



THE HOME BUILDERS FEDERATION

Planning Policy Team
Darlington Borough Council
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Town Hall
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15th July 2013

Dear Sir / Madam,

DARLINGTON MAKING AND GROWING PLACES DPD: PREFERRED OPTIONS CONSULTATION

Thank you for consulting with the Home Builders Federation (HBF). The HBF is the principal representative body of the housebuilding industry in England and Wales and our representations reflect the views of our membership of multinational PLCs, through regional developers to small, local builders. Our members account for over 80% of all new housing built in England and Wales in any one year including a large proportion of the new affordable housing stock.

We would like to make the following comments on Darlington Borough Council's Making and Growing Places DPD Preferred Options document. The comments upon this document have been set out in document order and have been referenced against the relevant section, paragraph or policy.

Section 2.2 National Planning Policy Context

This section identifies the Council has reviewed the policies in its adopted Core Strategy and concludes, with the exception of Policy CS10: New Housing Development, the plan is consistent with the NPPF. The Council contend Policy CS10 is not consistent because it does not explicitly reflect the NPPF requirement to identify a supply of specific deliverable sites sufficient to provide five years supply of housing with an additional buffer of 5%. The Council attempt to rectify this issue through draft Policy MGP 16, which is discussed later in this representation.

A more fundamental incompatibility with the NPPF has, however, been overlooked. This is that the Making and Growing Places DPD (MGP) is not based upon an objectively assessed need for housing, as required by NPPF paragraph 47. Therefore the DPD does not provide sufficient allocations to accommodate the objectively assessed housing need in Darlington. Given that this is a fundamental part of the NPPF it is considered this document should be withdrawn as it is being developed on an unsound basis.

The housing requirement contained within the Core Strategy is based upon the now revoked North East of England Regional Strategy (RS). The RS requirement for Darlington was based on a regional housing requirement which was distributed according to regional policies. Therefore some areas received more growth than required locally whilst others received less. It should also be noted that the evidence used for the RS housing requirement is now significantly out of date. More recent evidence presented within the '*What Households Where*' website, an independent and free to use resource presenting Government population and household projections, identifies a need for a net housing requirement of 422 additional dwellings per annum in Darlington between 2011 and 2026. Whilst this data is no substitute for a properly evidenced Strategic Housing Market Assessment (SHMA), it does provide a good starting point for identifying housing need within the district. The figures included in the '*What Households Where*' website indicate an annual shortfall of between 22 and 76 dwellings based upon the plan requirements included within this document and the adopted Core Strategy.

The 2012 Darlington SHMA report indicates a significant net shortfall in affordable housing with the district, amounting to 305 per annum. The 2012 SHMA at paragraph 5.12 also identifies an overall shortfall of open market provision across the Borough. Modelling work undertaken as part of the SHMA suggests a net annual requirement of 533 dwellings per annum for Darlington. The current Core Strategy requirements fall significantly short of this figure and therefore should be reconsidered. Continuation of a lower housing target will exacerbate existing affordability problems within the district and impact upon the economic aspirations of Darlington.

Due to the reasons given above the MGP document is considered unsound. It is therefore recommended that the Council withdraw this document and produce a single document local plan which appropriately addresses the objectively assessed housing needs of Darlington.

Section 2.6 Duty to Co-operate

The Council indicates it has engaged with a wide range of organisations during the preparation of this DPD as part of their Duty to Co-operate. It is noted that the Council intend to publish a full statement of the actions taken to comply with the duty alongside the Publication Draft version of this DPD. To enable constructive comments to be made it would have been helpful to publish current progress upon the duty alongside this document. The Council will be aware compliance with the duty requires a continuous engagement process throughout plan preparation. It is essential in complying with the duty that the Council goes beyond merely consulting with neighbouring authorities, but rather it should implement actions and have evidence of high level agreements between authorities to tackle strategic issues.

The issue of housing delivery is a strategic priority for Government and in compliance with NPPF paragraph 178 it is essential that Council provide evidence of joint working on this issue. It is worth, at this point, considering the housing position of neighbouring authorities.

Hambleton and Stockton-on Tees currently have plans, which were adopted prior to the publication of the NPPF, Middlesbrough and Redcar and Cleveland both have adopted plans but are seeking to review them. Hartlepool and Richmondshire have both submitted their plans and are at different stages of examination and finally Durham is still progressing its plan. The following table identifies the annual housing figures from each authority, as identified in their most relevant plan, compared to the annual figures identified on the '*What Households Where*' website. Annual figures have been used due to the significant variation in the plan periods of each authority.

