

JOINT HOUSING LAND AVAILABILITY STUDY

**CAERPHILLY COUNTY BOROUGH COUNCIL
CO-ORDINATED BY THE DEPARTMENT OF THE ECONOMY
AND TRANSPORT (DE&T) OF THE WELSH ASSEMBLY
GOVERNMENT**

01ST APRIL 2009

IN CO-OPERATION WITH THE STUDY GROUP:

**CAERPHILLY COUNTY BOROUGH COUNCIL
LOCAL HOUSING ASSOCIATIONS
ENVIRONMENT AGENCY
WELSH WATER
HOME BUILDERS FEDERATION**

APRIL 2010

(This study is prepared by the Joint Housing Land Availability Study Group)

JOINT LAND AVAILABILITY STUDY

CAERPHILLY COUNTY BOROUGH COUNCIL - 1ST APRIL 2009

ANNUAL REPORT CO-ORDINATED BY THE DEPARTMENT FOR THE ECONOMY AND TRANSPORT OF THE WELSH ASSEMBLY GOVERNMENT

1. INTRODUCTION

- 1.1 This is the latest report published under Planning Policy Wales (PPW), issued in March 2002, for the County Borough of Caerphilly. It replaces the last published report for a base date of 1st April 2008.
- 1.2 The current report presents the findings for the area at a base date of 1st April 2009. The report has been prepared by the Study Group in accordance with advice contained in Planning Policy Wales (2002) as amended in respect of the Housing Chapter by updated guidance issued through the Ministerial Interim Planning Policy Statement on Housing (MIPPS) 01/2006), and the revised Technical Advice Note (TAN) 1: Joint Housing Land Availability Studies (2006). All future Housing Land Availability Studies carried out in Wales will now be undertaken annually with an April 1st base date each year
- 1.3 Prior to the 1st of April 2006 the Study Group was co-ordinated by the Land Division of the Welsh Development Agency. Since that date the responsibility has transferred to the Department for the Economy and Transport of the Welsh Assembly Government. The Study Group includes the Unitary Authority, housebuilders representatives, housing associations, statutory undertakings and other bodies as appropriate.
- 1.4 The study involves discussions of individual residential land allocations and planning permissions undertaken on an area by area basis and includes consideration of the likely rate of progress in building on each site and an examination, where appropriate, of the problems inhibiting the provision of an adequate land supply.
- 1.5 The report which follows presents the agreed view of the Group involved in its preparation, and the comments comprising Part 3 of the report have been generally agreed by all participants. However any point of difference which have not been resolved through joint discussion are recorded as such and included within part 3.
- 1.6 A copy of the relevant section of Planning Policy Wales (PPW) as amended, together with TAN 1(2006), are appended at Annex 4.

2. **PART 1: THE SURVEY**

2.1 Requirements of Planning Policy Wales (as amended by MIPPS 01/06)

2.1.1 Paragraph 9.2.3 of Planning Policy Wales(as amended) states that local planning authorities must ensure that sufficient land is genuinely available or will become available to provide a 5-year supply of housing.

2.1.2 To be genuinely available, sites must satisfy various minimum criteria set out in TAN 1(2006).

2.1.3 As set out in TAN 1(2006), para 7.1.1 for sites to be included in the Joint Housing Land Availability Studies they must satisfy at least one of the following conditions :

- The grant of outline or full planning permission for residential purposes; or
- The land should be identified for residential purposes in an adopted development Plan.

2.1.4 To allow the comparison of land available with the housing provision in the adopted development plan the sites are categorised as to their availability. The categorisation establishes when the development of a site or a portion of a site is likely to be completed. The allocation of a site to several categories indicates the rate at which development is expected to proceed.

2.1.5 The definitions of the categories adopted by TAN 1(2006) are as follows:

Sites under construction: Sites or the phases of sites, which are under construction (relating only to the area where building is in progress);

Category 1: Site or the phases of sites where development can commence immediately, and which are likely to be completed within the first year of the study period;

Category 2: Sites or the phases of sites where development cannot commence immediately, but where the constraint on development is likely to be removed in time for dwellings to be completed within 5 years;

Category 2*: Sites which are capable of being developed within the 5 year period but which lie within the areas defined in paragraph 7.2.1 of TAN 1(2006), where market demand is such that development is unlikely to occur within 5 years.

Category 3: Sites or the phases of sites where either:

3(i) development is unlikely within 5 years by virtue of major physical constraints or other constraints as may be agreed by the Group; or

3(ii) development is unlikely to occur in the foreseeable future by virtue of major long term constraints.

- 2.1.6 The factors normally taken into account by the Group in assessing whether all or part of a site should be listed in Category 3(i) include planning, ownership, marketing, infrastructure, environmental and legal constraints as well as physical constraints.
- 2.1.7 Finally, TAN 1(2006) specifies that for sites or the phases of sites to be regarded as 'genuinely available' within a 5 year period (i.e. sites under construction, Categories 1, 2 and 2*) the following criteria should apply:
- the necessary infrastructure should be available or be expected to be available within the 5 year period. Consultation with appropriate public and private statutory undertakers and infrastructure providers may be appropriate ;
 - the Group agree that it is financially viable to develop the site

In addition, for Category 1 and 2 sites there should be a reasonable prospect of the site being sold for development where the land is not already owned by developers or a public body with its own firm plans for building. This should be based on a realistic assessment irrespective of current market conditions.

2.2 Method

- 2.2.1 The Group has met to consider all sites of 10 or more units, which satisfy the minimum criteria for being included in the study, to estimate the number of completions likely within the 5 year period, and to agree categorisation. Copies of the schedules listing the individual sites considered by the Group are published as part of the Main Report. The findings are set out in Table 1, which follows.
- 2.2.2 Small sites, accommodating less than 10 units, which by definition, have not been assessed individually in this Study, may make an important contribution to meeting housing needs. In recognition of this, as in previous studies, assessments of the likely completions on small sites appear as a footnote to Table 1 and have been taken into account in the UDP comparison exercise in Part 2 of the report.

2.3 Additional requirements of TAN 1(2006)

- 2.3.1 A number of new data requirements set out in the new TAN 1(2006) guidance are incorporated into the 2007 round of studies. These include seeking to establish the level of completions in terms of:
- market and affordable housing units;
 - brownfield and greenfield land ;
 - by house type ;
 - sites affected by flood risk.
- 2.3.2 The Group has also been asked to consider how the future land supply position is likely to provide for future affordable housing provision, development on previously developed land and what anticipated level of provision is likely to come forward from sites subject to flood risk.
- 2.3.3 It is recognised that not all these factors will have a particular significance in each authority area but where such matters are considered to be relevant

then a commentary or tabulation of results may be appropriate for inclusion in the study report.

- 2.3.4 The criterion for the inclusion of sites in the study is their allocation in development plans for the area. Since the establishment of Caerphilly County Borough in 1996, the development plans used have been Local Plans prepared by previous councils, i.e. Islwyn Borough Council and Rhymney Valley District Council. The Islwyn Local was adopted in January 2006. The Rhymney Valley District Local Plan has not been formally adopted although the plan had completed all stages. The Group considered the approved Rhymney Valley Local Plan of sufficient status to be included in the main part of the site schedule.
- 2.3.5 However, because of changes to the development plan system, these plans are to be replaced by the Caerphilly Unitary Development Plan (UDP). Since 1999 the housing sites identified in this plan have been included in the Unadopted Local Plan section of the site schedule.
- 2.3.6 The Caerphilly UDP has now completed all of the stages involved in its preparation except that of formal adoption, and has been approved by the Council for use for all planning purposes. The previous years the Group decided that it would be appropriate for the current study to use the Caerphilly UDP as the primary development plan, although it was still necessary to retain housing sites allocated in the adopted plans inherited by Caerphilly County Borough, in particular the Islwyn Local Plan.
- 2.3.7 In the 2007 Group meeting it was agreed that there were many sites contained within the schedule that are extant due to their allocation in the Islwyn and Rhymney Local Plans. The Group agreed that the plans were out of date and these sites are unlikely to come forward for development. Due to the approval of the UDP it was agreed that these sites should be removed from the schedule and contained within an Annex at the back of the JHLAS report.
- 2.3.8 This procedure has been endorsed by the Welsh Assembly Government (WAG), Planning Division which has decided to allow Groups to agree to the inclusion of unadopted UDP housing sites in Housing Land Availability Studies, provided that the UDP has been progressed to a stage that it has received an Inspectors Report following a public local inquiry and that housing sites contained in the UDP are unchallenged. (It should be noted that the revised TAN 1 includes a provision for this approach.)

