



Caerphilly LDP Examination – Statement of Case

On behalf of Emporium Consultants

Hearing Session 2 – Housing Provision

Proposed Housing Allocation

Land at former Tin Plate works, Rudry Road (Site reference E127)

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1. Introduction

- 1.1 DTZ has been instructed by Emporium Consultants to submit this statement to support the proposed allocation of Land at former Tin Plate Works, Rudry Road (Site reference E127).
- 1.2 This statement is provided as supplementary evidence to previous representations and relates to the questions specifically proposed by the Inspector in relation to Hearing Session 2: Housing Provision.

2. Is the Moderate Growth Strategy Sound?

- 2.1 Paragraph 9.2.2 of Housing Ministerial Interim Policy Statement 01/2006 – Housing states that:

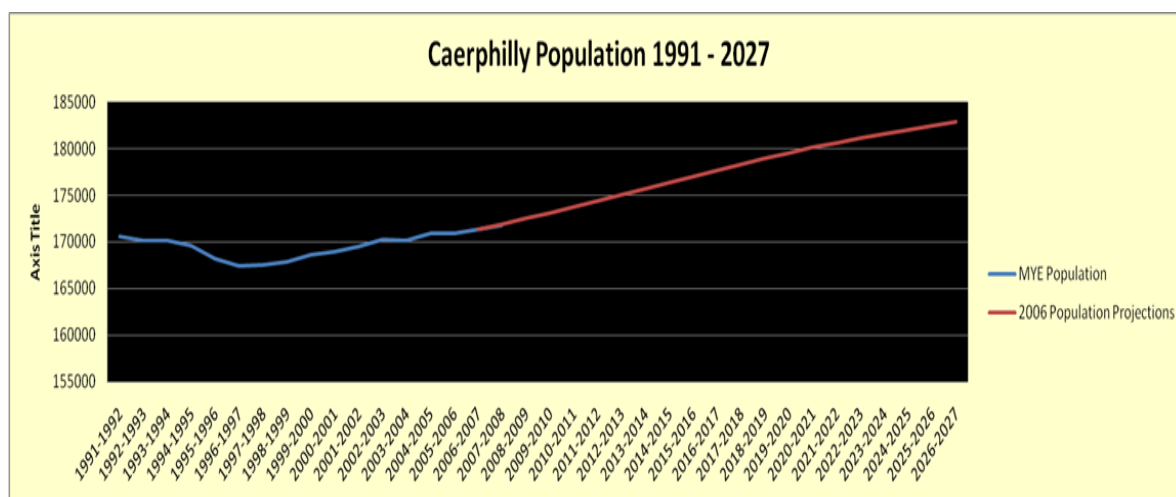
'National household projections form the starting point for assessing housing requirements. It is also recognised that Local Planning Authorities have the right to deviate away from the Assembly Government's household projections if they have robust evidence and policy context.'

It is contended that Caerphilly CBC has not robustly justified providing 2,675 units less than the 2006 population projections requirement of 11,300 units. Therefore the Moderate Growth Strategy adopted in the plan is considered to be unsound. It is also worth noting that the current methodology for the population projections has been accepted by Local Authorities in South East Wales as a suitable methodology with which to inform the housing requirement figures.

- 2.2 Caerphilly CBC criticise the WAG 2006 based population and household projections stating that:

'They are based on short term trends over the preceding 5 year period which is untypical in that this was a period of sustained economic growth in the UK economy and coincided with the accession of 7 eastern European countries to the EU leading to changes in migration patterns. They feel that the pattern is unlikely to be repeated'

- 2.3 Caerphilly CBC believe that long term trends are more reliable than short term trends and that long term trends justify their stance on the Moderate Growth Strategy. From reviewing Caerphilly CBC's population trends it is evident that the population of Caerphilly CBC has been growing steady since 1996. The graph below shows the population of Caerphilly over the period 1991 – 2027. This demonstrates that a growing population is a long term, rather than shorter term trend. The long term trend provides evidence to demonstrate that adopting the 2006 projections is more in line with current trends. The growth in population since 1996 can be attributed in part to the authority's policy adopted in the UDP which sort to halt population decline and aimed to achieve a position of migration balance by the end of the Plan period (2011). The authority has been successful with this being achieved much earlier in the Plan period. In light of the city region concept in the Wales Spatial Plan, with the correct LDP strategy it is considered that Caerphilly CBC's population can at least growth in-line with the 2006 population projections.



Source: Mid Year Estimate (MYE) and the Projections

- 2.4 Caerphilly CBC also state that the 2006 population projections do not take account of socio economic factors such as population change and therefore if certain assumptions are changed, the population for Caerphilly could be higher or lower. However, in terms of the revised mid year estimates for 2008 the graph below shows that the population over 2006 to 2008 has actually increased over and above the 2006 population projections. The 2008 population projections would support the 2006 population projections which forecast an increase in population, with the population actually increasing by 200 persons more than was originally forecast. The 2008 mid year estimates demonstrates that the Moderate Growth Strategy is not founded on a robust rationale and in fact Caerphilly CBC could actually exceed the population growth projected in the 2006 population projections with the correct strategy being adopted in the LDP.