Local Authority	Plan Period	Annual housing target (net)	What households where annual target	Difference per year
Durham	2010-2030	1,500	1,932	432
Stockton-on-Tees	2009-2024	555	555	0
Middlesbrough	2012-2029	2012 to 2017 – 300 2018 to 2029 – 410	410	0 to 110
Hartlepool	2011-2026	320	395	75
Hambleton	2004 to 2021	2011 to 2016 – 290 2016 to 2021 – 260	339	49 to 79
Redcar and Cleveland	2011 to 2021	270	340	70
Richmondshire	2012 to 2028	180 (plus 1,440 over plan period for military housing)	234	54
Annual Under-Delivery Total				680 to 820

As noted earlier whilst the '*What households where*' figures are no substitute for a properly evidenced SHMA they do provide a good starting point for considering housing need. The figures above indicate a substantial shortfall in housing across the wider region. The revocation of the Regional Strategy (RS) means that authorities can no longer rely upon its policy driven distribution figures to not plan for their own objectively assessed needs. The NPPF is very clear in paragraph 178 that local authorities must continue to deal with planning issues which cross planning boundaries. This co-operation is particularly important on the NPPF strategic priorities which includes new homes. Given that the RS has now been revoked, the evidence upon which it was based is rapidly becoming out of date, and some authorities are already departing from its content it is important Darlington, and its neighbouring authorities put material actions and agreements in place to deal with shortfalls against the cumulative objectively assessed housing need. There is currently no evidence of this.

In conclusion due to the lack of published evidence constructive comments regarding compliance with the Duty to Co-operate cannot be made. It is, however, incumbent upon the Council to ensure that co-operation continues throughout the plan making process and therefore the implications for Darlington together with the emerging strategies of neighbouring authorities need to be considered. It is strongly recommend that Darlington seeks to address the housing under-delivery in the region with its neighbouring authorities and provide high level agreements and actions to deal with this strategic issue prior to the submission of the DPD.

Draft Policies MGP4: Existing Strategic Commitments, MGP5: North West Urban Fringe and MGP6: Eastern Urban Fringe

Each of these policies places a significant burden of policy requirements and obligations upon the developer. The requirements include affordable housing levels up to 30%, zero carbon housing (to achieve Code for Sustainable Homes Level 6), up to 10% reduction in carbon emissions from on-site renewable or low carbon technologies, and various improvements to physical infrastructure. It is also unclear and unjustified why the Council are seeking to apply different standards to these sites, as opposed to the general policy requirements contained on sustainable design and adaptation to climate change in policy MGP33.

The Council studies '*Economic Viability of Housing Land in Darlington*' (2010) and '*Planning Obligations Scenario Testing*' (2012) both indicate development viability issues within Darlington when such a scale of obligations are placed upon development. Whilst it is recognised that an affordable housing requirement of up to 30% was tested at the examination into the Core Strategy more recent evidence needs to be considered. The Councils most recent viability work published in 2012 indicates that since 2010 viability as a whole has become more challenging within Darlington. The implications of this study suggests that the scale of obligations required by policies MGP4, 5 and 6 are likely to be unviable under current market conditions. This is made even starker when it is considered that the 2012 study only tested against the Code for Sustainable Homes level 4 and a 20% affordable housing requirement, yet it found the majority of the development typologies tested to be either unviable or at best marginal. The majority of the sites identified within policies MGP 4, 5 and 6 require Code for Sustainable Homes Level 6 and 30% affordable housing which the Council's own study indicates will make the development of these sites unviable.

Given the strategic importance of the sites identified within these policies such a scale of obligations is likely to call into question the deliverability of the plan. The Council will be aware that NPPF paragraphs 173 and 174 are clear that the cumulative impact of plan policies and obligations should not place undue burden upon development, nor should it put implementation of the plan at serious risk. The Council's own viability evidence indicates the requirements set out within these policies are unviable under current market conditions, therefore the Council are strongly advised to reconsider the amount of obligations placed upon these sites.

It is also important to note that the Council should not rely upon site specific (or open-book) assessments of viability as a remedy to unsustainable policies is not an acceptable approach. The burden of proof is with the Council to ensure its policies are achievable and do not jeopardise development viability. It is not the responsibility of the applicant to demonstrate a policy cannot be achieved. Plan policies should be realistic and achievable in the majority of cases, with open-book assessments reserved for a minority of special cases.

Draft Policy MGP11: Promoting Employment Opportunities

Draft Policy MGP11 is not sound as it is contrary to national policy. The policy restricts the use of employment sites from other uses with no regard to the future viability of such sites for employment purposes.

It is the local authorities' responsibility to keep its employment land portfolio up to date and undertake regular reviews, as required by paragraph 22 of the NPPF. The Council's most recent Employment Land Review dates back to 2009, it is therefore questionable whether such a review is still fit for purpose. The NPPF identifies that local authorities should not provide long-term protection of employment sites. The impact of the current policy will be to ensure sites no longer required for employment uses remain vacant for significant periods, inhibiting the site coming forward for alternative beneficial uses.