TABLE 1
Unitary Authority

LAND AVAILABLE FOR HOUSING (EXCLUDING s106 SITES)
AS AT 1 APRIL 2009
SITES CAPABLE OF ACCOMODATING 10 OR MORE UNITS
CAERPHILLY COUNTY BOROUGH COUNCIL

	PROPOSED UNITS	AREA (HA)	CATEGORISATION						UNITS COMPLETE
			U/C	1	2	2*	3(i)	3(ii)	1/4/08 31/3/09
PRIVATE SECTOR	2848	108.59	188	201	1417	0	1042	0	243
HA PRIVATE	0	0	0	0	0	0	0	0	0
PUBLIC SECTOR	0	0	0	0	0	0	0	0	0
HA PUBLIC	146	3.25	48	0	98	0	0	0	79
TOTAL	2994	112.14	236	201	1515	0	1042	0	322

TOTAL DWELLINGS AVAILABLE:	PRIVATE SECTOR	1806
	HA – PRIVATE	0
	PUBLIC SECTOR	0
	HA – PUBLIC	146
	TOTAL	1952
	* Forecast contribution by small sites	439
	Large and Small Site 5 year total	2391

* SMALL SITES : 65 small site completions

Five Year Small Site Completions; 1st July 2004- April 2009

Year	Completions
2004/5	100
2005/6	112
2006/7**	84
2007/8	78
2008/9	65
*Total 5 Year Forecast	439

* 5 year forecast contribution by small sites = 439

** Note small sites completions for the 9 month period from 01st July 2006-01st April 2007

3. FINDINGS

- 3.1 The number of units in the five year supply has increased from 2162 last year to 2391. This includes 439 small sites. The study period is from 1st April 2008 to 1st April 2009.
- 3.2 A total of 236 units were under construction at 01st April 2009.
- 3.3 Category 3(i) contains 1042 units, which is almost the same as last year. There are no units in category 3(ii).

TABLE A - COUNTY BOROUGH OF CAERPHILLY

**AVAILABILITY OF LAND FOR PUBLIC AND PRIVATE HOUSEBUILDING
IN CAERPHILLY AT 1ST APRIL 2009
BASED ON THE CAERPHILLY APPROVED UNITARY DEVELOPMENT PLAN 1996-2011
Approved by Caerphilly County Borough Council for Development Control Purposes**

BASED ON THE RESIDUAL METHOD							
AREA/ ZONE	DEPOSIT UDP PROVISION 1996-2011 a	COMPLETIONS MID 1996-2009 (13 Years) b	REMAINDER MID 2009-2011 (2 years) c=a-b	5 YEAR REQUIREMENT d = a/15x3 (-c)	TOTAL ANNUAL BUILDING REQUIREMENT e=d/5	TOTAL LAND AVAILABLE f	TOTAL LAND SUPPLY IN YEARS g=f/e
CAERPHILLY	7,100	7955	- 855	565	113	2391	21.2
BASED ON PAST BUILD RATES							
AREA/ZONE	TOTAL 5 YR COMPLETIONS 2004- 2009 A		AVERAGE ANNUAL COMPLETIONS 2004-2009 B A/5			TOTAL LAND AVAILABLE C	TOTAL LAND SUPPLY IN YEARS D C/B
CAERPHILLY	2862		572			2391	4.2

Note:

(b) Includes 2009 small site completions = 65

(c) The UDP requirement has been exceeded by 855 units with two years of the plan remaining

(d) As there are only 2 years of the plan period remaining, the annual requirement for three additional years has been extrapolated (7,100/15=473 (x3) = 1419 (- 855)

4. PART 2 - CALCULATION OF 5 YEAR LAND SUPPLY

4.1 Basis for Comparison

- 4.1.1 The completions calculation for this study are for the 12 month period from 1st April 2008 to the 1st of April 2009.
- 4.1.2 The land supply position has been assessed against both the policy provisions of the approved UDP and past build rates.
- 4.1.3 The Caerphilly UDP 1996-2011 was approved by Caerphilly County Borough Council in April 2003. Table A sets out the Group's land supply assessment in respect of the Unitary Authority area as a whole, using both the residual method prescribed in TAN(W)1, and against past completion rates over the last five year period.
- 4.1.4 The Group recognised the necessity of a comparison which is based on the housing provision figure in the Caerphilly Unitary Development Plan 1996-2011. The results are presented in Table A . Whilst the UDP has not been formally adopted, the Council has resolved to approve the Plan for Development Control purposes, and it will be given substantial weight in subsequent decisions. As confirmed the revised guidelines recognise the validity of this position.
- 4.1.5 Paragraph 7.5.2 of TAN 1 identifies that the primary method for calculating the 5-year land supply is the residual method. In the case of Caerphilly, there are only two years of the UDP plan period left. In accordance with Paragraph 7.5.3, in situations where development plans cover only part of the period of the study and there is no development plan modification that may be used for land supply calculations, the average annual provision from the last 5 years of the development plan period should be extrapolated to give an estimate of the land required. In line with the requirement set out in para 7.5.1 the Local Planning Authority has calculated the land supply position by extending the UDP plan period by an additional three years by assuming an annual requirement of 473 units for these three years. This residual method of calculation is shown in Table A. It should be noted that the UDP requirement figure has already been built out.
- 4.1.6 It has been customary in the past, and is in line with the advice in the TAN, to indicate how the land supply compares with past levels of completions. This has generally been included as a check against deficiencies in the residual method which may occur in certain circumstances. The HBF consider that a comparison with past build rates provides a more relevant measure of the adequacy of the land supply in the current circumstances.
- 4.1.7 To overcome the disagreement in the Group on the most appropriate method of calculating the land supply position the Group agreed that both the residual method set out above and a past building rates method should be given equal weighting in Table A. An indication of housing land supply based on past building rates over the last five years is therefore also set out in Table A.

4.2 Results of Comparison

- 4.2.1 Using the residual method, the supply of readily available land in the County Borough of Caerphilly at 1st April 2009 stood at **21.2 years** (see Table A). Using the past building rates method, the land supply figure is **4.2 years** (see also Table A), which would be below the five-year requirement set out within the TAN.
- 4.2.2 The land supply figure includes small sites, whose contribution is based on past building rates as advised by Welsh Assembly Guidance. The allowance is based on completions of 436 plots in the past 5 years (see Table 1).
- 4.2.3 The Local Planning Authority believes that the residual method as shown in Table A is the most appropriate method for calculating the five year land supply as this approach complies with paragraph 7.5.3 of TAN 1 as the preferred method of calculation and reflects the methodology employed in previous year's study. The findings of this method indicate that there is over 5 years supply of land.
- 4.2.4 It is recognised that by the Group that the residual method as calculated shows an improbably large number of years land supply, which is a product of the build rate being faster than the annual provision figure identified in the UDP. However, the Local Planning Authority considers that the understanding of what the residual method figure is showing in terms of development plan provision (i.e. that there is no shortage of housing land) is more important than the figure itself.
- 4.2.5 The HBF highlight the weaknesses of the residual method, as if the assumed development rate is artificially low, the result will be an artificially high supply of land and vice versa. In situations such as Caerphilly where the local authority has built out all of the development plan allocation ahead of the plan period, the residual remaining will be a relatively small number, which when spread over 5 years will suggest a fairly high supply of land.
- 4.2.6 The past building rates method, as the other method identified in the TAN, can be used where the residual method identifies land shortages or surpluses that do not exist in practice. The HBF considers that the past building rates method is a more appropriate way of calculating the land supply for Caerphilly as it is considered that an annual requirement of 113 units per annum or 565 over 5 years as indicated using the residual method is not realistic as in reality the rate of development is likely to be considerably higher than 113 dwellings per year. This is supported by evidence within separate documents currently being produced by the Council, which show a commitment to develop considerably more than 113 dwellings over the JHLAS period e.g. the Deposit LDP. The past building rates method results in a land supply figure of 4.2 years, which is below the 5 year land supply requirement.
- 4.2.7 However, it should be noted that the past building rates method also has limitations, not least because of the notorious variability in annual house-building rates, which generally follow the national economic position. The method thus indicates land shortages during the national boom periods, and excesses during the bust periods, neither of which correspond to the development plan provision. However, even though one can accept that a comparison with past build rates can have some limitations (as with any method of land supply calculation), the understanding of what a comparison against past build rates is attempting to

show is key and, despite its limitations, it can provide a sound basis for examining the land supply situation.

