Hearing Statement – Matter 2

Doncaster Local Plan

On behalf of Metroland

August 2020
1. **Introduction**

1.1. This is a Hearing Statement prepared by Spawforths on behalf of Metroland, in respect of:

   - Matter 2: Quantity of Development needed in the Borough

1.2. Metroland has significant land interests in the area and has made representations to earlier stages of the Local Plan process.

1.3. The Inspector’s Issues and Questions are included for ease of reference. The following responses should be read in conjunction with Metroland comments upon the submission version of the Doncaster Local Plan, dated September 2019.

1.4. Metroland has also expressed a desire to attend and participate in Matter 2 of the Examination in Public.
2. **Matter 2 – Quantity of Development Needed in the Borough**

**Q2.1.** Is the strategic aim in policy 3 to facilitate the delivery of at least 481 hectares of land for business (B1), general industry (B2) and storage and distribution (B8) uses over the plan period (2015 to 2035) justified and positively prepared?

2.1. Metroland has no specific comment in relation to this issue.

**Q2.3.** Is the Plan based on adequate and proportionate evidence about the quantitative and qualitative need for office, retail and leisure development in the Borough? To be effective, is it necessary for the Plan to be modified to state what those needs are?

2.2. Metroland has no specific comment in relation to this issue.

**Q2.4.** Does the Plan clearly establish a housing requirement figure for the Borough for the Plan period as required by national policy?

2.3. Please refer to our responses in relation to Q2.5 and Q2.6 in which we establish that the current requirement established as a range lacks certainty and clarity and further creates inconsistencies within the Plan and that the requirement should be a single requirement which accounts for economic growth, past delivery rates and affordable housing requirements. Metroland considers the Plan should establish a minimum requirement of 1,100 dpa.
2.4. Notwithstanding our concerns expressed in response to Q2.5 Policy 3 itself as written lacks clarity. Bullet point 2 of policy 3 of the local plan strategic aim is to facilitate the delivery of 18,400 new homes in the period 2015 to 2035 (920 per annum). This first sentence appears to present a clear single requirement for housing over the Plan Period. This clarity is then reduced in the following two sentences, which proceed to introduce the ‘requirement’ being a range. Whilst we appreciate that the figure resulting from the Standard Method changes each year, the lack of a figure for the bottom end of the range does not provide certainty or clarity for the development industry, the council, or in particular residents. It requires the Lay-reader to have an understanding of the difference between the Local Housing Need Figure and Standard Methodology in order to interpret what is meant by the policy and its significance.

2.5. Furthermore, the government have clearly acknowledged the inadequacies of the Standard Methodology and have announced their intent to revise it. The ‘Planning for the future’ paper is clear that the reforms proposed should lead to more homes being built. The changes to the current planning system, details the changes to the Standard Methodology and reiterates the governments aims of significantly boosting the supply of homes, ensuring that 300,000 homes per annum are built and it set out an ambition to deliver more than one million homes by the end of parliament. It is highly likely that the figure for Doncaster will result in a higher figure than the current Standard Methodology, based on the current data a figure in the region of 960 homes per annum would be anticipated. A policy that refers to the Standard Methodology, and does not present a figure, when the methodology is expected to change will clearly lack clarity and is inappropriate.

2.6. Metroland consider that the policy should be revised to be a single requirement. However in the event the Inspector is convinced that a range is appropriate, the range should be expressed clearly and upfront within the policy.

Q2.5. Is expressing the housing requirement as a range consistent with national policy or otherwise justified? If so, what should the bottom of the range be (assuming that it must be a fixed figure)?
2.7. Metroland does not consider that expressing the housing target as a range is justified, especially against the context of a Plan that is expressly seeking to deliver a level of economic growth which is consistent with the City Regions ambitions.

2.8. Metroland considers the use of a range will not support the government’s clear ambition to boost the supply of homes. Paragraph 60 of the Framework is clear when determining the ‘minimum’ number of homes strategic policies should be informed by a local housing need assessment, with reference to the standard methodology. The standard methodology is a starting point for preparing the housing requirement. Government guidance is explicit that it does not produce a housing requirement figure and reiterates the government’s commitment to ensuring that more homes are built supporting authorities who want to plan for growth. It goes on to state that there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method. The circumstances set out within NPPG include but are not limited to Growth Strategies, Strategic Infrastructure improvements and evidence on past delivery.

