

Darlington Local Plan

Skerningham Estates Limited (ID: 1250841)

Matter 4 Statement - Housing development

Issued May 2021

- 1.1 Our Client (Skerningham Estates Limited) responds to Questions 4.3; 4.5 and 4.6; 4.14 and 4.15; 4.17; 4.18; 4.19 and 4.20.

Methodology for selecting housing allocations

Q4.3. Was the approach to selecting the housing allocations in the Plan justified and consistent with national policy and guidance?

- 1.2 The Darlington Housing and Employment Land Availability Assessment (HELAA 2017) undertakes an assessment which, in accordance with paragraph 67 of the NPPF, sets out a clear understanding of the land available, suitable and viable for development across Darlington.
- 1.3 The housing allocations identified in Policy H2 are all assessed within the HELAA, our Client considers the housing allocations are justified and consistent with national policy and guidance.

Skerningham strategic site allocation (policy H10)

Q4.5. Is the proposal in policy H10 for the development of up to 4,500 dwellings; a neighbourhood centre; two primary schools, a secondary school, and other community facilities; roads and other transport infrastructure; and a network of green and blue infrastructure on 487 hectares at Skerningham justified? In particular:

a) Would the development be suitably located in the context of policy SH1?

- 1.4 Our Client supports the proposals in policy H10 for the development of Skerningham. The proposed strategic allocation is consistent with Skerningham Garden Community which was announced as a garden village by the Government on 27 June 2019.
- 1.5 Skerningham Garden Community is located to the north east of the Urban Area as defined in the settlement hierarchy in policy SH1. The Urban Area is identified as the main focus for future development in the Borough. It is based on Darlington's role as a leading sub-regional centre and supporting this through future development being located in sustainable locations in and around the Urban Area.
- 1.6 The Spatial Distribution Topic Paper identifies that not one single option for development would meet the level of growth required to meet future housing and economic development needs and as such a combination of options were required. Because of the A1(M) to the west and the A66 to the south and east, Darlington largely masterplans itself with the north being the logical and only location to accommodate future growth.
- 1.7 Skerningham was considered alongside three other strategic growth options located within the urban fringe which was identified as the most sustainable, suitable, available and developable.

- 1.8 Given the limited opportunities for future growth identified within the Urban Area of Darlington, the urban fringe has been identified as the location where the growth ambitions can be delivered. Skerningham forms a key component of future housing development in Darlington which will help meet the Borough's housing requirement.
- 1.9 Whilst the total site area allocated is 492ha, based on the anticipated phasing plan which underpinned the viability assessment and Social and Community Infrastructure document¹ the gross developable area is 234ha (or 138ha net). Therefore the masterplan exceeds the local plan (para 6.10.11) statement that around 45% of the overall site area will be retained and/or redeveloped as green space.
- 1.10 The development of Skerningham Garden Community can be justified given its location adjacent to the main urban area which provides a range of existing services and transport routes and provides opportunities to deliver new infrastructure and facilities, addressing some of the identified shortfalls in existing provision against identified benchmarks².

b) Is there a reasonable prospect that the site will be available and could be viably developed at the point envisaged?

- 1.11 Skerningham Strategic Allocation extends to approximately 492 hectares. Of this land area, our Client is in control of the majority of the site with the remaining area under the control of Banks Property and a number of other land owners who are fully supportive of the allocation, which gives Skerningham an important quality which will support delivery as a Garden Community.
- 1.12 Our Client confirms that the land is available for development now with no known technical reasons which would prevent the site from coming forward. Assuming the site is allocated in the Darlington Local Plan, it is our Client's intention to prepare and submit a comprehensive planning application for the site shortly after the adoption of the Local Plan, with continued collaborative working with the other landowners.
- 1.13 Our Client does not intend to assemble the whole site prior to development by purchasing land from other owners and advises that legal agreements are already in place between Skerningham Estates Limited and other landowners to allow for the apportionment of land value uplift as a result of the scheme.
- 1.14 Our Client has received several letters of interest from national and regional housebuilders in developing the site. It is anticipated that there will be 4 delivery outlets across the site. The Statement of Common Ground (SoCG) confirms that the allocation is anticipated to start delivering in 2023/24 (30 dwellings) with 60 dwellings projected in 2024/25 with further incremental 30 dwelling increases until 2027/28 where development is expected to deliver 150 dwellings per year onwards.
- 1.15 The SoCG also recognises that the site could deliver an increased amount under an accelerated delivery from 2028/2029 onwards. In this scenario the site could deliver 180 dwellings per year.

