



Derry City & Strabane
District Council

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DERRY CITY & STRABANE DISTRICT COUNCIL

LOCAL DEVELOPMENT PLAN (LDP) 2032



DRAFT PLAN STRATEGY

Evidence Base Paper EVB 5: Growth Strategy, December 2019

Updated March 2022

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DERRY CITY AND STRABANE DISTRICT COUNCIL

LOCAL DEVELOPMENT PLAN (LDP) 2032



EVIDENCE BASE PAPER: EVB 5

GROWTH STRATEGY **(December 2019) & Updated March 2022**

This Document is one in a series which comprises the evidence base that informs the preparation of the Derry City and Strabane District Local Development Plan (LDP 2032) Plan Strategy.

It builds upon the suite of thematic Topic Papers prepared and published alongside the LDP Preferred Options Paper (POP), which established the May 2017 baseline position and identified the key issues that need to be addressed by the LDP.

This Growth Strategy Evidence Base paper updates the baseline POP position and sets out the evidence base that has informed the strategy, designations and policies within the draft LDP Plan Strategy. Evidence has been informed by feedback from public consultation, discussions with Elected Members, input from statutory consultees, stakeholder groups, from other Departments within the Council, liaison with adjoining Councils and through the iterative Sustainability Appraisal process.

The Evidence Base is published as a 'supporting document' in accordance with Regulation 15(a) of the Planning (LDP) Regulations (NI) 2015

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APPENDICES, all are Separate documents

EVB 5a: 2016 UUEPC Report on SGP / CP Growth Levels

EVB 5b: 2018 UUEPC Report on Population and Jobs

EVB 5c: 2019 Economist Comments on Revised HGIs

EVB 5d: 2021 UUEPC Review of LDP Growth

EVB 5e: 2022 UUEPC Economy Review of DC&SD

1.0 Introduction

- 1.1 The Vision for the District as set out in the Community Plan – the inclusive Strategic Growth Plan for Derry City and Strabane District (SGP, 2017), is to be a: *Thriving, prosperous and sustainable City and District with equality of opportunity for all*. The Council's LDP builds upon this Vision for the District, namely:

To make Derry City and Strabane District a thriving, prosperous and sustainable area – Planning for balanced and appropriate high-quality development, whilst protecting our environment, and also promoting well-being with equality of opportunity for all.

- 1.2 The LDP is required to 'take account of' the Community Plan; the two documents are closely aligned, having been initiated at the same time, with similar vision and priorities for the District to 2032, structured across the themes of Economy, Environment & Regeneration and Social / Health & Community. The LDP is the spatial articulation of the SGP / Community Plan, in that the LDP deals primarily with the spatial, land use and place-making aspects of the various actions and priorities in the SGP; therefore, the LDP will be an important vehicle for the implementation of the SGP's vision for the District.
- 1.3 The preparation of the Council-led SGP / Community Plan for the district involved a co-design process and an extensive community and stakeholder consultation and input during 2015 to 2017, especially involving many meetings of Thematic Sup-Groups, public meetings, stakeholder engagement events and also commissioned research. The LDP has in turn utilised the findings and opinions of this SGP process, in order to assist in their alignment and direction towards addressing the identified needs and objectives for this District. In particular, the Ulster University Economic Policy Centre (UUEPC) has undertaken research on behalf of the Council, to underpin the proposed strategic priorities and target growth levels. Therefore, the following Council / Region / SGP (Community Plan) / LDP documents were referenced as part of the Evidence Base for the LDP at POP stage:

- [Community Planning Resource Support Pack \(2015\);](#)
- [Community Planning – 'Developing our Plan';](#)
- ['Conference presents a major boost to North West Regions response to Brexit';](#)
- [LDP Pre – POP Stakeholder Event;](#)
- [Ireland's North West – Gateway to Growth;](#)
- [Initial analysis of challenges and opportunities of Brexit for the Derry – Londonderry North West City Region;](#)

The Community Plan for the District, the inclusive Strategic Growth Plan is also part of the LDP Evidence Base:

http://www.derrystrabane.com/getmedia/1eb99e2e-e657-45a1-8b27-e2b35a36d65c/SGP_22-November2017_lowres.pdf

Two reports from the Ulster University Economic Policy Centre (UUEPC) were also prepared (in 2016 and 2018) to assess / reality-check and support the SGP / LDP case for growth – of the economy, jobs and population / homes. These reports are presented as LDP dPS Evidence Papers EVB 5a and 5b.

- 1.4 Over 2018, 8 Local Community Plans were prepared for each of the District Electoral Areas and one in Strabane town, together with the establishing of Local Community Growth Partnerships to oversee service delivery at a local level; see: <https://www.derrystrabane.com/localplans>

- 1.5 Both the SGP and the LDP cover the period from 2017 to 2032. Therefore, the initial strategic targets and themes for the SGP and the LDP were established at the POP stage, now followed through to the draft Plan Strategy stage. The SGP has been in the implementation phase since 2017, driven by the Council and its statutory / support partners. In November 2019, a 2-year ‘Statement of Progress’ report was issued, which is also included as part of this Evidence Base, as it shows the level of progress to “Make it Happen.” Like the SGP, the report has been prepared around 8 outcomes in key areas of economic, environmental and societal wellbeing. Progress on each outcome is presented in five ways. There is a statement of overall progress which is based on the current data on each of the population indicators; performance measure scorecards, a progress report on each of the actions alongside case studies of key collaborative actions which are making a difference to people’s lives. This progress towards the targets / objectives that are also in the LDP, acts to show that the LDP is achievable and realistic; see:
<https://www.derrystrabane.com/Subsites/Community-Planning/An-Update-on-Our-Community-Plan/Statement-of-progress>
or
https://www.derrystrabane.com/getmedia/f508efda-d8dc-425e-a9e4-b1952f7bf88f/DCSDC_StatementOfProgress_FINAL.pdf

