available now, offer a suitable location of development now, and be achievable with a realistic prospect that housing will be delivered on the site within 5 years. It goes on to state that where a site has outline planning permission for major development it should only be considered deliverable where there is clear evidence that housing completions will begin on site within 5 years. The PPG<sup>2</sup> sets out the type of evidence that could be used to demonstrate deliverability this includes current planning status, firm progress being made towards the submission of an application for example a written agreement between the LPA and the developer, firm progress with site assessment work, or clear relevant information about site viability, ownership constraints or infrastructure provision.
6. The HBF does not wish to comment on the deliverability of individual sites. However, the HBF would expect the Council to work closely with the developers of the sites set out in Table 6.4 to ensure that they have the necessary evidence as set out in the PPG to demonstrate their deliverability and to ensure that these sites come forward at the rates expected.
7. The Five Year Supply Position Statement (Jun 2020) provides more information than Table 6.4 of the Plan and sets out the five-year supply trajectory for 2021 to 2025, it identifies 2,837 dwellings being provided in that period. However, the trajectory in this document does not always appear to be in line with the numbers provided in response to PQ28. The HBF considers that it will be necessary for the Council to update their assumptions in relation to the delivery of the sites listed in Table 6.4.

**Total supply from housing allocations (policy 2)**

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<sup>1</sup> Annex 2

<sup>2</sup> PPG ID: 68-007-20190722

*Policy H2 table 6.3 lists 18 allocations with a total indicative yield of 12,254 dwellings, 6,709 of which are expected to be built by 2036. The housing trajectory in Appendix A to the Plan sets out the number of dwellings that the Council expects to be built on each site each year between 2020 and 2036.*

*The Council's response to PQ28 advises that a total of 735 dwellings are expected to be built on the housing allocations listed in policy H2 table 6.3 between 2020 and 2025. National policy advises that allocated sites without planning permission should only be considered deliverable if there is clear evidence that completions will begin within five years. The Council's response to PQ29 summarises its evidence.*

*The trajectories for some of the allocations are subject to specific questions above. The Council has proposed modifications to the trajectories and/or development requirements for a number of the other housing allocations. The following questions are intended to allow comments to be made about any of the other allocations not already addressed by specific questions, and for comments to be made about the overall supply from allocations both during the plan period and the five year period between 2020 and 2025.*

***Q4.14. Is the assumption that a total of 6,709 dwellings will be built on the allocated sites between 2020 and 2036 justified?***

8. The HBF does not wish to comment on the deliverability of individual sites. However, the HBF would continue to strongly recommend that the Council works closely with the land owners and developers of the individual allocations to ensure these sites are brought forward as expected.

***Q4.15. Has the Council provided clear evidence to demonstrate that a total of 735 dwellings will be built on the allocated sites without planning permission between 2020 and 2025?***

9. The Five Year Supply Position Statement (June 2020) provides more information in relation to the allocated sites. The HBF considers that in some cases the Council has not provided clear evidence to demonstrate that the allocations will be built between 2020 and 2025. The HBF considers it would have been beneficial to have provided further information and evidence in relation to some of the allocations, particularly where a developer is not identified, to ensure that the evidence is in line with the requirement of the PPG<sup>3</sup>. The HBF would strongly recommend that the Council works closely with developers of sites to ensure that their trajectory reflects the realities of the sites included in the supply.

**Windfalls**

*Paragraph 6.2.3 makes clear that the housing supply identified in the Plan does not include an allowance for windfalls on either small sites or on larger brownfield sites. The Council's Housing Topic Paper and response to PQ27 explain that this is to provide flexibility. The Council also advises that estimating future windfalls is difficult because a large proportion of development in recent years has been on windfall sites due to the age of the existing local plan. The response to PQ27 includes figures for completions on sites of fewer than 10*

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<sup>3</sup> PPG ID: 68-007-20190722

*dwellings each year between 2009 and 2020. There was a total of 403 such completions, which represents an annual average of 37 dwellings.*

*Various policies in the Plan, including H3, H6, H7 and H8, allow residential development on unallocated sites in certain locations provided that various criteria are met.*

**Q4.16. Is it reasonable to assume that, in addition to the supply identified in the Plan, around 600 dwellings are likely to be built on windfall sites during the Plan period? If so, is it necessary to modify the Plan to refer to such an assumption?**