2.9. It has been determined that there are exceptional circumstances with regards to economic growth, accepted by the council when establishing the higher range, and guidance is clear that these circumstances should be taken into account when determining the minimum requirement.

2.10. The use of the standard methodology result as a minimum requirement is not consistent with guidance, which indicates the circumstances that can be considered. It will not ensure the delivery of the Council’s affordable housing need nor meet its economic growth ambitions. Metroland consider that this approach is wholly inappropriate and leads to internal inconsistencies within the Plan. Economic growth being promoted throughout Plan, with a target to deliver 481 hectares of employment land based on 1% jobs growth. This is not consistent with having a requirement to deliver a minimum level of housing that does not account for the level of economic growth being sought in the Plan, and is not justified on consistent with national policy and guidance.

2.11. In the context of a Plan that sets a target to deliver a minimum 481 hectares of employment land. The establishment of a range for housing creates the potential for the level of housing provision to fall out of alignment with the delivery of employment land. This will serve to lead to unsustainable travel patterns.
2.12. **Metroland** do not consider that the use of a range is justified in Doncaster, it is not consistent with national policy or guidance and the Plan as Submitted is not sound.

Q2.6. Is the strategic aim in policy 3 to facilitate the delivery of 18,400 new homes in the period 2015 to 2035 (920 dwellings per year) justified and positively prepared? In particular:

a) Is it appropriate to plan for a higher figure than the standard method indicates (585 homes per year)?

b) Are the economic growth assumptions upon which the strategic aim of 18,400 new homes is based aspirational but deliverable between 2015 and 2035?

c) If such economic growth were to materialise, would it be likely to affect demographic behaviour to the extent that an additional 335 homes are needed every year between 2015 and 2035 (on top of the 585 per year that the standard method indicates are needed)?

d) Do previous levels of housing delivery in the Borough indicate a need for more than 585 homes per year?

e) Should the Plan aim to deliver more than 585 homes per year in order to help meet the need for affordable homes?

Part A

2.13. The Framework (paragraph 35) is clear that to be considered positively prepared and therefore ‘Sound’, the Plan must as a minimum meet the Plan area’s objectively assessed needs, footnote 19 confirms for housing, that such needs should be assessed using a clear and justified method.

2.14. The Framework (paragraph 60) is clear when determining the ‘minimum’ number of homes strategic policies should be informed by a local housing need assessment, with reference to the standard methodology. However Policy and Guidance is clear that the standard methodology is a starting point for preparing the housing requirement. NPPG explicitly states that the Standard Method does not produce a housing requirement figure and reiterates the government’s commitment to ensuring that more homes are built supporting authorities who
want to plan for growth. It goes on to state that there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method. The circumstances set out within NPPG include but are not limited to Growth Strategies, Strategic Infrastructure improvements and evidence on past delivery.

2.15. Metroland maintain that there are exceptional circumstances in Doncaster which demonstrate that housing need in Doncaster is higher than the figure that results from the use of the Standard Methodology. Metroland have provided evidence within our earlier representations, considered further herein, which demonstrate that exceptional circumstances exist; these include:

- the growth strategy, see response to part b of this question;
- past delivery rates, see response to part d of this question; and
- affordable housing need, see response to part e of this question.

2.16. Metroland consider that the evidence available points to higher requirement than that expressed within the Plan and consistent with national policy and guidance it is therefore appropriate to plan for a higher figure than the standard methodology.