- 2.5 Caerphilly CBC contends that going forward net in migration in the county will fall and that it only accounts for a small proportion of overall growth. During the period 2001 – 2006, the average net in migration was 100 people per year. However the 2003 projection assume a rate of net in migration of 165 persons per year, with the 2006 projections reducing this figure to 100. Whilst migration levels may not achieve the levels used in the 2003 projections, Caerphilly's rationale for stating that migration will fall below the current average of 100 persons per year is based on a short term trend which is largely as a consequence of the unprecedented economic recession that the UK is experiencing. The Council states that in-migration from east European countries is believe to be in reverse. However, no evidence is provided by the Council to show that this is in fact the case in Caerphilly.
- 2.6 Going forward, the Wales Spatial Plan confirms that the priority in South East Wales is to function as a 'city region', creating a critical population mass to realise its national and international potential with Cardiff as the driver of the region. Indeed in paragraph 4.5.6 of Background Paper 6 the Council recognises that it is realistic to assume that the longstanding trend of out migration has been reversed and there is a need to plan for some level of net movements into the area. Furthermore the LDP strategy is clearly to continue to attract more people to the county borough. Caerphilly county borough, particularly the south of the authority, offers a sustainable location for people to live whilst working in Cardiff due to good public transport links. Achieving the objectives of the Wales Spatial Plan will help to support and booster net in migration of people into the county borough.
- 2.7 Over the past 12 years of the Local Plan period (1991-2008), the house building performance in Caerphilly has been consistently high, an indication of the high levels of demand placed on housing in the County. Completions have averaged 803 dwellings per annum (taken from Caerphilly CBC 2008 Joint Housing Land Availability Study (JHLAS)) and Caerphilly,

particularly South Caerphilly has become one of the most popular residential areas in South Wales. Caerphilly's growth in housing demand has been driven by the success of Cardiff and going forward the Wales Spatial Plan continues to promote the 'city region' with Cardiff being the driver of the wider region. Due to Caerphilly's proximity to Cardiff and the good public transport links, Caerphilly CBC provides a sustainable location for future workers in Cardiff to live.

- 2.8 In applying the Moderate Growth Strategy, Caerphilly CBC has not paid due regard to the emerging strategies of neighbouring authorities, simply stating that Caerphilly CBC will deliver 88% of the SEWSPG figure but they do not set out how the other 12% will be delivered. The Wales Spatial Plan provides planning guidance for districts of Wales. The guidance stresses the need for a regional strategy. The stated meaning of the plan is:

"Making sure that decisions are taken with regard to their impact beyond the immediate sectoral or administrative boundaries; that there is co-ordination of investment and services through understanding the roles of and interactions between places; and that we place the core values of sustainable development in everything we do."

- 2.9 There is no evidence of this approach being discussed with neighbouring authorities. Caerphilly CBC has not demonstrated that the resultant inter-relationships with neighbouring authorities are acceptable. In fact many of the surrounding authorities have also opted for an under provision of housing. Further evidence is required to support Caerphilly's stance on this matter.
- 2.10 Based on the above the progression of the Moderate Growth Strategy is not considered to be sound. The 2006 population projections would seem to indicate a robust evidence base with which to identify a suitable population for Caerphilly going forward.
- 2.11 In light of the above, 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 clear from the latest evidence on population that the Council should be providing for a greater level of population than the Moderate Growth Strategy. The Council does not provide a robust evidence base to deviate from the projections and adopt a lower growth figure.
- 2.12 For the Plan's strategy to be sound from the start it must be based on 2006 population projections and then periodically reviewed to take account of changing circumstances. The Council cannot use the first review of the plan to make its strategy sound as put forward by the Council. This stance is completely inconsistent with guidance which states that authorities should be adopting plans that will be sound over the next 15 years.

3. Is the overall level of Provision for New Housing over the Plan Period acceptable?

- 3.1 This issue is closely related to the above and based on the conclusion that the Council has not robustly justified its deviation from the WAG 2006 Housing Projections, it is considered that sufficient housing land has not been allocated in the LDP. The Council identified in Population and Housing – Deposit LDP up to 2021 Background Paper 6 Supplementary

Paper 6 - ED13 paragraph 7.8 ‘ *that the plan provides for sufficient land for a minimum of 13 years having regard for the levels of population growth within the 2006-based projections*’. The Council should ensure that the adopted LDP provides 15 years supply at the start of the process. Whilst, the opportunity exists for the Council to periodically review availability to address any issues, they should ensure that the adopted LDP provides sufficient housing land for 15 years.