2.0 LDP & SGP Growth Strategy for the District

- 2.1 In line with the above-mentioned research and stakeholder input, the following paragraphs summarise the current LDP's basis for the ambitious but 'planned growth' of the District over the next 15 years.
- 2.2 The RDS 2035 and the National Planning Framework (NPF, Project Ireland 2040, 2018) both identify Derry-Letterkenny as the regional growth centre(s) for the North West, being a metropolitan city region of up to 350,000 population (see EVB 2 for further details on the NPF and NW Regional RSES plans). Derry City itself is identified as a linked gateway for Northern Ireland and is expected to grow in population and jobs as an economic driver for the North West region. In strategic spatial planning terms, economic development of the District / NW Region is required for balanced regional development and is intended as a counter-weight to potential 'over-heating' of the Dublin – Belfast economic corridor.
- 2.3 The RDS seeks, firstly, to develop a Belfast Metropolitan Area and then to grow the strong North West centred on Derry-Londonderry, stating that it is well-suited to provide regional services to much of the western part of Northern Ireland and to a substantial part of County Donegal. Indeed, Derry City is clearly recognised as the second city of Northern Ireland, having its own unique urban identity, linked as a cross-border city and having regional-scale facilities such as Ulster University, Altnagelvin Hospital / Regional Cancer Centre / proposed Medical School, large shopping centres, City of Derry Airport and Foyle Port, strong cultural offering / renowned festivals and vibrant tourism offering / city breaks / cruise liners, busy hotels / top restaurants, etc. Therefore, Derry City and Strabane District is indeed well-placed to grow and develop at a scale expected of the NW Region's principal city.
- 2.4 Recent joint studies by Donegal County Council and DCSDC have identified the realistic yet ambitious pathway to growth of the region over the next 15 years, particularly with:
- extensive investment in infrastructure including the A5 and A6 dual carriageways, plus A2 Buncrana Road upgrade;
 - the upgraded rail network and transportation hub;
 - expansion of Altnagelvin Hospital;
 - continued development of the City of Derry Airport and Foyle Port at Lisahally, with their related business locations;
 - the significant student-expansion of Ulster University Magee, and North West Regional College, as part of a 'Knowledge Zone' (with new campus buildings, student accommodation, student servicing, city vibrancy and cosmopolitanism, as well as research/medical/hi-tech sector spin-off businesses);

- significant growth in technology industries especially at key regeneration sites at Ebrington and Fort George;
- plans to significantly expand the resident populations of Derry, Letterkenny, Strabane and wider North West cross-border growth Region;
- significant modern retail investment in the city centre;
- urban regeneration and significant place-making / remodelling of city centre and the Riverfront;
- a continued expansion of city-based, heritage tourism, festivals and events, as well as a drive for focussed rural tourism growth.

2.5 Derry City and Strabane District Council is progressing a very significant multi-million pound capital investment programme for its key regeneration sites in Derry and Strabane to pump-prime finance from central government and the private sector. The above projects are all included in the Strategic Growth Plan for the District (SGP / Our Community Plan) and this LDP Plan Strategy is required to align and 'take account' of that SGP. Many of the key infrastructure projects are to be delivered through the proposed City Deal (& Inclusive Future Fund) that has been announced for Derry in May 2019. It has endorsed the role of the Council, together with statutory and non-statutory partners in a collaborative growth strategy to increase jobs and investment into Derry City and its hinterland.

2.6 There may be opportunities presented for this cross-border District / Region in the years following 'Brexit' including related favourable tax rates, property prices and health, for businesses, commerce, trading, distribution / logistics, employment, and population growth / relocation to within this District. Therefore, this LDP will need to be ambitious, yet achievable, in order to facilitate the potential development to 2032, which will in turn play an important role in helping to deliver the ambition of the RDS, the NPF and the inclusive Strategic Growth Plan, as well as the other strategies to grow this 'city region'.

2.7 As stated in Paper EVB 2, the DCSD had a 2017 population of approximately 150,000, with growth having been modest in recent years and only projected to continue slightly over the coming period. There were approximately 53,600 employee jobs in the District, with an improving trend over the past five years. There was a baseline of around 57,500 dwellings in the District in 2017, with building levels having been very low over the previous decade due to the serious economic downturn. The LDP Growth Strategy will seek to develop the District sustainably from these baseline levels over the next 15 years.

2.8 In the POP, three ‘Growth Strategy’ Options were identified regarding the scale of target growth for the Council’s District to 2032. That Growth Strategy focussed on three key aspects, namely population, jobs and houses; those options are summarised in the table below and explained in the following text:

Overall Growth Strategy for Derry City & Strabane District				
Growth Strategy – Key Elements	Current Baseline, 2017	Current Projections – Modest Growth	LDP Growth Strategy - Planned Growth	Potential Growth - as a City Region
Population	150,000	149 -150k	155 - 160k	160 - 170k
Jobs	53,600	+ 4k	+ 8-15k	+ 16-18k
Homes	57,500	+ 5.8k	+8-10k	+11-15k

2.9 The current NISRA population growth projections (2016-based, dated 2018) are that the District will grow to a peak of approximately 151k in 2022 and then fall back to 149k by 2032. The related 2016-based Housing Growth Indicator (HGI, Sept 2019) figures from DfI/RDS give an indicator of just 4,100 additional dwellings required. Similar modest projections are for job growth of just 4,000 extra jobs over the period. NISRA is clear that these population projections are not forecasts and are based solely on historical fertility, mortality and migration rates. Thus, the projections do not take account of any planned policy changes (social or economic – such as the SGP) that could alter the levels of population.

2.10 The Regional Development Strategy (RDS 2035) specifically identifies the District for regional scale growth and this has not been factored into the HGIs - which are ‘policy neutral’. Specifically, the RDS 2035 objective is ‘to develop a strong North West’ (SFG6) and ‘to strengthen the role of Derry as the principal city of the North West’ (SFG7). Therefore, it is considered reasonable and indeed necessary for the Council to aim to grow the District at a rate higher than the ‘steady state’ projections of NISRA / HGIs.

