

Hearing Session 2: Housing Provision

Representor Reference: 2160

Question 2: Is the moderate Growth Strategy Sound?

1.1. National Planning Policy Guidance in the Form of Ministerial Interim Planning Policy Statement 01/2006: 'Housing' states that the preparation of Local Development Plans (LDPs) should be based upon the latest Assembly Government National and Sub-National Household Projections for Wales and that these projections should form the starting point for assessing housing requirements (paragraph 9.2.2 refers). MIPPS goes on to outline that where LPA's seek to deviate from the Assembly Government projections, by using their own policy-based projections they must justify the reasons for so doing and explain the rationale behind their own preferred projections.

1.2. The scale of growth adopted by Caerphilly Council is based on the 'moderate' level of growth from three possible growth options identified, i.e. balanced migration, moderate growth and high growth. The 'Moderate Growth' scenario leads to a population of 177,500 in 2021, and a housing requirement of 8,625.

1.3. There appears, however, to be no robust rationale behind the justification of this growth strategy for the following reasons:

- **South East Wales Strategic Planning Group Apportionment Exercise**

1.4. The South East Wales Strategic Planning Group (SEWSPG) has carried out an exercise to apportion the WAG regional household projections to individual authorities. In respect of Caerphilly County Borough, the exercise resulted in an agreed housing requirement over the Plan period of 9,750 dwellings and population growth to 180,000 by 2021. This requirement was based on the 2003 household projections, environmental capacity and policy requirements. The proposed housing strategy within the Caerphilly LDP therefore under-provides the amount of housing required in the County Borough having regard to the SEWSPG exercise. This means that the shortfall will have to be provided within neighbouring authority areas. The Plan does not make it clear which authorities will be picking up this shortfall, or that an agreement has been reached with neighbouring authorities for them to do so. Further information from the Council is, therefore, required to clarify this point.

1.5. Notwithstanding the above, our representations to the Deposit LDP raised concern that the housing need calculation for South-East Wales has not been the subject of public scrutiny. This directly contradicts MIPPS 01/2006 which specifically states that Local Planning Authorities should work together collaboratively and with appropriate stakeholders such as housebuilders to apportion the Assembly Government household projections. It is, therefore, considered that the basis of the housing provision within the LDP and Policy SP16 in particular, is flawed and does not conform to the requirements of National Planning Policy on the matter. It is our opinion, therefore, that neither the Council's growth levels or the SEWSPG Apportionment exercise should be relied upon to establish the required housing level within the County Borough.

- **Household and Population Projection Figures**

1.6. The LDP relies upon the 2003 Household and Population Projections, which have now been superseded by the 2006 projections issued by WAG in June 2009. The 2006 population projections for Caerphilly estimate a population of 180,700 in 2021 which is 3,200 higher than the provision of 177,500 in the LDP. It is also noted that the Office of National Statistics 2008 mid-year estimates show an actual increase in the population of Caerphilly of 200 people compared to the 2006 projections. The population of Caerphilly

is, therefore, increasing at a rate beyond which both the 2003 and 2006 projections assume.

- 1.7. It is recognised that the Council have prepared Background Paper 6: 'WAG 2006 Based Population & Household Projections' (ED.13) which seeks to justify the validity of the moderate growth rate approach in light of the 2006 based population and household projections. Within the document the Council suggest that the population change within the 2006 population projections is unrealistic for the LDP period and that the trends experienced within the County Borough are unlikely to continue as they are based on a short period. In effect, the Council believe that the methodology used by WAG to create the 2006 population and household projections was not robust. However, there is no evidence from the Council to demonstrate that WAG did not use robust methodology in order to formulate the projections. It is also worth noting that WAG's methodology was agreed with Caerphilly Council and has been accepted by other Local Authorities in South East Wales as a suitable methodology to inform housing requirement figures within LDPs.
- 1.8. Whilst the Council believe that the 2006 household projections do not reflect what will actually happen to the population of Caerphilly over the LDP period, the latest evidence on recent mid-year population estimates from the Office for National Statistics gives a clear indication of where the population is actually headed. As previously stated, the revised Mid-Year Estimates for 2008 indicate a slight increase over and above the 2006 population projections from 172,504 to 172,600.
- 1.9. In light of this, we do not agree with the Council's statement that the WAG 2006-based population and household projections do not warrant any amendments to the housing land provision in the Plan. It is also considered that the Council have not provided sufficient justification or evidence for not accepting the 2006 population and household projections.
- 1.10. It is, therefore, clear from the latest evidence on population that the Council needs to re-evaluate its planned dwelling numbers to meet the latest published WAG projections in order to meet the needs of the projected local population and to ensure that the County plays its part in promoting a coherent regional strategy supported by a sound evidence base in accordance with National Policy. It is suggested that the Council adopt a higher growth rate scenario upon which a further 21% should be added allowing for choice and flexibility.
- 1.11. In terms of the soundness of the LDP therefore, there are serious concerns that the housing strategy does not currently conform with current National Policy (as required by test of soundness C2), or is based on a robust and credible evidence base (as required by test of soundness CE2).

