



Caerphilly County Borough Local Development Plan

Hearing Session 2: Housing Provision
(Monday 26th April 2010)

Examination 2010

Caerphilly County Borough Council submission

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Hearing Session 2: Housing Provision

1. Introduction

- 1.1 This Topic Paper has been prepared by Caerphilly County Borough Council in order to help facilitate appropriate discussion at the relevant Hearing Session of the Caerphilly County Borough Local Development Plan Examination. The Paper is structured in accord with the Issues and Matters Agenda set out by the Planning Inspector (Mr Alwyn Nixon), as part of the Hearing Sessions Programme and provides a succinct response to the questions raised as part of that Agenda.
- 1.2 Where the Council does not intend to provide any additional written evidence the Inspector's attention is directed to the relevant part of the Evidence Base, which in the view of the Council addresses the matters raised. The paper will not repeat evidence previously submitted for consideration.

2. Is the moderate growth strategy sound?

- ***Is the Plan's adoption of a moderate growth strategy figure of 8,625 units justified?***

- 2.1 The Inspector's attention is directed to the Evidence Base as follows:

- **SB31** BP6 Population and Housing (pages 6.13 to 6.21);
- **SB32** BP6 Supplementary Paper 1: WAG 2006 Population and Household Projections (whole document)
- **SB57** Council Report on Deposit and Alternative Sites Consultations – Volume 1 (pages 19-28)
- **ED13** BP6 Supplementary Paper 6: WAG 2006 Based Population & Household Projections (whole document);

- ***Is there a robust rationale for this figure in the light of (i) recent population trends, (ii) the SEWSPG housing apportionment exercise; (iii) the WAG 2006-based household projections?***

- 2.2 The Inspector's attention is directed to the Evidence Base as follows:

- **SB31** BP6 Population and Housing (pages 6.13 to 6.21);
- **SB32** BP6 Supplementary Paper 1: WAG 2006 Population and Household Projections (whole document)
- **SB57** Council Report on Deposit and Alternative Sites Consultations – Volume 1 (pages 14-28)
- **ED13** BP6 Supplementary Paper 6: WAG 2006 Based Population & Household Projections (whole document);
- **SEW7** South East Wales Regional Housing Apportionment – Memorandum of Understanding (whole document)

- ***Have the interrelationships between the Plan's moderate growth strategy and the emerging strategies of neighbouring authorities been taken into account?***
- 2.3 Collaboration with neighbouring local authorities has underpinned the preparation of the LDP from the outset with the result that the Deposit Plan relates well with the strategies of emerging plans in adjoining local authority areas.
- 2.4 As explained in **SB31** BP6 Population and Housing (pages 6.13 to 6.21) the SEWSPG Apportionment figure forms part of the evidence base for determining the moderate level of housing growth. This Housing Apportionment, which is detailed in **SEW7** was the result of extensive collaboration between all the constituent authorities of the South East Wales Strategic Planning Group (SEWSPG) and has been ratified by each of the relevant authorities as forming a working hypothesis to provide a regional context for the preparation of individual LDPs.
- 2.5 The level of housing to be provided through development plans in each of the South East Wales authorities will continue to be monitored on a regular basis. The most recent monitoring of both housing completions and housing requirement figures identified in local authority's Preferred Strategy or Deposit LDP against the apportionment exercise is set out in Appendix 1.

3 Is the overall level of provision for new housing over the Plan period acceptable?

- ***Does the Plan provide a satisfactory total amount of land for housing development?***
- 3.1 The Inspector's attention is directed to the Evidence Base as follows:
- **SB57** Council Report on Deposit and Alternative Sites Consultations – Volume 1 (pages 13-44),
 - **SB31** BP6 Population and Housing (pages 6.13 to 6.29),
 - **SB34** BP6 Supplementary Paper 3 - Housing Land Supply (pages 1-7)
 - **ED19** Update of Housing Supply and Affordable Housing Target Calculations (Sections 1-2)
- ***Are there sufficient margins in the Council's calculations to provide confidence that planned growth can be accommodated?***
- 3.2 The Inspector's attention is directed to the Evidence Base as follows:
- **SB57** Council Report on Deposit and Alternative Sites Consultations – Volume 1 (pages 28-32, 66-69),
 - **SB31** BP6 Population and Housing (pages 6.13 to 6.29),
 - **SB34** BP6 Supplementary Paper 3 - Housing Land Supply (pages 1-7)

