



## Caerphilly County Borough Local Development Plan

### Update of Housing Supply and Affordable Housing Target Calculations

### Examination 2010

Caerphilly County Borough Council submission

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**Background Paper 6**  
**Papur Cefndir 6**

**POPULATION AND HOUSING**

DEPOSIT LOCAL DEVELOPMENT PLAN  
UP TO 2021

**Supplementary Paper 7:  
Update of Housing Supply and  
Affordable Housing Target  
Calculations**

January 2010

**POBLOGAETH A THAI**

CYNLLUN ADNEUO DATBLYGU LLEOL  
HYD AT 2021

**Papur Atodol 7:  
Y diweddaraf am Gyfrifiadau Targed  
Cyflenwad Tai a Thai Fforddiadwy**

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**1. Comparison of Housing Figures – Deposit stage, Focused Change stage and after 1<sup>st</sup> December Council meeting (Additional Focused Changes)**

- 1.1 This paper provides an update of the housing land supply figures and the calculation of the Affordable Housing Target originally provided in Background Paper 6: Population and Housing (October 2008) and the BP6 Supplementary Papers on Housing Land Supply (SP3) and the Affordable Housing Target (BP6 SP5).
- 1.2 The Table below summarises the housing land supply figure and affordable housing target identified in the Deposit LDP and at each of the two stages where amendments to the figures have been necessary – the Focused Changes stage and after the latest Council meeting held on 1<sup>st</sup> December 2009, where it was resolved that Focused Changes in respect of certain housing sites be withdrawn.
- 1.3 Sections 2 and 3 of this paper give further detail on how the latest calculations after the 1<sup>st</sup> December 2009 Council meeting have been undertaken.

**Table 1 - Comparison of Housing Figures**

	<b>Deposit <i>October 2008</i></b>	<b>Focused Changes <i>September 2009</i></b>	<b>Additional Focused Changes <i>December 2009</i></b>
SP16 Total Housing Land Requirement	8,625	8,625	8,625
Total Land Supply (1 <sup>st</sup> April 2007 figures)	10,403	9,417	10,024
Flexibility allowance % (1 <sup>st</sup> April 2007 figures)	20.6	8.4	14.0
Total land Supply (1 <sup>st</sup> April 2009 figures)	N/a	10,045	10,652
Flexibility allowance % (1 <sup>st</sup> April 2009 figures)	N/a	16.5	23.5
<b>Affordable Housing Target</b>			
SP17 Affordable Housing Target (through planning obligations)	1,360	950	900
SP17 Affordable Housing Target (through all mechanisms)	N/a	3,800	3,600
<b>LHMA Need</b>			
LHMA Need (December 2007)	516	516	516
LHMA Update (December 2008)	N/a	706	706

## **2. Update of Housing Supply Calculation after Council Resolutions of 1st December 2009**

- 2.1 A Supplementary Paper to Background Paper 6 on Population and Housing was produced prior to the Council meeting to consider the representations made at Deposit and Alternative sites stage held on 15<sup>th</sup> September 2009. This Supplementary Paper (BP6 SP3) sought to provide an update of the housing land supply calculation to reflect new figures available for housing completions in the first three years of the plan period, as well as updating other assumptions that inform the housing land supply calculation based on more recent information.
- 2.2 This Supplementary Paper on Housing Land Supply also considered the impact on this updated overall land supply figure if four housing sites were deleted from the plan in line with officer recommendations and recommendations by the LDP Focus Group. This amended land supply table identified that even with the loss of four sites (HG1.14 Land fronting South View Terrace, HG1.25 Navigation Colliery, HG1.57 Brooklands Road and HG1.68 St Ilan School), the land supply figure would stand at 10,652 dwellings.
- 2.3 However, at the meeting of Council on 15<sup>th</sup> September 2009, it was resolved that recommendations should be made to the Planning Inspector that two further housing sites be removed from the LDP – namely HG1.19 Aberbargoed Plateau (413 dwellings) and HG1.32 Land at Hawtin Park (194 dwellings), resulting in a total of 986 units over 6 sites being recommended for removal from the LDP.
- 2.4 The Council also resolved at this meeting to change the use of HG1.72 Caerphilly Miners Hospital from a residential site to a mixed-use development. However, as the proposed site would still be residential-led and the scale of any additional uses was unknown, it was considered unnecessary to reduce the site capacity figure from the original 114 dwellings proposed in the Deposit Plan as this figure is only indicative and an initial illustrative layout has been prepared demonstrating that even with the retention of part of the site for an alternative use, the site would be capable of accommodating 95 dwellings.
- 2.5 The proposed deletion of Aberbargoed Plateau (FC04) and Land at Hawtin Park (FC09) housing sites and the change of use from residential development to mixed use development on the Caerphilly Miners Hospital site (FC16) were advertised as part of the six-week Focused Changes consultation which ended on the 4<sup>th</sup> November 2009. As part of this consultation representations were received in respect of these sites raising concerns in particular that there was insufficient planning rationale to justify the decision to remove these sites as housing allocations.
- 2.6 The report addressing the representations received as part of the Focused Changes consultation was considered by Council on 1<sup>st</sup> December 2009. At this meeting, it was resolved to withdraw the Focused Changes relating to Aberbargoed Plateau, Land at Hawtin Park and Caerphilly Miners Hospital, therefore reverting back to the position of the Deposit LDP.
- 2.7 Overall, therefore, it is only proposed that four housing sites be removed from the LDP, as set out within Table 1.

