

Darlington Local Plan Examination in Public
Response to Inspectors Matters, Issues and Questions
Made on Behalf of Bellway Homes

Introduction

- 1.1 This Hearing Statement is made on behalf of Bellway Homes (our 'Client') in advance of making verbal representations at the Examination in Public of the Darlington Local Plan. Our Client has made comments throughout the Local Plan consultation process, including at the Proposed Submission Draft stage in September 2020.
- 1.2 This Hearing Statement represents our Client's view on the overarching policies and targets in the Plan, but is also specifically related to our Client's land interest at Great Burdon (housing allocation reference 20). The site is an allocated urban extension to the east of the main urban area with an indicative yield of 1,250 homes. Darlington Borough Council set out in the Local Plan that this includes 500 homes in the plan period. Our Client believes delivery will be greater than this though. Our Client has other land interests in the town, including at Burtree Lane and Elm Tree Farm.
- 1.3 Our response to the relevant questions in Matter 1 to 3 are found below. We have had specific regard to the tests of soundness outlined in the National Planning Policy Framework (NPPF); namely that the policies in the Local Plan must be justified, effective, positively planned and consistent with national policy in order to be found sound.

Matter 1- Legal and Procedural Requirements and other General Matters

Q1.14. Is the Plan informed by a proportionate and up to date assessment of viability that takes into account all relevant policies, and local and national standards?

- 1.4 We share the concerns of the Home Builders Federation (HBF) in that the Plan is not informed by a proportionate, up to date assessment of viability that takes into account the relevant policies and applicable standards.
- 1.5 Crucially the Viability Assessment chooses to define high, medium and low value areas based on ward maps alone. This is not a sound approach, but is rather an ineffective and unjustified one. For example, our Client's land interest at Great Burdon is located in the Red Hall and Lingfield ward which is split in two by the B6279. South of this road is an area known as Lingfield Point Business Park, which has slowly moved towards a mix of uses and some new housing completed by a volume builder to the western end. However, north of the B6279 lies the predominantly local authority Red Hall Estate which is actually within the 10% of most deprived areas in the country (rank 476). Despite these clear disparities the Assessment states that the Red Hall Estate is a medium value area. Our Client disagrees with this and considers that Red Hall, and parts of their housing allocation at Great Burdon, should be reviewed in light of the evidence and the facts on the ground rather than purely administrative boundaries. The allocation is large enough to warrant being split in terms of value areas, or treated differently.
- 1.6 Notwithstanding the above, the Assessment is clear in concluding that for all testing scenarios in low value areas, housing is not viable and that schemes will not be able to contribute to affordable housing or S106 Agreements. Our Client is committed to delivering this crucial allocation, and building much needed homes at Great Burdon, but as it stands the plan has the potential to impact the approach to housing delivery.
- 1.7 In relation to M4 Standards, the Main Modifications to Policy H4 sets out that the proportion of dwellings that should meet M4(2) standards has been reduced from 80% to 47%. Although this is welcome, it is unclear as to why this specific figure has been selected and indeed why it has not been reduced further.
- 1.8 Our Client also notes that the current policy is based on a housing requirement of 422 dwellings per annum (dpa). Should the housing requirement range be removed and set at 492 dpa then the M4 standards also need revising and the requirement in policy will fall.
- 1.9 Furthermore, paragraph 4.71 of the SHMA sets out that there are a number of consented, or built, sites where there is not a requirement for M4(2) "*so the required adapted homes*

will have to be provided from sites without current planning permission". Our Client considers that this is not justified.