- 4.2.8 As required by the TAN 1 guidance,(para 5.1), the Local Planning Authority are entitled to comment where the land supply is below five years.
- 4.2.9 Whilst noting that the Local Planning Authority believes that the residual method figure should be used in preference to the past building rates figure in line with the guidance in TAN 1, it is considered necessary to highlight further evidence to justify that there is not a shortfall of land for housing even if the past building rates method is used. The Council's further comments are set out below in section 4.3 - 4.6 inclusive.

ADDITIONAL COMMENTS BY THE LOCAL PLANNING AUTHORITY

4.3 Section 106 Agreements

- 4.3.1 The first point to note is that as of 1st April 2009, a number of sites had been approved for housing subject to the signing of a Section 106 agreement. These are listed in Table 2:

TABLE 2

Application reference	Site Name	Number of Units
P/03/1032	Gas Works Site, Caerphilly	55
P/04/1325	Land south of Catnic, Pontypandy	199
P/05/091	Land adjacent to Marne St, Cwmcarn	15
P/06/0037	Waterloo Works	545
P/06/0173	Former Allotments between B4263 and Coronation Terrace, Senghenydd	20
06/0472/OUT	Land adj to River Ebbw, Risca	379
06/0821/OUT	South of Thorncombe Road, Blackwood	12
07/0077/FULL	The Rhos, Caerphilly	20
07/0447/FULL	Land at Venosa Trading Estate, Caerphilly	130
07/1011/OUT	Land at Maerdy Crossing, Rhymney	57
07/1066/FULL	Carn Gethin Farm, Cefn Hengoed	25
07/1153/OUT	Former Gledyr Bungalow, Caerphilly	14
07/1354/OUT	Cats House and Bedwas Workmans Club, Bedwas	25
07/1477/OUT	Gryphonn Concrete Products, Hengoed	18
		1514

- 4.3.2 This Table shows that there are 1,514 dwellings on new sites upon which the Council had resolved to grant planning permission, subject to the signing of a Section 106 Agreement. These sites are likely to enter the land supply in future studies, indicating that despite the UDP requirement figure being built out, sites are still continuing to come forward, ensuring that there will be a future supply of land.
- 4.3.3 In order to ensure a 5 year land supply using the past building rates method, the total units in the 5 year land supply would need to increase by 471 units from 2391 to 2862. The capacity on S106 sites alone is over 3 times the shortfall,

indicating that there is sufficient land available for housing, albeit the sites have not yet entered the sites schedule.

4.4 Economic Conditions

4.4.1 At the study group meeting the Group decided that there would not be an automatic re-categorisation of sites as a result of the economic climate, but that all sites will be discussed on their merits.

4.4.2 However, it should be recognised that economic conditions have resulted in fewer major planning applications (including renewals of existing permissions) being submitted as well as fewer units under construction as of the base date when compared to the recent past, which provides an indication of future development rates. It is apparent that current economic conditions are impacting on the level of starts/completions, and sites, whilst potentially available, are not being brought forward at the current time. The economic climate has also led to resultant delays on some Section 106 sites entering the schedule where developers have sought to re-negotiate terms.

4.5 Local Development Plan

4.5.1 The Council is currently progressing the Local Development Plan, which is scheduled for adoption in late 2010. This has provided the opportunity to make provision for 8,625 dwellings in the period up to 2021. Many of the sites allocated in the LDP are anticipated to come forward in the earlier part of the development plan period, thus the Council are seeking to ensure that sufficient land is allocated to maintain a five year land supply of available land in the future.

4.5.2 However, in line with the guidance in TAN 1, unless granted planning permission in advance, these sites cannot be brought into the land supply schedule until such time as the LDP is adopted as the sites still may be subject to change.

4.6 Land Supply Conclusions

4.6.1 Having regard for all three factors – the current economic circumstances, the number of sites that are available for development and will enter the schedule in future years due to the signing of major Section 106 agreements and the additional land that will be brought into the schedule upon adoption of the LDP – the Local Planning Authority considers that there is no shortage of land.

4.7 ADDITIONAL COMMENTS BY HOME BUILDERS FEDERATION(HBF)

4.7.1 The HBF note that the Section 106 sites referred to above have yet to be examined by the Group in any detail as to their deliverability, and a similar process will be required in the future for the LDP allocations to assess in the round the availability of those sites in terms of supplementing the five year supply.

5. PART 3 - COMMENTARY

5.1 Completions

5.1.1 Table B below sets out completions since 1991/92 in Caerphilly County Borough

5.1.2 Table C overleaf sets out the comparison of house building rates with the forecast requirement in the approved UDP. With thirteen years of the plan period gone, completions are 129% of forecast and the UDP total housing requirement of 7,100 units has already been built out.

**TABLE B
HOUSING COMPLETIONS IN CAERPHILLY
(SMALL AND LARGE SITES)**

YEAR	TOTAL
1991/1992	364
1992/1993	351
1993/1994	266
1994/1995	282
1995/1996	806
1996/1997	899
1997/1998	800
1998/1999	760
1999/2000	751
2000/2001	656
2001/2002	489
2002/2003	376
2003/2004	362
2004/2005	391
* 2005/2006	576
2006/2007	852
2007/2008	656
2008/2009	387

* (1st July 2005 to 1st of April 2006)

TABLE C
PERFORMANCE OF THE HOUSEBUILDING INDUSTRY
1ST JULY 1996 - 1ST APRIL 2009

	Approved Projection 1996-2009 (13 YEARS) a	UDP	COMPLETIONS MID 1996 – 2009 (13 YEARS) b	HOUSE-BUILDING PERFORMANCE C=b/a*100
CAERPHILLY	6153		7955	129%

5.2 Land Supply Compared to Past Building Rates

5.2.1 Table D below sets out the comparison between the current land supply and past building rates. Using the average for the past 5 years, the land currently agreed to be available would last for a further 4.2 years. Therefore using past build rates as the means of calculation the Authority does not have a sufficient land supply. A fall of nearly 269 dwelling completions compared with 2008 was seen this year, and this level was comparable to 2002-2005 annual levels and those levels pre 1995 (See table b)

TABLE D

YEARS SUPPLY OF HOUSING LAND BASED ON PAST BUILDING RATES

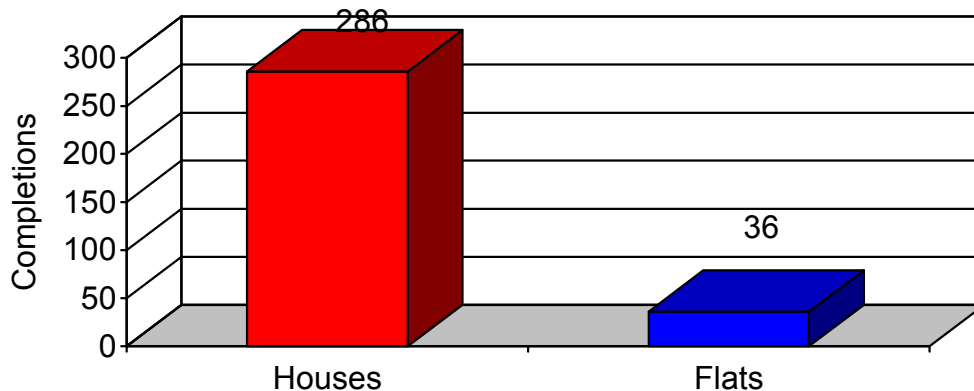
	Total Approved Land Available by 31/3/2014	1991/1992 – 2008/2009 (18 Years)		2004/2005 – 2008/2009 (5 Years)	
		Average Annual Completions	Years Supply of Land	Average Annual Completions	Years Supply of Land
Caerphilly	2391	557	4.3	572	4.2

Source - Caerphilly County Borough Council

5.3 COMPLETIONS BY HOUSE TYPE

5.3.1 The study has also identified completions within the year of study by dwelling type and this is indicated in Figure 3 below.

