Doncaster Local Plan 2015-2035: Examination in Public

Hearing Statement by Peel L&P / Doncaster Sheffield Airport Limited

Matter 2: Quantity of Development needed in the Borough

2 September 2020
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Our reference  
PEEM3116

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1. Introduction

1.1 This Statement is prepared by Turley on behalf of Peel L&P and Doncaster Sheffield Airport Limited (hereafter referred to as “Peel” and “DSAL” respectively) in respect of the examination of the Doncaster Local Plan 2015-2035 (“DLP”). It provides Peel’s and DSAL’s response to the Issues and Questions identified by the Inspector in respect of Matter 2: Quantity of Development needed in the Borough, as set out in Inspector’s Note 41.

1.2 In overall terms, Peel and DSAL are fully supportive of the emerging DLP and consider that it is imperative the plan proceeds to adoption to ensure that Doncaster has an up-to-date Local Plan as required by national planning policy, and one which provides the policy tools for the planning system to support sustainable growth, including aviation growth, in accordance with national planning and aviation policy. Notwithstanding such general support, Peel / DSAL have identified a number of specific issues and concerns relating to the soundness of specific policies. Amendments to the relevant policies are suggested, without which those policies are not considered sound. The representations2 and the comments set out in this Statement demonstrate how such concerns can be readily addressed through the suggested Modifications to the policies such that the DLP can be found sound.

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1 Inspector’s Note No. 4: Matters, Issues and Questions, 11 June 2020 [INS4]
2 Doncaster Local Plan (Regulation 19) Proposed Submission Version: Representations on behalf of the Peel Group (September 2019) [ref. 04288]
2. Matter 2: Quantity of Development needed in the Borough

Employment Land

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

2.1 The Council’s Employment Land Needs Assessment (March 2020) (ELNA) indicates that the scale of provision is based on the economic forecasting undertaken and included within the Economic Forecasts and Housing Needs Assessment (EFHNA). It is predicated on a need for:

- 409 ha of employment land to support projected local growth of 27,100 jobs at a rate of 1.0% per annum over the period 2015 to 2032. This rate of job growth is consistent with past trends, with the Borough having seen employment levels increase by an average of 1.0% per annum between 1997 and 2015; and

- An additional allowance of land (+72 ha) for the extra three years of the plan period up to 2035, which would presumably be expected to enable further growth in employment.

2.2 Peel considers that the scale of planned provision is both justified by the evidence referred to above and will support an appropriate level of economic growth (i.e. job growth of c.1.0% per annum) such that it is positively prepared.

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?

2.3 Peel considers that the Plan is based on robust evidence regarding the scale of the need for office, retail and leisure development in both quantitative and qualitative terms. Whilst that evidence does not recognise or quantify the need for such development in respect of the mixed-use proposals within the Airport Policy Area at DSA (Strategic Policy

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3 Doncaster Council (March 2020) Employment Land Need Assessment, [SDEB8]
4 Stantec (June 2018) Economic Forecasts and Housing Needs Assessment [SDEB44]
5 Stantec (June 2018) Economic Forecasts and Housing Needs Assessment [SDEB44], paragraph 2.10(1)
7), these proposals sit outside but alongside – and indeed integral to – the housing and economic growth strategy for the Borough. The evidence is therefore considered to be sound in this respect.

2.4 Peel provides further evidence, information and explanation regarding this issue, insofar as it relates to its proposals for the Central Plaza at DSA\(^6\), in its response to the issues and questions raised in respect of Matter 10: Doncaster Sheffield Airport.

Housing requirement for the Plan period 2015 to 2035

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

2.1 Peel / DSAL have previously expressed some concern that (as drafted) Policy 3 is particularly fragmented in its presentation of a requirement for new housing against which the supply of land will be judged as being sufficient to meet needs. Accordingly, the policy should be re-written to present the housing requirement clearly. The “housing requirement” for the purposes of NPPF and PPG is 18,400 dwellings within the Plan period. This is equivalent to 920 dwellings per annum (dpa).

2.2 It is clear, therefore, that the Council does not rely on the local housing need (LHN) figure (546 d/pa), derived from the Standard Method\(^7\) (SM), as the housing requirement. Self-evidently, the LHN will not deliver 18,400 homes over the Plan period.