**Table 2 – Recommended Housing Allocations to be removed from the LDP**

<b>LDP Ref</b>	<b>Site Name</b>	<b>Settlement</b>	<b>Size (Ha)</b>	<b>Units in Deposit LDP</b>
HG 1.14	Land fronting South View Terrace	New Tredegar	0.56	20
HG 1.25	Navigation Colliery	Crumlin	4.20	145
HG 1.57	Brooklands Road	Pontymister	0.39	14
HG 1.68	St Ilans Comprehensive	Caerphilly	12.67	200
		<b>TOTAL</b>	<b>17.82</b>	<b>379</b>

2.8 In respect of the overall housing figures, the position after 1<sup>st</sup> December is the same as that set out within BP6 Supplementary Paper 3 on the Housing Land Supply. However, for clarity, the calculations have also been set out within this update paper.

2.9 It should be noted that these figures reflect the most recent information available on remaining site capacity, taking into account completions and units under construction as of the 1<sup>st</sup> April 2009. The number of units on sites upon which there is a recommendation to remove allocations can then be subtracted from the total capacity to determine how much land is still available in terms of allocations as shown in Table 1.

**Table 3- Amended Total Capacity of Housing Allocations**

		<b>Total Units</b>
A	Deposit LDP capacity of housing land	6,667
B	Amended site capacity in light of completions and units under construction on allocated sites	6,171
C	Units lost due to recommendation to delete housing sites	379
D	<b>Amended capacity of sites (B-C)</b>	<b>5,792</b>

2.10 Table 3 shows the overall housing land supply calculation (as set out within Supplementary Paper 3), taking into account the four sites in Table 1.

**Table 4 – Housing Supply Calculation**

Completed units 1st April 2006 -1st April 2009	1,888
Units Under Construction 1st April 2009	283
Allowance for windfall sites	1,200
Allowance for small sites	1,100
Empty properties brought back into use	300
Allowance for conversions	142
MINUS Allowance for demolitions	-53
<b>Total</b>	<b>4,860</b>
<b>Housing allocation capacity (1st April 2009)</b>	<b>5,792</b>
<b>Total housing supply</b>	<b>10,652</b>
Housing requirement	8,625
Capacity of housing land	10,652
Excess of capacity over requirement	2,027
Allowance for choice & flexibility (%)	23.5

### **3. Update of the Affordable Housing Target Calculation after Council Resolutions of 1st December 2009**

- 3.1 A Supplementary Paper to Background Paper 6 on Population and Housing (BP6 Supplementary Paper 4) was produced prior to the Council meeting on 15<sup>th</sup> September 2009 to provide an update of the affordable housing target in order to reflect the findings of the Affordable Housing Viability Assessment.
- 3.2 The methodology used to determine the affordable housing target seeks to calculate the level of affordable housing that can realistically be sought on new housing sites and windfall sites required to meet a housing requirement figure of 8,625 dwellings. As there is a significant over-allocation in land for housing, the Paper does not calculate the maximum that can be achieved on individual sites and combine this figure to produce a total affordable housing target. Such an approach would not be appropriate, as it would assume every site would be developed, whereas the plan has over-allocated for choice and flexibility.
- 3.3 Rather, the approach used to calculate the target is to consider the distribution of allocated sites and apply this distribution to the windfall requirement and to the 'requirement for additional housing sites' assumption. The figure for the requirement for additional housing sites is essentially the number of units that needs to be allocated to meet the 8,625 total housing requirement figure once all other assumptions (completions, committed sites, empty properties, small sites, conversion and demolitions) are accounted for. This figure equates to 2,277 dwellings. Where planning consent has been granted, and therefore the number of affordable units is known, this figure has been added to the target for new sites.
- 3.4 At the meeting of Council on 15<sup>th</sup> September 2009, it was resolved that recommendations should be made to the Planning Inspector that six housing sites be removed from the LDP (HG1.14 Land fronting South View Terrace, HG1.19 Aberbargoed Plateau, HG1.25 Navigation Colliery, HG1.34 Land at Hawtin Park, HG1.57 Brooklands Road and HG1.68 St Ilan School) totalling 986 units.
- 3.5 As the calculation considers the distribution of allocated sites across sub-market areas to inform a realistic distribution of where the additional units will be developed, the deletion of sites in different market areas consequently impacts upon the distribution of sites across the County Borough, which affects the calculation.
- 3.6 In light of this, after the Council meeting of 15<sup>th</sup> September 2009, it was necessary to revise the calculation to reflect changes in the distribution of sites. This revised target for the provision of affordable housing uses the same methodology as used to calculate the original target and the target identified in Supplementary Paper 5. It was found that the affordable housing target to be delivered through all mechanism was 3,800 dwellings, of which 950 dwellings could be realistically delivered through the planning system. These figures were advertised as a revision to Policy SP17 (FC01) as part of the six-week Focused Changes consultation that ended on the 4<sup>th</sup> November 2009.
- 3.7 As part of this consultation representations were received objecting to the other Focused Changes to delete the housing allocations at Aberbargoed