FIGURE 3 – Large Site Completions by House Type April 2008/2009 = 322



5.4 Small Sites

5.4.1 Paragraph 14 of TAN (W) 1 indicates that the small sites allowance needs to be clearly justified on the basis of past levels of actual completions. This years study satisfies this requirement with actual small sites completion figures being available over the last five years. (See Table F)

5.4.2 The use of definitive small site completion figures, together with the observed site completions shown on the supplementary schedules, ensures a more accurate assessment of total completions for each District. This will then form the basis for comparison against which the land supply is assessed.

5.5 Summary of the Land Availability Position in the County Borough of Caerphilly

5.5.1 Table A shows the land supply in Caerphilly to be 21.2 years when measured against the housing requirements of the Approved Unitary Development Plan using the residual method. This is the preferred method set out within TAN 1.

5.5.2 A comparison with completion rates as shown in Table D indicates that the land available in Caerphilly would be 4.2 years.

**TABLE E
CAERPHILLY COUNTY BOROUGH
SMALL SITES COMPLETIONS**

	TOTAL
1990/91	51
1991/92	42
1992/93	60
1993/94	69
1994/95	60
1995/96	69
1996/97	69
1997/98	67
1998/99	34
1999/2000	135
2000/2001	86
2001/2002	48
2002/2003	108
2003/2004	91
2004/2005	100
* 2005/2006	112
2006/2007	84
2007/2008	78
2008/2009	65
5 YR AVERAGE	88

Average for Caerphilly: 88
 5 Year Supply: $88 \times 5 = 439$

Note * = 01st July 2005 – 01st April 2006

Source : Caerphilly County Borough Council

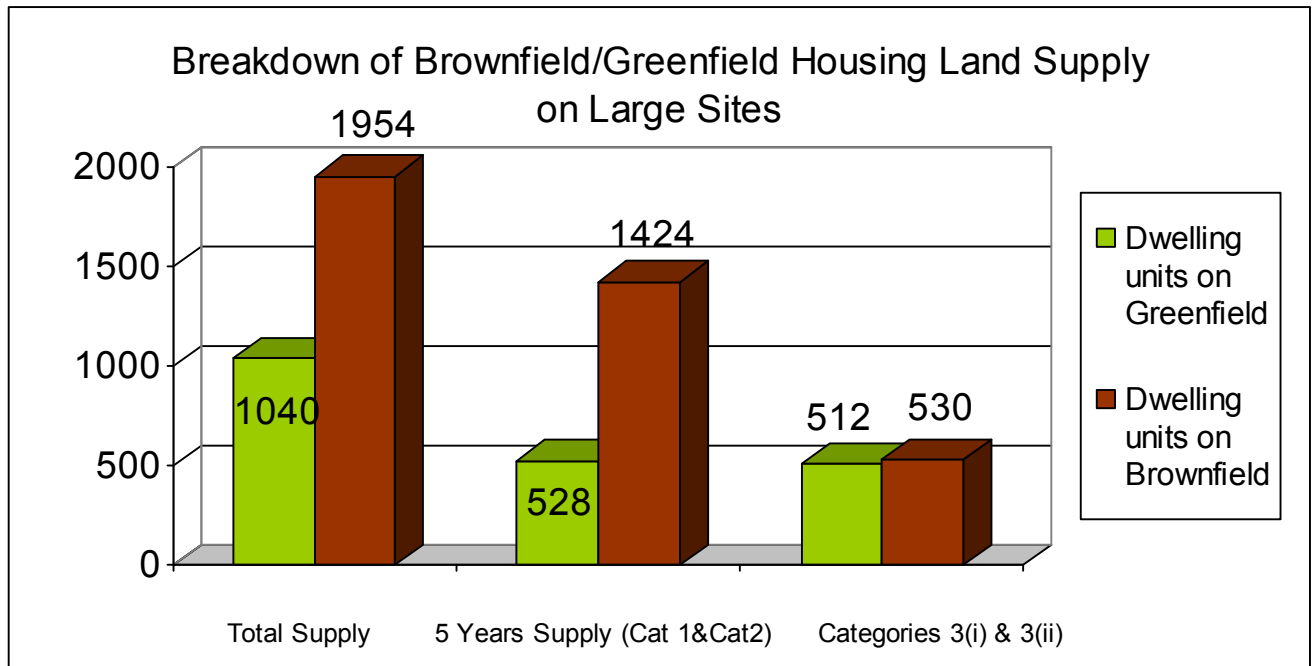
6. CURRENT ECONOMIC CLIMATE

- 6.1 The impact on the housebuilding industry due to the economic circumstances prevailing over recent months was apparent at the time of the 2009 study meeting. It was noted that predicting the timescale over which the current adverse economic climate would continue was difficult but for the purposes of the study it was agreed that the Group would examine each site on its merits in light of the information available.
- 6.2 In terms of the provision of affordable housing and the likely future contribution the Group agreed that it was likely to be more difficult to provide through the S106 delivery mechanism as this was generally allied to private market housebuilding and the prevailing market conditions evidenced the difficulty in obtaining finance for both developers and purchasers.

7. PREVIOUSLY DEVELOPED LAND (OR BROWNFIELD) CONTRIBUTION TO THE LAND SUPPLY

- 7.1 While Government guidance promotes a range of and choice of sites for housing development, the guidance also advocates emphasis on the development of brownfield (i.e previously developed) sites. It is, however acknowledged that brownfield sites often suffer from physical or ownership constraints which can make their development more problematic.
- 7.2 To assist in informing and monitoring the brownfield sites situation as in the previous study, Figure 4 below shows a disaggregation of the five year and total land supplies on large sites in the County Borough into greenfield and brownfield elements.

Figure 4

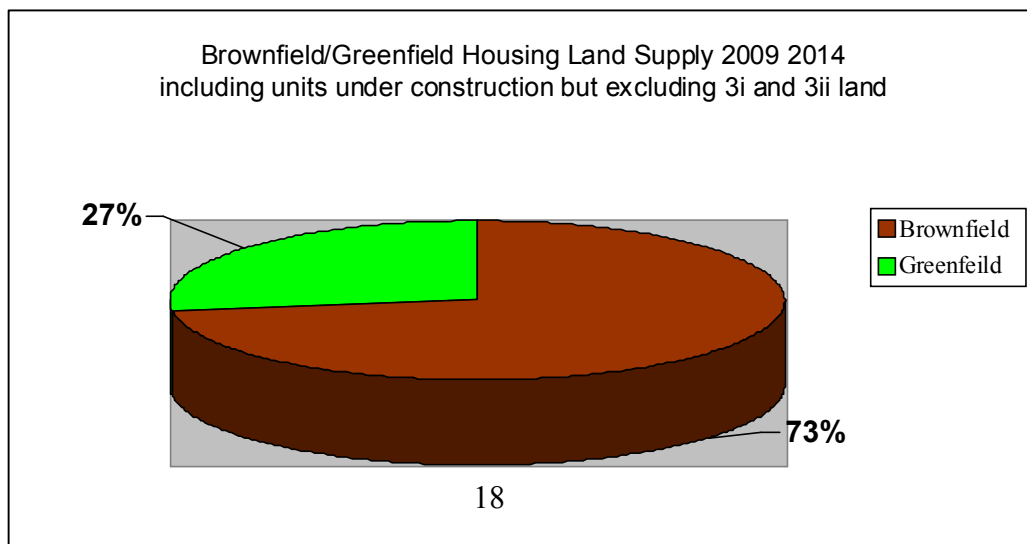


Category 1	Sites or phases of sites where development can occur immediately and will be completed within 5 years.
Category 2.	Sites or phases where development can't commence immediately but is likely to be completed within 5 years
Category 3i	Development unlikely within 5 years due to major physical constraints
Category 3ii.	Development unlikely to occur in the foreseeable future due to major long term constraints

7.3 Of the dwellings available within the five year period, the percentage contribution from brownfield land is 73% as illustrated further in Figure 5 which follows.

