

## **Bridgend Local Development Plan**

### **Examination**

<http://www.bridgend.gov.uk/ldpexamination>

**Wednesday 21 November 2012 10:00am**

### **Session 2 – Housing Need and Supply**

#### **Inspector's Agenda with Matters and Issues**

#### **1. HOUSING REQUIREMENT**

*[The figures in brackets identify a Representor and their representation number].*

- 1.1 Planning Policy Wales (PPW) provides at paragraph 9.2.2 that the latest Government Household Projections for Wales should form the starting point for assessing housing requirements. Where local planning authorities seek to deviate from the projections they must justify their own preferred policy based projections by explaining the rationale behind them in terms of the issues listed at paragraph 9.2.1.
- 1.2 According to the Welsh Government representations, the Government 2008-based projections estimate that there will be an additional 11,000 households in Bridgend CBC in 2021 (reduced from the 11,384 households of the 2006-based projections). However Policy SP12 only provides a requirement for 9,000 dwellings between 2006 and 2021.
- 1.3 The rationale for the Council's figures is put forward in Background Paper 2 Population and Housing (Revised 2012) (SD36). The Council has preferred to adopt a Cambridge Econometrics (CE) projection which has regard to the local labour market and economic prospects.
- 1.4 Whereas the 2006 Welsh Government projections had predicted a population of 146,000, paragraph 4.4.1 of SD36 suggests that both the 2008 Welsh Government and CE Population Projections predict a population in 2021 of about 144,000.
- 1.5 The Welsh Government acknowledge the conclusions from Cambridge Econometrics in that assumptions can be varied to accommodate local circumstances in the population/household modelling, and concur with their conclusions in this instance. However they point to a key conclusion drawn from the CE Report 'Examining Alternative Demographic and Labour Market Projections' (April 2010)' - on which SD36 is based as : "However, the differences between the three trend-based projections (this includes the 2006 based Welsh Government projections) are in our opinion within the margin of error of any method." They also point out that CE carried out the further technical work which concluded that a slightly higher level of provision (an additional 900 dwellings) would better reflect matters such as migration rates, household formation rates and economic circumstances. The Welsh Government consequently argues for a higher housing requirement of 9,900 dwellings (with an additional flexibility allowance on top as part of the supply figure). They consider that the current strategy, sustainability benefits of settlements, regeneration strategy and delivery of affordable housing can

accommodate such an approach. The Welsh Government acknowledges that the ability to constrain population growth through assuming lower migration rates and differences in average household size assumptions (WG 2.14 persons per household by 2021 compared to 2.20 used in BCBC) have implications for the level of housing provision (64.2; 64.3).

- 1.6 The Home Builders Federation and DL Thomas believe the 2008 WG household projections should be the basis for Policy SP12 and the dwelling requirement should be changed to 11,659 dwellings. This includes a 4% increase to account for the change in households to dwellings as stated above (160.2). HBF and DL Thomas believe the LDP must recognise that there is a difference in the ratio of households to dwellings and if the Council believes this ratio is now 1:1, evidence should be provided to justify this (160.3, 850.6).
- 1.7 Redrow Homes also consider the proposed deviation from the WAG 2008-based dwelling requirement is not justified. They consider the jobs and housing strategies are not aligned and that the strategy is not coherent in relation to the overall vision for BCB and the need to deliver housing and affordable housing (851.1).
- 1.8 The Council responds that the CE method is explained in Background Paper 2. CE concluded that 9,000 dwellings was the most appropriate level of provision over the plan period. The Plan also provides for almost 1,000 additional dwellings above that level. Overall the Plan allows for the delivery of up to 824 dwellings per annum during the remaining LDP period 2012-2021.
- 1.9 The Council assumes that a vacancy rate in the existing housing stock will not be seen in new developments. Bridgend does not have a high proportion of second homes or a substantially high number of derelict/run-down problematic properties vacant for more than 6 months. The dwelling requirement should not be inflated by vacancies.

**Qn1a. Does the evidence support the proposed level of housing requirement? In particular:**

- i) Why is the projected dwelling requirement 2,000 less than the 2008-based Welsh Government household projection figure when the projected population is the same?**
- ii) To what extent does this relate to different assumptions about household size and, if so, are they justified?**
- iii) To what extent does it relate to the Council's assumption that all the additional dwellings will be fully occupied with none of the vacancies that occur in the existing stock and, if so, is that justified?**
- iv) To what extent is the variation explained by any other factors and are these justified?**

**Qn1b. Would the Council please provide a copy of the Welsh Government 2008 based Population and Household Projections as they apply to Bridgend including any necessary alignment with the LDP period?**

## **2. HOUSING SUPPLY**

- 2.1 LDP Paragraph 6.1.5 summarises the proposed supply of dwellings from all sources at 9,995 dwellings. That includes an allowance for flexibility that takes the figure to 13% above the identified 9,000 requirement in SP12.
- 2.2 The HBF and DL Thomas believe the flexibility of the LDP should not be used to address any shortfall experienced as a result of Policy SP12 not adopting an appropriate development rate from the outset when problems that can be identified before the plan is adopted (160.5; 850.8).
- 2.3 The Welsh Government, in support of their suggested base housing requirement of 9,900 and retaining the same degree of flexibility allowance as the Council, suggest adding approximately a further 1,100 dwellings for flexibility, giving a total supply of approximately 11,000 dwellings (64.2).
- 2.4 A number of Representors who are promoting alternative housing sites similarly seek provision in the Plan for an additional 1,000 housing units during the plan period in the interests of flexibility (753.2; 1063.2; 1239.2; 1245.5; 1255.7; 1255.15; 1255.25; 1256.2).
- 2.5 The Council relies on the CE projections and points to the additional flexibility already provided as a supply of 1000 dwellings above the identified requirement for 9000 dwellings.