It is recommended the Council amend Draft Policy MGP11 and include criteria which assess applications for alternative uses of land or buildings on employment sites on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities. The Council should regularly review its employment land portfolio and identify for release sites which are either no longer required or suitable for employment uses.

Housing

Paragraph 6.1.2

Within this paragraph and the associated topic paper on housing the Council indicate that it has not been persistently under-delivering on housing over the longer-term. This statement is questionable given that the Council's AMR indicates that every year since 2008/9 the Council has not met its requirements. The performance of the Council is therefore questionable and dependent upon the timescale chosen against which it is assessed. The recent PAS guidance '*Ten Key Principles for Owning Your Housing Number*' recommends a 10 year time frame against which to assess delivery. A more fundamental issue is, however, why the Council would wish to restrict its buffer to 5%. The Council seem to consider use of a 20% buffer is an indicator of failure and thus it must try and justify a 5% buffer. However because the 20% buffer is simply brought forward from later in the plan period a higher buffer should be viewed positively. The use of a 20% buffer will assist the Council in attaining its overall plan objectives of ensuring it meets its housing requirement within the plan period by providing flexibility and choice within the market. The Council should also consider having a 20% buffer over and above the plan requirements. This will

ensure that the plan is able to fully deliver against its target by providing choice and flexibility should other sites either not come forward or be brought forward slower than envisaged.

Table 6.1.1

This table relates to the proposed phasing of housing throughout the plan period and effectively attempts to re-distribute the under-delivery against the phased housing requirement of the Core Strategy to later in the plan period. Such a policy stance will simply store delivery problems for later in the plan period. The Council should seek to pro-actively tackle this under-delivery in the short-term by re-assessing its housing land portfolio and promoting a wide range of development ready sites across the district and not being too heavily reliant upon a handful of complex strategic sites.

The Council will be aware that there have been a number of recent appeal decisions concerning the calculation of the five year supply which indicate that the previous under-supply should be applied to the five year supply. Such an approach, often referred to as the Sedgefield approach, would require Darlington to significantly boost its supply of housing in the short-term and not delay this until later in the plan period.

Draft Policy MGP16: New Housing Sites

The comments to Sections 2.2 and 2.6, Paragraph 6.1.2 and Table 6.1.1 are all relevant to this policy. It is recommended that the Council amend this policy in light of these comments and consider which sites could be brought forward to earlier in the plan period.

It is also notable that no allocations have been made outside of the main urban area, in line comments made above the Council may wish to increase its supply of housing and provide additional housing sites outside of urban areas. It is questionable whether only allocating sites within the urban area really meets development needs and demand. It will do little to meet the needs of the other settlements within Darlington and will therefore simply exacerbate existing affordable housing issues in these settlements.

To enable the housing requirement to be delivered it is critical that the Development Plan enables the right development in the right place. Development within the main service centres outside of the urban area will provide an opportunity to address the current shortfall in areas where people want to live and that the market can deliver in.

Draft Policies MGP24: Green Infrastructure Standards and MGP26: Outdoor Sports Facilities

These policies require new residential developments over certain thresholds to contribute to the delivery of open space and outdoor sports facilities. The policies suggest this will either be through off-site or on-site contributions, dependent upon the size of the site. The Council will be aware that policies requiring contributions towards open space and recreation should not be separate to CIL which is meant to be the only tool for collecting cumulative

contributions on types of infrastructure, it cannot 'pool' more than 5 contributions from Section 106 agreements through the payment of a commuted sum. Given that this pooling is back dated it appears likely that the Council will already have surpassed this pooling figure for open space.

Any on-site contributions can only be requested where they are necessary to make the development acceptable in planning terms, directly related to the development; and fairly and reasonably related in scale and kind to the development. The policy also needs to take account of the viability issues identified earlier.

Draft Policy MGP33: Sustainable Design and Adaptation to Climate Change

The policy requires all major new residential development of 10 or more homes to comply with Code for Sustainable Homes Level 3 and a further 10% reduction of carbon emissions from on-site renewable and low carbon technologies from 2013. From 2016 the policy requires 60% of carbon emission reductions from energy efficiency measures and a further 10% from on-site renewable and low carbon technologies, with up to 30% from allowable solutions. The policy provides no justification for a threshold of 10 or more homes.

The Government's national standards for construction are set out within the Building Regulations. The Council have not provided an adequate justification for departing from these standards. The effect of this policy will be to jeopardise development within Darlington. The Council's own 2012 viability assessment of planning obligations indicates that the cumulative effect of these requirements will place a significant amount of development at risk within Darlington. It is therefore recommended that this policy be deleted and the Council rely upon the national standards.

Information

I would be pleased if I could be kept informed of the next stage of consultation upon this document.

I would be happy to discuss any comments made within this representation with the Council prior to the next formal stage of consultation.

Yours sincerely

MJ Good

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