2.11 The Strategic Growth Plan (SGP 2017-2032, Our Community Plan) for the District sets out the ambition of increasing the District’s population by approximately 10,000 to around 160,000, because of the Council’s more ambitious aspirations, for ‘planned growth’. This level of growth is based upon approximately 15,000 new jobs and would require up to 10,000 new homes over the Plan period to 2032. The University of Ulster Economic Policy Centre (UUEPC, October 2018) has undertaken additional analysis in order to map out the scenarios that can achieve this growth level, particularly by

comparison with the recent experience of several other cities that have had university-led expansion. The Council's Senior Economist has further reviewed the latest economic and demographic data in October 2019, including the revised HGI figures, and has concluded that the LDP 'Planned Growth' target levels are still achievable (see reports in Evidence Base, EVB 5a, 5b & 5c). Therefore, this LDP will work towards accommodating these same ambitious-yet-achievable levels of growth.

- 2.12 However, if the local economy really were to reach its full potential growth ambition, with full implementation of the SGP as well as favourable wider economic climate, with inward migration (which is considered to be very possible post-Brexit), significant levels of inward investment and exponential jobs growth, it could be anticipated that the District's population could actually grow to 170,000, with 16 - 18,000 new jobs created and up to 15,000 new homes would be required to meet that growth (see column 3 of the above table). The Council's LDP Strategy is to accommodate sustainable 'Planned Growth'; however, if it appears that the target levels are being achieved, at the 5 and 10-year LDP Review stages, the Council will re-visit the LDP to ensure that the further potential growth can be sustainably planned and accommodated.
- 2.13 In 2012, DOE in conjunction with NISRA had projected a 2030 District population of approximately 160,000 and the Housing Growth Indicators (2012 HGIs) had indicated a requirement for approximately 18,000 new homes over the LDP period. The 2016 HGIs then indicated a pro rata figure of 5,750 new dwellings, which has now been further reduced to 4,100 in 2019; these levels are well below the current build rates, so their validity as an indicator has to be evaluated. The Evidence Base seeks to demonstrate the link between the 10k population growth and the number of houses that will be needed.
- 2.14 Specifically, the Evidence Base considers: the surprisingly wide range of the HGIs in recent years; the previous NISRA pop projection and resultant HGI of almost 18k HGI; the NISRA population and households projections which reflect that household size is falling so a static pop does require more dwellings; NIHE advise that almost 4,000 social houses will be required. Therefore, with the above considerations and the amount of planned investment envisaged by the Council, as summarised in Para 5.3, it is considered reasonable to aim to provide the levels of houses shown in the central column i.e. the LDP will therefore seek to deliver approx. 8-10,000 homes over the LDP period to 2032.
- 2.15 Therefore, the LDP Plan Strategy is to provide enough land to accommodate and facilitate the provision of approximately 9,000 dwellings and 15,000 jobs, with associated services and infrastructure for up to 160,000 people.

Strategy to Deliver the Growth Levels

2.16 In order to deliver the required levels and type of growth as 'sustainable development', the Council's LDP Growth Strategy will be delivered through the following strategic elements:

- the District prospering as a key part of the cross-border North West City-Region,
- a hierarchy of settlements across the District – focussing on Derry city and Strabane town with a vibrant rural area including local towns, villages and small settlements,
- a well-connected District – with important roads infrastructure, rail, airport, port and walking /cycling, as well as excellent telecommunications / broadband connections,
- a strong regenerated Derry/Londonderry and Strabane town, as well as 3 local towns, with vibrant 'city / town centres' to service the regional and local population;
- expanding economic development and employment, including tourism and minerals, in the main settlements and across the District
- provide adequate land for the delivery of approx. 9,000 new homes, including social / affordable housing, as well as the services and infrastructure to service the population, at appropriate locations across the District;
- protect the key environmental assets of the District, including sensitive landscapes, biodiversity, historic environment, flood-prone and coastal locations;
- have high design standards and positively plan for successful, attractive and distinctive places across the District
- put in place a whole range of strategic and operational Planning policies that will allow the Council to manage the sustainable development of the City and District to 2032 and beyond.

2.17 Following adoption of the LDP, the Council will monitor the amount, type and location of overall growth that is being achieved. Hence, an assessment can be made of whether the LDP policies are being effective in achieving the relevant LDP objectives, so that any adjustments can then be made, at the LDP 5-yearly review and / or the LDP replacement.

3.0 Post-POP Consideration of Growth Strategy

3.1 POP Representations

Forty-three POP representations, including from a number of consultees, directly commented on the LDP Growth Strategy:

Department for Infrastructure (DfI Strategic Planning): Emphasised the need for a robust evidence base to support and justify all LDP proposals, especially any that depart from regional policy / guidance as set out in the RDS, SPPS and other government documents. Disjoint between para 5.3 (modest pop growth) and later evidence in support of preferred option. The growth strategy for the LDP should be more clearly linked with the Draft Strategic Growth Plan. Need appropriate evidence to underpin the growth strategy and clearly link this strategy with the planned quantum of housing. Needs to be based on up-to-date statistics. Planned development needs to be subject to SA, with alternative options considered and informed by a robust evidence base.

LDP Response: Further work has been done on the Evidence Base and effort has been made to show clearly the links to the LDP Plan Strategy proposals and policies. Statistical information has been updated, the District survey information updated and an additional study has been undertaken by UU EPC for the Council – to consider the population scenarios related to the District’s SGP implementation. The LDP ‘takes account of’ the RDS, SPPS, etc. and largely follows their thrust / policies and attempts to coherently explain any perceived departures. The final PS SA report will consider the sustainability of the PS Growth Strategy, including alternatives.