¹ Submitted as an appendix to this Matter statement

² This is considered in detail in the Skerningham Infrastructure Delivery Framework, submitted at Regulation 19 stage of the Plan).

- 1.16 As detailed in our client’s response to Matter 1 (Q1.14-Q1.15), a site-specific viability assessment³ has been carried out, which for ease is also appended to this Matter Statement. This assesses a scheme that delivers 1,650 homes during the Plan period (to 2036), whilst also supporting the delivery of 20% affordable housing and a range of other infrastructure requirements (including an East Coast Mainline crossing, a primary access road, primary school, local centre and open space requirements). The assessment shows that the scheme yields a land value of approximately 14 times the existing (agricultural) use value (EUV).
- 1.17 With reference to NPPG⁴ for assessing benchmark land value (BLV), the return to the landowner(s) should reflect both a reasonable incentive to release land for development balanced against a range of costs such as policy requirements and infrastructure and abnormal costs. The viability assessment provides a commentary on an appropriate BLV within the context of this guidance and the specific circumstances presented by this scheme. It concludes that the land value represents a reasonable incentive and therefore that the scheme is viable.
- 1.18 The report adds further context to this by indicating that scheme viability would improve further under a series of realistic scenarios:
- 1 A modest increase in sales revenues from £2,314 to £2,368 per sq.m (£215 to £220 per sq.ft); and
 - 2 An ‘accelerated delivery’ scenario – a maximum delivery rate achieved of up to 180 dwellings per annum (over and above the Plan delivery rate of 150 dwellings per annum).
- 1.19 Furthermore, it is important to consider the recent (January 2021) proposed amendment to the NPPF [paragraph 22] in respect of the time horizons that policies should consider for larger scale development, including that of the scale proposed at Skerningham Garden Village (up to c.4,500 homes). The proposed amendment states that “*policies should be set within a vision that looks further ahead (at least 30 years), to take into account the likely timescale for delivery*”. Within this context, whilst the viability of delivery during the Plan period is important, consideration should also be given to the viability implications of delivery beyond the Plan period, which in the case of Skerningham Garden Village will extend another 15 years beyond 2036.
- 1.20 Although further infrastructure contributions will be required to support the wider allocation beyond 2036, the most significant infrastructure costs can be provided to support the delivery of 1,650 homes during the Plan period. Factoring in the cost of delivering an additional primary school, local centre and land set aside for a potential secondary school, a scheme of this size would generate an even greater land value return in phases beyond the current plan period. This is an important consideration given the proposed shift of emphasis in national policy. In this context, the viability assessment also considers the full build out of Skerningham Garden Community. Under both scenarios it demonstrates that the scheme is viable.
- 1.21 In summary, our Client confirms the site is available and viable and that there is more than a reasonable prospect that the site will be developed at or before the point envisaged by the Local Plan.

³ The Viability Assessment has been prepared by Lambert Smith Hampton and has been assessed on the basis of an indicative phasing plan for delivery prepared by Pod Architects and costed infrastructure elements provided by Turner and Townsend.

⁴ Paragraph: 013 Reference ID: 10-013-20190509

c) Subject to the modifications proposed by the Council, would the requirements of policy H10, along with other relevant policies in the Plan, be effective in achieving sustainable development on the site having regard to NPPF 72?

