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Planning Design Economics

CARDIFF LDP DEPOSIT DRAFT

**BACKGROUND POPULATION AND
HOUSING PAPER**

Prepared on behalf of
Trustees of Plymouth Estates

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1.0

Introduction

1.1

This background paper has been prepared by Nathaniel Lichfield and Partners on behalf of the Trustees of Plymouth Estates. It accompanies our representations to the Cardiff LDP Deposit Draft, which follow on from our previous submissions setting out our Vision for Waterhall in North West Cardiff.

1.2

This background paper sets out key population and housing trends within the sub-region and the implications of these on the emerging Cardiff LDP in the light of national and regional planning guidance and policy.

1.3

The key trends set out in this background paper are referred to in our representations to the Deposit Draft LDP and the accompanying Sustainability Appraisal (SA) for Waterhall. We therefore request that our representations are read in conjunction with this background paper and the SA for Waterhall.

2.0 **Housing Demand**

Planning Policy Wales

- 2.1 National planning policy guidance in respect of housing provision is contained in Ministerial Interim Planning Policy Statement 01/2006, (MIPPS 01/2006) which replaces chapter 9 of Planning Policy Wales.
- 2.2 According to MIPPS 01/2006, LPAs must understand their whole housing system so that they can develop evidence based market and affordable housing policies in their development plans.
- 2.3 Paragraph 9.2.2 of MIPPS 01/2006 advises that the latest Assembly Government National and Sub-National Household Projections for Wales should form the starting point for assessing housing requirements. In addition, within each region LPAs should work together collaboratively, and with appropriate stakeholders as necessary, to apportion to each authority the Assembly Government household projections, or agree their own regional policy-based projections.

2006 Based WAG Population Projections

- 2.4 In March 2008, the Welsh Assembly Government published new 2006 based trend population projections for each local authority. According to these projections, Cardiff's population will increase from 317,500 in 2006 to 362,300 by 2021 an increase of 44,800. This is the highest level of growth for any authority in Wales.
- 2.5 The key driver of population growth is anticipated to be natural change with the number of children in the City increasing at a faster rate than for any authority in Wales. This has important implications on the form of housing likely to be required in the City over the plan period and particularly a need for family accommodation. (Source - Local Authority Population Projections for Wales (2006-based) - Local Authority Report pp129-134).
- 2.6 These 2006 based population projections are to form the basis of the new household requirement figures that are scheduled for release by the Statistics Division of the Welsh Assembly Government in late May 2009.
- 2.7 In the interim Cardiff County Council has undertaken its own calculation of the anticipated household projections that may be expected to arise from the 2006 based latest population projections. This projects an annual household requirement of 2,139, which is significantly above the Deposit Draft LDP figure of 1,829 per annum.
- 2.8 Paragraph 9.2.2 of MIPPS 9.2.2 states that where local planning authorities 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, showing how this requirement has been derived in terms of the issues listed in paragraph 9.2.2. The Council has failed to adequately justify its departure from its assessment of the 2006 based household projections.

Local Housing Market Assessment

- 2.9 The Local Housing Market Assessment prepared by Fordham Research, which forms an integral component of the emerging LDP evidence base analyses the imbalances that will exist across the housing market in Cardiff in the short to medium term using modelling exercises.
- 2.10 The Local Housing Market Assessment (LHMA) model outputs are based on actual survey data, which can provide a profile of the type of household that is likely to dissolve and the nature of the accommodation that they are resident in. Table 12.11 of the LHMA illustrates that there is expected to be a greater demand for housing than the current stock of housing can meet. Overall, across all tenures there is an apparent shortfall of 3,102 dwellings per annum (excess demand over supply).
- 2.11 The Balanced Housing Market results are disaggregated by size and tenure requirement. Table 12.11 of the LHMA identifies that 50% of all housing demand is for dwellings with 3 or more bedrooms. Paragraphs 12.36 & 12.39 of the LHMA study recognise that the greatest shortfall in the owner occupied and social rented sector is for three bedroom homes. This differs very significantly from the dwelling mix in the land supply identified within the Deposit Draft LDP.

Balanced Housing Market - Net Annual Housing Demand by Tenure & Dwelling Size

	1 Bed	2 Bed	3 Bed	4+ Bed	Total
Owner - occupation	218	372	472	219	1280
Private Rented	144	537	117	203	1000
Intermediate	122	115	63	0	299
Social rented	258	-225	418	73	523
Total	740 (24%)	798 (26%)	1069 (34%)	494 (16%)	3102

Source: Table 12.11 Cardiff Local Housing Market Assessment (Sept 2008)

2.12 An alternative secondary data based methodology for calculating housing demand is presented in table 12.13 of the LHMA. This concludes that the alternative net housing demand is 1,897 per annum. We note that this alternative methodology was not included in the draft consultation version of the LHMA and the details relating to the methodology of this alternative approach are limited.

2.13 The revised approach also includes an analysis of net housing demand by tenure and size indicating that the approximately 63% of annual demand for new dwellings will be for dwellings with 3 or more bedrooms. This is summarised below:

Alternative Balanced Housing Market Part Trend Based - Net Annual Housing Demand by Tenure & Dwelling Size

	1 Bed	2 Bed	3 Bed	4+ Bed	Total
Owner - occupation	168	120	234	172	695
Private Rented	-48	424	102	183	660
Intermediate	118	112	60	0	291
Social rented	110	-304	373	73	251
Total	348 (18%)	352 (18%)	769 (40%)	428 (23%)	1897

Source: Table 12.13 Cardiff Local Housing Market Assessment (Sept 2008)

2.14 The Balanced Housing Market Assessment therefore identifies a range in annual housing demand between 1,897 and 3,102 depending on the methodology applied. Of equal significance is the finding that between 50-63% of the demand is for dwellings with 3 or more bedrooms. As demonstrated in section 3 of this report there is a significant difference between the anticipated demand for dwellings and the form of accommodation that forms the LDP land supply.