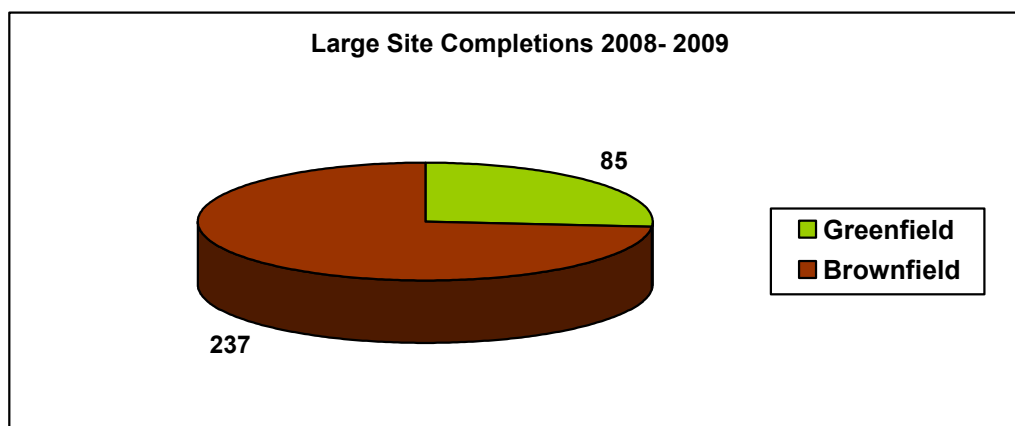
7.4 Figure 4, above demonstrates that overall approximately 65% of the County's overall land supply comprises brownfield land.

Figure 5



7.5 Figure 6 similarly indicates actual dwelling completions on sites of 10 or more units over the 12 month study period split between greenfield and brownfield; it can be seen that 73 % have occurred on brownfield sites.

Figure 6 – Large Site Completions on Greenfield / Brownfield Land



7.6 The Brownfield/Greenfield contribution will continue to be monitored in future studies.

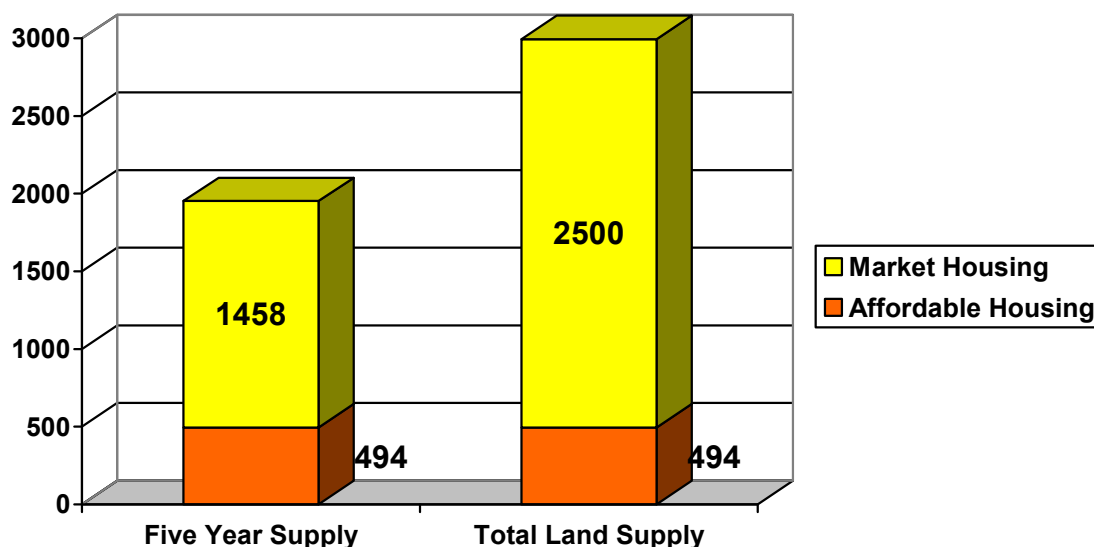
8. AFFORDABLE HOUSING

8.1 In accordance with the revised TAN 1 guidance the level of completions of affordable housing units is required to be evidenced in these studies together with the estimated contributions which are likely to come forward over the next five years. Where definitive information is available eg through signed Section 106 agreements then these have been taken into account. Where no such information is available but policy requirements are likely to inform negotiations on future delivery of affordable housing units in the County then an estimate has been made and has been included in the Table set out at Annex 5. Appropriate caveats have been included where no definitive information is available to justify the estimated contribution included. Affordable units are defined in accordance with the definition set out in TAN 2 “Planning and Affordable Housing” (2006).

8.2 Low cost market housing is not included in the TAN 2 definition of affordable housing but where information is available then the contribution from this source has also been incorporated in the data collected.

8.3 To assist in informing and monitoring the affordable housing situation, the study incorporates, in Figure 7 below, a disaggregation of the five year and total land supplies on large sites in the County Borough into affordable housing elements.

Figure 7: Affordable housing contribution to the five year and total land supply (Affordable Housing figures are derived from Annex 5. Private Housing Figures are contained in Table 1) (1952-494 = 1458 private dwellings)

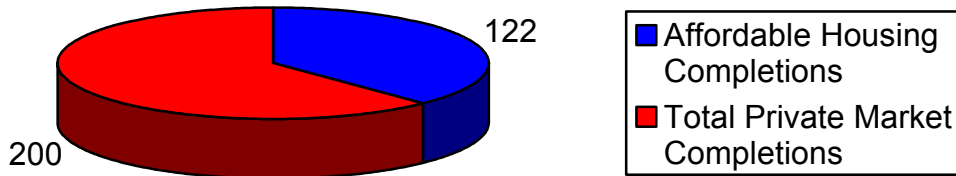


*** It should be noted that in terms of the Total Land Supply Column the future contribution of affordable housing is likely to be higher than 494 . The affordable housing annex does not show the estimated number of affordable units from sites / part of sites included in the 3i category which forms part of the total land supply (ie beyond the 5 year supply).

- 8.4 A detailed Table of affordable housing contributions in the County is included at Annex 3. It is documented on a site by site basis and contains affordable housing estimates based on Local Authority Development Plan Policy where applicable. Where the apportionment of small site affordable housing completions are known these have been documented and added to the totals accordingly. There have been 122 actual completions of affordable housing shown in this study. The estimated level of future affordable contribution in the County Borough of Caerphilly on the basis of this Study is 494 units over the next five years.
- 8.5 Of the dwellings available within the five year period, the percentage of affordable housing is approximately 25%.
- 8.6 Figure 7 demonstrates that overall approximately 16% of the County Borough's overall housing supply comprises affordable housing. This lower figure is a reflection of either the longevity of certain sites and their confirmed planning status prior to any negotiation of affordable housing, or the lack of detailed information / negotiations at this stage on many of the sites in terms of their affordable housing contribution in the future.
- 8.7 Figure 8 similarly indicates completions over the 12 month period split between affordable housing and market housing. It can be seen that 62% of completions have been for market housing.

Figure 8: Comparison between Affordable Housing Completions and Total Large Site Completions over a 12 Month Period (April 2008-April 2009) (Private completions are derived from Table 1, affordable completions are derived from

Annex 5) (322 total completions from Table 1 – 122 affordable completions = 200 private completions)



*** Total private market completions are 200 compared with Table 1 shown of 243. The Private Market Completions Figures shown in the Table 1 do not differentiate where parts of sites may have been developed for affordable housing of less than 10 units. Annex 5 does pick this up. This is due to the following points:

1. As agreed by the group, affordable housing contributions of less than 10, on a large private market site, are not included on a separate proforma. Therefore they are not included in Table 1 but are included in Annex 5 where information is known.

8.8 The affordable housing contribution will continue to be monitored in future studies.

9. SITES SUBJECT TO FLOOD RISK

9.1 To assist in informing and monitoring the sites subject to flood risk, the study incorporates, in Figure 9 and 9a below, a disaggregation of the total supply and total land supply on large sites in the County Borough into flood risk elements.