Preferred Option 2 supported: There was support from NIHE, an MLA, a Councillor, Translink and a few other parties for the POP Option 2 levels of ‘Planned Growth’, believing that it was appropriate, suitably ambitious and also realistically achievable.
Less Growth / Option 1 wanted: The DfC NWDO, RSPB and a Planning agent felt that Option 1 was preferable and more realistic, especially in the absence of compelling evidence for more growth than the NISRA projections / HGI. Need for a more restrained growth strategy. Brexit will have a negative impact on growth, so Options 2 or 3 were unrealistic.

More growth / Option 3 wanted: Many Planning agents and developers / land owners made submissions calling for a more ambitious Growth Strategy. Limits to the Growth Strategy need to be removed – encourage growth and positive action. Strong support for Option 3, as the Preferred Option 2 is considered to be conservative. Port considered Brexit to be a growth opportunity. If the District wants to develop its role as a City Region, its Growth Strategy should and must reflect this. Concern at the paucity of a bold and ambitious approach to the Growth Strategy.

Growth Strategy-specific aspects:

There's a need to identify suitable homes to attract people back into Council area who have moved to Donegal. Need to create economic opportunities to drive growth. Proper mitigations need to be inbuilt to ensure consistent growth across the District and not allowing gravitational forces to concentrate growth in the city. Others supported the growth focus in Derry, Stabane & the upper tiers of settlement.

While there is support for a strong and prosperous NW Region, with Derry at its hub, it is difficult to understand how the 'Metropolitan City Region' will work in practice. Develop and strengthen role as the NW City Regional Hub location. University expansion and student numbers increase will be essential to achieve high growth.

The levels and locations of growth need to be closely aligned with and limited by the availability of infrastructure, as well as constraints such as flooding.

Achieving many of the social, economic and environmental objectives will be dependent on the availability of local and responsibly sourced minerals and aggregates (QPA).

Growth needs Environmental, Social & Economic balance: Esp. Woodland Trust and RSPB. Growth Strategy potential to promote environmentally and people-friendly environments aligning with PfG targets. Adequate protection must be put in place prior to progressing the growth strategy to ensure a balance between the three strands of the Plan.

Growth scenarios should be subject to SA. Development is not inherently sustainable and only becomes so, if it incorporates environmental and social considerations. Planned development needs to be subject to SEA and informed by a robust evidence base. Growth Strategy needs to refer to environmental capacity or commitments to steer clear from sensitive areas, and give cognisance to eco-system services.

LDP Response: The LDP PS recognises the good level of support, and arguments, in favour of all 3 proposed levels of growth. Brexit concerns figured in a number of responses, as do representations seeking higher housing targets. Issues raised on the quality and nature of underpinning data are particularly significant in terms of soundness – so additional evidence has been assembled. Site / settlement-specific issues that were submitted will be considered at the Local Policies Plan (LPP) stage. Council will consider all points raised before finalising.

3.2 Selected Stakeholder Engagement

There were several specific Stakeholder Group meetings and a substantial 'LDP Stakeholder Event' (April 2018 at the Everglades) which voiced the spectrum of opinions, from 'environmentalists' emphasising the need to be conservative / precautionary to ensure that development is 'sustainable', to developers and

businesses mostly proposing ambitious growth levels, supportive policies and ample development land.

3.3 Member Input

The 2016 series of 10 Member Workshops, pre-POP Committee meetings, SGP inputs and the Spring 2019 Round Table Discussion Sessions (7 no. RTDs), as well as the 10 Member Discussion Meetings (MDMs) during January to October 2019, discussed the overall levels of growth as well as the specifics of target population levels, housing quantum and jobs levels. The steer from Members is to support the SGP targets and investment proposals for the District, to be positive, ambitious and for the LDP to be able to assist and accommodate / not constrain the potential for the growth / development of the City and District, all balanced with the need for protection of the environment and well-being of all our people.

3.4 Senior Planners / Development Management Input

Officers are very positive and supportive of facilitating the 'sustainable' development of the District but also emphasise the need to be responsible and align with wider environmental, social and economic objectives as set out in the SPPS and current Planning best-practice. LDP designations / zonings and policies must be capable of managing the development pressures of the 'boom' periods as well as accommodating / encouraging the District's growth and development proposals in other times.

3.5 Senior Leadership Team (SLT) Input

The SLT is very positive in driving the sustainable development of the City and District as set out in the Strategic Growth Plan, leading the way with a substantial capital development programme, facilitating investment and driving growth, at the same time as ensuring environmental protection and community well-being. It sees the positive LDP as being important in helping to deliver the SGP.

3.6 Planning LDP Discussion Meeting

The Growth Strategy was again discussed at the Member Discussion Meeting No 5 on 8th March 2019. The discussion covered:

- the DfI Housing Growth Indicators (HGIs) and how they were unsatisfactory, have been subject to significant downward change and were to be reviewed again this summer.
- Where the expected growth was to come from – external to the District or if it involved rural de-population.
- The dependence of the 'forecast' levels of population, homes and jobs is very much dependent on economic progress happening – early in the LDP period, with the A6, A5, A2, City Deal, university expansion, North West Region progress, etc. and without a 'serious hit' arising from Brexit.

Overall, Members accepted the thrust of the Chapter and the overall Planning elements of the Growth Strategy to deliver this level of growth for the District over the LDP period.

3.7 Summary of Topic Consideration / Recommendations

Overall

In considering the overall Growth Strategy for the LDP, we have taken account of the RDS and SPPS in particular, as well as being very closely aligned with the growth, investment and priorities set out in the 2017 SGP for this District.

The main issue is what level of growth the LDP will seek to accommodate and then the overall strategy of how to deliver that level of growth and development.

Growth Level

The LDP POP presented three options for growth - of population, of jobs and of homes, over the LDP period 2017 to 2032. Option 1 – was to follow the Current Projections. Option 2 – was the Preferred Option of ‘Planned Growth’ of an extra 5-10K population, 8-15K new jobs and 7-12K new homes, from the 2017 baseline. Option 3 – was for an even higher ‘Potential Optimum’ levels of growth.