Plateau and Hawtin Park. A report addressing the representations received as part of the Focused Changes consultation was considered by Council on 1<sup>st</sup> December 2009. At this meeting, it was resolved to withdraw the focused changes relating to Aberbargoed Plateau, Land at Hawtin Park and Caerphilly Miners Hospital, therefore reverting back to the position of the Deposit LDP.

- 3.8 In light of these amendments it is necessary to reconsider the distribution of allocations across the different sub-market areas.
- 3.9 The first step required to calculate this revised affordable housing target is to consider the updated distribution of units across the sub-market areas. This is illustrated in Table 1.

**Table 5 - Distribution of housing sites across sub-market areas**

	<b>Number of units</b>	<b>Distribution by sub-market area%</b>
Caerphilly Basin	2,310	35.9
NCC (excluding Newbridge)	1,413	22.0
Rest of Caerphilly	1,077	16.8
HOVRA	1,628	25.3
<b>Total</b>	<b>6,428</b>	

- 3.10 The next stage of the calculation involves examining the number of units upon which affordable housing could potentially be sought through the planning system. This is taken from Table 6.9 of the Population and Housing Background Paper, which identifies that it would only be realistic to seek affordable housing on windfall sites and new housing sites required to meet the housing requirement, as shown in Table 2.

**Table 6 - Number of units upon which affordable housing could be sought**

	<b>Number of units</b>
Windfall	800
New housing sites required to meet housing requirement	2,277
<b>TOTAL</b>	<b>3,077</b>

- 3.11 In order to calculate the target, it is then necessary to apply the distribution of housing allocations by sub-market area in Table 1 to the number of units upon which affordable housing could potentially be sought, which provide an indicative distribution of both the new and windfall sites.



**Table 7 - Distribution of new units across County Borough**

	<b>Distribution by sub-market area%</b>	<b>Number of units</b>
Caerphilly Basin	35.9	1105
NCC (excluding Newbridge)	22.0	677
Rest of Caerphilly	16.8	517
HOVRA	25.3	778
<b>Total</b>		<b>3,077</b>

3.12 Using this information, the proportion of affordable housing that can reasonably be required from the total number of new units and windfalls can be calculated on the basis of the sub-market area requirements identified within the Viability Assessment.

**Table 8 - Number of affordable units by sub-market area**

	<b>Distribution of units</b>	<b>Affordable housing requirement %</b>	<b>Sub-market targets</b>
Caerphilly Basin	1105	40	442
NCC (excluding Newbridge)	677	25	169
Rest of Caerphilly	517	10	52
HOVRA	778	0	0
<b>Total</b>	<b>3,077</b>		<b>663</b>

3.13 In addition to this, the existing number of committed sites for affordable housing needs to be taken into account. It is appropriate to use the same figures as previously used in the Population and Housing Background Paper. This has been calculated on the basis of completions and units under construction within the first year of the plan period (1<sup>st</sup> April 2006 to 1<sup>st</sup> April 2007), in addition to those that have been negotiated as part of Section 106 Agreements as of the base date of 1<sup>st</sup> April 2007. This equates to **244 affordable units**.

**Table 9 - Affordable housing target**

	<b>Number of units</b>
Realistic proportion from windfall and new allocations	663
Committed Sites	244
<b>Affordable Housing Target</b>	<b>907</b>
<b>Annual target</b>	<b>60</b>

3.14 As shown in figure above, the affordable housing target to be delivered through the planning system equates to 907 dwellings. However, this has been rounded to **900 dwellings**.

3.15 BP6 Supplementary Paper 5 provides evidence to justify the overall target for the delivery of affordable housing through all mechanisms would be 4 times that which can be delivered through the planning system. As such it is necessary to also revise the overall figure for affordable housing delivery:

$$900 \times 4 = 3,600$$

3.16 It is therefore considered that this target of **approximately 3,600 dwellings** be included with Policy SP17 on the Affordable Housing Target.

3.17 It is noted the affordable housing target has actually decreased from that included as part of the Focused Change for Policy SP17 (FC01), despite recommendations to re-instate two significant sites into the plan totalling 607 units. The reason for this apparent anomaly is that the calculation is based on the distribution of sites rather than on a site-specific basis. The re-inclusion of sites in sub-market areas where less affordable housing would be viable (HOVRA and Northern Connections Corridor) increases the proportional distribution of units in these areas, consequently means that proportionally less units would be required to meet the 8,625 dwelling housing requirements in areas where a higher level of affordable housing would be viable (e.g. Caerphilly Basin).