2.17. Furthermore, the standard methodology is based on the 2014 SNPP projections, the government indicates that this is because they are considered to be consistent with the Government’s objective of significantly boosting the supply of homes. In Doncaster 2014 SNPP projections indicate lower levels of growth over the same period than the 2018 SNPP projections. The 2018 SNPP project that there will be 4% growth in the population between 2018 – 2018, compared to 1% growth over the same period in the 2014 SNPP. The contrast in levels of growth are even more stark when considering the levels of growth forecast over a 20 year period between 2018 – 2028 where the 2018 SNPP forecasts 7% growth, compared to 3% growth in the 2014 SNPP. Over the 25 year period of the 2014 SNPP forecast growth is 3.2%, whereas the 2018 SNPP forecasts 8.7% growth. Therefore, basing the growth of the Plan on the basis of an acknowledged standard methodology flawed process when the latest projections indicate higher growth rates would be inappropriate.

2.18. The government has accepted that there are flaws in the current approach to the Standard Methodology, and have published ‘Changes to the current planning system’. This consults on a revised methodology which remains consistent with the government aims of significantly
boosting the supply of homes and ensuring the delivery of 300,000 homes per annum. Further it considers that the Standard method would deliver one million homes by the end of parliament.

2.19. Applying the revised approach to Doncaster, results in a figure (circa 960 dpa) which is significantly higher than the current standard method and higher than the upper end of the requirement of 920 dwellings per annum. Furthermore, it is noted that there remains potential for this methodology to be revised further to reflect the ambitions of the Northern Powerhouse.

Part B

2.20. As referred to in response to Q2.1 the economic growth assumptions are in response to the SEP ambitions and the Policy on scenario considers Jobs growth of 1% per annum.

2.21. It is indicated within the Councils evidence SDEB 44 that there is a strong possibility that jobs growth in the jobs growth target does not reflect the considerable potential demand for strategic warehousing (para 2.52). This is reflected in the take up of employment land evidenced in the first few years of the Plan.

2.22. This demonstrates that the economic growth assumptions upon which the strategic aim of the plan is based on are not only deliverable but have been exceeded, even in periods which included economic downturn, and have been considerably higher in the first couple of years of the Plan to 2017.

2.23. A report to the Sheffield City Region Housing Board, 9th January 2020 notes that the delivery of new homes in Doncaster is considerably above the emerging local plan requirement and that this reflects the strong developer interest in the borough, and strong Jobs growth and investment in infrastructure.

2.24. Metroland consider that the evidence justifies the use of the economic growth assumptions as an absolute minimum, noting that the evidence points to higher levels of Jobs growth being achieved in the first part of the plan period.

Part C
2.25. As indicated in response to Part B, the evidence points to a strong record of jobs growth, accompanied with high levels of employment land take up. Doncaster is well positioned to sustain high levels of economic growth over the plan period.

2.26. Furthermore, jobs growth has been higher than the jobs growth in the policy on scenario assessed by PBA. This jobs growth has been reflected in the levels of housing delivery in recent years which far exceed the upper requirement in the Plan of 920 dwellings per annum. The link between jobs growth and investment and housing growth was acknowledged by the Sheffield City Region Housing Board on 9th January 2020 in a report on the latest housing completion figures, appendix I. It notes that the “delivery of new homes in Doncaster is considerably above the level required through both the local housing need figure and the emerging local plan annual requirement of 920 dpa. Housing completions have increased over the last three years with 2018/19 figures representing an all time record high not seen for over a decade in the Borough. This reflects strong developer interest in the borough, and associated strong jobs growth and investment in the borough's infrastructure”.

2.27. Metroland considers there is strong evidence to support the potential for higher levels of economic growth and the Plan should aim to deliver 1,100 dwellings per annum in order to not constrain economic growth through lack of labour supply.

Part D

2.28. In accordance with Government guidance consideration should be given to past delivery rates when determining the appropriate housing requirement. As stated in Part A, NPPG states there may be situations where previous levels of housing in an area are significantly greater than the outcome from the standard method and that authorities will need to take this into account when considering whether it is appropriate to plan for a higher level of need than the standard model suggests.

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Completions</th>
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<tbody>
<tr>
<td>2015-16</td>
<td>1,025</td>
</tr>
<tr>
<td>2016/17</td>
<td>1,049</td>
</tr>
<tr>
<td>2017/18</td>
<td>1,137</td>
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</table>
New information has become available since the submission of our earlier representations. DMBC 4 provides the net completions for the year 18/19. Since the beginning of the Plan period there has been year on year growth in housing completions. There is no published data for 19/20, however we have reviewed sites listed SDEB 26, and based on the sites we have reviewed completions for 19/20 are over 1,070. This analysis did not include completions arising from sites under 5 units, and will not have captured all sites above 5 units, as such actual completions are likely to be above 1,070.