- **ED19** Update of Housing Supply and Affordable Housing Target Calculations (Sections 1-2)
- ***Have the sites been subjected to a robust assessment of availability/deliverability?***

3.3 The Inspector's attention is directed to the Evidence Base as follows:

- **SB33** (BP6 Supplementary Paper 2 - Housing Site Categorisation Exercise
- **LA46** Update on Planning consents December 2009 (whole document)
- **SB57** Council Report on Deposit and Alternative Sites Consultations – Volume 1 (pages 69-72)
- **SB13** Deposit LDP - Appendices to Written Statement (Appendix 20)
- ***Is the Plan's estimate of windfall sites coming forward realistic?***
- ***Is the estimate of small site contributions too high?***
- ***Is it reasonable to include an allowance for empty properties brought back into use as part of the housing supply figure?***
- ***Is the estimated number of conversions reasonable?***

3.4 The housing land supply assumptions are set out within **SB31** BP6 Population and Housing (pages 6.22 to 6.27). An explanation in response to representations received demonstrating why these figures are realistic and appropriate is set out within **SB57** Council Report on Deposit and Alternative Sites Consultations – Volume 1 (pages 41-44).

3.5 It will be noted that **SB34** BP6 Supplementary Paper 3 - Housing Land Supply (pages 1-7) provides an update of the housing supply calculation to take into account new information available from the 2007/8 and 2008/9 Joint Housing Land Availability Studies. As identified in Paragraph 1.6 of the document, it is not intended that this updated information should replace the figures used to inform the land supply in the Deposit Plan. Rather, the purpose of the paper was to update the information in respect of the planning status of individual sites and completions that had take place since the plan was placed on Deposit. The other components were only updated to ensure that all factors were reflective of the same time period for consistency and to ensure that there was no double counting between completions in the first three years of the plan period and the assumptions for the other components that make up the land supply calculation.

3.6 It is necessary to clarify in this Examination Statement that the publication of revised figures for windfall, small sites, empty properties and conversions in SB34 have not informed the housing land capacity figure included within Paragraph 1.83 of the Deposit LDP (10,403 dwellings) as amended by the Deposit LDP (incorporating Focused Changes and Additional Focused Changes) which equates to 10,024 dwellings.

- 3.7 It may be argued that the publication of these updated figures could potentially undermine the soundness of the original figures and therefore there is merit in explaining why this is not considered to be the case and why the original figures remain a robust position upon which to base the housing supply calculation.
- 3.8 The key points to note are that the original assumptions in the land supply calculation were based on the most up to date information at the time of plan preparation and reflect the same timeframe used to define the site capacities and planning status not just of housing sites but of all allocated land uses in the plan. This represents a consistent and robust approach.
- 3.9 The update of the housing figures as set out in SB34 to take into account figures from the last two Joint Housing Land Availability Studies include data collected at a time of economic recession. This has significantly affected the housebuilding industry, as indicated by the decrease in annual housing completions. As a consequence of the overall reduction in housebuilding in these years, the 5-year averages for small site completions and conversions have decreased. The original assumptions for these components of the land supply calculation are based upon average market conditions rather than a significant downturn and are therefore a more appropriate basis upon which to base assumptions.
- 3.10 Conversely, in respect of windfalls, there has been an increase overall in the number of windfalls coming forward between the original figures in SB31 and the 1st April 2009 (SB34) based assumptions. This is due to windfall sites becoming more prevalent towards the end of the plan period as these represent opportunities that were not known about at the time of the preparation of the UDP.
- 3.11 The windfall figures in SB31 which were used to inform the land supply figure in the Deposit LDP represent an analysis of a 5 year period within the middle of UDP plan period 1996-2011 and would therefore represent an average position, which remains an appropriate time period upon which to base these windfall assumptions. To base the figure on the latter part of the plan period has the potential to skew the figure towards a higher provision of windfall sites, which may be less realistic.
- 3.12 Bearing these factors in mind it is considered that the original figures from SB31 remain a robust and appropriate basis upon which to found these assumptions.