- 1.22 The Council has recognised the benefits of planning for larger scale development in the context of NPPF paragraph 72, supported by the proposed changes to the NPPF in respect of planning over a longer time period and, as referenced in our Client's response to Q.3.2, considered several broad areas for strategic development. This assessment resulted in the identification of Skerningham Strategic Allocation as a preferred site.
- 1.23 Policy H10 outlines a comprehensive list of policy requirements which our Client considers will support the delivery of a comprehensively planned development which includes the provision of the various elements of supporting infrastructure.
- 1.24 The policy criteria in Policy H10 and other non-site specific policies in the Local Plan will also be effective in fulfilling other objectives such as those relating to climate change and biodiversity net gain for example.
- 1.25 Therefore, our Client considers that the Local will be effective in achieving sustainable development on the site.

d) Does paragraph 6.10.10 need to be modified with regard to reference to a northern link road? Is the designation of a northern link road on the key diagram (map 1) and the Skerningham masterplan framework (figure 6.1) justified?

- 1.26 Whilst the northern link road is recognised as an aspiration by the Council and the Tees Valley Combined Authority, it is mutually exclusive to the Skerningham Strategic Allocation which is not reliant upon the delivery of this road. The northern relief road has instead been identified as a means of improving east-west links across the Tees Valley towards the A1(M).
- 1.27 Whilst indicative links have been shown previously to the residential distributor road within the site, this has been shown as a masterplanning option as opposed to being necessary in highways terms. A Transport Note, prepared by Fore Consulting is appended to this statement which considers the impact of the development in highways terms and this assumes no connection to the northern link road.
- 1.28 The appended Transport Note provides a summary of the Aimsun modelling which demonstrates that subject to the delivery of the potential highway improvement schemes options, the proposed development of 4,500 dwellings and 100,000 sqm of employment use can be accommodate without giving rise to a detrimental impact on the operation of the local and strategic road networks. The modelling work undertaken assumes the delivery of 2,400 dwellings within the Plan Period which exceeds the Local Plan trajectory (1,650 dwellings) and the accelerated delivery trajectory (1,890 dwellings) and it therefore provides a robust assessment of the potential highway impacts of the development in the Plan Period.
- 1.29 The Council's suggested Main Modification [DBC2] includes an amendment to Policy H10 (g) to remove the reference to the connection between the local distributor road and the northern relief road. Our Client has no objections to this modification and, on this basis, it would be logical to maintain a consistent approach and amend paragraph 6.10.10 to either amend or remove the final two sentences.

1.30 Figure 6.1 (which refers to the Skerningham Strategic Allocation) currently shows the route of the proposed northern relief road. For the reasons explained above, Figure 6.1 could be modified to exclude reference to the northern relief road.

Q4.6. Are the assumptions in the housing trajectory (appendix A) about the Skerningham strategic site justified, including that 1,650 dwellings will be completed by 2036? Has the Council provided clear evidence that development will begin in 2024 and that 90 dwellings will be completed by 2025?

1.31 Our Client supports the housing trajectory identified in the Local Plan which identifies 1,650 dwellings will be completed by 2036.

1.32 The trajectory identified in Appendix A is based upon the assumption that the first phase of development of the wider masterplan will be brought forward in the western part of the site and will be subject to a separate planning application which will be submitted in advance of the wider masterplan. This is detailed in the Five Year Supply Position Statement (June 2020) [SD07].

1.33 In terms of the expected rate of delivery of homes at Skerningham, our Client has worked with DBC to identify a realistic trajectory based on evidence.

1.34 Skerningham is anticipated to deliver earlier than some Garden Communities, which is influenced by a number of factors including; type of site (greenfield/brownfield), number of outlets and geography and site configuration. These factors were identified through Lichfields 'Start to Finish (2)' research as influencing delivery rates.

1.35 The key characteristics of Skerningham which give confidence to the anticipated future trajectory identified in the Plan were set out in our Client's representations to the Local Plan Publication (August 2020) and can be summarised as:

- Greenfield site, which Lichfields research suggests supports higher levels of housing delivery;
- Site size which supports multiple outlets providing a range of different house types and sizes, both in terms of market and affordable homes;
- Sustainable site location adjacent to the main urban area providing a logical location for future growth, supporting the Local Plan strategy to focus growth in sustainable locations adjacent to the main urban area; and
- Accessible to the town centre and main transport connections both in terms of roads and rail which will support the Plan's aim to capitalise on Darlington's excellent existing national strategic and regional connectivity.

