

DARLINGTON CORE STRATEGY DEVELOPMENT PLAN DOCUMENT (DPD)
EXAMINATION IN PUBLIC

SESSION 4 – QUALITY HOUSING FOR ALL

HEARING STATEMENT BY ST MODWEN (024)

- 1. Providing enough affordable housing to meet local needs is identified as a significant issue and Policy CS11 indicates a target of 35 additional affordable houses per annum for the period 2011- 2016 and at least 50 per annum thereafter. Are the requirements set down in CS11 adequate to meet the identified local needs and are the targets deliverable??**
- 1.1 Our response to this question should be read in conjunction with our previous representations when we challenged the robustness of the Council's position. Whilst it is recognised that PPS3 requires LDDs to set an overall target for the amount of affordable housing to be provided, this needs to be set against the evidence base and prevailing market conditions.
- 1.2 The Council provided justification for an affordable housing target of 30% across the Borough on the basis that the Levvel June 2010 Report on The Economic Viability of Housing Land in Darlington' found that four out of eight 'value areas' examined could potentially deliver a minimum of 30% affordable housing over the plan period (Areas 1, 2, 6 and 7). In other words there were four areas, including much of that where Faverdale is located (Area 3) that did not have such a target (10-15% seemingly being the relevant figures for Area 3).
- 1.3 We note that paragraph 10.22 of the Levvel report refers to scenarios for 30, 50 and 80 dwellings per hectare for value areas 4,5,6,7 and 8 which are clearly unrealistic and overoptimistic. There is little or no demand for flatted or other high density developments in our experience. This also shows that there is the need for more assessments and will inevitably impact upon other housing assumptions, not least likely output and delivery.
- 1.4 In addition the Levvel work relied upon assessment of three 'notional strategic sites' in three value areas, plus other 'notional development sites'. In terms of a strategic site in Area 3 the Levvel work does conclude when considering 200 units at 35 dph that *'20% affordable housing may be achievable in positive market conditions assuming public subsidy is available at normal levels and infrastructure costs do not exceed £10,000 per unit'* [Para 10.40 of

Levvel]. In Area 4 though 10-15% is considered challenging and higher grants would be required [Para 10.42]. These are significant assumptions / caveats, not least because it is clear from our answers below that the market is not positive and public subsidy would not be available. They also conclude that further more detailed analysis needs to be undertaken to clarify requirements on strategic sites, with which we concur.

- 1.5 Our Client remains concerned that this is not a robust position on which to base policy and requirements. Firstly, viability and funding is an increasingly pertinent plus changing issue and secondly it is not appropriate to set a target based on 50% of the study area having the ability to achieve such a level of provision. Thirdly, it is noted that it is the study areas that could provide the 30% over the lifetime of the plan period, and not specific sites at a specific time. Ideally more work would be carried out on a site specific basis, either now or through an application of agreed principles and tests at a later stage.
- 1.6 Furthermore, it is very difficult to set an appropriate and robust overarching target number of affordable houses, not least as the funding of affordable housing by the Homes and Communities Agency (HCA) is in a complete state of flux and uncertainty. This is discussed further below under question 2.
2. **The SPD 'Affordable Housing' (SD051) indicates a social rented: intermediate housing tenure split of 70:30, whilst the Economic Viability of Housing Land study (SD007) advised a 20:80 split. Although the Revised Preferred Options draft policy CS11 indicated such a split (point d) the Publication draft has omitted it contrary to the spirit of PPS3 (para 29). Should the Core Strategy indicate a preferred split between social rented and intermediate housing?**
 - 2.1 This is currently very topical and it was clear from a recent presentation by the HCA Director for the North East and Yorkshire to the HBF that social rented is no longer going to be a sustainable and viable tenure going forward, given substantial cuts in funding. It would therefore be wholly inappropriate to advise a split that gives emphasis to the social rented tenure. Indeed it is almost impossible to advise on an appropriate split at this stage. Certainly intermediate tenures with a reduced level of HCA funding may be possible. The Levvel assessment correctly points out that intermediate affordable housing improves the viability of a scheme, subject to other site issues and constraints.

- 2.2 In conclusion the level of affordable housing provision should be looked at on a case by case basis taking into account local need, site and market conditions, as well as availability of funding. In terms of Faverdale this is likely to equate to a figure significantly below 30% and predominantly intermediate housing.
- 3. Policy CS11 indicates that up to 30% affordable housing will be sought for developments of 15 dwellings (or 0.5ha) within the Darlington Urban Area and 5 dwellings (or 0.2ha) outside of it. Are these targets justified by the evidence and is there sufficient flexibility in the Policy to ensure delivery?**
- 3.1 St Modwen wishes to re-iterate the comments at 1 and 2 above which conclude that a blanket affordable housing requirement of 30% in the urban area is inappropriate and not fully justified by the evidence base. There will be few instances where 30% provision can be justified once site specific matters, market conditions and funding availability is factored in. If the Council remain determined to impose a target figure then we would suggest it be broken down by sub-area. Clearly further work and discussion is needed on this point.
- 4. CS13 is a criteria-based policy against which additional sites for Gypsies and Travellers and Travelling showpeople will be assessed for allocation. It makes no provision for sites to come forward as planning applications. Circular 01/06 suggests that windfall sites can contribute to the supply, although the Government has signalled its intention to withdraw the circular. Should the Policy allow for the consideration of applications for planning permission on windfall sites?**
- 4.1 St Modwen's site at Faverdale neighbours an existing site for Gypsies and Travellers at Honeypot Lane. It is not envisaged that this site will expand but it should be made clear in Policy CS13 that the criteria (a-e) would also apply to any applications for extensions to existing sites.
- 5. The criteria include, for example, consideration of an unacceptable negative impact on existing residential amenity and a sustainable location for local services and facilities. Are these requirements reasonable, fair and necessary in relation to requirements for other residential developments?**

5.1 St Modwen believes these requirements are reasonable, fair and necessary and are consistent with wider policy approaches and guidance in PPS3. It is normal good practice to assess the impact on existing residential amenity.

6. The Core Strategy refers to additional work being necessary to quantify the requirement for pitches for each Borough in the sub region. The TVGTAA provided an indication of the present population and an estimate of the additional residential pitch need for the period 2007-2026. Is it reasonable to defer quantification of the projected requirement to the Accommodating Growth DPD (scheduled for adoption in July 2013)?

6.1 No comment.

7. Any other relevant issues

7.1 St Modwen remain keen to work constructively with the Council and would prefer to discuss Faverdale on a site specific basis, in the light of current economic circumstances, rather than be tied to a district wide policy requirement.

Word count 1,304