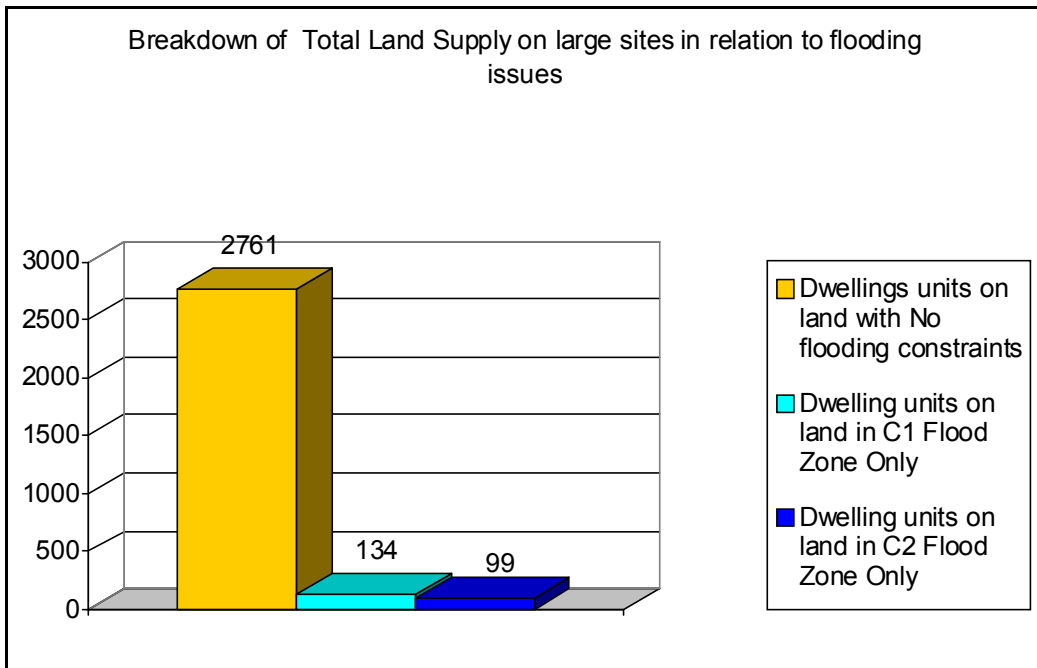
9.2 Description of Zones are defined in TAN 15 and used within the precautionary framework.

C1: Areas of floodplain which are developed and served by significant infrastructure, including flood defences. Used to indicate that development can take place subject to application of justification test, including acceptability of consequences.

C2: Areas of floodplain without significant flood defence infrastructure. Used to indicate that only less vulnerable development should be considered subject to application of justification test, including acceptability of consequences.

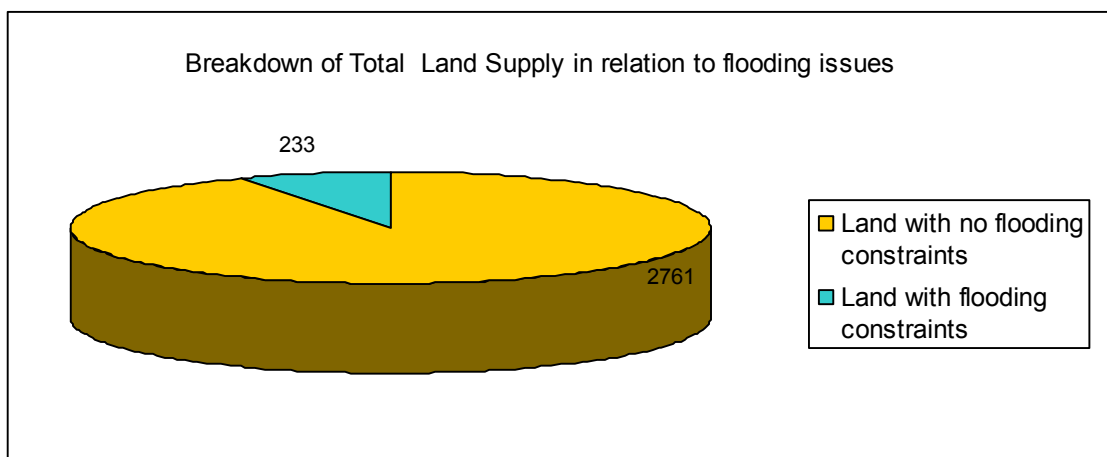
9.3 The Council have taken into account the latest TAN 15 Development Advice Maps (dated September 2009) when determining which HLA sites lie within the Zone C1 and C2 flood risk areas.

Figure 9: Sites Subject to Flood Risk within the Total Supply (Includes units within Category 3(i) and 3(ii)).



9.4 Figure 9 above, and Figure 9a which follows illustrates that 233 dwellings of the total land supply are within the C1/C2 flood plain ie land with flooding constraints.

Figure 9a



9.5 Figures 10 and 11 illustrate that 176 of the dwelling units within the five year supply are on land within a C1 or C2 flood zone i.e. subject to flood risk. Figure 12 shows that no completions have taken place within the C1/C2 flood plain in the period 01st April 2008 – 01st April 2009.