- **Coherency of the Housing Strategy**

- 1.12. Throughout the various background papers relating to population and household projections, the Council state that the WAG 2006-based population and household projections do not provide sufficient evidence to require major changes to the Deposit LDP. The Council also state that the Moderate Growth Projections advanced in the Deposit plan are considered to reflect a more realistic and plausible level of population growth over the plan period that is consistent with long-term trends. However, despite this, within paragraph 5.2 of ED.13 the Council state that it is not possible to say what level of housing requirement would have been proposed had the 2006 projections been available when the Deposit LDP was being prepared. This clearly suggests that the Council might have chosen a different housing requirement figure had they considered the 2006 projections before submitting the LDP to WAG. We are therefore unclear about the Council's position in relation to the WAG population and household projections. We believe these conflicting viewpoints need further explanation from the Council as this issue further brings into question the coherency of the strategy in the context of test of soundness CE1.

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

- 1.13. We believe that the total amount of land allocated in the plan to provide housing development will need to be increased in order to meet the needs of the projected local population. We do not believe that the LDP's current flexibility allowance based on the moderate growth rate is sufficient to deal with the potential shortfalls that we are already aware of. Instead, the Council should adopt a higher growth rate scenario upon which a further 21% should be added allowing for choice and flexibility to provide confidence that the expected growth rates can be sufficiently accommodated.
- 1.14. In terms of the sites which have been allocated within the Deposit LDP to deliver the Council's housing growth strategy, Test of Soundness CE2 requires LDPs to have a clearly deliverable strategy based on sound and robust evidence. However, with regard to the land supply proposed within the LDP, we do not believe the Council has provided or demonstrated sufficient evidence to state with confidence that it will be capable of delivering the proposed amount of housing given the constraints and additional requirements that will affect the viability of many of the sites.
- 1.15. Table 1 which is appended to this document provides our assessment of the availability and deliverability of a number of the allocated housing sites which clearly highlights significant constraints which in our view will prevent a number of the sites from being developed within the Plan period. Furthermore, in many instances, the Council states that it will prepare a development brief in order to inform the development of sites which are identified as having constraints. The Council however provide no justifiable evidence that these sites are capable of overcoming their or delivering the anticipated number of dwellings.
- 1.16. It is our opinion that many of the housing allocations included within the Deposit Plan are not realistic nor appropriate and are not founded on a robust and credible evidence base which is required by test of soundness CE2 and further exacerbates the shortfall of housing land identified above. The allocation of additional sites is, therefore, required to replace undevelopable allocated sites within the Plan and to overcome the undersupply identified under Question 2 above.

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

- 1.17. We believe that the total amount of land allocated in the plan to provide housing development will need to be increased in order to meet the needs of the projected local population across the County Borough.
- 1.18. Furthermore, we do not believe the Council has provided or demonstrated sufficient evidence to state with confidence that it will be capable of delivering the stated amount of housing given the current land uses, constraints and additional requirements that will affect the viability of many of the allocated sites. Further consideration of these issues is required by the Council and we believe that the Council will need to find additional land to accommodate the identified shortfall.

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

- 1.19. We do not consider that the balance of allocated housing sites within the LDP upon greenfield and brownfield sites is deliverable within the plan period. Some of the allocated sites have significant constraints which renders them highly unlikely to be developed within the plan period, thereby further exacerbating the shortfall of housing land identified above. We will highlight the specific sites of constraint set out within Table 1 within the evidence provided pursuant to Hearing Session 4.