

Darlington Borough Council Hearing Statement

April 2021

Matter 2. Amount of development needed in the Borough

Economic growth and employment land requirements

Q2.1. Is the aim to facilitate economic growth of 7,000 net additional jobs in the Borough between 2016 and 2036 justified and positively prepared?

The Darlington Future Employment Needs Report September 2017 (SD15) provides the evidence why the Council feels 7,000 net additional jobs is justified. Whilst we do not fully know the impact of Brexit we also do not know the impact of having the Tees Valley Combined Authority promoting economic growth so these impacts could not be factored in. The Council believe the target of 7,000 net jobs is ambitious but realistic.

Since the work was carried out a major Amazon distribution depot has been constructed and in operation and the recent announcement of the relocation of part of the Treasury and other Government departments to Darlington also cements the ambitious economic growth targets for the Borough.

Q2.2. Are the proposals in policies E1 and E2 to provide for a total of 158 hectares (net) of additional land for employment uses justified and positively prepared? In particular, would this overall quantity of land allow for the creation of 7,000 net additional jobs between 2016 and 2036 and provide sufficient flexibility to accommodate needs not anticipated and enable a rapid response to changes in economic circumstances?

The Darlington Employment Land Review 2017 (2019 Update) (SD16) looks in detail at available employment land. It also looks at various scenarios and previous land uptake.

Based on past land uptake it identifies that 5.5ha have been taken up for development per year which equates to 110ha over the plan period. This replicates the scenario if were to take into account the Tees Valley Combined Authority's projected employment growth projections for Darlington.

29 employment sites were assessed showing the availability of gross 225.85 ha of employment land within Darlington. This leads to an offer of at least 158.10 ha net for economic development and investment. This is significantly higher than the projected level of demand over the period to 2036 and shows a well varied well balanced portfolio of sites (type and location) being able to accommodate different sectors and commercial needs and expectations.

Drawing upon analysis of a range of forecasting techniques (including: labour demand; labour supply; and historic take-up) it is recommended that DBC plan to provide in the order 172ha (gross) of general employment land for

development over the period to 2036. This level of demand is considered to strike an appropriate balance economic growth aspiration, economic and commercial realism.

Household growth and housing requirements (policy H1)

Q2.3. Are (a) the minimum requirement of 422 net additional dwellings per year and (b) the target of 492 net additional dwellings per year between 2016 and 2036 justified, positively prepared and consistent with national policy?

Yes. It is the Council's view that the minimum requirement of 422 net additional dwellings per year and the target of 492 net additional dwellings per year over the plan period are justified, positively prepared and consistent with national policy.

Firstly, in line with paragraph 60 of the NPPF the Council considers that exceptional circumstances justify an alternative approach to the standard method which produced a local housing need figure of 162 net additional dwellings per annum for Darlington in December 2020. National guidance advises that the standard method is a starting point in determining the number of homes needed and previous levels of housing delivery and previous assessments of need, such as a Strategic Housing Market Assessment (SHMA), may be greater than the outcome of the method PPG ID: 2a-010-20201216. This is very much the situation for Darlington; an assessment of need via a SHMA highlights a greater need than the standard method and previous housing delivery has consistently been higher.

The guidance goes on to state that where an authority can show that an alternative approach identifies a need higher than using the standard method, and that it adequately reflects current and future demographic trends and market signals, the approach can be considered sound as it will have exceeded the minimum starting point PPG ID: 2a-015-20190220. It is the Council's view that it has complied with this guidance as the approach taken to calculating housing need does adequately reflect current and future demographic trends and market signals. Further detail of which is set out below.

The minimum requirement and housing target are justified by detailed evidence set out in the Strategic Housing Market Assessment 2017 (SD09). The SHMA report outlines how flaws in national household projections (2014-based) which are utilised in the standard method are under-estimating the growth of the borough. Local administrative data (NHS patient register, school census and records of those receiving state pension) contradicts this and show higher levels of population growth. Recent levels of housing delivery also highlight greater levels of housing need in the borough in comparison to the standard method figure. As such an alternative approach was taken and modelling work carried out to derive a more reliable and accurate projection of household growth.