The main consideration for the LDP PS is to decide whether to aim to accommodate the most recent NISRA/DfI projections, which are very modest, being for a stable/decrease in population at c150K, 4,000 extra jobs and c 6,000 new homes. This is considered to be a ‘safe/achievable but conservative target, which would not significantly ‘grow’ the City and District, would not embrace the RDS vision, would be behind the SGP target for the District and would not fully achieve the set vision and objectives for this LDP.

The Chapter therefore emphasises the difference between the above ‘projections’ and ‘forecasts’ as a result of the Council / SGP’s planned growth and investment. Consequently, the LDP PS acknowledges the above growth levels as a starting point but it goes on to set higher forecasts / targets of +10K population, +15K jobs and +6-10K homes. This would be in line with the RDS 2035 objective ‘to develop a strong North West’ (SFG6) and ‘to strengthen the role of Derry as the principal city of the North West’ (SFG7). These target levels are also consistent with those set out in the SGP (Community Plan) for the District.

Population Growth

Whilst, the LDP will not directly deliver population growth per se, it will provide the land and development policies to accommodate that proposal. Therefore, an additional report has been completed by the University of Ulster Economic Policy Centre (UUEPC, October 2018) in order to map out the scenarios that can achieve this SGP / LDP growth level, particularly by comparison with the recent experience of several other cities that have had university-led expansion. This study helps provide the Evidence Base that allows the LDP to target these same ambitious-yet-achievable levels of population growth. (A copy of the report is included in the EVB 5b paper.)

Jobs Growth

The earlier UUEPC paper on economy (see EVB 5a also) and Council Integrated Economic Strategy, detail the expected jobs provision and provide the main EVB. The LDP will continue to provide an ample supply of economic development land with a choice of sites in terms of sizes and locations. Because of this requirement for generous over-provision of land, and the existing large supply, the accurate prediction / matching of jobs and land supply is not a critical aspect of the LDP.

Housing Growth

However, the target level of new homes is the most contentious variable in the Growth Strategy – as housing is the largest user of development land, it is the most valuable commodity and the Council LDP is expected to ‘direct and manage’ the supply of housing land to achieve more sustainable patterns of residential development. Therefore, the Council needs to ensure an adequate supply but also to avoid an over-supply of housing land.

The Evidence Base is required to estimate how many dwellings will be required over the LDP period and hence how much land needs to be zoned / provided across the District - in order to ensure that this level of homes can be delivered during the LDP period, and in the appropriate places. The DfI Housing Growth Indicator (HGI) suggests that 4,100 dwellings will be required – but this would only accommodate the stationary population levels as per the NISRA projections.

Therefore, the LDP chapter emphasises that the Council’s LDP will instead pursue the forecast / targets based upon the positive interventions / investment set out in the SGP, and as reinforced by the UUEPC study and in line with the RDS.

The Evidence Base seeks to demonstrate the link between the 10k pop growth and the number of houses that will be needed. Specifically, the EVB considers: the previous NISRA pop projection and resultant HGI of almost 18k HGI; the NISRA pop and households projections which reflect that household size is falling so a static pop does require more dwellings; NIHE advise that almost 4,000 social houses will be required. The LDP will therefore seek to deliver approx. 8 - 10,000 homes over the LDP period to 2032.

How to deliver this level of Growth

The LDP chapter sets out the main strategic Planning elements that will sustainably deliver the Growth Strategy and hence the objectives and vision of the LDP. This involves:

- the District prospering as a key part of the cross-border North West City-Region,
- a hierarchy of settlements across the District – focussing on Derry city and Strabane town with a vibrant rural area including local towns, villages and small settlements,

- a well-connected District – with important roads infrastructure, rail, airport, port and walking /cycling, as well as excellent telecommunications / broadband connections,
- a strong regenerated Derry/Londonderry and Strabane town, as well as 3 local towns, with vibrant ‘town centres’ to service the regional and local population;
- expanding economic development and employment, including tourism and minerals, in the main settlements and across the District
- provide adequate land for the delivery of approx. 10,000 new homes, including social / affordable housing, as well as the services and infrastructure to service the population, at appropriate locations across the District;
- protect the key environmental assets of the District, including sensitive landscapes, biodiversity, historic environment, flood-prone and coastal locations;
- have high design standards and positively plan for successful, attractive and distinctive places across the District
- put in place a whole range of strategic and operational Planning policies that will allow the Council to manage the sustainable development of the City and District to 2032 and beyond.

Recommendation

It is considered that LDP Growth Strategy meets the strategic direction of the relevant legislation and guidance, as well as sustainably meeting the developmental and protective needs of this District.

4.0 Appraisals for dPS Growth Strategy

4.1 Summary of SA; HRA; EQIA; RNIA - Rural

- SA – The overall Growth Strategy was not specifically assessed in the POP Interim SA, but the component quantum / policies of housing and employment were considered, being mostly ‘neutral / positive’ across the sustainability objectives. A full SA is being undertaken with the PS. Realistic alternatives have been considered and are detailed further in the Evidence Base paper.
- HRA – required, to assess impacts on European sites; no significant issues are anticipated, balanced proposals with mitigation.
- EQIA – not considered to have adverse or differential impacts on S75 groups. Full report to be done for PS.
- RNIA – the thrust of development is to be urban, but ‘rural’ developments will also be important, differential impacts have been identified and mitigated appropriately.

Full reports accompany the dPS.

4.2 Sustainability Appraisal

Throughout the LDP formulation, the Growth Strategy has been subject to an ongoing internal sustainability appraisal (SA). This is in addition to the wider external SA, conducted by Shared Environmental Service as part of the wider suite of impact assessments/appraisals required under the Planning Act (Northern Ireland) 2011. The internal appraisal was carried out with the fourteen objectives of the external appraisal in mind (refer to the SA report for more information).