2.3 Paragraph 73 of the NPPF requires the 5-year housing land supply (5YHLS) to be assessed against the housing requirement. This is 18,400 homes or 920 dpa. Assessing the 5YHLS against the LHN figure is clearly inconsistent with national policy.

2.4 The housing requirement cannot rationally be presented as a range between 546 dpa and 920 dpa, when Policy 3 is seeking to deliver 18,400 new homes in the Plan period. The policy is not (quite correctly) seeking to deliver the LHN figure in the Plan period.

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6 The proposals for the Central Plaza are described and explained in Peel’s representations to the Regulation 19 DLP [ref. 04288].

7 NPPF, paragraph 60.
2.5 It follows that the Council is seeking to deliver a housing requirement of 18,400 homes in the Plan period (920 d/pa), whilst seeking to assess 5YHLS against a substantially reduced figure based on LHA (546 d/pa). This is inconsistent with the NPPF.

2.6 Accordingly, the policy (as worded): (i) does clearly present a housing requirement of 18,400 homes (or 920 homes on an annualised basis); however (ii) it seeks to assess 5YHLS against a different figure, which is not the housing requirement, which is plainly inconsistent with the NPPF (especially para 73). The Policy is, therefore, currently unsound. However, it can be made sound if amended. A proposed modification to the 2nd bullet point of Policy 3 is set out at Appendix 1.

2.7 Indeed, Peel / DSAL strongly support the DLP’s recognition, through a housing requirement of 18,400 homes (the current upper end of the range), that housing need in Doncaster over the plan period must exceed that calculated under the current SM (546 homes per annum). This recognises the scale of housing need across the Borough and in particular its economic potential, reflecting recent evidence of strong growth, investment plans and a future growth strategy.

2.8 Peel / DSAL therefore broadly support the Council’s confirmation in the Plan of a need for 18,400 homes over the plan period from 2015 to 2035 (920 homes per annum), as set out in Policy 3, where this is recognised as having a basis in the submitted evidence. This should, however, be considered to represent either a minimum need as set out within our proposed policy modification at Appendix 1 or where such an approach is preferred by the Council form the lower end of a range.

2.9 It is clear from the Council’s own evidence base that a level of housing provision aligned with the current SM figure (546 dpa) will not ensure that key strands of the planning strategy are mutually supportive, as required by NPPF 2019. This recognises that paragraph 17 of the NPPF requires the inclusion of “strategic policies” to address identified priorities for the development and use of land, and that paragraph 8 requires that these policies and priorities must address social, economic and environmental objectives in “mutually supportive ways”. This is because they are interdependent components of achieving sustainable development and cannot therefore be achieved in isolation. The NPPF also confirms that a strategy which either fails to promote
sustainable patterns of growth (paragraphs 20 and 103) or which restricts economic growth (paragraphs 20 and 80) would not be sustainable or sound (paragraph 35)\(^8\).

2.10 The PPG specifically states that in certain circumstances it might be appropriate to plan for a higher housing need than the standard method and sets out a non-exhaustive list of such circumstances\(^9\). This list includes a recognition that both growth strategies and strategic infrastructure improvements have the potential to increase housing need. As we set out in our response to Q2.6a it is apparent that both circumstances apply directly to the DLP.

2.11 Further, it is of note that the Government is currently consulting on revisions to the SM. These revisions are intended to realise the Government’s aspiration “\textit{to create a housing market that is capable of delivering 300,000 homes annually and one million homes over this Parliament}\(^{10}\)” and to: “\textit{Achieve a better distribution of homes where homes are identified in more high-demand areas and in emerging demand areas across the country}.\(^{11}\)” The calculated need under the draft revised SM is understood to be 961 dpa. Whilst this figure has no status in policy, it further evidences support for a housing requirement towards the top end of the range, in order to meet the Government objective of 300,000 dpa nationally and to support further “levelling up” in the North.

2.12 Using a single figure would remove the necessity for a range, the use of which, as currently drafted results in an unacceptable lack of clarity as to how the Council would propose to measure its 5YHLS. The proposed modification to Policy 3 set out at Appendix 1 will address this issue and make the policy sound.