Wales Spatial Plan Update 2008

- 2.15 The LDP needs to have regards to the Wales Spatial Plan Update 2008 (WSPU). In the WSPU the pattern of housing development across the Capital region is described. It states for the Cardiff area:

“The City and Coast provides a superb environment in which to live. The pressure to provide more housing and employment should be managed so as to fit in compatibly with conservation of the landscape, environment and community strength of this area. Substantial growth of housing in the coastal zone should also be compatible with the health of housing markets in the heads of the Valleys and Connections Corridor.”

WSPU 2008 p130 (our emphasis underlined)

- 2.16 The reference to substantial growth of housing in the coastal belt is a marked shift from the previous version of the Wales Spatial Plan which sought to restrict greenfield development of housing south of the M4. This significant change in spatial emphasis for housing provision is recognised by the Council in paragraph 8.8 of their Background Paper No1: Population and Housing.

- 2.17 The WSPU acknowledges that the interdependent relationship between Cardiff, one of Europe’s fastest growing capital cities, and the wider Capital region is critical for the success of the Wales Spatial Plan and delivery of its economic and social objectives. In particular it states:

“...Cardiff’s role as the key economic driver for the region, at the centre of a strong, regional economy which is internationally competitive is essential. Cardiff will play a pivotal role as a key provider of higher level services, focusing on innovation, and higher value added knowledge sectors.”

(WSPU 2008, p129)

- 2.18 There is clear recognition from the Welsh Assembly Government of the essential role that Cardiff will play in the future success of the region. The prospects for success would be undermined if the required substantial growth in housing in Cardiff is not delivered. A failure to deliver the right kind of quality housing, including family housing, would potentially prejudice the economic growth aspirations targeting higher value economic growth sectors.

- 2.19 Companies and individuals seeking to relocate to Cardiff may be deterred by a housing market skewed towards to provision of flatted development concentrated in limited areas of the city Centre and Cardiff Bay. Whilst these areas have achieved significant regeneration they are still not the choice for families as a result not only of the form of accommodation but also the perceived lack of quality facilities such as schools.

-
- 2.20 The LDP needs to have proper regard to the WSPU and amend both the level and mix of new housing provision otherwise it will be 'planning to fail'.

South East Wales Strategic Planning Group Apportionment

- 2.21 MIPPS 01/2006 advises in paragraph 9.2.2 that within each region that local authorities should work together and collaboratively with stakeholders to apportion to each authority the household projections or agree their own regional policy based projections.
- 2.22 The authorities did work together to agree an apportionment for the household projection but that this was not done in collaboration with key stakeholders such as house builders. Instead HBF and NLP were consulted on the proposed disaggregation. In two separate public meetings HBF and NLP were advised that the Cardiff share of the apportionment had been based on the balance left over once the other authorities within the region had agreed their share.
- 2.23 HBF and NLP as part of the Business Wales group made representations to SEWSPG and WAG about the serious shortcoming in the approach taken in apportioning growth between the local authorities in SE Wales. For this reason it is considered that little weight can be afforded to the outcome of the SEWSPG apportionment process.
- 2.24 It should be noted that the SEWSPG projections were calculated using the 2003 based household projections that are shortly to be overtaken. The apportionment exercise was also informed by the previous WSP strategy for SE Wales that has subsequently been revised in the WSP update that gives greater recognition to need for residential growth in the Coastal Belt including greenfield development.
- 2.25 Cardiff is the economic driving force of the region and will be the focus for job growth, in-migration and associated housing demand. The sub-regional distribution of housing should therefore reflect this demand. Artificially constraining supply through the apportionment process would clearly exacerbate overheating in the coastal region, namely Cardiff by pushing existing house prices higher in the light of constrained supply. Moreover, directing housing growth away from the principal source of job growth would encourage unsustainable patterns of commuting. This approach would be contrary to the strategy for SE Wales contained in the WSP Update.

Cardiff Council Executive Business Meeting (02/10/2008)

- 2.26 Key issues underpinning the emerging LDP were considered at the Council's Executive Business meeting on the 2nd October 2008.
- 2.27 At this meeting officers set out a report explaining that the LDP evidence base pointed towards a need to increase the housing requirement above that provided for in the LDP Preferred Strategy. The report outlined a number of

emerging issues, indicating the need to review the housing requirement upwards from the 1,829 figure contained in the LDP preferred Strategy. These issues included:

- i 2006 based WAG population projections
- ii The Council's Local Housing Market Assessment
- iii Affordable housing delivery pressures and the WAG One Wales objectives
- iv ONS Mid Year Population Estimates
- v Recognition of housing market changes and lower densities of development
- vi Proposed level of household growth
- vii Proposed locations of household growth

2.28 In recognition of these factors, Paragraph 14 of the officer's report states:

"The significant new evidence highlighted above together with the comments received during consultation on the Preferred Strategy suggest that the LDP should accommodate a higher level of growth. This would enable the LDP to deliver a better range and choice of housing, higher levels of affordable housing and high quality sustainable communities and ensure the plan is flexible enough to meet changing requirements over the plan period."

2.29 In the light of the emerging evidence, the Executive were presented with four strategies with different levels of housing growth:

- i Option A: 31,115 dwellings – 2,139 units per annum
- ii Option B: 28,455 dwellings – 1,962 units per annum
- iii Option C: 26,467 dwellings – 1,829 units per annum
- iv Option D: 24,750 dwellings – 1,715 units per annum

2.30 Option A sought to align housing growth with the 2006 based Welsh Assembly Government population projections that would require the release of greenfield land to accommodate 4,648 units. This approach, however, was presented to the Executive as comprising an unsustainable basis for housing growth.