1.36 Additionally, Skerningham is being brought forward by a developer with an extensive track record of delivering several thousand new homes across the north east region. This provides a simple route to bringing forward development and securing permission and beyond to delivery. This is not always a characteristic of large strategic sites and gives confidence to the identified trajectory and phasing of delivery.

1.37 Further evidence is provided by analysis of the strategic sites included in Lichfields 'Start to Finish (2)' research from across the North East and additional evidence from the Newcastle Core Strategy which highlights Northumberland Park (North Tyneside) and Great Park (Newcastle) as the largest strategic sites with the highest annual delivery rates and a maximum

delivery rate of 194/246 dpa respectively. This gives confidence to the delivery trajectory identified at Skerningham which reaches 150 dpa when development has been established.

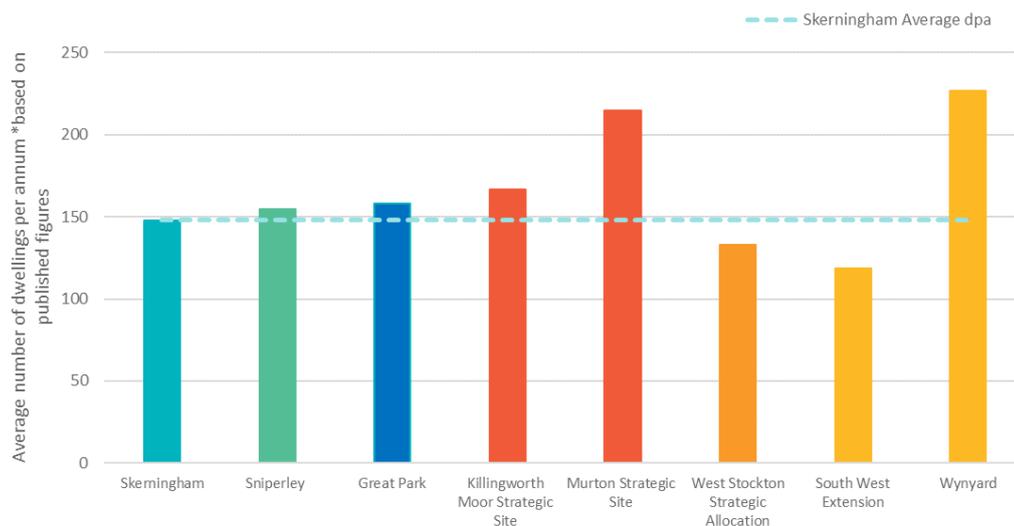
Table 1 Comparison of Delivery at North East Strategic Sites (500+ dwellings)

Site	Average Dwellings per Annum	Maximum Annual Delivery
Northumberland Park, N. Tyneside	104	194
Great Park, Newcastle	180	246
Land at West Blyth, Northumberland	47	127

Source: Lichfields analysis

- 1.38 Analysis of Local Plan trajectories from across the North East and associated evidence base documents, identifies a range of strategic housing sites (500+ dwellings). The analysis highlights Skerningham Garden Community as the largest strategic housing site identified in the North East. Other than Sniperley (County Durham) and Murton and Killingworth (North Tyneside), Skerningham has the highest anticipated delivery rate (Figure 1) but is aligned with the housing trajectories of other strategic sites across the North East.

Figure 1 Strategic site anticipated delivery



Source: Local Plan Trajectories/Evidence Base documents

- 1.39 The Lichfields research⁵ also identified that a number of large sites delivered homes at a rate in excess of the average of 160dpa. The housing trajectory set out in Appendix A of the Publication Local Plan estimates that Skerningham will deliver, once established by the late 2020s, 150 dpa. This aligns with Lichfields research ‘Start to Finish (2)’. The research also gives confidence that a higher delivery rate could be, and has been across other large sites, achieved if a range of site factors are present.
- 1.40 The average delivery rate at Skerningham Garden Community is 4% of the total capacity of the site, which is aligned with the average trajectory found in Lichfields’ Garden Community research⁶. Skerningham is the third largest Garden Community identified across the North of England.

