

Gladman Developments Ltd.

Darlington Local Plan Examination

Matter 2

Hearing Statement



April 2021

Matter 2 – Amount of development needed in the Borough.

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?

- 1.1 Yes. The Council have undertaken a significant amount of research and analysis of the economic indicators in Darlington and have based the forecast of 7,000 additional jobs across the Plan period on this data. This is set out in detail in the Council's Housing Topic Paper.
- 1.2 The Council have analysed jobs growth using BRES data across a ten-year period, to ascertain the actual level of jobs growth that has occurred in Darlington. This is considered to present a more accurate picture of jobs growth in the Borough and therefore a more reliable source of forecasting future jobs growth, rather than relying on one of the main economic forecasting models which are notoriously volatile and less reflective of specific local circumstances.
- 1.3 The figure of 7,000 additional jobs has been derived from projecting forward the actual level of jobs growth experienced in Darlington from the BRES data, and this is backed up by the conclusions of the Tees Valley Combined Authority Strategic Economic Plan which, when analysed and extrapolated to the end of the Plan period, suggested that an additional 12,000 jobs would be created in Darlington over the 20-year plan period.
- 1.4 Darlington is a rapidly growing local economy and is one of the best performing economies in terms of growth in the UK. Recent announcements surrounding the relocation of the Department for International Trade to Darlington, are also reflective of the attractiveness and potential of Darlington to grow its economic base.
- 1.5 Indeed, the local employment rate which is a household-based statistic and highlights the proportion of the working age population that is in employment, has increased from 70.8% in March 2015, to 75.6% in September 2019; 4% higher than the North East average. Over a 4.5-year period this represents average annual increase of 400 extra local people in employment.
- 1.6 There is further strong evidence that the local business base (i.e. numbers of businesses) continues to grow at a significant rate, indeed at a higher rate than anywhere in the North East. This trend, if it continues, is likely to fuel strong and sustained demand for a workforce among those local businesses that have growth ambitions.
- 1.7 It is clear that on the basis of the available employment, labour market and business demography evidence, there is good reason to believe that Darlington is currently on track to achieve the jobs growth target that is set out in the Local Plan.
- 1.8 It is therefore entirely justified, that the local plan is predicated on the creation of 7,000 jobs in the borough across the Plan period, in line with the Government's objective of stimulating economic growth.

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?

1.9 Gladman have no additional comments to make on this question.

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?

1.10 Darlington Council prepared a detailed Strategic Housing Market Assessment (SHMA) undertaken by ORS in late 2017 (SD09). This document sets out clearly, the justification for the calculation of housing need in Darlington as the Plan was in preparation. The clear conclusion of that work, considering all the relevant factors such as demographics, market signals and economic growth, was that the appropriate housing requirement for Darlington was 492 dwellings per annum.

1.11 Since this evidence was produced, the Government have introduced the standard method for calculating housing need which, based on the figures at the time of submission, was 162 dwellings per annum. However, two points need to be borne in mind when considering the appropriateness of using this figure as the basis for the Darlington Local Plan.

1.12 Firstly, the Planning Practice Guidance (PPG) sets out that this is the minimum level of housing required in an area and that there may be circumstances where the housing requirement included within a Local Plan, should be greater than that calculated through the Standard Method. The PPG is clear in paragraph 10 of the Housing and Economic Development Needs Assessments chapter, that “The Government is committed to ensuring that more homes are built and supports ambitious authorities who want to plan for growth”. Darlington is one such ambitious authority and should therefore, be supported in its ambitions to grow the economy and boost the supply of housing. The PPG goes on to list other factors that may support an uplift to the housing requirement of the Local Plan including; where there are growth strategies in place and where previous levels of housing delivery in the area or previous assessments of need are significantly greater than the outcome of the Standard Method. All of these apply to Darlington.

1.13 The SHMA (SD09) concluded that the baseline demographic requirements for housing in Darlington needed to be uplifted to address clear worsening market signals as well as to provide sufficient accommodation to support growth of the workforce, to meet the additional 7,000 jobs forecast to be generated across the Plan period. These adjustments led to the conclusion that the housing need for Darlington was 492 dwellings per annum.

- 1.14 The SHMA also identified fundamental flaws with the accuracy of the population projections for Darlington which, when compared against the ONS administrative data as a sense check, showed that population growth had been considerably underestimated (see the Housing Topic Paper paragraph 2.9). This provides further justification for the increase in the housing requirement within the Plan, above the figure calculated through the Standard Method.
- 1.15 In addition, the Standard Method is based entirely on growth within the 2014 Household Projections which, as set out above, the SHMA identified as erroneous for Darlington. This can clearly be considered an exceptional circumstance justifying an alternative approach to calculating housing need in Darlington, as required by paragraph 60 of the Framework.
- 1.16 Finally, if the data on housing completions in the borough is scrutinised, as set out in the Housing Topic Paper (Fig 1, page 6), it can be seen that in every year since 2015/16, the level of delivery has been above the baseline level of housing need as calculated through the Standard Method. For the years 2017/18, 2018/19 and 2019/20, delivery has been considerably above this figure. In fact, the latter three years show a level of delivery around, or well above, the housing requirement set out in the Darlington Local Plan of 492dpa.
- 1.17 When considering all of the factors set out above, alongside the Government's drive to support authorities with ambitious growth plans, it is clear that the housing requirement of 492 dwellings per annum is positively prepared and justified.

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?

- 1.18 Gladman consider that all the evidence prepared to support the Darlington Local Plan suggests that the housing requirement for the Borough is 492 dwellings per annum. As has been set out above, the economic aspirations for the borough are both realistic and achievable and may even be a conservative estimate, considering the level of investment and economic growth that is envisaged at Teeside International Airport, Teesworks, Freeport and Treasury North.
- 1.19 The housing need identified for Darlington is therefore clearly, 492 dwellings per annum and it is this figure alone which should be used as the housing requirement in the Darlington Plan. The inclusion of a range for the housing requirement in the Local Plan, of between 422dpa and 492dpa, only causes confusion and ambiguity. It does not set out a clear statement upon which decisions can be based and is not reflective of the Council's own evidence base supporting the Plan.

1.20 Therefore, for the Plan to be found sound and positively prepared, the housing requirement for the Plan should be 492 dwellings per annum.