Figure 10

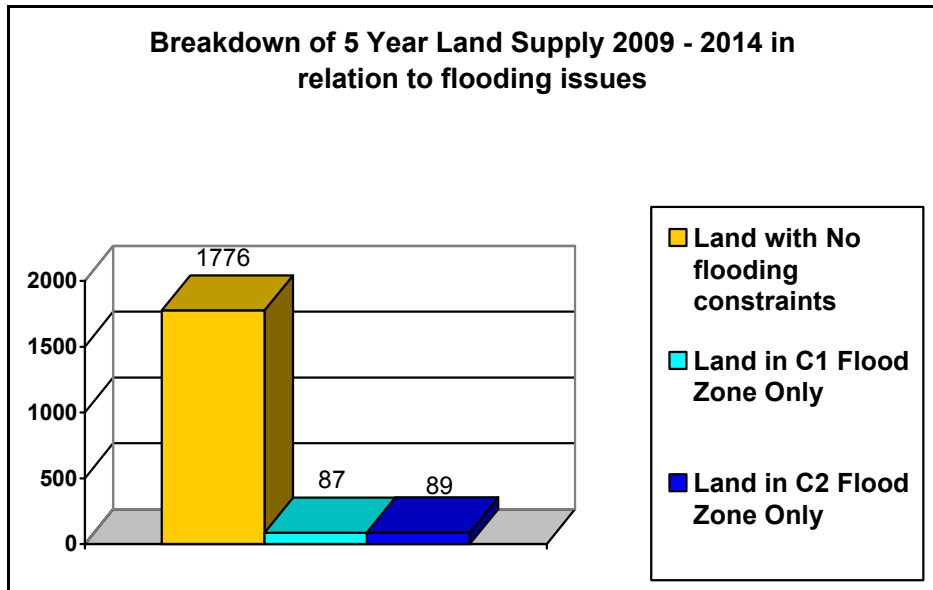


Figure 11

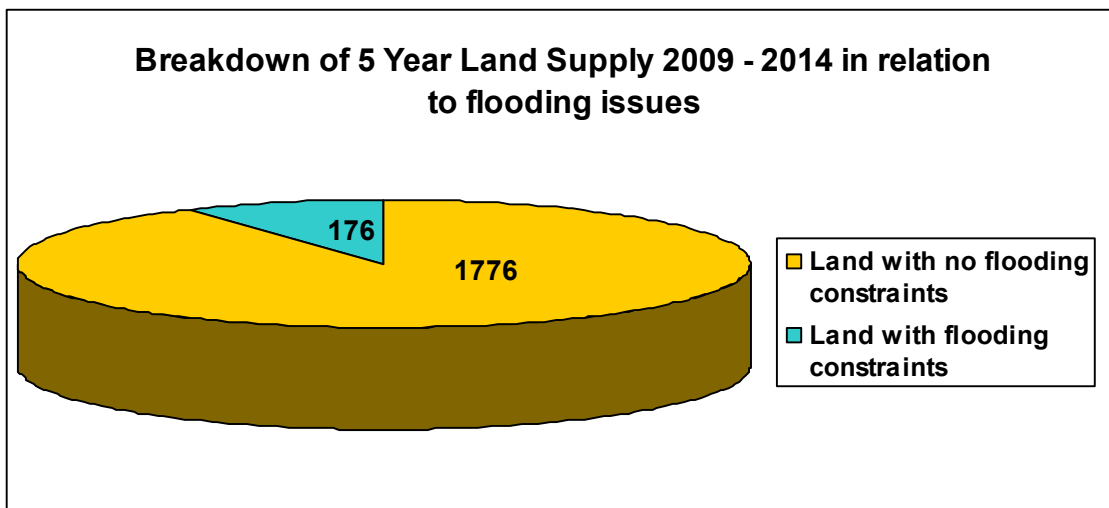
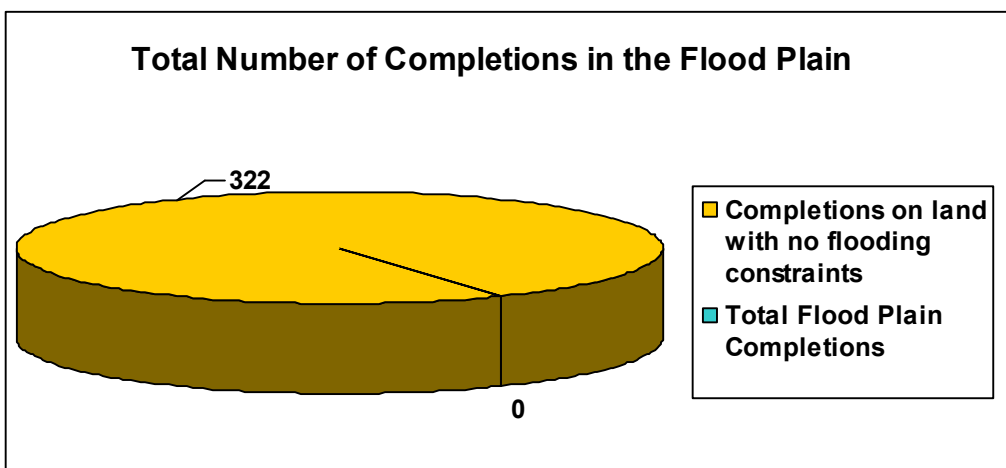


Figure 12



10.0 CONCLUSION

- 10.1 The current study based on the position at 1st April 2009 shows Caerphilly County Borough to have land available to provide a **21.2 year land supply** when set against the residual method.
- 10.2 However, when the land supply figure is assessed against the past building rates method the land supply figure is only **4.2 years**.
- 10.3 The Home Builders Federation(HBF) considers that the most appropriate method of calculating the 5 year land supply is by a comparison with past build rates. It considers that the Unitary Development Plan(UDP) housing requirement figure, which has been built out 3 years ahead of its end date, should have been reviewed previously and does not represent an appropriate figure from which to extrapolate future housing requirements. The surplus of land suggested by using the residual method does not exist in practice.
- 10.4 Whilst the HBF acknowledge that the Local Planning Authority (LPA) have permitted, and are allocating additional sites for development as part of the Local Development Plan (LDP) process, the assumed annual development rate of **113** units per annum over the next five years as set out in Table A does not represent what is needed or required in reality and therefore portrays an unrealistic picture of the land that is genuinely available for development in the County Borough.
- 10.5 It is considered by the Local Planning Authority (LPA) that even though the past building rates method does identify less than 5 years, this is not a product of the shortage of land upon which building could take place as sufficient land for housing is available in the near future due to the fact that 1,514 dwellings have been approved for housing on sites of over 10 dwellings, subject to the signing of a Section 106 agreement. In addition the LDP is expected to be adopted by the end of 2010, which will also increase the number of sites contributing to the 5 year land supply in future studies. It is therefore deemed that sufficient land is available to meet future housing requirements.
- 10.6 As well as its normal role in examining committed sites for development the Group will need to monitor closely the potential contribution of sites coming forward from newly signed Section 106 agreements and progress on the LDP to towards adoption. House completion rates are anticipated to fall in subsequent years and this will not assist the provision of housing for those in need or wishing to purchase their first property or move home.
- 10.7 The Group has agreed the assessment of development on individual sites but the context in which this should be compared has been a matter of contention during the course of the current study and potentially will arise in future studies until the LDP is adopted.

Annex 1: Site Schedule

Annex 2: Site Location Map

**Annex 3: Extract from Planning Policy Wales
& TAN 1: JHLAS**

Annex 4 - Sites contained within extant Local Plans within Caerphilly County Borough Council

Site Address	Total Units	Development Plan	Reason for Deletion from the 2007 JHLAS Schedule
Land at Christchurch	17	Islwyn Local Plan	Allocated for leisure in the UDP
Land Adj to Dylan Ave	93	Islwyn Local Plan	The site has not been taken forward in the UDP
Land to the Rear of Oak Terrace	18	Islwyn Local Plan	This site is split in half by the new by pass which is currently under construction. The site is likely to be below 10 units when the road has been completed.
Land Adjacent to the recreation ground	30	Islwyn Local Plan	The site has not been taken forward in the UDP.
Land Adjacent to Cherry Trees	49	Islwyn Local Plan	The site has not been taken forward in the UDP.
Land at Bryn Road	61	Islwyn Local Plan	The site has not been taken forward in the UDP.
Remainder of Land, Fairview School	61	Islwyn Local Plan	The site has not been taken forward in the UDP.
Land at Ramping Road	18	Islwyn Local Plan	The site has not been taken forward in the UDP.
Old School Road	18	Islwyn Local Plan	The site has not been taken forward in the UDP.
Pentwyn Road	47	Islwyn Local Plan	The site has not been taken forward in the UDP.
Land Adj to Pen-y-Cwarel Road	27	Islwyn Local Plan	The site has not been taken forward in the UDP
West View Villas	17	Rhymney Valley District Local Plan	The site has not been taken forward in the UDP
Bedwas Colliery	180	Rhymney Valley District Local Plan	The site has not been taken forward in the UDP
Energlyn Sidings	21	Rhymney Valley District Local Plan	Allocated for leisure in the UDP
Gas Works Site, Mill Road	60	Rhymney Valley District Local Plan	The site has not been taken forward in the UDP
East of Fochriw	30	Rhymney Valley District Local Plan	The site has not been taken forward in the UDP

East of Fernhill Terrace	10	Rhymney Valley District Local Plan	The site has not been taken forward in the UDP
Rear of Southend Terrace	15	Rhymney Valley District Local Plan	The site has not been taken forward in the UDP
Land at Maerdy Crossing	80	Rhymney Valley District Local Plan	The site has not been taken forward in the UDP
1 st Parcel land at Holly Road	24	Rhymney Valley District Local Plan	Allocated for leisure in the UDP
2 nd Parcel of Land at Holly Road	40	Rhymney Valley District Local Plan	Allocated for leisure in the UDP
Heol Pencarreg	30	Rhymney Valley District Local Plan	The site has not been taken forward in the UDP
Ty Nant	10	Caerphilly Borough Local Plan	The site has not been taken forward in the UDP
Gilfach Fargoed Est Western Drive Phase 1	20	Rhymney Valley District Local Plan	The site has not been taken forward in the UDP
Land East of Brynhyfryd Terrace	27	Caerphilly Borough Local Plan	The site has not been taken forward in the UDP
Land Adjacent to Charles Jenkins Garage	42	Rhymney Valley District Local Plan	The site has not been taken forward in the UDP

Annex 5 Affordable Housing Table Caerphilly 2009

CAERPHILLY COUNTY BOROUGH COUNCIL

Joint Housing Land Availability Study 2009

Market and Affordable Housing Contribution - Actual Completions and Anticipated Affordable Housing Contribution Over The Next Five Years (2009-2014)

The Caerphilly Approved Unitary Development Plan sets out the Authorities affordable housing policy for the period 1996-2011. Policy H3 states "The Council will seek to negotiate with developers for the provision of an element of affordable housing on all housing sites of more than 35 dwellings where there is evidence of need and where site conditions allow"