The process of sustainability appraisal aims to ensure that a council’s approach towards Growth Strategy is the most sustainable of all reasonable options available i.e. having considered any reasonable alternatives.

Summary and comparison of options against the Sustainability Objectives

Option 1, modest growth has a minor negative impact on all of the social sustainability objectives. This option risks not delivering the critical mass of population needed to support higher levels of provision of services and facilities, reduced scope for diverse housing types and fewer opportunities for investment in shared space. It is also unlikely to stimulate economic growth, leading to a negligible effect on this objective. This option may make expansion of the university and other higher and further education provision unviable and may not improve sustainability issues at primary and post primary level. However, the growth rate for this option would not place undue pressure on the environmental sustainability objectives. The only perceptible

impact is a minor negative effect on maintaining and enhancing landscape character, which would only emerge over the long term.

Option 2 has a minor positive impact on all of the social sustainability objectives, although for strengthening society the positive impact may not start to take effect until the medium term. The planned growth rate will allow investment, opportunities and the provision of local services to keep pace with population growth, and vice versa, and should enable a broad range of new housing types, tenures and sizes to be delivered. The planned growth scenario is interdependent with an expansion of the university and investment in innovation and digital infrastructure delivered through the City Deal. Consequently, positive effects are seen for the objectives to enable access to high quality education and enable sustainable economic growth. These effects will strengthen to significant positive in the medium-long term, as the critical mass to deliver all the investment and benefits is achieved. The planned growth rate will enable investment in infrastructure to keep pace with growth, leading to a negligible effect on material assets and also on the environmental sustainability objective of protecting, managing and using water resources sustainably. The appraisal recognises that growth will place pressure on environmental sustainability objectives. Minor negative effects are identified on almost all of these, although for landscape and historic environment these would only emerge in the long term. The exception is the objective to encourage active and sustainable travel, as the planned growth rate would create the conditions to deliver on the North West Transport and Green Infrastructure plans to achieve an integrated transport system that encourages people to reduce their reliance on cars. This option is considered to be the most sustainable option.

Option 3, potential growth has a minor positive impact on all of the social sustainability objectives, although for strengthening society the positive impact may not start to take effect until the medium term. The planned growth rate will allow investment, opportunities and the provision of local services along with population growth, however the high rate of growth may mean that provisions may not be able to keep pace with the population. This option should enable the widest range of new housing types, tenures and sizes to be delivered, leading to a significant positive impact on this objective over the long term. The projected growth scenario would be dependent on the delivery of all aspects of the City Deal in full, including substantial expansion of the university and investment in innovation and digital infrastructure. Positive effects are identified for the objectives to enable access to high quality education and enable sustainable economic growth which will strengthen to significant positive in the medium - long term, as the critical mass to deliver all the investment and benefits is achieved. However, this option risks creating an imbalance between demand and capacity for skills/education and jobs. The projected growth rate may stimulate additional investment in infrastructure, leading to a negligible effect on material assets and also on the environmental sustainability objective of protecting, managing and using water resources sustainably. The appraisal recognises that high growth will

place pressure on environmental sustainability objectives. Negative effects are identified on almost all of these, strengthening to significant negative in the long term for the objectives to protect physical resources and use sustainably, to protect natural resources and enhance biodiversity and to maintain and enhance landscape character. The exception is the objective to encourage active and sustainable travel, as the planned growth rate would create the conditions to deliver on the North West Transport and Green Infrastructure plans to achieve an integrated transport system that encourages people to reduce their reliance on cars.

4.3 A draft Habitats Regulations Assessment (HRA) has also been undertaken and published for consultation with the Draft Plan Strategy. It similarly determines possible adverse effects on the integrity of European sites (Special Areas of Conservation and Special Protection Areas) as a result of the policies within the LDP. This assessment also includes Ramsar sites under the provisions of the Ramsar Convention. Please refer to the full HRA document for full details.

4.4 Equality Impact Assessment

Section 75 of the Northern Ireland Act 1998 requires that public authorities have due regard to the need to promote equality of opportunity and good relations between persons of a particular religion, political opinion, race, age, marital status, sexual orientation or gender. It also includes people with disabilities or those with primary responsibility for the care of a dependant, such as an elderly person. These are known as 'Section 75' groups.

The designations contained within the Growth Strategy Chapter have been subject to an equality impact assessment (EQIA) to ensure no adverse impact on these groups.

The Council is satisfied that there will be no adverse impact on any Section 75 groups as a result of the Growth Strategy.

4.5 Rural Needs Impact Assessment

The Rural Needs Act 2016, requires District Councils and other Public Authorities to have due regard to rural needs when developing, adopting, implementing or revising policies, strategies and plans, and when designing and delivering public services.

To 'have due regard' means that a public authority must consciously consider the needs of people in rural areas. How much 'due regard' depends on the circumstances and, in particular, on the relevance of rural needs to the decision or function in question. The greater the relevance and potential impact for people in rural areas, the greater the regard required by the duty.

Throughout the formulation of the draft Plan Strategy, there has been consideration of the impact of each policy approach on the rural area, relative to the urban area and policies have been amended where it was deemed appropriate to do so.

5.0 Conclusion

5.1 In considering the overall Growth Strategy for the LDP, we have taken account of the RDS and SPPS in particular, as well as being very closely aligned with the growth, investment and priorities set out in the 2017 SGP for this District.

5.2 The main issue is what level of growth the LDP will seek to accommodate and then the overall strategy of how to deliver that level of growth and development.

Growth Level

5.3 The LDP POP presented three options for growth - of population, of jobs and of homes, over the LDP period 2017 to 2032. Option 1 – was to follow the Current Projections. Option 2 – was the Preferred Option of ‘Planned Growth’ of an extra 5-10K population, 8-15K new jobs and 7-12K new homes, from the 2017 baseline. Option 3 – was for an even higher ‘Potential Optimum’ levels of growth.