2.13 The evidential basis for the housing requirement is expanded upon in our answers to subsequent questions.

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\(^8\) A full explanation as to the application of the NPPF in this regard is provided at paragraphs 3.3 – 3.4 of Appendix 3 to the Regulation 19 representation submitted by Peel in September 2019.

\(^9\) PPG Reference ID: 2a-010-20190220

\(^10\) MHCLG (August 2020), Changes to the current planning system, paragraph 6

\(^11\) \textit{Ibid}, paragraph 14(b)
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)?

2.14 Peel / DSAL do not take issue with the principle of presenting the requirement as a range, recognising that in some circumstances this approach is both appropriate and justified, to reflect different drivers of need. Such an approach could indeed be appropriate in Doncaster, as it recognises the variable impact of achieving economic aspirations, albeit it must be made clear that in using a range that this does not cap or limit new housing growth if the policy is to accord with the Government’s objective of significantly boosting the supply of homes.

2.15 Whilst the principle of a range is not opposed, as set out in response to Q2.4 above, the range proposed in the current policy is unsound. The Council’s evidence base identifies that the “starting point” housing need figure generated through the current SM will not support the economic strands of the DLP. These economic strands overtly recognise the scale of planned and ongoing investment in the Borough which are directly aimed at contributing to the economic growth agenda of both Doncaster and the Sheffield City Region (SCR). The use of this lower figure would not be aligned with – and will not therefore be effective in supporting – this level of growth and the associated development opportunities which are accommodated within the DLP itself. It would therefore result in social and economic objectives and policies which are not “mutually supportive” (see response to Q2.4 above).

2.16 There is no dispute around the scale or significance of potential future investment, or indeed the commitment of the Council to realise its full economic benefit. The Government has acknowledged this investment, including by Peel at DSA, and it plays an integral part in the economic ambitions of both the Northern Powerhouse and the SCR.

2.17 In order to ensure that the housing requirement is both clear and soundly justified, it is Peel’s view that the range should be reframed, either as a single figure reflecting the minimum requirement for 920 homes per annum, reflected in the proposed

12 Stantec (June 2018) Economic Forecasts and Housing Needs Assessment [SDEB44]
13 HM Government (July 2014) One North: A Proposition for an Interconnected North
modification set out at Appendix 1, or if the Council prefers as a range with this figure at its lower end.

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 dpa) 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)?

2.18 In accordance with our responses to the above questions, Peel / DSAL consider that it is entirely appropriate for the DLP to plan for a higher figure than the SM indicates.

2.19 The Government clearly continues to recognise the need to boost housing supply and aspires to “…create a housing market is capable of delivering 300,000 homes annually”\(^{14}\). The limitations of the current SM in this regard have been recognised by the Government in its proposals for the new approach referenced earlier, which will deliver “…a number nationally that is consistent with the commitment to plan for the delivery of 300,000 new homes a year…”\(^{15}\).

2.20 The Council’s approach also accords with current national policy and guidance, which specifically recognises that the ‘minimum need’ calculated under the SM is a “starting point” which “…does not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour…”\(^{16}\). It therefore proceeds to confirm that there will be circumstances where “…actual housing need is higher than the standard method indicates…”.

2.21 The PPG presents a non-exhaustive list of such circumstances as referenced in our response to Q2.4, and it is clear that Doncaster fulfils two of those listed given that:

- It has a growth strategy, which is supported by ongoing and committed investment; and

- It plans for strategic level infrastructure improvements which published evidence confirms are collectively likely to drive an increase in the need for homes locally.

\(^{14}\) MHCLG (August 2020), Changes to the current planning system, paragraph 6

\(^{15}\) Ibid, paragraph 17

\(^{16}\) PPG Reference ID: 2a-010-201990220
2.22 It is of note in this context that the borough has consistently demonstrated its capacity to deliver strong levels of job growth, having seen employment increase by an average of 1.0% per annum (the rate assumed in the employment forecast selected to underpin the adjusted calculation of housing need) between 1997 and 2015\(^\text{17}\).