2.31 Option B sought to align housing growth with the Local Housing Market Assessment. Option B was presented as moving towards the higher levels of growth contained in the WAG population projections, conforming with the detailed evidence set out in the LHMA and helping to deliver a range and choice of housing through greenfield releases to accommodate 1,988 dwellings. The officer's report advises that Option B would *"represent an appropriate and measured response to consultation and recently published information."*

2.32 Option C sought to align housing growth with the 'high' level of growth set out in the previous Preferred Strategy LDP. Option C does not require the release of greenfield land and falls short of the housing growth envisaged in the LHMA and the 2006 based WAG population projections. In presenting Option C to the

Executive, the officer's report extensively highlights the unsound position the adoption of Option C would present. These can be summarised as follows:

- i 100% brownfield strategy would result in significantly more flats, which would not address the need for more affordable family housing;
- ii Presents less opportunities to deliver key infrastructure improvements and high quality sustainable communities;
- iii Ignores recent evidence (2006 based population projections);
- iv Is not flexible and therefore can not respond to the economic downturn, whereby the dwelling yield from brownfield land could be reduced;
- v Increases pressure on existing employment land within the urban area;
- vi Potentially increases pressure on open spaces within the built up area and presents less opportunities to offer families space around dwellings; and
- vii Relies on other surrounding LPA in the region to reverse past trends and deliver their share of housing through the apportionment process.

2.33 Option D sought to retain the level of housing growth proposed in the previous Preferred Strategy LDP and would not require the release of any greenfield land. The officer's report to the Executive states that Option D does not take account of the most recent evidence from the LHMA and Assembly projections, meaning that the Plan as a whole could be considered unsound and prone to successful challenge.

2.34 To conclude, the officer's report to the Executive states:

“On balance, consideration of the evidence points to the deposit version of the LDP being prepared with a higher level of growth as set out in Option B...”

2.35 Despite this recommendation and officers concerns about the Soundness of the Plan the Council members rejected their advice and chose to remain with the level of housing growth in the LDP Preferred Strategy.

2.36 The Council has failed to adequately justify how the severe shortcomings they have identified with the level of growth proposed could be addressed in order to make the Plan Sound.

2.37 By contrast, a higher level of growth could be included within the LDP consistent with the Vision and Strategic Objectives of the Plan. No significant objections were raised by officers in terms of SA/SEA matters to either option A or option B. It is therefore considered by NLP that the LDP Housing Requirement figure can and should be raised in order to make the LDP Sound.

3.0

Housing Supply

Range & Mix of Housing Supply

3.1

Since 1996/97 the proportion of the land bank that comprises brownfield sites has steadily increased. According to the Council's Housing Monitoring Schedule, 89.44% of the land bank in 2007/08 comprised brownfield sites.

3.2

Much of the land bank that has come forward since 1991 (predominantly brownfield sites) has been developed or proposed for flats/apartments. Indeed, during the last 5 years (03/04-07/08), 67.5% of residential completions were for flats/apartments. Moreover, according to figure 13 of the Council's Housing Monitoring Schedule 79% of all sites with detailed planning permission at 31st March 2008 are for flats/apartments.

3.3

NLP consider that there are three fundamental weaknesses associated with the proposed LDP housing allocations:

- Changes in the housing market mean that high density forms of flatted development are less commercially viable and are therefore unlikely to come forward at the rate and in the form previously experienced.
- Even should flats come forward, owing to the concentration PDL around the City Centre and Cardiff Bay, it will fail to deliver balanced and mixed communities across Cardiff as sought by the LDP Strategic Objectives and Sub-Objectives.
- By their nature flats tend to provide smaller forms of accommodation, less attractive to families and again contrary to the objectives of providing a range and mix of housing.

3.4

Analysis of change in average house prices 2001-2008 demonstrates that the rate of price increase for flats and apartments has fallen behind that for other forms of accommodation. Greatest price increases are for semi detached dwellings potentially indicating that this is where the greatest level of demand exists.

Table 3.0: Change in average sale price for housing in Cardiff 2001-2008

	2001	2006	2008	Change (01-08)	Change % (01-08)
Detached	£162,688	£288,101	£284,818	£122,130	75%
Semi	£93,527	£175,953	£174,012	£80,485	86%

Terrace	£82,845	£150,269	£150,628	£67,783	82%
Flat	£82,136	£138,251	£132,881	£50,745	62%

Source: Provisor (www.provisor.com)

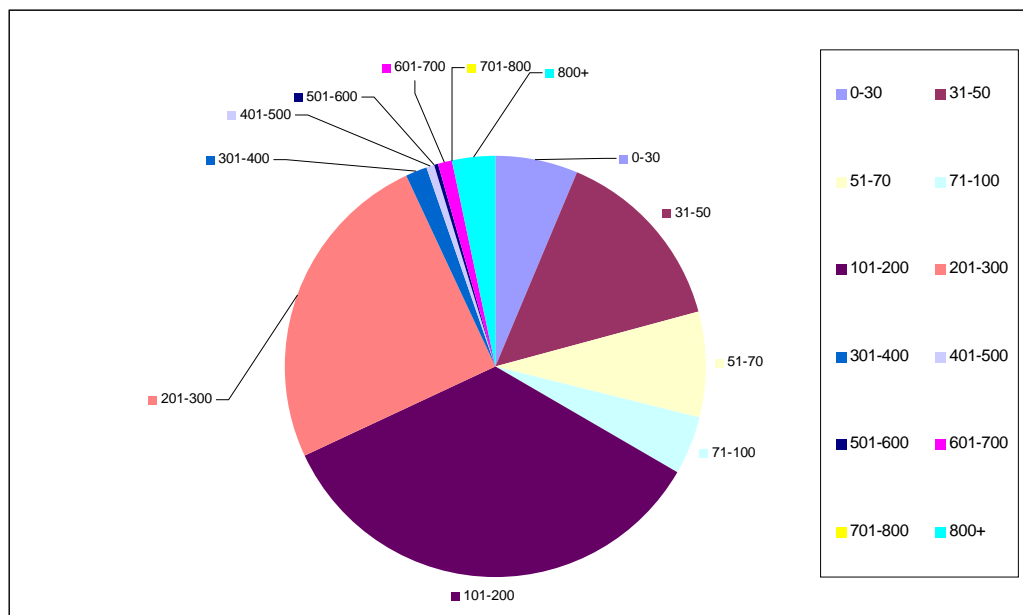
3.5 It is interesting to note that there has been a general fall in prices for all housing types between 2006 to 2008, which can be attributed to the deteriorating state of the UK economy. However, the decline in the average price of flats has been significantly greater than that experienced for other forms of housing, which again potentially indicates that this is where the greatest level of demand exists.

