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**DARLINGTON BOROUGH LOCAL PLAN 2016-36 :  
HOUSING TARGETS AND LOCAL PLAN TIMETABLE**

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**Responsible Cabinet Member - Councillor Chris McEwan,  
Economy and Regeneration Portfolio**

**Responsible Director – Ian Williams, Director of Economic Growth**

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**SUMMARY REPORT**

**Purpose of the Report**

1. This report sets out for Members approval a recommended annual housing requirement which will ultimately inform the housing site allocations in the new Local Plan.
2. It also sets out for Members approval, the revised timetable and process for producing the new Local Plan (including the revision of the Local Development Scheme).

**Summary**

3. In April 2016 Cabinet, approved the Strategic Issues and Options Paper as a basis for consultation. Key to that decision was a housing requirement between 2011-2036 of an average of 484 dwellings per annum. It was acknowledged at that time that this would need to be reviewed in the light of the latest data sets and proposed changes to the Objective Needs Assessment (OAN). Cabinet reviewed that position on the 9th January 2018 and its recommendations are set out in this report to Council.
4. The Government require local planning authorities to prepare an objective assessment of housing need to inform its Local Plan and that assessment should be based on the latest Office of National Statistics (ONS) household and population projections. Since the previous Strategic Housing Market Assessment which included the objective assessment of housing need which was produced in 2015 there has been a further release of household projections (March 2016).
5. In response to the most recent household projections, consultants (Opinion Research Services) carried out further work to update the objective assessment of housing need (**Appendix 1**). This identified a base need of 389 dwellings a year, an allowance for elderly people, not moving into residential care of 33 dwellings per annum needs to be added, which provides an objectively assessed need of 422

dwellings per annum. This is the figure any future 5 year supply requirements would be based upon.

6. This does not make any allowance for economic growth. Based on previous economic performance it is realistic to assume a continued jobs growth of 7,000 full time equivalent jobs (as identified in the Employment Needs Report **Appendix 2**) over the Plan period. To support this growth in jobs an additional 70 dwellings per annum is required. For employers investing in business the primary consideration is the availability of a labour force, so it is essential to Darlington's economic prosperity to ensure there are sufficient homes for employees. In total therefore it is projected that Darlington needs to target in the Local Plan for 492 dwellings per annum or a total of 9,840 over the plan period.
7. To allow progress of the Local Plan it is essential the Council agree a housing target that the Plan can demonstrate it can deliver.
8. An up-to-date Plan is essential to meeting the development needs of the Borough and the Council can shape and are in control of development. The new Local Plan will cover the period 2016 to 2036. The ambition is to prepare a Local Plan to be submitted for inspection in 2018 (with adoption likely early in 2019).
9. A Local Development Scheme 2018-21, setting out the programme for the Local Plan preparation has been produced (**Appendix 3**).

### **Recommendation**

10. It is recommended that Council:-
  - (a) Approve a housing need of 422 dwellings per annum for the period of the plan, 2016 to 2036, equating to 8,440 dwellings in total.
  - (b) Approve a planned housing target of 492 dwellings per annum or a total of 9,840 dwellings over the Plan period for the basis of informing housing site allocations.
  - (c) Approves the Local Development Scheme (2018-2021) (Appendix 3).

### **Reasons**

11. The recommendations are supported by the following reasons :-
  - (a) The National Planning Policy Framework states that local planning authorities should positively seek opportunities to meet the development needs of their area and Local Plans should meet objectively assessed needs.
  - (b) In addition to meeting basic housing needs the Council needs to plan for realistic economic growth scenarios and the planned housing target of 9,840 dwellings is considered to be realistic as derived from current economic growth evidence.

- (c) The Council is required to have an up to date Local Development Scheme (Planning & Compulsory Act 2004, as amended by Section 111, Localism Act 2011).