- ***Are there robust monitoring and review mechanisms that will enable the Plan to respond to changing future circumstances?***

3.13 The Inspector's attention is directed to the Evidence Base as follows:

- **SB13** Deposit LDP - Appendices to Written Statement (Appendix 19), which sets out the Initial Monitoring Framework
- **ED36** LDP Draft Monitoring Framework

4 Is the spatial distribution of new housing opportunities across the County Borough acceptable?

- ***Is the planned balance of HOVRA/NCC/SCC provision satisfactory?***

4.1 The Inspector's attention is directed to the Evidence Base as follows:

- **SB31** BP6 Population and Housing (pages 6.27-6.28)
- **SB57** Council Report on Deposit and Alternative Sites Consultations – Volume 1 (pages 53-58)

- ***Is the overall distribution of sites in relation to settlement characteristics, size and function justified?***

4.2 The Inspector's attention is directed to the Evidence Base as follows:

- **SB8** LDP Preferred Strategy Appendices (Appendix 6)
- **SB12** Deposit LDP Written Statement (Section C – introduction sections to Strategy Areas 1, 2 and 3).
- **SB45** BP14 - Candidate Site Assessment Methodology (14.1-14.16)
- **ED31** Background assessment of candidate sites (whole document)

- ***Is the allocation of housing sites based on a robust and comprehensive sites assessment methodology?***

4.3 The Inspector's attention is directed to the Evidence Base as follows:

- **SB45** BP14 - Candidate Site Assessment Methodology (14.1-14.16)
- **SB85-90** LDP Candidate Sites Register - Volumes 1-6
- **ED31** Background assessment of candidate sites (whole document)
- **SB20** Strategic Environmental Assessment/Sustainability Appraisal Document 4 - Appendix 8

5 Is the balance of reliance on brownfield land versus Greenfield sites acceptable?

- ***Is the extent of reliance on brownfield sites for provision of housing land in the SCC (97%) appropriate and realistic? Will this result in an insufficient range and choice of housing?***

5.1 The Inspector's attention is directed to the Evidence Base as follows:

- **SB.7** LDP Preferred Strategy - Section 6, in particular 6.20 - 6.27
- **SB33** BP6 Supplementary Paper 2 - Housing Site Categorisation Exercise (pdf 749kb)
- **SB57** Council Report on Deposit and Alternative Sites Consultations – Volume 1 (pages 69-72)

- **SB61** Council Report on Deposit and Alternative Sites Consultations – Volume 5 (pages 148-151)
- **ED31** Background assessment of candidate sites (whole document)
- ***Should the Plan allocate more brownfield sites for housing in the NCC?***

5.2 The Inspector's attention is directed to the Evidence Base as follows:

- **SB57** Council Report on Deposit and Alternative Sites Consultations – Volume 1 (pages 59-64)
- **SB61** Council Report on Deposit and Alternative Sites Consultations – Volume 5 (pages 145-147)
- ***Is the proportion of housing land using brownfield sites (67%) too high? Will this result in an insufficient range and choice of housing?***

5.3 The Inspector's attention is directed to the Evidence Base as follows:

- **SB57** Council Report on Deposit and Alternative Sites Consultations – Volume 1 (pages 59-64)

Appendix 1

SEWSPG MEETING 18 MAY 2009:

AGENDA ITEM 8

S.E. Wales Dwelling Completions 2006/7 – 2008/9 and LDP Requirement Compared to Apportionment

The following points relate to the tables on the next page:

- In S.E Wales as a whole, during 2006-7 and 2007-8, there were 5,659 and 5,492 (-3.0% decrease) new dwelling completions respectively. Only 3 LAs have completion data for 2008-2009 so far, but from those it is clear that there will be a significant decrease e.g. Cardiff 's are down by -25%. See Table 1.
- The apportioned new dwelling requirement S.E. Wales was 6,020 p.a. hence for the first 2 (or 3 where provided) years of the 2006 to 2021 period, completions were 1,273 less than expected, assuming a uniform rate should be built per year.
- The current economic downturn is continuing to have an adverse impact on the housing market. In Cardiff a number of building sites have been abandoned for the time being until market conditions improve: units under construction (some now abandoned) have fallen from 1,914 in 2008 to 1,115 in March 2009, a 39% drop.
- This duration and depth of the recession will have a number of serious implications including:
 - The rate of new dwelling provision will have to increase to a much higher level in future years to make up for lost ground;
 - Since there is a relationship between overall dwelling completions and affordable housing completions, the amount of affordable housing that can be expected in the next few years will likely be much less - in line with the general decline in completions. This may thwart Welsh Assembly targets.
- The table below (column k) shows that some local authorities are providing in excess of what was apportioned for the first 2 or 3 years of the period (e.g. Cardiff (+1,667) and to a much lesser extent Caerphilly (+208) and Bridgend (+149), whereas others have so far provided less, most notably RCT (-1,012), Newport (-727) and Vale(-272);
- The last column (l) indicates what each LA would have to complete per annum to make up the apportioned numbers from the last given completion data: each LA will have to consider how realistic these rates might be in their LDPs. The total p.a. in the last column is similar to the apportioned total (col i), but this masks fluctuations in provision by LA.
- Of concern is the fact that whilst the apportioning was based on the 2003 based regional household projection (itself based on the 2003 based population projection), 2006 based population projections (for LAs) have already been published and **2006 based (LA) household projections are expected during early June following European Election on 04/06/09**. The implications of these will only be clearer once the LA household projections are available, but since the population total is higher for the summed S.E.Wales area in the 2006 based projection it is likely, though by no means certain, that the L.A. household projections summed will be higher.
- The latest WAG guidance on this topic (MIPPS 01/2006) indicates that LAs should work together collaboratively (with others) to apportion to each LA the WAG's regional household projections – or agree our own regional policy based projections (and share that presumably). However the new LA household projections will effectively provide a new trend based evidence base, but for some it may be too late to take into account in Preferred Strategy's or Deposit LDPs. Nevertheless, LAs may still prepare their own policy based projections but will need to justify them.
- **Table 2** shows each LA's latest LDP new dwelling requirement compared to apportioning e.g. Cardiff's is significantly higher, Caerphilly's is lower. The last column (l) indicates what completions are required per annum to make up the balance taking into account completions to date.

Table 1: SE Wales LA New Dwelling Completions 2001- 09 & Apportionment balance comparison

a	b	c	d	e	f	g	h	i	j	k	l
	Completions								Agreed apportioning - dwellings pa	Difference Completions to date (for 2 or 3 yrs respectively) compared to apportioning	Completions required (next 12 or 13 years of LDP) to make up balance p.a.
Local Authority	2001-2	2002-3	2003-4	2004-5	2005-6	2006-7	2007-8	2008-9			
Blaenau G	106	101	102	110	162	73	101		200	-226	217
Bridgend	573	396	460	652	474	635	514		500	149	489
Caerphilly	489	376	362	391	576	852	656		650	208	634
Cardiff	1,406	1,667	1,913	2,209	1,861	2,368	2,028	1,531	1,420	1,667	1,281
Merthyr Tydfil	60	126	137	144	117	133	243	190	250	-184	265
Monmouth	522	353	344	448	280	178	249		350	-273	371
Newport	622	501	340	347	405	368	629		800	-603	846
RCT	628	873	633	733	414	465	423		950	-1,012	1,028
Torfaen	99	149	157	70	74	285	243		400	-272	421
Vale of Glam	700	713	509	411	506	302	406	65	500	-727	561
S.E. Wales	5,205	5,255	4,957	5,515	4,869	5,659	5,492	1,786	6,020	-1,273	6,113

Updated 13/05/09

Revised

Newport: Years 2001-5 are calendar years. 2006-7 is 15 months to April 07, thereafter yearly to April

Table 2: LDP New dwelling requirement compared to Apportioning

a	b	c	d	e	
Local Authority	Agreed apportioning - dwellings pa	Preferred Strategy or Deposit LDP dwellings p.a.	Difference p.a.	Completions to date 2006 onward (sum cols g,h,i in Table 1)	Completions required (next 12 or 13 years of LDP) to make up balance p.a.
Blaenau G	200	200	0	174	217
Bridgend	500	540	40	1,149	535
Caerphilly	650	575	-75	1,508	547
Cardiff	1,420	1,829	409	5,927	1,792
Merthyr Tydfil	250	266	16	566	285
Monmouth	350	350	0	427	371
Newport	800	-	-	997	
RCT	950	990	40	888	1,074
Torfaen	400	380	-20	528	398
Vale of Glam	500	500	0	773	561
S.E. Wales	6,020	-	410	12,937	

(266 pa allocated but LDP requirement calculated to be 253 p.a.)

Requirement may increase following WAG LA Household Projections due June 09