5.4 The main consideration for the LDP PS is to decide whether to aim to accommodate the most recent NISRA/DfI projections, which are very modest, being for a stable/decrease in population at c150K, 4,000 extra jobs and c 4,000 new homes. This is considered to be a ‘safe/achievable but conservative target, which would not significantly ‘grow’ the City and District, would not embrace the RDS vision, would be behind the SGP target for the District and would not fully achieve the set vision and objectives for this LDP.

5.5 The LDP Chapter therefore emphasises the difference between the above ‘projections’ and ‘forecasts’ as a result of the Council / SGP’s planned growth and investment. Consequently, the LDP PS acknowledges the above growth levels as a starting point but it goes on to set higher forecasts / targets of +10K population, +15K jobs and +6-10K homes. This would be in line with the RDS 2035 objective ‘to develop a strong North West’ (SFG6) and ‘to strengthen the role of Derry as the principal city of the North West’ (SFG7). These target levels are also consistent with those set out in the SGP (Community Plan) for the District.

Population Growth

5.6 Whilst, the LDP will not directly deliver population growth per se, it will provide the land and development policies to accommodate that proposal. Therefore, two reports have been completed by the University of Ulster Economic Policy Centre (UUEPC, Oct 2016 & Oct 2018) in order to map out the scenarios that can achieve this SGP / LDP growth level, particularly by comparison with the recent experience of several other cities that have had university-led expansion. These studies help provide the Evidence Base that allows the LDP to target these same ambitious-yet-achievable levels of population growth. (A copy of the reports is included in the EVB papers).

Jobs Growth

5.7 The earlier UUEPC paper on economy (see EVB 5a also) and Council Integrated Economic Strategy, detail the expected jobs provision and provide the main EVB. The LDP will continue to provide an ample supply of economic development land with a choice of sites in terms of sizes and locations. Because of this requirement for generous over-provision of land, and the existing large supply, the accurate prediction / matching of jobs and land supply is not a critical aspect of the LDP.

Housing Growth

- 5.8** However, the target level of new homes is the most contentious variable in the Growth Strategy – as housing is the largest user of development land, it is the most valuable commodity and the Council LDP is expected to ‘direct and manage’ the supply of housing land to achieve more sustainable patterns of residential development. Therefore, the Council needs to ensure an adequate supply but also to avoid an over-supply of housing land.
- 5.9** The Evidence Base is required to estimate how many dwellings will be required over the LDP period and hence how much land needs to be zoned / provided across the District - in order to ensure that this level of homes can be delivered during the LDP period, and in the appropriate places. The DFI Housing Growth Indicator (HGI) suggests that 4,100 dwellings will be required – but this would only accommodate the stationary population levels as per the NISRA projections.
- 5.10** Therefore, the LDP chapter emphasises that the Council’s LDP will instead pursue the forecast / targets based upon the positive interventions / investment set out in the SGP, and as reinforced by the UUEPC study and in line with the RDS.
- 5.11** The Evidence Base seeks to demonstrate the link between the 10k pop growth and the number of houses that will be needed. Specifically, the EVB considers: the previous NISRA pop projection and resultant HGI of almost 18k HGI; the NISRA pop and households projections which reflect that household size is falling so a static pop does require more dwellings; NIHE advise that almost 4,000 social houses will be required. The LDP will therefore seek to deliver approx. 8 - 10,000 homes over the LDP period to 2032.

How to deliver this level of growth

- 5.12** The LDP chapter sets out the main strategic Planning elements that will sustainably deliver the Growth Strategy and hence the objectives and vision of the LDP. This involves:
- the District prospering as a key part of the cross-border North West City-Region;
 - a hierarchy of settlements across the District – focussing on Derry city and Strabane town with a vibrant rural area including local towns, villages and small settlements,
 - a well-connected District – with important roads infrastructure, rail, airport, port and walking /cycling, as well as excellent telecommunications / broadband connections,
 - a strong regenerated Derry/Londonderry and Strabane town, as well as 3 local towns, with vibrant ‘town centres’ to service the regional and local population;
 - expanding economic development and employment, including tourism and minerals, in the main settlements and across the District
 - provide adequate land for the delivery of approx. 10,000 new homes, including social / affordable housing, as well as the services and infrastructure to service the population, at appropriate locations across the District;
 - protect the key environmental assets of the District, including sensitive landscapes, biodiversity, historic environment, flood-prone and coastal locations;

- have high design standards and positively plan for successful, attractive and distinctive places across the District
- put in place a whole range of strategic and operational Planning policies that will allow the Council to manage the sustainable development of the City and District to 2032 and beyond.

Therefore, it is considered that LDP Growth Strategy meets the strategic direction of the relevant legislation and guidance, as well as sustainably meeting the developmental and protective needs of this District.