3.6 Draft Policy HSC1 of the LDP Deposit Draft includes 121 sites that have been allocated for residential development, which all had either planning permission or a resolution to grant for more than 10 dwellings on the 1st April 2008. Policy HSC1 sets out the number of units remaining under construction or not yet started, at 13,971 units.

3.7 Analysis of the 121 allocated sites in draft Policy HSC1 indicates that approximately only 7% are at, or below 30 dwellings per hectare and 21% at or below 50 dwellings per hectare (Appendix 2). A residential development with a significant element of family housing (three or more bedrooms) would normally be provided at a density of up to approximately 50 dwellings per hectare. When compared to the LHMA demand for 63% of new dwellings to have 3 or more bedrooms referred to in paragraph 2.13 above it is evident that there is fundamental mismatch between demand and supply.

3.8 Figure 3.1 below sets out the various density bands and the respective number of units allocated through the Deposit Draft LDP.

Figure 3.1: Density range of allocated sites



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- 3.9 It is clear from the above pie chart that if the sites are developed as currently proposed there will be a significant shortfall in the provision of family housing. This is despite the fact that the number of children in the City is anticipated to increase at a faster rate than for any local authority area in Wales.
- 3.10 The Local Housing Market Assessment commissioned to inform the Deposit Draft LDP concludes that of the annual flow of households in and out of Cardiff, there is a net loss of 58 households with children. Whilst the reasons for this out flow are unclear one reason could be a shortfall in the provision and thus affordability of this form of accommodation in the city. The housing allocations as proposed would only worsen this problem.
- 3.11 Indeed, the Balanced Housing Market Analysis results at Table 12.11 of the LHMA indicates that across all tenures the greatest net demand (34%) is for 3 bedroom homes, followed by 2 bed room homes (26%), 1 bed room units (24%) and finally for 4+ bedroom homes (16%).

Dwelling Requirement Figure – Policy HSC1

- 3.12 Draft Policy HSC1 of the LDP Deposit Draft sets out 121 sites that have been allocated for residential development, which all had either planning permission or a resolution to grant for more than 10 dwellings on the 1st April 2008. Policy HSC1 sets out the number of units remaining under construction or not yet started, at 13,971 units.
- 3.13 Since the 1st April 2008, proposals seeking the development of these sites for alternative uses have been submitted to the Council. It is understood that alternative proposals for the redevelopment of the Driscoll Workshops in Tyndall Street Industrial Estate does not include any dwellings (Ref no.08/O2740/C). Likewise, alternative redevelopment proposals for the former Council offices on Wood Street has seen the number of residential dwellings reduced from 248 to 186. Policy HSC1 and Appendix 1 of the LDP needs to be updated to reflect these any other revised development proposals submitted to the Council.
- 3.14 In addition, a significant majority of the units envisaged have been moved to category 3(i) in the most recent Joint Housing Land Availability Study, indicating that development is unlikely within 5 years. The market for flatted development has collapsed and house builders are now unwilling to commit to such schemes in the absence of demand and the financial difficulties associated with these forms of development.
- 3.15 Rather than bring forward unviable schemes it is likely that developers will seek permission for alternative schemes that may potentially include a range of different uses and development at lower densities. Council officers recognised this issue in their report to Executive in October 2008.

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- 3.16 Analysis undertaken by NLP in the light of recent market evidence suggests that whilst the market for housing will return within the Plan period it is unlikely to return in the same manner witnessed in Cardiff in the earlier part of this decade. As a result, NLP has reviewed the housing allocations within the emerging LDP and has assumed that larger sites not already commenced should be based on a revised net density of 100 dwellings per hectare. On this basis, NLP believe that the total number of units that will come forward from the allocated sites in draft Policy HSC1 is approximately 10,712.
- 3.17 NLPs analysis of all allocated sites can be found in Appendix 1.

LDP Appendix 1 – Details of New Dwelling Requirement

- 3.18 Appendix 1 of the deposit Draft LDP sets out the details of the new dwelling requirement. It is difficult to cross reference between the two LDP sources as there are differences between the residential land bank figure in appendix 1 of 15,072 (under construction, permissions & resolutions to grant) and the allocations in policy HSC1 of 13,971. It is understood from the Council's Housing Monitoring Report (March 2008) that the differences primarily relate to the inclusion of small sites in the appendix 1 figures of the emerging LDP.

Completions

- 3.19 Completions between 2006-2008 amounts to 4,396 dwellings. This accords with the figure in the Council's Housing Monitoring Schedule, on the 1st April 2008 and is accepted by NLP.

Under construction

- 3.20 Appendix 1 of the emerging LDP records 1,914 units as being under construction at 31st March 2008. From the Council's Housing Monitoring Report, 1,800 of these units were related to sites with greater than 10 dwellings, whilst 114 were on small sites.
- 3.21 The Council has made provision for a small site allowance of 2,097 that is based on a rolling forward average of completion rates. Counting small sites when they are both under construction and again on completion will lead to a double count. NLP recommend that the under construction figure in Appendix 1 should therefore be reduced to 1,800 to take account of the double count.

With consent and not implemented and subject to legal agreement

- 3.22 To take account of market conditions and the likelihood that non-implemented schemes will come forward at lower densities than currently proposed, NLP considers that a figure of approximately 10,712 is more realistic for draft Policy HSC1.
- 3.23 As this figure includes sites under construction, it needs to be reduced to take account of the above figure of 1,800 for large sites. This gives a revised total of 8,912 (10,712 – 1,800).