⁵ ‘Start to Finish (2)’ Lichfields (February 2020)

⁶ ‘How does your Garden Grow?’ Lichfields (December 2019)

Table 2 Garden Villages across the North of England - anticipated trajectories

Site	Total Number of Units	Dwellings per annum in Trajectory
St Cuthberts	10,325	413
Wynyard	6,000	160
Skerningham	4,500	180
West of Elvington	3,339	134
Bailrigg	3,500	140
Burtree	2,000	80
South Seaham	1,500	90

Source: Lichfields analysis

- 1.41 For all Garden Communities considered in the Lichfields' research 'How does your garden grow', build rates for sites less than 5,000 units were anticipated to be 4% of the total capacity of the site.. This evidence therefore supports the trajectory identified in Appendix A of the Plan.
- 1.42 The findings of Lichfields research and their application to the characteristics of Skerningham support the delivery trajectory at Skerningham identified at Appendix A of the Plan which ramps up to 150 dpa by the end of the 2020s once development has been established.

Total supply from housing allocations (policy 2)

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

- 1.43 Our Client has worked with the Council to develop a realistic and robust trajectory in respect of housing delivery at Skerningham over the plan period. As evidenced in our response to Q4.6, Skerningham's delivery trajectory in the first five years and beyond, over the whole plan period, is supported by evidence contained in research undertaken by Lichfields'; 'How does your garden grow' and 'Start to Finish (2)'. This evidence supports Skerningham's role in the assumed trajectory identified in Appendix 1 of the Local Plan and indeed, we submit the forecast rates can be exceeded

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?

- 1.44 The Five Year Housing Land Supply Statement June 2020 [SD07] provides a detailed comment against the allocated sites identified in policy H2. This evidence is further developed in the Council's response to the preliminary questions from the Inspector (Q29 response) which provides clear evidence in respect of detailed commentary on deliverability of the allocations identified in policy H2. In respect of some of the allocated sites, DBC have adjusted the delivery rates to ensure these are realistic and deliverable given the current planning status.
- 1.45 Our Client has established and maintained a dialogue over the last 10 years with the Council to discuss the emerging proposals for Skerningham and work with them to ensure the proposals meet the strategic objectives identified in the emerging Local Plan.
- 1.46 Our Client considers that DBC have provided clear evidence that 735 dwellings will be built on allocated sites without planning permission between 2020 and 2025.

Overall housing supply for the plan period (appendix A)

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?

1.47 Our Client is confident based on recent housing delivery statistics and the strength of the current housing market, that there will be sufficient completions over the plan period.

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?

1.48 Our Client considers that basing the five year requirement on 422 dpa, which is identified as the minimum local housing need in Darlington, would fail to support the growth ambition underpinning the Plan.

1.49 Our Client considers a five-year requirement based on the housing requirement of 492 dpa would ensure future housing delivery supports the economic ambition identified in the Plan and align with the ambitions of national policy to significantly boost the supply of homes. Further information on this is provided in our response to Matter 2, Question 2.3.

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?

1.50 Our Client considers the 5% buffer as per the proposed modification would provide clarity. The PPG (paragraph 022 ID:68) is clear that local planning authorities should *always* add an appropriate buffer to the requirement in the first 5 years including any shortfalls. The PPG goes on to state that 5% is *‘the minimum buffer for all authorities, necessary to ensure choice and competition in the market’*.

1.51 Our Client considers in order to comply with the PPG paragraph 031 Ref ID: 68-031, and plan positively in terms of future housing delivery, any shortfall in the first four years of the plan period should be added to the plan requirements for the next 5 year period (the Sedgefield approach), with the appropriate buffer then applied, in Darlington’s case a 5% buffer applied.

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?

1.52 Our Client can confirm the anticipated completions identified in the trajectory in respect of the development at Skerningham are justified and will contribute to the 5 year housing land supply for the Plan.

- 1.53 The delivery trajectory and dwelling capacity is agreed and set out within the Skerningham Statement of Common Ground which has been agreed by Skerningham Estates Limited and Darlington Borough Council and underpins the commitment to delivery at Skerningham.

Word Count: 2,992