- 1.10 It is not reasonable or sound to set out that sites with no consent have to provide more M4 standard homes to make up a perceived shortfall, but then to also set out that this will have no material impact on their viability. This will lead to a detrimental impact on viability on allocations or windfall sites and will prejudice those sites where landowners have worked with the Council over a number of years to ensure an allocation when they could have applied for consent and not faced this extra cost. In light of the above, Policy H4 needs to be amended in line with the evidence and taking the above into account. Our Client also believes that transitional arrangements should also be put in place for a year from adoption of the Local Plan
- 1.11 The Viability Assessment also recognises (paragraph 5.7.20) that M4(3) standards are "significantly higher" than M4(2) and that this can be as much as £25,000 per unit. However, the following paragraph then states that these costs are taken into account and "*have no material impact on viability*". Our Client wholly disagrees with this claim. M4(3) standards have a significant impact on viability, particularly given the proportionate costs and values to the type of compliant dwelling that need to be provided and much more so than M4(2) standards.
- 1.12 Our Client also notes that the evidence behind several policies are based upon requirements that have not been subject to viability but will impact upon it. For example, Policy DC1 (Sustainable Design Principle) makes specific reference to the 'Design of New Development SPD' which was published in 2011. This SPD is a decade old and has not been updated but the means of addressing climate change has changed significantly as has the agenda and targets for reducing carbon emissions. For example, includes specific, and detailed, policy on energy efficiency. This includes up to 20% on site energy provision. Policies such as this, are covered by Building Regulations and therefore do not need to be included in policy. Furthermore, policies like this can have a significant impact on viability and should have been examined as part of the Viability Assessment. The omission of policies such as this, can have a detrimental impact on the deliverability of housing sites.
- 1.13 Some costs or obligations are to be dealt with through Section 106 Agreements but some are seemingly not factored into the viability testing at all. For example, Policy IN4 sets out a requirement for every dwelling with a garage/ parking space, should provide for an electric vehicle charging point. However, the Viability Assessment only states that this is a "*normal additional cost that can be accommodated within the build cost*". Our Client disagrees with this statement. Charging points cost approximately £1,000 per parking space as well as the

need for additional sub-stations and other related infrastructure. For the Viability Assessment to set out that this can be incorporated into the build cost is not reasonable.

Q1.15. Does the viability evidence demonstrate that the policies in the Plan are realistic, and that the cumulative cost of all relevant policies will not undermine deliverability of the Plan?

- 1.14 The evidence does not demonstrate that the policies in the Plan are realistic or that the cumulative cost will not undermine deliverability. This is not in accordance with the NPPF which states at paragraph 34 that policies should not undermine the deliverability of the Plan. The concern over the impact on deliverability is also acknowledged in paragraph viii of the Viability Assessment.
- 1.15 We have set out above that the Viability Assessment does not consider specific policy requirements, which will, individually and cumulatively, impact on viability particularly on marginal sites.
- 1.16 Our Client will have to contend with policy requirements which have not been costed in the Local Plan Viability Appraisal, but which will have an impact on the viability of sites. These are set out in our response to Q1.14, and include:
- Part M4 standards including providing for the shortfall for sites with existing consent;
 - Sites without consent making up the shortfall in M4 standard homes for those sites which didn't deliver accessible and adaptable homes;
 - Significant costs of up to £25,000 per dwelling to deliver M4(3) standards dwellings;
 - The energy requirements of Policy DC1;
 - Electric charging points for every home; and
 - Up to date biodiversity net gain contributions.
- 1.17 The viability evidence has not taken into account the above and therefore our Client considers that the Plan is not justified. The cumulative impact of these policy requirements, will potentially have an impact on the deliverability not only on our Client's land, but also other housing allocations across Darlington.
- 1.18 The effect on viability of a number of policies in the Plan have not been adequately demonstrated and could detrimentally impact viability of sites and affect the delivery of some, particularly those that are marginal. The cumulative impact of these policies will place

further additional costs on our Client. These costs must be factored into the Viability Appraisal to ensure a deliverable Plan and so that our Client can build much needed homes.

- 1.19 Chapter 6 of the Assessment is also clear that the vast majority of medium value sites are not viable or are marginal based on the current appraisal. Our Client considers that when the additional costs identified are included, this will affect the situation which will ultimately raise questions about the planning policy burdens being placed on new housing across Darlington.