Allowances – Large Windfall Sites

- 3.24 The Deposit Draft LDP assumes windfall development of sites for more than 10 dwellings to come forward at half the rate for the last 10 years, less those already subject to legal agreement. It therefore assumes a figure of 4,523.
- 3.25 The City of Cardiff Local Plan was adopted in 1996 and became time-expired in 2001. Since 1997 the number of brownfield dwelling completions has increased as Cardiff Bay has come forward and the available greenfield housing land stock, largely allocated in the adopted Local Plan has been developed. The significant increase in housing completions during the last ten years has largely come forward on unallocated brownfield sites in the absence of an up to date Development Plan.
- 3.26 Cardiff Bay has seen significant development over the previous ten years as it has presented an abundant source of brownfield land with policy encouragement seeking its development with a view to delivering wider regeneration benefits. However, the quantum of suitable, appropriate and available brownfield sites for residential development across the City, particularly in Cardiff Bay is now diminishing. Moreover, all known sites for more than 10 units have been allocated for residential development through draft Policy HSC1 of the Deposit Draft LDP.
- 3.27 The emerging LDP assumes that large windfall sites will come forward at a lower rate - half the rate for the last 10 years.
- 3.28 This assumption however, fails to take account of the fact that most of these windfall developments were for flats and came forward at very high densities primarily on sites in Cardiff Bay and the City Centre. For the reasons set out above, NLP consider that future windfalls will come forward at lower development densities as well at slower rates. It is therefore proposed that the windfall allowance is reduced by a further 50% to 2,250. This reflects anticipated lower average densities of development than experienced over the previous 10 years on windfall sites.

Small Sites

- 3.29 The Deposit Draft LDP assumes windfall development of small sites (less than ten units) to come forward at the same rate as the last 10 years, less those already subject to legal agreement. We consider this to be an accurate and realistic assumption resulting in 2,097 dwellings per annum.

Changes of Use

- 3.30 The Deposit Draft LDP assumes the same number of units coming forward from Changes of Use per annum as the previous ten years. We consider this to be unrealistic owing to diminishing opportunities for conversion of larger office schemes witnessed in the last 10 years and lower demand for these forms of conversions. NLP consider that the number of units coming forward from

Changes of Use is more likely to be in the region of 70% of the previous ten years, which equates to 1,298 units per annum.

Flexibility

- 3.31 The Deposit Draft LDP makes an allowance for 500 less dwellings coming forward over the Plan period owing to alternative development proposals on Brownfield sites resulting in a potential reduced dwelling yield.
- 3.32 As set out at above, various alternative development proposals have already been submitted to the Council seeking a significant reduction in the number of dwellings proposed, whilst numerous other such as the Sport Village proposal appear likely. Thus, the Deposit Draft LDP allowance of 500 dwellings over the Plan period for reduced dwelling yields represents a gross underestimate.
- 3.33 Instead NLP consider that the proposed recalculation based on lower average development densities as set out above represents a more robust basis for estimating the total residential availability figure.

Balance

- 3.34 Based on the above analysis of the residential land bank and allowances, we believe that the balance between the total dwelling requirement as advocated by the LDP Deposit Draft (27,442) and the total supply of dwellings (20,871) is -6,689 units. Our findings are presented in Table 3.2 below.
- 3.35 Table 3.2: Details of new dwelling requirement 2006-2021

2006-2021 Implied Dwelling Requirement	LDP Deposit Draft	26,467
ADJUSTMENTS FOR CHANGE IN CURRENT DWELLING STOCK		
Demolitions	past rate 93-06 assumed to continue to 2021. 90 per year	plus 1,350
Residential loss from COU	past rate 96-06 assumed to continue. 11 per year	plus 165
Residential gain from sub-division of existing dwellings	past rate 94-06 assumed to continue, 36 per year	minus 540
Adjusted Total dwelling requirement 2006-2021		27,442
Annual dwelling requirement over Plan period		1,829

RESIDENTIAL LANDBANK AT 1ST APRIL 2008		
Completions 2006-2008	Housing Monitoring Report	4,396
Under construction	Housing Monitoring Report	1,800
With consent or resolution to grant and with realistic prospects of implementation (large sites >10)	NLP estimate	8,912
Residential land bank		15,108

ALLOWANCES		
Windfall sites >10	coming forward at 25% rate of previous 10 years, minus subject to s.106	2,250
Windfall sites <10	coming forward at 100% rate of previous 10 years, minus subject to s.106	2,097
COU gains	coming forward at 70% rate of previous 10 years, minus subject to s.106	1,298
additional allowance for diminishing returns	Allowance is not necessary owing to detailed appraisal of all commitments.	0
Total Allowances		5,645

Total Supply (Landbank & Allowances)	20,871
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Balance	-6,689
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4.0 Short term supply issue

- 4.1 The latest Joint Housing Land Availability Study (JHLAS) (base date 1 April 2008) is still only in draft at the time of the Deposit Draft LDP stage and has not been agreed. From the draft schedule discussed at the meeting NLP has calculated that there is an available with planning permission or on allocated sites for approximately 5,800 dwellings this would increase by about 900 to 6,700 with the contribution from small sites.
- 4.2 Based on the Council's proposed annual housing requirement this figure of 1,829 this would give a housing supply of 3.7 years from 1st April 2008. It should be noted however that a significant proportion of this immediate supply (approximately 3,000) is still assumed to come from large flatted developments of over 100 units.
- 4.3 In terms of family housing this indicates that at best the supply is 3,700 dwellings (i.e. 6,700-3,000) which would give a supply of family housing of marginally over 2 years from the based date of the study. In reality the 3,700 figure still includes a significant proportion of flatted developments of under 100 units and the actual supply of family dwellings will therefore be lower. Approximately 450 dwellings were under construction on the larger lower density schemes at the base date of the study.
- 4.4 The draft study indicates that there is an immediate crisis with the housing land supply. As the Deposit Draft LDP relies to a substantial extent on sites with existing consents or windfalls then adoption in its current form will do nothing to resolve this problem. The issue is particularly acute for family housing with less than a 2 year supply from April 2008 based on NLP's calculations. Whilst there a significant number of sites subject of s106 and not included in the JHLAS figures these are overwhelmingly sites for more high density flats.
- 4.5 As the market returns the view of developers and property professionals, as well as the indications from demographic changes is that the demand is increasingly for family housing. If the LDP fails to allocate sufficient land for family housing that can come forward in the short term then it will not be in a position to respond to any recovery in the housing market. This will undermine the prospects of economic recovery in the City and potentially the wider region and will again fuel issues of housing viability.