The minimum requirement of 422 net additional dwellings per annum reflects what the Council considers to be the baseline need over the plan period,

including demographic growth, concealed and homeless households, vacant and second homes and an increase in the institutional population. The higher housing target of 492 dwellings per annum is an aspirational but still a realistic figure which accounts for the Council's predicted jobs growth over the plan period and reflects the additional new homes required to meet the need for additional workers (an additional 70dpa). The Housing Topic Paper provides a summary of the evidence on housing need and gives an overview of policy formation.

The housing requirement figures have been positively prepared in that they will, as a minimum, seek to meet the area's objectively assessed needs as evidenced within the SHMA 2017 (SD09). The Council is planning for growth and has made an allowance for 7,000 jobs in the plan which is reflected in the higher housing target. The minimum requirement and housing target have also been informed by agreements with neighbouring authorities. Darlington has not been required to accommodate any unmet need from elsewhere, detail of which is set out in the Statement of Common Ground including Duty to Cooperate (CD05).

The housing requirement range is justified in that it is an appropriate approach and reasonable alternatives were considered in the formation of the policy. As set out above it is also based on proportionate evidence. The standard methodology housing requirement figure could have simply been adopted however the Council was very much aware of the issues with the national household projections and wanted to ensure that the housing needs of the borough were met. Not meeting these needs could result in negative economic and social impacts.

It was also considered important to factor in an uplift for employment growth over the plan period given the recent economic success of the Borough and the Council's aspirations to support and encourage economic growth. Ensuring an adequate supply (quantitative and qualitative) of new housing is very much interlinked with economic growth. There is a risk that working age population seek new homes in neighbouring authorities if sufficient housing is not delivered.

Varying employment forecasts were considered in the Darlington Future Employment Needs Report 2017 (SD15) and alternative options were either unrealistic in terms of employment growth or would result in planning for decline (reductions in the working age population and jobs). Full details of the policy options assessed can be found in Appendix D of the Sustainability Appraisal (CD03). The projected employment growth utilised was considered to be the most realistic and logical as it is based on past trends, yet it is still aspirational.

In view of the above, the housing requirement figures are justified given that they are the most realistic and appropriate approach in meeting housing needs which are supported by proportionate evidence.

It is also the Council's view that the approach taken of a housing requirement range is consistent with national policy. The principle of identifying housing requirements as a range is clearly supported in the PPG in respect to both calculating five year supply PPG ID 68-027-20190722 and for calculating the Housing Delivery Test (HDT) result PPG ID 68-040-20190722. The guidance states that where a housing requirement is expressed as a range, one can use

the lower figure for the purpose of both calculations. There is no departure therefore from national policy.

Overall, the approach enables the Council to plan for economic and other growth in accordance with its own aspirations and Government objective's, without being penalised via the five year supply or HDT. This is important given that the vast majority of new housing is delivered by the development industry and the market. The Council's role in delivery is limited post the granting of planning decisions. The principle of a housing requirement range is also appropriate in light of the newfound uncertainty due to the Covid 19 pandemic; this is the type of flexibility that the NPPF calls for.

Q2.4. Is expressing the housing requirement as a range clear and unambiguous, and does the plan clearly establish a housing requirement figure for the Borough for the Plan period as required by national policy?

Yes. It is the Council's view that the housing requirement range within policy H 1 is clear and unambiguous. The policy wording was carefully formed to ensure clarity of the principle of a range. It was also written into the policy that this is the approach taken so that there would be no confusion over the matter, "The above approach has been taken to provide a housing requirement range rather than a single figure" (Policy H1 para 4). The range does constitute a housing requirement figure for the Borough for the Plan period as required by national policy. As set out in the response to Q2.3. the principle of identifying housing requirements as a range is clearly supported by the PPG with regards to the calculation of the five year supply and housing delivery test.

Other development needs

Q2.5. Is the Plan based on adequate and proportionate evidence about the quantitative and qualitative need for office, retail and leisure development in the Borough?

The Borough is well served with leisure services and the Retails Study (SD22) identifies that the town has a percentage of leisure in line with the UK average. The town supports a major leisure centre and a recently completed leisure scheme, comprising a 9-screen multiplex cinema, an 80-bed hotel and a range of restaurants and other food and drink outlets.

The Council have recently completed a 27,000 sq ft office block in the centre of the town. There are also opportunities for office developments at Central Park (Site 368) and Igenium Parc (Site 356).