2.23 Furthermore, in the context of the PPG, it is apparent from the recent delivery of 1,100 homes over the last four years\(^\text{18}\) – and the provision of 778 homes per year since 2001\(^\text{19}\) – that there is a clear and sustained demand for housing far in excess of the implied need arising from the current SM calculation.

2.24 Finally, it is clear that the recent success of Doncaster has rendered a fundamental component of the SM obsolete. Increasingly dated 2014-based projections form its baseline, but the Borough’s population has notably grown at over three times the rate that was envisaged over the initial five year horizon\(^\text{20}\) (2014-19). Its success at attracting and retaining people is behind much of this difference, with the projections assuming – based on past trends to 2014 – a net outflow of some 3,300 people over these five years while a net *inflow* of circa 400 people was actually recorded. This success has led the more recent 2018-based projections to make more positive assumptions about the Borough’s future ability to attract and retain people\(^\text{21}\), increasing the overall rate of population growth as a result beyond that which is implicitly assumed in the SM.

*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?*

2.25 The assumption that Doncaster’s economy will grow by 1.0% per annum, creating 27,100 additional jobs\(^\text{22}\), is considered to be both aspirational and deliverable over the plan period. This recognises that:

\(^{17}\) Stantec (June 2018) Economic Forecasts and Housing Needs Assessment (SDEB44), paragraph 2.10(1)

\(^{18}\) DMBC4 – paragraph 7.3.5

\(^{19}\) Doncaster Council Response to Preliminary Questions page 34 noting the Council’s suggested treatment of the MHCLG data

\(^{20}\) The 2014-based projections suggested that the population of Doncaster would grow by 2,253 persons between 2014 and 2019, but official estimates released by the ONS indicate that the population has actually grown by circa 7,492 persons over this period

\(^{21}\) While the 2014-based projections assume a net outflow of 3,800 people to other parts of the UK over the next decade (2020-30) the most comparable 2018-based projection – drawing migration trends from a five year reference period – assumes a net outflow of only 210 people. The main or principal 2018-based projection exceptionally bases trends on a two year reference period, and assumes a net inflow of some 4,890 people over the same period

\(^{22}\) Doncaster City Council (March 2020) Employment Land Need Assessment [SDEB8]
• Doncaster has been recently successful in generating strong employment growth, with the EFHNA\textsuperscript{23} identifying that employment has increased by an average of 1.0\% per annum between 1997 and 2015, a period that notably spans the “great recession”. Where acknowledged that the national and local economy will go through periods of growth and retraction, this is considered to represent a reasonable benchmark;

• The Council’s ELNA confirms that “…\textit{Evidence of land take up and jobs growth for the period 2015 to 2018 suggests that Doncaster is on target to meet the 1\% jobs growth per annum}.”\textsuperscript{24}

• Within the ELNA, the Council has also documented the progress of investment projects in the Borough. It anticipates some 4,500 jobs at iPort, noting as of March 2018 that approximately 50\% of the warehousing space was complete and all of the remaining plots had full or outline planning permission. The Unity scheme has outline planning permission with the potential for 66ha of employment land to deliver new jobs. Reference is also made to DSA. Peel / DSAL note that the implementation of the Doncaster Sheffield Airport Masterplan (DSAM) is forecast to result in 10,100 direct jobs, on-site within the masterplan area including the airport itself.

• It continues to align with the ambitions of the recently published draft SCR Strategic Economic Plan 2020 – 2040\textsuperscript{25}, which was at the time of writing subject to consultation. The vision of generating inclusive growth continues to be predicated on growing the business base and creating new and higher value employment opportunities, with this including the three geographical areas in Doncaster of Station Gateway & Waterside, Unity (formerly known as DN7) and DSA. The strategy recognises the current context and the importance of increasing economic resilience.

\begin{footnotesize}
\begin{itemize}
\item \textsuperscript{23} Stantec (June 2018) Economic Forecasts and Housing Needs Assessment (SDEB44), paragraph 2.10(1)
\item \textsuperscript{24} Doncaster City Council (March 2020) Employment Land Need Assessment (SDEB8), paragraph 6.11
\item \textsuperscript{25} Sheffield City Region (2020) Our Strategic Economic Plan 2020-2040
\end{itemize}
\end{footnotesize}
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)?