5.0

Conclusion

5.1

If the housing demand and supply analysis is recalculated on the basis of NLP's supply assumptions and the options presented at the Executive Business Meeting of October 2008, the net shortfall would be as follows:

	Option A (NLP Preferred option)	Option B (Council officers recommended option)	Option C (LDP Deposit Draft figure)	Option D
Implied Dwelling Requirement (06-21)	31,115	28,455	26,467	24,750
(Adjustments for changes in stock)	32,090	29,430	27,442	25,725
NLP land supply	20,753	20,753	20,753	20,753
Shortfall	11,337	8,677	6,689	4,972

5.2

It is clear that in each of the scenarios above that if the residential land supply is reviewed to take account of the potential reduced densities on allocated sites, there is a significant shortfall in potential land for residential development.

5.3

NLP consider that Option A most accurately reflects the level of residential demand based upon household projections as required as a starting point by MIPPS 01/2006 Housing. It also reflects evidence of demand outlined in the Local Housing Market Assessment and would lead to better alignment between employment and housing growth, in turn reducing the pressure for unsustainable commuting. This level of growth would also allow for higher levels of necessary affordable housing to be delivered.

5.4

As well as the total quantum of supply, it is essential that there is provision for a range and mix of housing to meet all needs including families. The emerging LDP land supply, as it stands, is overwhelmingly focussed on high density flatted development concentrated in Cardiff Bay and the City Centre. The

emerging LDP also assumes that the balance of unidentified windfall sites and conversions are also going to come forward at the same high density witnessed earlier in the decade. This approach is unsustainable and contrary to national policy guidance and the Strategic Objective and Sub Objectives contained within the emerging Plan.

- 5.5 A failure to address the inadequacies in the housing requirement figure and the housing land bank will fundamentally undermine the delivery of the Council's economic and social inclusion aspirations.
- 5.6 There is a need for the shortfall in housing land to be addressed immediately. The profile of the existing housing land bank does not reflect the nature of demand that is likely to be generated with the recovery of the housing market, particularly for family housing. A failure to rectify these deficiencies will restrict the ability of the City to respond to the economic upturn when it arrives, which could have significant adverse consequences for the economy and adverse social impacts for existing and future residents.
- 5.7 It is recommended that the housing requirement figure is increased to 31,115 and that significant additional land allocations are made, including a greenfield extension in North West Cardiff at Waterhall to meet the strategic deficit in housing land provision.

6.0

Appendix 1 – Analysis of allocated housing sites (draft policy HSC1)