### **Qn2a. How in principle might an additional 1,000 to 1,100 dwellings be allocated whilst remaining in accord with the spatial strategy?**

- 2.6 Others seek total provision for 13,900 units to 'reflect the national Population and Household Projections and affordable housing needs' (784.4; 787.1; 788.2; 788.12). Redrow Homes considers that the LDP should make provision for an additional 4,600 dwellings (851.1).
- 2.7 The Council relies on the CE projections and points to the additional flexibility already provided as a supply of 1000 dwellings above the identified requirement for 9000 dwellings.

### **Qn2b. What is the specific justification for these higher figures in terms of:**

- i) Housing need?**
- ii) Any flexibility allowance in excess of the defined need?**

### **Qn2c. Could housing provision at these levels be accommodated within the LDP spatial strategy or would it require a different strategy?**

### **3. DELIVERY**

#### Commitments vs Allocations

- 3.1 The Welsh Government suggests it would be helpful if allocations and commitments were separated in Policies COM1 & 2, pages 56 & 57, and table 3.1, page 20 (64.1).
- 3.2 The Council intends to prepare an online LDP site database to be published once a year and has produced an initial report as a 'Site Implementation and Delivery' Background Paper (SD44). However that does not include dwelling figures which separate existing commitments from new allocations.
- 3.3 Qn3a. The Inspector asks that the Council provide tables which separately identify the existing commitments and the residual new dwelling allocations as at (i) 2009 and (ii) the most recent date for which figures are available.

#### Windfall Delivery

- 3.4 The Council has estimated future windfall delivery by taking an average of past provision over a 15-year period ending in 2009. DL Thomas believes that the windfall development assumption has been skewed by high rates of provision in 4 of the 15 years and argues that these years should be excluded and the windfall allowance consequently reduced from 540 to 240 units (850.7).
- 3.5 The Council responded that the windfall estimates have been based on past rates of delivery but has not addressed the specific point raised here.

**Qn3b. Are there particular reasons why windfall completions were higher in those years and are these conditions likely to be repeated during the LDP period?**

**Qn3c. What has been the level of windfall provision since 2009?**

#### Delivery Rate

- 3.6 The Deposit LDP requirement for 9,000 dwellings would equate to the delivery of 600 dwellings per annum over the LDP period but is proposed to be divided into 3 x 5-year periods with delivery at 388 per annum between 2006 and 2011 (Total 1,940); 536 per annum between 2011 and 2016 (Total 2,680); and 876 per annum between 2016 and 2021 (Total 4,380). This compares to a historical 15 year average of only 525 dwelling completions per annum. Still higher annual delivery rates would be required to deliver the supply figures sought by the Welsh Government and Representors.
- 3.7 Appendix 1 to Document SD36 indicates that 2,135 dwellings were completed between 2006 and 2011. That exceeded the SP12 figure of 1,940 for that 5-year period. But most completions occurred during the strong housing market of in (2006-2007). There is a draft figure of 447 completions between 2011 and 2012.
- 3.8 Chapter 9 Delivery and Implementation identifies a number of sites where housing delivery is expected in the first 5 year period from 2006-2011. In particular 1,500 dwellings are proposed to be built at Parc Derwen where development has

commended with several different developers. However 1,350 dwellings are proposed to be developed in the Waterfront Regeneration at Porthcawl where it does not appear that development has commenced. According to Ch9 the implementation and funding for that scheme is to come from the private sector. has the withdrawal of Tesco meant that a delay is likely in commencing the housing development?

**Qn3d. What effect may the non-delivery of some allocated sites within the early years of the LDP period have on overall delivery?**

**Qn3e. Can the housing on the Porthcawl Waterfront site realistically be built and sold within the remaining years of the LDP period?**

**Qn3f. As there are less than 9 years remaining of the LDP period, what delivery of housing can realistically be expected on the Porthcawl Waterfront site in that period and what annual rate of development would this imply?**

**Qn3g. How would the intended 5 year phases bear upon the maintenance of a minimum 5-year supply of housing land as required by Planning Policy Wales?**

**Qn3h. Using existing information would the Council please indicate, by means of a trajectory, when housing commitments and allocations are now expected to be delivered to show how numbers will be distributed across the LDP period?**

**Qn3i. Having regard to historic rates of delivery, how likely is it that the higher supply figures implied by implementation of the LDP flexibility allowance, and the still higher figures sought by others, can be achieved?**

#### **4. HOUSING IN THE COUNTRYSIDE**

4.1 Windfall and small sites development is to be permitted within defined settlements but Policy ENV1 strictly controls development in the countryside except for defined purposes which do not include housing.

**Qn4a. Is it intended to preclude the development of houses in the countryside to support agriculture or forestry?**

**Qn4b. Would such development exceptionally be allowed for by Planning Policy Wales in any event, particularly as paragraph 4.1.11 refers to exceptions to Policy ENV1?**

1 October 2012