6.0 Update on Progress, March 2022

- 6.1 In accordance with the LDP requirement to keep the evidence base reasonably up-to-date, the Council has continued to monitor the economic and social situation at a macro level, so as to give confidence that the LDP Growth Strategy is still achievable and hence that the LDP itself is still suitably robust and flexible to meet the changing circumstances and deliver appropriate sustainable developments in the City and District to 2032 and beyond. Specifically, this chapter considers the main points of progress (from the 2017 baseline and 2019 dPS) on the Growth Strategy's top-line targets of additional jobs, additional homes and additional population.
- 6.2 The District's community plan, the Inclusive Strategic Growth Plan (SGP, 2017) which is aligned to the LDP, has continued to be monitored in terms of the key indicators for the District. For continuing updates on the progress of the SGP and the District generally, see the website at: <https://growderrystrabane.com/how-were-making-it-happen/> which includes a high-level SGP Performance Monitoring Summary dated September 2021 that shows an improvement in 32 of the 47 Indicators over the period from the 2017 baseline (click on the graphics for more detailed tables; see <https://growderrystrabane.com/performance-monitoring-2/>)
- 6.3 The Ulster University Economic Policy (UUEPC) undertook a review study on the growth targets of the LDP, considering the progress and main changes from 2017 to 2019 – 2020 (see report at EVB 5c, dated July 2021). In particular, it considered the available official statistics (with a lot of weblinks to further relevant studies / statistics) and factored in the three significant developments since 2019 i.e. the COVID-19 pandemic, Brexit and the launch of the City Deal and Inclusive Future Fund. The Review concludes that the targets in the LDP dPS 'Planned growth' scenario remain on course to be met in 2032, provided that the Strategic Growth Plan and the external connectivity are fully delivered upon.
- 6.4 The Council and UUEPC are continuing to monitor the local, national and international circumstances, some of which are 'unprecedented', that have and could affect the achievement of the District's growth – as laid out in the LDP and the SGP. The UUEPC presentation, included as EVB 5e, involves a review / forecast of the City & District's progress against the key economic and employment indicators and particularly considers the prospects as we emerge to the post-Covid economic and socially changed world. (The study mentions, but is too early to include / anticipate, the impacts from the Ukraine war on the global economy, energy supply, inflation, migration and general uncertainty; the Council / UUEPC will continue to monitor the situation.)
- 6.5 One of the main developments that gives optimism for the delivery of the LDP Growth Strategy has been the confirmation of the progression of the City Deal funding package that is mentioned para. 5.4 of the LDP dPS. Launched on the 24th February 2021, the City Deal and Inclusive Future Fund is the largest ever single investment package by Government into the Derry City and Strabane District Council area. It is an historic and exciting intervention that will contribute to building a stronger, more competitive, resilient and inclusive economy, will deliver higher paid jobs and contribute to creating a more regionally-balanced economy over the coming years. A funding package of £210m has been secured through the City Deal and Inclusive

Future Fund from the UK Government and Northern Ireland Executive. Derry City and Strabane District Council and its project delivery partners are contributing additional funding of circa £40m which will bring the total investment to around £250m.

- 6.6 Catalyst projects being proposed as part of City Deal include the expansion of the Ulster University Magee Campus and NWRC to 9, 400 students, the A2 Buncrana Road Economic Corridor and major physical regeneration schemes in Derry City Centre and Strabane Town Centre. Also the Graduate Medical School at Magee (first intake September 2021). Investment in innovation and research institutes underpinned by the development of skills and job creation and business support initiatives, as well as improved transport and connectivity programmes, are also identified as key catalysts for change. The impact of the investment delivered through the City Deal and Inclusive Future Fund is forecast to triple the expected rate of employment growth, with an additional 7,000 jobs created by 2032 and GVA is anticipated to have increased by £230m per annum by the end of the decade.
- 6.7 The Council and its lead partners are now actively preparing the business cases in order to draw down the investment funding and make these key projects a reality over the next few years; it will be a 'game-changer' and gives confidence that the LDP Growth Strategy is indeed realistic and can be achieved. See the following weblinks for further information and particularly to view the 'main City Deal & Inclusive Future Fund brochure' as it points out how the package will actively deliver on the SGP / LDP targets. <https://www.derrystrabane.com/citydeal> and also at <https://growderrystrabane.com/funding-package/>.
- 6.8 Other, often-related, points of progress and positivity to note since the preparation of the LDP draft Plan Strategy in 2017-19 include:
- the Ulster University Graduate Medical School at Magee commenced with its first intake of students in September 2021. A new School campus is being planned under the City deal. The School is the flagship, a hugely significant commitment of the government, the University and Altnagelvin to deliver a considerable expansion of student numbers, especially medical and research-related, to the City in the next few years.
 - The new A6 dual-carriageway has now been substantially built, from Derry towards Belfast and the east of NI; this is a key piece of connectivity infrastructure for the City and District.
 - The governments of NI and RoI are still committed to funding and are actively progressing the other major pieces of roads connectivity infrastructure for the District and NW Region, namely the new A5 WTC dual-carriageway from Derry towards Strabane, the SW of NI and on to Dublin, and also the significant upgrade of the A2 to the west of Derry City. Additionally, the RoI government is also actively progressing the major related TEN-T road projects in Donegal to link to Letterkenny and the N13 / N14 Trunk routes.
 - The new Multi-modal Transport Hub (rail station) has now been completed in Derry City, with enhanced regular train service to Coleraine, Belfast and onwards. There has also been a government commitment to the Phase 3 upgrade of the rail line.

Additionally, an All-island feasibility study has been commenced (as proposed in the NW Transport Study and LDP page 147), into the potential extension of the rail network to Strabane / Omagh, etc and to Letterkenny / Donegal, etc.

- The flagship Ebrington regeneration site is being developed, with the landmark Grade A office development now completed / being occupied and the new Ebrington Hotel being under construction, while several other key residential and commercial projects on the site have recently gained Planning permission.
- Major council-led projects being drawn up under the City deal fund include a flagship Central Riverfront regeneration in the heart of Derry and a transformational development project in the centre of Strabane town involving a new Leisure Centre, Health Hub and other employment uses. An important cross-border Riverine public park for Strabane and Lifford is also now at Planning application stage.
- The City Centre of Derry and also Strabane Town Centre seem to have 'weathered the storm' of the post-Covid adjustments to retailing/socialising, etc.- without a significant increase in high-street vacancies and indeed there being a number of new non-retail uses, hopefully signalling a re-invention of the high-street. (See Monitor results at EVB 10).
- Housebuilding has progressed well across the District over the past 3 years, both private building and also social / affordable housing. (See Housing Monitor 2019-2021 results at document DS-301EVB 10).

6.9 Therefore, whilst there does remain some global / macro uncertainty arising from any post-Brexit trading adjustments, post-Covid, the Ukraine war, etc., there has been very good progress made in the City and District in recent years and there is good reason to have confidence in the achievement of the LDP Growth Strategy's top-line targets of additional jobs, additional homes and additional population by 2032.