10. The HBF considers that it is likely that windfall development will continue to occur once the Local Plan adopted. However, the HBF concurs with the Council that making an estimation of windfall development would be difficult due to the age of the existing housing policies and allocations. The NPPF<sup>4</sup> is clear that where an allowance is to be made for windfall sites there should be compelling evidence that they will provide a reliable source of supply. The Council are not able to do this. The Council's response to PQ27 identifies completions on developments of sites of less than 10 dwellings in lieu of windfall developments, this shows an average of 37 dpa over the period 2009/10 to 2019/20. Appendix A of the Local Plan sets out the Council's Housing Trajectory, this includes a small sites allowance of 25 dwellings each year.
11. The HBF does not consider it is necessary to modify the Plan to refer to the potential for windfall development, other than as is already done so in relation to the flexibility these sites may provide. This allows for the uncertainty in relation to the numbers of dwellings that these sites may provide. The HBF also considers this avoid any double counting that may come from having both a windfall allowance and a small sites allowance.

**Overall housing supply for the plan period (appendix A)**

*The preceding questions relate to different components of the housing land supply, including commitments, allocations, and windfalls. The responses to those do not need to be repeated. The following question is intended to help me to determine the overall housing land supply for the plan period.*

**Q4.17. Will the Plan be effective in ensuring that sufficient land will be available to allow at least 9,840 net additional dwellings to be completed in the Borough between 2016 and 2036?**

12. 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 that the Council's assumptions in relation to delivery and capacity are realistic and based on evidence supported by the parties responsible for housing delivery.
13. The Housing Trajectory within Appendix A of the Local Plan identifies 11,540 dwellings to be delivered within the Plan period, the HBF is generally supportive of the Council seeking to provide a buffer in terms of the housing land supply.

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<sup>4</sup> Paragraph 70 of the NPPF

**Five-year housing land requirement and supply (policy H1)**

*The preceding questions relate to different components of the housing land supply, including commitments, allocations, and windfalls. The responses to those do not need to be repeated. The following question is intended to help me to determine the total number of new homes that are likely to be built in the period 2020 to 2025, and whether the Plan will be effective in ensuring a five year supply of deliverable sites thereafter.*

*The Council's response to PQ22 proposes a main modification to paragraph 6.0.2 to clarify that a 5% buffer will be applied (rather than 10%) when calculating the five-year requirement.*

*The Council's response to PQ23 states that the Council intends to assess the five-year supply on the housing requirement of 422 dwellings per annum as this is the baseline and minimum housing need for the plan period. It considers that it would be unreasonable to assess the five-year supply on the housing target figure of 492 dwellings per year as the Council could be "penalised for its economic growth ambitions". The response also describes two different ways in which the five-year requirement could be calculated, and suggests that this could be clarified in the Plan (which would require a main modification).*

*National guidance advises that where strategic policy makers have successfully argued through plan making and examination for a requirement set out as a range, the five-year supply will be measured against the lower end of the range.*

**Q4.18. Would basing the five-year requirement on 422 dwellings per year be effective in helping to ensure that identified needs, and the target of 492 dwellings per year, can be met?**

14. As set out in relation to Matter 2 the HBF considers that the Council should amend the housing requirement to reflect the OAN of 492dpa rather than introducing the second lower figure of 422dpa. The HBF considers that this would provide clarity and ensure that there is an appropriate balance between the economy and homes in the area. The HBF does not consider that basing the five-year housing requirement on the 422dpa would be effective in helping to ensure that the identified needs are met or that the target of 492dpa would be met.

**Q4.19. Is the Council's proposed modification to paragraph 6.0.2 to refer to a 5% buffer necessary to make the Plan sound and, if so, would it be effective in so doing? To be effective, does the Plan need to be modified to set out how the five-year requirement will be calculated throughout the plan period? If so, which of the approaches described by the Council in its response to PQ23 should be included, having regard to national policy and guidance?**

15. The HBF does not consider that the proposed modification is appropriate and does not add any clarity to the text or make it any more consistent with national policy. The HBF considers that it is not necessary to repeat national guidance, but the Council should make it clear that the supply of specific deliverable sites should in addition include a buffer. But also, that the buffer may not always be 5%, for example the Council may be required to incorporate a 20% buffer.