Site Ref	Site Name	Electoral Div.	Area (h)	Units	UC	Density	NLP Estimate	Comments
HSC1.1	St David's 2, (Site B) Adam Street	Adamsdown	1.00	300		300	300	
HSC1.2	96-102 Clifton Street	Adamsdown	0.09	21		233	21	
HSC1.3	58-60 Broadway	Adamsdown	0.03	13		433	13	
HSC1.4	Former Citadel, Splott Road/Pearl Street	Adamsdown	0.02	11		550	11	
HSC1.5	Former Tredegar House, 57-58 Clifton Street	Adamsdown	0.06	10		167	10	
HSC1.6	Land at Dumballs Road iPads	Butetown	0.24	76	76	317	76	UC
HSC1.7	Sealock Warehouse, Burt Street	Butetown	0.06	22	22	367	22	UC
HSC1.8	Driscoll Workshop and Trading Centre, Tynhall Street Industrial Estate	Butetown	3.00	672		224		A revised application was submitted in Dec 08, which does not include any market/affordable residential use:08/02740/C (but does include student and apart-hotel).
HSC1.9	Land West of Dumballs Road	Butetown	13.30	2,070		156	1330	1456 has been moved to 3(i) in JHLAS, thus reducing density to 100units per hectrae is reasonable.
HSC1.10	15-17 Harrowby Street	Butetown	0.07	20		286	20	
HSC1.11	Land at Roath Basin (WDA)	Butetown	5.76	1,010		175	576	482 moved to 3(i). 100units per hectrae is reasonable.
HSC1.12	Century Wharf Phase VI Court G replan "Strata"	Butetown	0.96	243	243	253	243	UC
HSC1.13	Land at Bute Place	Butetown	0.30	88	88	293	88	UC - but on hold: Bellway
HSC1.14	Royal Hamadryad Hospital, Hamadryad Road	Butetown	0.95	92		97	92	
HSC1.15	Corys Building, Former PO & Car park, Bute Street	Butetown	0.17	110		647	0	Resolution to grant permission subject to s.106 for a 8 storey office block was reached on the 15th April 2009 (07/2353/C).
HSC1.16	151 Bute Street	Butetown	0.23	43		187	43	
HSC1.17	Carogan House & adj Land, West Bute St & James St	Butetown	0.04	23	23	575	23	UC
HSC1.18	Former Alfred Cook Works, Canal Parade	Butetown	1.90	279		147	190	100 per ha. Site has been marketed for 18months with no success. 124 units moved to 3(i) in JHLAS.
HSC1.19	130-132 Bute Street, "Dixie"	Butetown	0.07	43		614	43	
HSC1.20	Hannah Street Church, Hannah Street	Butetown	0.05	12		240	12	
HSC1.21	The Coal Exchange, Mount Stuart Square	Butetown	0.43	116		270	116	conversion
HSC1.22	Cardiff City F.C., Ninian Park, Sloper Road	Canton	3.02	150		50	142	Reserved Matters applications submitted by Redrow for 142 units. Decision is expected in June/July 2009.
HSC1.23	363a-371 Cowbridge Road East	Canton	0.23	18		78	18	
HSC1.24	254 Cowbridge Road East	Canton	0.24	23		96	23	
HSC1.25	Former Arjo Wiggins Site, Paper Mill Road	Canton	19.60	900		46	900	Awaiting s.106
HSC1.26	CVC Car Sales, 637 Cowbridge Road East	Canton	0.09	20		222	20	
HSC1.27	Padfields Builder's Merchants, Redcliffe, Ave	Canton	0.10	14	14	140	14	JHLAS indicates these coming forward in 2010, but monitoring report states that it is under construction.
HSC1.28	Central Hotel, St Mary Street	Cathays	0.10	23	23	230	23	UC
HSC1.29	Land at in Lucas St/Fanny St/Gwennyth St	Cathays	0.18	29		161	29	
HSC1.30	CCC offices Wood Street	Cathays	0.30	248		827	186	Most recent application with resolution to grant subject to s106 is seeking the development of 186 units.
HSC1.31	Meridian Gate, But Terrace	Cathays	0.40	118	118	295	118	UC
HSC1.32	St Davids 2	Cathays	2.00	333		167	333	
HSC1.33	Elgin House, 106 St Mary Street	Cathays	0.10	24		240	24	
HSC1.34	David Morgan Department Store, The Hayes	Cathays	0.48	56	56	117	56	UC
HSC1.35	Land at Thomson House, Park Street	Cathays	0.28	231		825	28	Redrow considered this site but walked away. An alternative scheme may come forward through a new application.
HSC1.36	41 Charles Street	Cathays	0.04	11	11	275	11	Assuming 100 units per hectare.
HSC1.37	Texaco SS, 188-198 Cathays Terrace	Cathays	0.10	14		140	14	
HSC1.38	St Martin's Parish Hall Site, Alexander Street	Cathays	0.06	16		267	16	
HSC1.39	Dominion's House North, Queen Street	Cathays	0.06	28		467	28	
HSC1.40	Site of Trelai Primary School, Bromley Drive	Caerau	0.06	2	2	33	2	UC
HSC1.41	Former Forge Garage, Cowbridge Road West	Caerau	0.23	32	32	139	32	UC
HSC1.42	Land at Heol Trelai	Caerau	0.60	30		50	30	
HSC1.43	Land at Heol Yr Odyn "Bryn Caerau"	Caerau	1.84	61	40	33	61	UC
HSC1.44	Corner of Heol Penmar and Bishopston Road	Caerau	0.22	12		55	12	
HSC1.45	70 Mill Road	Ely	0.06	11		183	11	
HSC1.46	Vachell Nursery, Vachell Road	Ely	0.13	14		108	14	
HSC1.47	Land between 53-81 Gorse Place	Fairwater	0.27	45		167	45	
HSC1.48	Youth Cymru HQ, Training Centre, Sachville Avenue	Gabalfa	0.14	20		143	20	
HSC1.49	198 North Road (former Currys Store)	Gabalfa	0.45	49		109	49	
HSC1.50	Land to the rear of Mynachdy Road	Gabalfa	1.28	70		55	70	
HSC1.51	Cambrian Marina, Ely Harbour, Ferry Road	Grangetown	0.10	38		380	38	Private element of same application (06/2304) is seeking permission for 153 units, subject to s106.
HSC1.52	Former Railway Sidings, Land East of Ferry Road	Grangetown	1.96	107	107	55	107	UC
HSC1.53	The Desi Inn, 171 Clive Street	Grangetown	0.05	11		220	11	Not conversion. Demolition and re-build.
HSC1.54	Land adj. to Monmouth Street & Clare Road (United Welsh HA)	Grangetown	0.15	16		107	16	
HSC1.55	Grangetown Library, Clive Street	Grangetown	0.05	13		260	13	
HSC1.56	Inn on the River, 75 Taff Embankment	Grangetown	0.20	23		115	23	
HSC1.57	Former Laundry Site, Mardy Street	Grangetown	0.29	50		172	50	
HSC1.58	International Sports Village Site	Grangetown	8.67	1,801		208	860	All units have been moved to 3(i) as the site is considered unviable at the moment. A revised development within the plan period at a density of 100 units per hectare is an appropriate assumption.
HSC1.59	Prospect Place, off Ferry Road	Grangetown	1.83	298	298	163	298	UC - but on hold: Bellway