2.26 The EFHNA confirms that its modelling approach has sought to allow for the implicitly necessary increase in net in-migration of predominantly working age people. Its Table 2.4 suggests that the population of Doncaster would need to grow by 28,200 people, with the working age population (16-64) growing by 15,100 people, to support 27,100 new jobs. This growth does not appear disproportionate.

2.27 It is agreed, as per the analysis around Table 2.3 of the EFHNA\(^\text{26}\), that a comparable level of job growth could not be supported by a continuation of past demographic trends as projected in the 2014-based SNPP, where this would reduce the working age population by over 10,000 people.

2.28 The variation between a future based on past trends, or one where people are attracted and retained within a growing economy, is such that there is a clear evidential basis for assuming a relatively significant uplift in the number of homes required to support this larger population and labour-force.

2.29 It is important to note that the approach taken in the evidence, assuming that an increase in employment opportunities will create additional demand from those looking to move into the Borough, also responds to the stated need in the recently published draft SCR Strategic Economic Plan\(^\text{27}\) to attract and retain talent therein. Where there are clear benefits in ensuring a sustainable link between jobs and workforce\(^\text{28}\), it is reasonable and of course sustainable to plan for new homes aligned to job growth to accommodate these additional people.

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

2.30 As referenced in Peel’s / DSAL’s response to Q2.5(a), the fact that the borough has seen 1,100 homes per annum completed on average annually since 2015 is a strong indication of the scale of demand in Doncaster. A realisation of the Council’s ambition to deliver

\(^{26}\) Stantec (June 2018) Economic Forecasts and Housing Needs Assessment [SDEB44]
\(^{27}\) Sheffield City Region (2020) Our Strategic Economic Plan 2020-2040
\(^{28}\) It is noted that the SEP also advocates ‘Linking people and places – including residential areas, key destinations, emerging development sites and growth areas’ (sub-section 6.1)
further jobs growth as a result of investment will only serve to elevate demand as noted above.

2.31 Providing for 585 homes per annum would run the risk of markedly slowing the rate of recent provision and be directly contrary to the Government’s stated objective of boosting the supply of housing at a national level.

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

2.32 Yes. The Council’s evidence identifies a significant need for 209 affordable homes each year\(^\text{29}\). It acknowledges that this equates to 23% of a requirement for 920 homes per annum. It equally notes that whilst such a rate of provision could, based on its evidence, be achieved in high and medium value areas, it will not be achieved in lower value areas\(^\text{30}\). By implication, even at 920 homes per annum there is a risk that the affordable homes needed will not be provided. Whilst it is agreed with the Council that its estimate of the current identified supply of 3,461 affordable homes will change (noting the Council considers it likely to be an underestimate) this represents a supply of only 173 affordable homes per annum\(^\text{31}\). This further reinforces the potential for under-provision even where this supply is understood to be predicated on a higher level of provision than 585 homes per annum.

2.33 Planning for only 585 homes per annum would mean that the affordable need equates to 36%. This would substantially elevate the risk of an under-provision of the homes for those most in need.

\(^{29}\) DMBC4 – paragraph 6.2.11
\(^{30}\) Ibid, paragraph 6.2.15
\(^{31}\) Doncaster Council Response to Preliminary Questions (June 2019), page 50
Appendix 1: Proposed Modification to Strategic Policy 3, bullet point 3

Peel’s / DSAL’s suggested modification to Policy 2 is set out below in red and underlined text as follows:

“The Local Plan’s strategic aim is to facilitate the delivery of:

- **at least** 18,400 new homes in the period 2015 – 2035 (920 per annum), with sufficient land allocated to deliver 15 years’ supply of housing (13,230, or 882 dwellings per annum, once supply in the years 2015 – 2018 is deducted from the overall requirement). For the purposes of calculating 5-year housing land supply, the requirement will be based on the Local Housing Need figure, as derived from the Standard Methodology, which will be reviewed and revised throughout the plan period in line with the latest household projections and affordability ratio. As such, the housing requirement is expressed as a range with the bottom of the range being the Local Housing Need figure and the top of the range being 920 dwellings per annum;”