16. The HBF does not consider that the Plan needs to be modified to set out how the five-year requirement will be calculated through the plan period in order to be effective. The PPG<sup>5</sup> sets out how the five supply should be calculated including consideration of the buffer and any deficit or shortfall. However, if the Council wishes to deviate from this method than the Council will need to make the case as part of the examination of the Plan.
17. The HBF does not consider that it is appropriate to consider the surplus of completions as part of the five-year housing land supply, either over the five-year period or over the remainder of the plan period. The HBF considers that reducing the five-year supply requirement is not in line with the NPPF and the Government's objective to boost the housing land supply and looks for LPAs to provide a minimum of five years' worth of housing against their housing requirement. The HBF considers that if there was a deficit or shortfall this should be address over the five-year period as per the Sedgefield approach and as set out in the PPG<sup>6</sup>. The HBF has undertaken a calculation of the five-year housing land supply based on the PPG methodology and it is set out in Table 1 below.

<b>Table 1: Five Year Housing Land Supply Calculation</b>			
		<b>492dpa</b>	<b>422dpa</b>
A	Housing Requirement (2016 to 2036, 20 yrs)	9,840	8,440
B	Annual Housing Requirement (A / Plan Period)	492 (9,840 / 20)	422 (8,440 / 20)
C	Five Year Housing Requirement (B X 5)	2,460 (492 x 5)	2,110 (422 x 5)
D	Completions (2016/17, 2017/18, 2018/19, 2019/20, 4 yrs)	1,784	1,784
E	Expected Completions based on Housing Requirement (B X 4)	1,968 (492 x 4)	1,688 (422 x 4)
F	Surplus / Shortfall in housing delivery (D – E)	-184	96
G	Five Year Requirement (incorporating any shortfall i.e., F is negative) (C – F)	2,644 (2,460-(-184))	2,110
H	Buffer (5%) (G X 5%)	132.2 (2,644 x 5%)	105.5 (2,110 x 5%)
I	<b>Five Year Requirement</b> (Incorporating any shortfall and the buffer) (G+H)	2,776.2 (2644 + 132.2)	2,215.5 (2,110 + 105.5)
J	Annualised Five Year Requirement	<b>555.24</b>	<b>443.1</b>

<sup>5</sup> PPG ID: 68-022-20190722 to 68-035-20190722

<sup>6</sup> PPG ID: 68-031-20190722

	(1 / 5)	(2,776.2 / 5)	(2215.5 / 5)
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**Q4.20. Does the housing trajectory (Appendix A) and associated evidence demonstrate that the Plan will be effective in helping to ensure that there will be a supply of specific deliverable sites sufficient to meet an appropriately calculated five year requirement when the Plan is adopted and thereafter?**

18. The trajectory provides information in relation to when sites are expected to come forward, however, it does not provide all the information necessary to determine if the proposed trajectories for each site are appropriate.

**Policy H1: if a five year supply cannot be demonstrated**

*Policy H1 supports housing development outside the development limits of Darlington main urban area, the three service villages, and the eight rural villages if there is no longer a demonstrable supply of sites to fully meet the five year requirement and provided that a number of criteria are met.*

**Q4.21. Is the approach set out in policy H1 to allowing development outside development limits if there is no longer a demonstrable supply of sites to fully meet the five year requirement justified and consistent with national policy?**

19. Policy H1 states 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 supports 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.

**Small sites, and custom and self-build housing**

*Small and medium sized sites can make an important contribution to meeting the housing requirement of an area. The Plan, along with the Council's brownfield register, should identify land to accommodate at least 10% of the housing requirement on sites no larger than one hectare. The Plan's policies should also reflect the needs of people wishing to commission or build their own homes.*

**Q4.22. Will the Plan be effective in ensuring that sufficient suitable land will be available for people wishing to commission or build their own homes (self- and custom-build homes)?**

20. Policy H4 states that to increase housing options, the Council will encourage and support the delivery of custom and self-build housing. It goes on to state that the Council will monitor the demand for this type of housing and will assist in the delivery of sites. It does not however, provide any further details as to how this will be done or provide clarity for

how a decision maker should react to any development proposals for self-build development.

***Q4.23. Will the Plan be effective in helping to ensure that at least 10% of the housing requirement is met on sites no larger than one hectare?***

21. Only one of the allocated sites is on a site of no larger than hectare, providing only 15 of the 6,709 allocated dwellings. Whilst 466 of the 3,953 committed dwellings are on sites no larger than 1 hectare (426 of the 2,652 remaining dwellings on commitments). Based on Appendix A there appear to be 687 dwellings included in the trajectory on sites of no larger than 1 ha, this does not provide the 10%. However, there is an allowance for small sites, although these sites are not 'identified', which provides a further 508 dwellings over the plan period, assuming that the small sites are also on sites no larger than a hectare then the Council should have more than the 10% compared to the housing requirement of 9,840 dwellings or 8,440 dwellings.