

WELSH GOVERNMENT

Examination Hearing Statement

Bridgend Local Development Plan

**Hearing Session 2:
Housing Need & Supply
21st November 2012**

SESSION 2 – Housing Need and Supply

Housing Requirement

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?

The Welsh Government calculates that (as at 2009) the LDP makes provision for 10,040 dwellings, approximately 1,450 dwellings below the 2008 based Welsh Government projections of 11,490 (11,050 households * 1.04 conversion factor to dwellings).

We have concluded that the provision (including the flexibility allowance) set out in the plan (as at 2009) is comprised as:

Plan Period 2009 – 2021

Allocated sites	7,363
Windfall sites	540
Small sites	780
Demolitions	- 180
Completions	1,537
Total Provision	10,040

The Welsh Government have considered the supporting evidence undertaken by Cambridge Econometrics (CE) and noted the following areas which will require further discussion.

1: WG Projections use a lower average household size (2.24 people per household) than CE. Why is the higher CE average household size assumption more appropriate? A higher average would lead to a lower level of dwellings required when set against WG 2008 projections.

2: WG 2008 projections assume a net domestic (UK) in migration rate of 658 people per year, a constant throughout the plan period. Why is the lower CE assessment more appropriate? A lower assumption would result in a lower population growth, although the two methodologies arrive at a similar conclusion in terms of overall population growth? CE migration assumptions also vary across the plan period, explanation of the correlation, or not, to WG assumptions would be beneficial.

3: CE does not use a conversion factor for households to dwellings. The WG have indicated a notional 1 household:1.04 dwellings to allow for changes in vacancy rates, churn in the housing market (selling/buying houses) and 'hidden' households (people who previously wished to move but could not and

now can). This is not a fixed conversion rate, but one which should be based on local circumstances. However, WG believe such an approach is valid and questions why CE have not followed this through, particularly as all other local planning authorities to date have utilised this approach. If the 1:1.04 ratio was applied to Bridgend it would increase the dwelling provision by 360 ($9,000 * 0.04$) reducing the deviation from the 2008 WG projections from 1,450 to 1,090 dwellings (albeit sites for the additional 360 dwellings would be required to be identified). It should be noted that Table 2.2 of the CE Report April 2010 (page 8) contains both dwellings and household requirements although there is no conversion factor used in any of the four options, including the WG projections which is misleading.

4: The CE report also makes reference to linking population/housing growth to the economy. Whilst this is a positive approach to link the two together, it is unclear as to exactly what the relationship is and how this relates to the allocation of employment land in the plan. WG consider that the scale of employment growth proposed is positive and seeks to optimise the opportunities for the plan area. This approach would appear to have a positive impact on population growth and therefore implies a higher level of housing provision. Clarification on this relationship and the implications for dwelling provision would be beneficial.

The WG have concluded that a conversion factor between households and dwellings should be used to inform provision. Using a ratio of 1:1.04 this would bring the provision of housing in Bridgend to 10,400 ($10,040 + 360$). The council need to explain the remaining deviation from the 2008 projections. With a positive approach to economic opportunities, harnessing growth, and ensuring that inappropriate levels of in-commuting are avoided, a higher provision of dwellings would benefit the plan, address its objectives and better achieve its desired outcomes holistically. We are not advocating a dramatic increase in dwelling provision but are suggesting that a level closer to our 2008 projections would be more appropriate.

2011 Census

With regard to the 2011 census and its relationship to the WG 2008 projections and plan preparation, the 2011 data released to date is not directly comparable to the 2008 based projections. There is further technical work to complete before this position will be reached. It is understood that Statistical Division (WG) will be in a position to release such comparable data in September/October 2013. Consequently, this is beyond the ability of the examination to accommodate. However, it may be appropriate for the Council to indicate the direction of travel this new data could have for their plan and the magnitude of that direction. This is akin to technical work undertaken in Denbighshire's LDP examination which was able to suggest which direction, i.e. higher or lower, the new data may lead. This is for the local planning authority to consider and explain.

ii) To what extent does this relate to different assumptions about household size and, if so, are they justified?