Completions over a sustained period of 5 years have remained significantly above the standard methodology and the upper Plan requirement of 920. Consistent with the NPPG the data on delivery rates should be considered when determining the appropriate requirement. The data clearly indicates the need for more than 585 homes per year, and indeed indicates a need for more than 920 dwellings per annum.

Metroland consider in order to support the sustained levels of economic growth within the borough and future growth potential, it is critical that housing growth is not suppressed. Consistent with national guidance evidence on completions should be considered when determining the requirement and the need for a requirement of 1,100 d.p.a.

The Framework is clear that when determining the minimum number of homes needed, strategic policies should be informed by a local housing need assessment (paragraph 60). Within this context paragraph 61 is explicit that the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies. This includes the need for affordable housing.

The Council have assessed the need for affordable housing within Doncaster to be 209 affordable dwellings per annum. This equates to just over 35% of the local housing need figure. The table below demonstrates that the level of affordable housing completions, against the
context of current completions. This demonstrates that the affordable housing need has not been met within the first three years of the Plan. Affordable housing completions have been at around 14 – 15% of completions.

<table>
<thead>
<tr>
<th>Year</th>
<th>Affordable Completions</th>
<th>Total Completions (RLA Net)</th>
<th>Affordable completions (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>15/16</td>
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<td>17/18</td>
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<td>1,137</td>
<td>14.5</td>
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2.34. Affordable housing completions have not been provided by the Council for year 18/19, when completions reached a net high of 1,189. However, affordable housing supply open data, indicates that there have been 220 affordable housing completions in 18/19, meeting the identified need for affordable housing for this period.

2.35. Metroland are concerned that a target of 920 homes will not be sufficient to ensure sufficient affordable homes of the right type and tenure will be delivered. In order to deliver 209 affordable dwellings per year, a requirement of at least 1,393 would be required. This assuming the achievement of an average of 15% affordable housing, which represents the average achieved over the last four years of monitoring.

2.36. A report to the Sheffield City Region Housing Board on 2nd July 2020 expresses concerns around the affordability of homes within the region. The report concludes that "over 50% of new houses are currently unaffordable for people on average incomes, while average deposit on an entry level home (£15,000) would take households on bottom 20% incomes over 9 years to save. With growth and rising demand property will become more unaffordable. Home ownership is not achievable for everyone, therefore the solution must be to build more affordable homes to rent. This could include options for shared ownership and ultimately the right to buy".
2.37. The list of circumstances where it may be appropriate to consider whether actual housing need is higher than the standard method provided in the NPPG is not exclusive. National policy is clear that the needs of specific groups with specific housing requirements should be addressed. A plan cannot be considered positively prepared where it does not meet the areas objectively assess needs. Metroland consider it is appropriate, where it is demonstrated that a requirement produced by the standard methodology will not meet the authority’s affordable housing need, to Plan for a higher figure to ensure that the needs of all specific groups can be met. In Doncaster it is clear that in order to deliver 209 affordable dwellings a year that a requirement above 585 and 920 is required. Evidence based on completions indicates that a minimum of 1,100 and 1,393 should be required.

2.38. **A requirement based on the Standard Methodology cannot against this context be considered to be positively prepared, and would not be sound.** The requirement must take full account of the planned level of economic growth, and must ensure that the needs are met, including affordable housing need. Metroland consider the minimum requirement should be at least 1,100.

**Proposed Change**

2.39. To overcome the objection and address soundness matters, the following changes are proposed:

- Review the Employment Land Requirement to reflect evidence on jobs growth, and latest evidence on take up and market demand for manufacturing and logistics space.
- Review the approach to the housing requirement and increase to 1,100 dwellings per annum.
- Express the housing requirement as a single figure to provide clarity and ensure internal consistency within the Plan.