**Ian Williams, Director of Economic Growth**

### Background Papers

- (i) National Planning Policy Framework, CLG March 2012
- (ii) Planning and Compulsory Purchase Act 2004
- (iii) Localism Act 2011
- (iv) Darlington Strategic Housing Market Assessment Update 2017

David Hand : Extension 6294

S17 Crime and Disorder	The Local Plan has a role in reducing crime through the design and location of development.
Health and Well Being	A key objective of Local Plan policies will be to improve people's health and wellbeing by protecting and improving the economic, social and environmental conditions in the Borough.
Carbon Impact	A Sustainability Appraisal will be carried out on the strategic issues and options. Achieving sustainable development will be a fundamental objective of the Local Plan.
Diversity	An Equalities Impact Assessment will be part of the local plan preparation process
Wards Affected	All
Groups Affected	All
Budget and Policy Framework	The Local Plan will be prepared using existing budgets and will ultimately form part of the Council's Planning Policy Framework.
Key Decision	Yes
Urgent Decision	No
One Darlington: Perfectly Placed	The Local Plan will represent the spatial implications of the overarching aims of One Darlington: Perfectly Placed.
Efficiency	The proposed Local Development Scheme represents the most efficient way to produce the Local Plan having regard to the legislative and engagement requirements.
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers

## MAIN REPORT

### Information and Analysis

#### Local Plan Housing Target

12. One of the key elements of the Local Plan is how we plan for the housing needs of the Borough, over the period to 2036 and potentially beyond. Cabinet previously endorsed a figure of 484 dwellings per annum which gave a total housing requirement between 2011 and 2036 of 12,110 dwellings.
13. Since Cabinet endorsed that figure a number of things have happened, firstly the base period for calculating the housing requirements has changed with a base date now of 2016 through to 2036 (a 20 year period), secondly the Office of National Statistics (ONS) have published new household projections (2014 based) and thirdly the Government have published a consultation document on a standard methodology for calculating local housing need.
14. To calculate housing requirements for a Local Plan we must use the latest ONS projections. The Council commissioned Opinion Research Services to carry out an update (Appendix 1) of the Darlington Strategic Housing Market Assessment 2015 (needs to be read in conjunction with the update) to take into account of the latest projections.
15. In summary, the report concluded:
  - (a) Darlington can be considered a relatively self-contained housing market area, although links to North Yorkshire, Stockton-on-Tees and County Durham were noted;
  - (b) Darlington has experienced relatively high population growth in recent years in comparison to other Tees Valley authorities – this informs the projection of future housing need;
  - (c) 7,780 New homes will be needed in addition to current housing stock over a 20 year period, an average of 389 per annum;
  - (d) A further 657 new homes would be required to provide for the homes that will not be vacated by people moving into care, an average of 33 per annum;
  - (e) Based on previous performance and not taking into account any impact the Tees Valley Combined Authority may have on the local economy, we believe a jobs growth target of 7,034 full time equivalent jobs (as evidenced in the Employment Needs Report see Appendix 2) over the plan period to be realistic. To meet the need for these jobs additional workers will be required which in turn would generate a housing requirement of a further 70 new homes over and above the Objective Assessment of Housing Need.

16. The overall housing target for the Local Plan can be calculated by taking the Objective Assessment of housing need and adding any extra new housing required to meet the need of additional workers.
17. The overall housing target for the Local Plan therefore is 9,840 new homes or 492 per annum. This derived from adding the objective assessment of housing need (422 dwellings per annum) to further requirement to meet the additional jobs created (70 dwellings per annum). A fuller explanation can be found in Appendix 1. Appendix 2 sets out the Employment Needs analysis. Annexes to the Employment Analysis have not been reproduced with this report but are available on the Council's website.
18. In order to ensure the fully objectively assessed need for market and affordable housing is met, it will be necessary to plan for more dwellings than are suggested by population projections alone to ensure sufficient new homes over the plan period. A strategy for meeting the Borough's housing requirement must acknowledge that it is likely that there will be changes to both the demand for housing and its supply over the plan period. In order to ensure the plan remains robust for as long as possible, some element of flexibility must be built into the plan. Over the plan period from 2016 to 2036, the level of flexibility required will depend on the sites selected; however, in practice it means allocating sites for more dwellings than the current data suggests. The level of flexibility required will only be known once the sites have been selected – the less certainty of delivery, the more sites will be required. Conversely, if a high level of certainty about timely delivery can be demonstrated then the margin for flexibility can be reduced. Furthermore the plan is likely to require a broad range of sites that plan for a range of housing needs and products to ensure that the supply of housing maintains pace with identified needs.
19. Consideration of where the sites will be allocated to meet the Local Plan target will be made at a later meeting.
20. In September the Government published a consultation paper titled 'Planning for the Right Homes – In the Right Places' which included consultation on a standard approach to calculating the local housing need. It is the intention of the Government to make the process simpler, be based on publicly available data or robust local data and be realistic.
21. Using the standard methodology, would result in an OAN for Darlington of 177 new homes per year or 3,540 over the plan period. Local administrative data for Darlington, such as NHS registrations, school rolls and people claiming state pensions cast doubt on the robustness of the base data used to calculate the OAN. The Council, adjoining authorities, the TVCA and the North East Chamber of Commerce all responded to the consultation highlighting flaws in the methodology and in particular the disastrous impact it might have on the economy of the north.