HSC1.60	264 Heathwood Road	Heath	0.26	17	17	65	17	UC
HSC1.61	Thornbury House, Thornbury Close	Heath	0.10	10		100	10	
HSC1.62	Texaco Filling Station, Caerphilly Road	Heath	0.19	16		84	16	
HSC1.63	Faircare, Cardiff Road	Llandaff	0.38	33		87	33	
HSC1.64	Land at Radyr Place	Llandaff North	0.15	14	14	93	14	UC
HSC1.65	Old Vaughn's Laundry Site	Llandaff North	0.92	75		82	75	
HSC1.66	Land at Ball Close, "The Shires"	Llanrumney	0.48	22	22	46	22	UC
HSC1.67	Land South of Ty Glas Road	Llanishen	4.08	203	105	50	203	UC
HSC1.68	Former AWE site, Caerphilly Road	Llanishen	1.24	120	14	97	120	UC
HSC1.69	Land off Brookvale Drive	Llanishen	0.14	7	7	50	7	UC
HSC1.70	Land at Malvern Dr. and Penland Cl. Ipads	Llanishen	0.60	96	64	160	96	UC
HSC1.71	Land south of Lisvane Road	Lisvane	2.04	40		20	40	
HSC1.72	Land at Ty Draw Road (WDA)	Lisvane	0.75	15		20	15	
HSC1.73	Land off Balmoral Close	Lisvane	2.02	24		12	24	
HSC1.74	Former Warehouse, Elm Street	Plasnewydd	0.11	12		109	12	
HSC1.75	97-107 Richmond Road	Plasnewydd	0.19	37		195	37	
HSC1.76	Former Albany Petrol FS, Albany Road	Plasnewydd	0.10	13		130	13	
HSC1.77	191-193 Newport Road	Plasnewydd	0.16	24	24	150	24	UC
HSC1.78	115-119 City Road	Plasnewydd	0.08	14		175	14	
HSC1.79	Northern part of Minerva Dental, Oxford Street	Plasnewydd	0.31	104		335	104	
HSC1.80	Matsushita Electric (UK) Pentwyn Industrial Estate, Pentwyn Road	Pentwyn	3.87	192	46	50	192	UC
HSC1.81	Land at the Pentwyn District Centre and Murrayfield PH	Pentwyn	1.27	63	26	50	63	UC
HSC1.82	Maelfa Centre, Llanedeyrn Drive	Pentwyn	1.35	104		77	104	
HSC1.83	Land at Cwm Farm (HA)	Radyr	3.36	45	31	13	45	UC
HSC1.84	Land at Radyr Sidings Phase 3	Radyr	6.88	260	39	38	260	UC
HSC1.85	8 Drysgol Road	Radyr	0.26	12		46	12	
HSC1.86	Land East of Coed-y-Wenallt, Wenallt Road, Coed y Wenallt Phase III	Rhiwbina	0.91	12		13	12	
HSC1.87	Land at Pant yr Wyn (Fair Oak, Land r/o Ty Draw Road (Golden Grove)	Penylan	0.03	14	14	467	14	UC
HSC1.88	Land at rear of the Three Brewers Public House, Colchester Avenue	Penylan	0.08	11		138	11	
HSC1.89	Land at White Lodge, Ty Gwyn Ave.	Penylan	1.40	10	9	7	10	UC
HSC1.90	Colchester Avenue Car Sales	Penylan	1.50	17		11	17	
HSC1.91	Land at Colchester Avenue	Penylan	1.17	69		59	69	
HSC1.92	St Johns College Site, Greenway Road	Rumney	2.60	45		17	45	
HSC1.93	599 Newport Road	Rumney	0.25	24		96	24	
HSC1.94	892-894 Newport Road, "Monkstone Court"	Rumney	0.19	14	14	74	14	UC
HSC1.95	Potters Wheel PH site, Greenway Road	Rumney	0.23	36		157	36	
HSC1.96	Archbishop's House, 41-43 Cathedral Road	Riverside	0.15	11		73	11	
HSC1.97	67-71 Cathedral Road (remaining)	Riverside	0.15	14		93	14	
HSC1.98	Site of Vicarage, Homeflair, 16-22A Romilly Crescent	Riverside	0.06	5	5	83	5	UC
HSC1.99	81A Conway Road	Riverside	0.12	10		83	10	UC
HSC1.100	107-109 Severn Grove (Meadgate Homes) "Gwern Hafren"	Riverside	0.10	15	15	150	15	UC
HSC1.101	169-175 Cathedral Road	Riverside	0.14	15		107	15	
HSC1.102	10 Cathedral Road	Riverside	0.10	10		100	10	
HSC1.103	The Cathedral Hotel, 47-53 Cathedral Road	Riverside	0.21	23	23	110	23	UC
HSC1.104	Land off Heol Camddwr "Winchester Gardens"	Pontprennau/OSM	0.54	19	16	35	19	UC
HSC1.105	Land at Church Road	Pontprennau/OSM	1.34	45		34	45	
HSC1.106	The Philog, Newport Road	Pontprennau/OSM	0.20	15	15	75	15	UC
HSC1.107	948-950 Newport Road	Pontprennau/OSM	0.27	34		126	34	
HSC1.108	Hendre Gadno, Newport Road	Pontprennau/OSM	0.40	12		30	12	
HSC1.109	Former BR Staff Club Site, Sanguahar Street	Splott	0.70	40	40	57	40	UC
HSC1.110	The Bayside, East Tyndall Street	Splott	0.17	32		188	32	
HSC1.111	Splott Market, Lewis Road	Splott	0.38	72	72	189	72	UC
HSC1.112	Trowbridge Mawr Site	Trowbridge	27.30	500		18	500	
HSC1.113	Trowbridge Local Centre, Caernarvon Way	Trowbridge	0.68	45		66	45	
HSC1.114	Part of Area 9, Land at Hendre Isaf, Hendre Road	Trowbridge	0.20	11		55	11	
HSC1.115	Land between Crickhowell Road and Willowbrook Drive	Trowbridge	5.50	185		30	185	
HSC1.116	Areas 10,11,12	Trowbridge	13.00	750		58	750	
HSC1.117	Land off Crumlin Drive	Trowbridge	0.84	19		23	19	
HSC1.118	S. of Beacon Centre	Trowbridge	0.28	25		89	25	
HSC1.119	Whitchurch Rugby, Sport and Social Club "Horizon"	Whit/Tongwynlais	0.16	8	8	50	8	UC
HSC1.120	The Pines, Hoel y Forlan	Whit/Tongwynlais	0.25	11		44	11	
HSC1.121	BT office site, Pendwyallt Road, "Bellwood Park"	Whit/Tongwynlais	0.19	8	7	42	8	
		TOTAL	167.8	13,971	1,800	83	10,712	

7.0

Appendix 2 – Density range of allocated sites through draft policy HSC1

Analysis of Allocated Housing Sites in Policy HSC1 of the Cardiff Deposit Draft LDP		
Density Range	Number of units	Percentage of overall supply
0-30	904	6.5%
31-50	1,993	14.3%
51-70	1,121	8.0%
71-100	633	4.5%
101-200	4,850	34.7%
201-300	3,509	25.1%
301-400	240	1.7%
401-500	55	0.4%
501-600	34	0.2%
601-700	153	1.1%
701-800	0	0.0%
800+	479	3.4%
	13,971	100.0%