- 3.2 It is agreed as per the Council’s current stance that a 20% margin is required to allow for range and choice. Therefore, it is contended that 13,560 units should be allocated for housing in the LDP, rather than the 10,403 units identified in the Deposit Local Development Plan.
- 3.3 In terms of the contribution from windfall and small sites, the Council has chosen to forward project the windfall and small sites contribution based on a 5 year trend. This is surprising considering the Council criticise the 2006 population projections for being trend based. It is contended that trend based population projections are more reliable than trend based projections in terms of land supply particularly windfall and small sites, with the delivery of units being heavily influenced by economic conditions which in turn impact on development viability. The total contribution from windfall and small sites under the Moderate Growth Strategy is identified to be 2,200 units, which equates to 25% of the housing land requirement. The deliverability of housing units through such sites is even less certain than deliverability of housing on allocated sites. Whilst it is accepted that the housing market will recover from its current depressed state, house prices are not expected to recover to their previous highs. This will impact on overall housing viability. Therefore the contribution from windfall and small sites is likely to fall as larger schemes are required to ensure development viability.
- 3.4 To further aid concerns about whether sufficient housing land has been allocated in the LDP, the delivery of a number of sites is very questionable which then undermines the robustness of the assessment process used by the Council. We have reviewed the allocated sites and would question the delivery of about 1053 new homes allocated in the southern connection corridor. Failure to deliver these homes would create a major gap in the supply of housing, in the area likely to have the highest demand. Sites with issues include:

- **HG 1.53 Land Adjacent to Pen-y-Cwarel Road, Wyllie (56 units)**

Public sewers may restrict the density of any development and that additional land would need to be acquired to ensure adequate visibility for the access points.

- **HG 1.54 Land North East of Llanarth Street, Wattsville (30 units)**

The allocation is for the balance of houses still to be built out, following the grant of planning permission in 2004. The slow progress of construction over a buoyant time in the residential market suggests that this allocation is not deliverable.

- **HG 1.62 Former Petrol Filling Station, Trethomas (10 units)**

The site was granted planning permission in 2004 but development is yet to commence. Given current market conditions we consider that this site is not deliverable.

- **HG 1.64 Bedwas Colliery, Bedwas (630 units)**

The site has a number of constraints including high voltage transmission pylons, public sewers and inadequate sewerage capacity. Moreover, the site requires remediation and drainage improvements. It is therefore considered that the site will not be deliverable until well into the plan period. The size of this site means that if it is not deliverable, it would place pressure on the ability to provide a 5 year supply of land for housing.

- **HG 1.69 Cardiff Road/Pentreban Street, Caerphilly (127 units)**

We have serious concerns about the delivery of this scheme. The flats/apartments sector of the residential market has been the greatest affected, particularly in secondary locations. It is therefore likely that this scheme is not financially viable and will not be delivered as a consequence.

- **HG 1.68 St Ilan School, Caerphilly (200 units)**

Concerns are held over the delivery of this site. There does not appear to be any evidence that the Council's Education department has declared the site surplus to requirements.

3.5 We have also reviewed the proposed allocations in the northern connection corridor and would question the delivery of about 145 units, including:

- **HG 1.25 Navigation Colliery (145 units)**

Serious concerns are held about the delivery of the site. The site is subject to numerous constraints including listed colliery buildings, part of site lies in flood plain, mine shafts and mature trees. It is therefore likely that this scheme is not financially viable and will not be delivered as a consequence.

3.6 In addition, we have reviewed the proposed allocations in the Heads of the Valley's Regeneration Area and would question the delivery of about 413 new homes allocated including:

- **HG1.19 Aberbargoed Plateau (413 units)**

Significant improvements are required to the public sewerage network, which are currently not programmed by Welsh Water. This will significantly impact on the viability of development.

3.7 Therefore, in total delivery concerns are held in terms of 1,611 allocated units. Caerphilly CBC has not provided sufficient evidence to demonstrate how these sites will be delivered. Adding this to the windfall and small sites contribution identifies significant delivery concerns over 3,811 units. For the Plan to be found sound it must have a deliverable set of housing allocations.

4. Spatial Distribution of Housing

4.1 It is contended that the overall strategy of focusing growth in the HOVRA and NCC is flawed. Whilst, the aspiration to encourage growth in the north of the authority is admirable, it is not deliverable. Even when the housing market was extremely buoyant limited housing

development took place in the north of the authority. Caerphilly CBC has not provided enough evidence to demonstrate how the strategy will actually be delivered.

4.2 Limiting housing growth in the south of the authority, will, as identified above, undermine the aspirations of the Wales Spatial Plan with Cardiff being identified as the economic engine of the region.

4.3 PPW Wales paragraph 9.1.1 states that:

'The Assembly Government's vision for housing is for everyone in Wales to have the opportunity to live in good quality, affordable housing, to be able to choose where they live and decide whether buying or renting is best for them and their families.'

4.4 By restricting housing supply in the south of the authority, the area of greatest demand, the strategy is not fulfilling this objective of PPW.

5. Conclusion

In summary, it is considered that the following amendments are required to make the Plan sound:

- The housing requirement should be based on the 2006 population projections, with an over allocation of 20% being provided to allow for flexibility and choice;
- The portfolio of sites needs to be reviewed, with undeliverable sites being removed and new sites allocated; and
- The spatial distribution strategy should be removed to allow for choice and flexibility and to aid the achievement of the objectives of the Wales Spatial Plan.