22. The Government in its consultation makes it clear that it is not mandatory to use the standard methodology and that it is classed as a minimum and that Plan makers may put forward proposals that lead to local housing need above that given by their approach. The Government further state that they want to give proper support to ambitious authorities who want to deliver more homes. To facilitate that they propose to amend planning guidance so that where a plan is based on an assessment of local housing need in excess of that which the standard method would provide, Planning Inspectors are advised to work on the assumption that the approach adopted is sound unless there are compelling reasons to indicate otherwise.
23. In conclusion, as the standard methodology is only a consultation at present, the projections based on recent trends are not supported by local data and that the Borough is ambitious for economic growth, that we rely on the evidence prepared by a reputable consultancy firm.

### **Local Development Scheme 2018-2021**

24. The Local Development Scheme (LDS), attached at Appendix 3, is a statutory requirement. It sets out the planning policy documents that the Council will prepare over the next three years, when the key stages of preparation will be, the scope of each document, the resources available for, and risks to, their preparation. It will replace the existing LDS 2016-19.
25. The focus over the next 1-2 years will be on producing the Local Plan itself and carrying it through Examination to Adoption. Work is also planned to revise the current Planning Obligations SPD and investigate the potential for introducing a Community Infrastructure Levy to help resource infrastructure requirements. Following the adoption of the Local Plan the policies and proposals will need to be monitored to assesses their effectiveness and an Implementation Plan produced to ensure delivery of the Plan. The design of New Development SPD will need to reflect changes to the Building Regulations, Code for Sustainable Homes, and Development management amenity issues.
26. This report proposes that the LDS should take effect the day after the next meeting of Full Council.

### **Financial Implications**

27. A consolidated budget has been established across the Economic Initiatives Division which covers the costs associated with local Plan preparation (consultant's fees for evidence gathering, consultations and printing). Further evidence gathering and consultation work will give rise to continuing need for resources for these activities. There will also be a need to carry out a Public Examination into the Local Plan in 2018/19 and £80,000 has been reserved for that within current budgets.

## **Implications**

28. In order to produce a Local Plan, there are statutory procedures to be followed, detailed scrutiny of the proposals and there will be strong community interest. It is a complex, demanding and time consuming process. The proposals in this report are recommended in order to provide a realistic and professional approach to plan-making, allowing for appropriate programme management and resources to reduce the risk of failure.
29. The Planning Policy Team, within the Economic Initiatives Division of the Economic Growth Directorate, leads the preparation of the Local Plan and other policy documents. Success in achieving the milestones set out in this report will depend on the amount of non-plan preparation work the team does, on the amount and timeliness of help from colleagues across the Council in specific policy areas, such as transport, housing and education, and on there being resources available for planning policy work.

## **Legal Implications**

30. The Council is required to have an up to date Local Development Scheme (Planning & Compulsory Act 2004, as amended by Section 111, Localism Act 2011).

## **Equalities Considerations**

31. The Local Plan itself will have regard to equalities considerations.

## **Consultation**

32. It is intended that the draft Local Plan targeted for consultation in May 2018 will be the subject of a formal consultation process that will shape the Submission version of the Local Plan. The Submitted Local Plan will be subject to public examination, where objectors can make representations to the appointed Inspector.