The Welsh Government projections assume average household size decreases from 2.34 to 2.14 people per house, an average of 2.24 people per house over the plan period. This is a lower value than used by CE. Consequently, the WG projections will result in a higher dwelling requirement from the same level of population due to using a lower average size. It is for the local planning authority to explain why its approach is robust and more appropriate than the values used in the WG projections.

iii) To what extent does it relate to the Councils assumption that all additional dwellings will be fully occupied with none of the vacancies that occur in the existing stock and, if so, is that justified?

The Welsh Government has previously indicated a conversion ratio of 1.04 dwellings per household. This enables vacancy rates, churn in the housing market and an element of 'hidden' households to be accommodated. It is a notional ratio. This ratio has varied from 1:1.08 proposed in Conwy to lower values for other local authorities. The Welsh Government considers it inappropriate not to utilise such a conversion ratio, the precise value should be determined by the local planning authority based on local evidence. When applied to Bridgend this would again increase the provision for dwellings from the current stated household requirement (approximately 360 dwellings).

iv) To what extent is the variation explained by any other factors and are these justified?

No comment.

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?

The Welsh Government 2008 based projections indicate a need for approximately 11,050 households over the plan period 2006 – 2021. It should be noted that this includes a notional backward extrapolation to account for the period 2006 – 2008 prior to the published projections which is an official's estimation. Using a conversion factor of 1:1.04 this equates to 11,490 dwellings over the plan period. This is caveated in it being a non-statistical extrapolation.

Housing Supply

Qn2a. How in principle might an additional 1,000 to 1,100 dwellings be allocated whilst remaining in accord with the Spatial Strategy?

The Welsh Government consider that if through the examination the evidence suggests that additional housing provision should be provided within the plan, any new sites would need to be in accordance with the spatial strategy and deliverable within the plan period.

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?**

The WG have indicated a flexibility allowance of 10% may be appropriate to allow for the non delivery of sites and unforeseen issues. Each plan should have a level of flexibility that is appropriate for the area, having regard to the issues and the deliverability of sites in the plan period, this could be a higher or lower figure than the 10% suggested by Welsh Government.

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

In order for the plan to be considered 'sound', if an alternative level of housing provision is considered appropriate this should accord with the current spatial strategy, not an alternative spatial strategy. There is an opportunity for the appointed Inspector to include sites, supported by the appropriate Sustainability Appraisal, but the outcome should not result in a different plan. If this were to be the case it would not be the plan broadly as proposed by the local planning authority and go beyond the remit of the LDP process.

Delivery

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 (ii) the most recent date for which figures are available.

The Welsh Government considers that it would be helpful if the proportion of allocations and commitments were separated in Policies COM1 & 2. (WG Rep: Housing Provision, page 4), this would improve the clarity of the plan and identify the components of supply.

Paragraph 6.1.10 of the Deposit Plan states that the 'housing allocations' under policies COM1 & COM2 include sites with planning permission. This is confusing; the plan should set out clearly which sites have planning permission, and which sites are new allocations. For example, Parc Derwen

has permission for 1,500 houses, and is currently under construction; therefore it is a commitment not an allocation. A clearer breakdown of all supply components would be advantageous and would aid the clarity of the plan.

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

No comment.

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

No comment.

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

All LDPs should demonstrate that they can provide a 5 year housing supply from adoption, in accordance with Planning Policy Wales (PPW) paragraph 9.2.3. Hence, the local planning authority should demonstrate that they can comply with national policy.

Ideally, a simple housing trajectory would assist all parties to understand and consider the ability of the sites contained in the plan to be delivered is achievable. Lead in times for larger greenfield sites, the inter-relationship between such sites, the relationship to brownfield sites, potential constraints on infrastructure/funding and assumptions for small/windfall sites should be considered.

It is also vital that the monitoring framework includes key triggers and action points so that any significant shortfalls do not arise and that appropriate action can be in place in advance to avoid such a situation. The flexibility allowance and how this relates to delivery should also avoid this scenario.

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

No comment.

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 sites in that period and what annual rate of development would this imply?

No comment.

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

See response to question 3d above.

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

This would assist discussion during the hearing sessions.

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?

No comment.

Housing in the Countryside

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

The approach to development in the countryside should reflect national policy, including TAN6.

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?

See above.