Site Name	Settlement	Total Site Capacity	Actual Completed Units Affordable Housing 08-09	Actual Completed Units Market Housing	Remaining Capacity	Estimated affordable housing contribution 2009-2014	Estimated market housing contribution 2009-2014	Comments
Private Sector								
Land South of Gelynos Ave, Bargoed	Argoed	13	0	3	5	0	5	
Land South of the proposed Northern Link Road, Blackwood	Blackwood	37	0	0	37	0	0	3(i) Site. If approved 25% affordable housing will be sought
Llyndaryn Cliff Road, Blackwood	Blackwood	13	0	0	13	0	13	

Land Adj to Pencoed Ave	Cefn Fforest	13	0	0	13	0	13	A renewal application has now been approved subject to the signing of a S106 agreement. 25% AH will be expected.
Land to Rear of Pencoed Avenue, Cefn Forest	Cefn Fforest	18	0	0	18	0	0	3(i) site
Plynlimon Ave	Croespenmaen	154	0	3	0	0	0	Site completed.
Land South of Stanley St	Cwmfelinfach	21	0	0	21	14	7	Fairlake have secured social housing grant for 14 units expected to come forward in 2010/2011
Glendale Gardens	Fleur-de-Lys	29	0	3	0	0	0	Site complete
Land to Rear of Oak Terrace Site 2	Fleur-de-Lys	17	0	0	17	0	0	3(i) Site.
Land Adj to No 88 Abernant Road	Markham	25	0	0	24	0	0	3(i) Site.
Chris Bowen Garage, High Street	Newbridge	16	0	0	16	0	16	
Employment Service, Ashfield, Newbridge	Newbridge	13	0	13	0	0	0	Site complete
Land at Homeleight Fields Park	Newbridge	55	0	2	52	0	0	52 units in 3(i). The Authority will be looking to secure affordable housing if the site comes forward for development

Land to the Rear of Pennar Lane, Newbridge	Newbridge	94	11	23	20	13	7	13 affordable housing dwellings secured by Fairlake. 6 LCHO, 7 social rented. In addition Fairlake purchased an additional 11 units completed this year
Land West of the A467 and Afon Ebbw	Newbridge	208	26	25	15	0	15	Fairlake have purchased 26 dwellings and were completed in the study period
Land West of the A467 and Afon Ebbw (Phase 2)	Newbridge	124	0	0	124	65	59	Barratts and Charter HA have submitted an application to re plan the layout of which 65 units will be affordable
Land at Llywn on Lane, Oakdale	Oakdale	35	0	0	35	0	35	Fairlake will provide affordable housing if development exceeds 35 units.
Land Rear of 1-20 Brynhoward Tce	Oakdale	67	0	0	67	12	55	Fairlake have secured 12 AH dwellings
Land West of Old Pant Road, Panside, Newbridge	Panside	22	0	0	22	12	10	There has been a recent application that will increase the density to 56 units. Linc Cymru will provide 12 affordable dwellings - non grant funded
Ty Pwll Farm Panside, Panside, Newbridge	Panside	16	0	4	0	0	0	Site complete

Gelli Garage, Newport Road	Pontllanfraith	10	0	0	10	0	10	
Hawfin Park, Pontllanfraith	Pontllanfraith	135	0	0	135	0	0	3(i) Site. 25% AH will be expected = 27 units
Land at Cwmbrynnar Cottage Phase 2	Pontllanfraith	19	0	11	0	0	0	Site complete
Land off Pennar Crossing, Pontllanfraith	Pontllanfraith	13	0	0	13	0	13	
Land at Hilary Rise	Pontywaun	20	0	0	20	0	20	
106/106A & Car Park, Commercial Street / Mill Street	Risca	35	0	0	35	0	0	3(i). RSL interest
Land at Eppynt Close, Trenewydd Park	Risca	120	0	0	120	0	0	3(i) Site.
Site of Steel Farm, Manufacturer	Risca	80	0	27	19	19	0	Fairlake to development the remaining 19 affordable units
Suflex Estate, Newport Road	Risca	87	0	0	87	0	87	
Land North East of Llanarth St Wattsville	Wattsville	65	0	13	23	0	23	
Woodfield House, Penmaen Road, Woodfield	Woodfieldside	46	0	0	46	12	34	12 AH were secured via S106
Former Wyllie Colliery, Pen-y-Cwarel Road	Wyllie	24	0	3	2	0	2	
Land at Bargoed, Reclamation Site	Aberbargoed	175	0	0	175	0	0	3(i) Site. At least 25% will be affordable = 35 dwellings.
Land at Neuaddwen Farm, Bedwelly Road	Aberbargoed	180	0	0	180	27	63	90 in 3(i) 15% Affordable housing contribution

Land at Former Windsor Colliery, Phase 2	Abertridwr	132	0	0	132	60	20	Affordable housing provision is estimated at 40% (60 dwellings) United Welsh
Panteg Public House, The Square	Abertridwr	28	0	0	28	0	0	
Land South West of, carn Y Tyla Terrace	Abertyswg	133	0	0	133	20	113	15% AH will be expected
Gilfach Fargoed Est (Land off) Western Drive, Phase 2	Bargoed	20	0	0	20	0	0	3(i) site.
Land at St Mary's Street, Bedwas	Bedwas	12	0	0	12	0	12	
Land at Town Centre, Regeneration Area	Caerphilly	127	0	0	127	0	127	A commuted sum will be provided for affordable housing.
Land Between A468 & B4600, Penrhos	Caerphilly	550	0	28	199	72	127	There are 72 affordable units still awaiting completion
Land between Van Road & the Railway	Caerphilly	34	0	0	34	0	0	3(i). 25% affordable housing has been negotiated within the S106.
Land to Rear of Bedwas, Caerphilly	Caerphilly	12	0	0	1	0	1	
Land off Valley view	Hengoed	25	0	0	18	0	18	
Alexandra House, Colliery road, Llanbradach	Llanbradach	10	0	0	10	0	10	
Land at Jeremy Oils, Caerphilly Road	Llanbradach	80	6	0	10	0	10	6 affordable completions this year
Land North of Llys Cambria Phase 2	Llanbradach	25	0	0	25	0	0	3(i) Site.

Remainder Tyn Y Waun Farm	Machen	20	0	0	20	0	4	16 in 3(i).
Former Cattle Market Site, Nelson	Nelson	12	0	5	7	0	7	
Former Petrol Filling St, Dynevor Terrace	Nelson	11	0	0	11	0	11	
Land East of Handball Court	Nelson	72	0	0	72	14	58	20% AH contribution has been agreed.
Former British Legion Site	Pontlloftyn	30	0	0	8	0	8	
Land Adj to Brynglas & Brynhyfyd	Pontlloftyn	56	0	7	49	8	41	8 AH units not yet constructed
Land East of Llechryd Bungalow	Rhymney	26	0	0	26	0	0	3(i) Site.
Land South of Merthyr Road (Princetown)	Rhymney	34	0	0	24	0	0	24 in 3(i). AH possible.
Land West of the Bungalow at 21 Merthyr road	Rhymney	60	0	1	59	0	1	59 in 3(i). AH possible.
Lower Hill Street	Rhymney	18	0	0	17	0	0	17 in 3(i).
Old Barrel Cider Stores, Off Golwg Y Mynydd	Rhymney	15	0	0	15	0	15	
Land Below Coronation Terrace, Senghenydd	Senghenydd	12	0	0	12	0	12	
Land at Coed Cae, Site 2b	Tirphil	14	0	0	14	0	0	3(i) Site.
Land Between Railway Line & A469 Phase 2	Tiryberth	33	0	0	33	0	0	3(i).
Former Petrol Filling Station, Newport Road	Trethomas	10	0	0	10	0	0	3(i)
Land Adjacent to the Grove, Trethomas	Trethomas	13	0	0	13	0	13	
GB Instrument Panels, Penallta Yard	Ystrad Mynach	10	0	0	10	0	0	3(i)

Land to rear of Pantcelyn St	Ystrad Mynach	24	0	14	8	0	8	No AH has been negotiated
Penallta Colliery, Dyffryn Street	Ystrad Mynach	445	0	15	247	0	247	
Penallta Colliery, LB Dyffryn Street	Ystrad Mynach	80	0	0	80	0	80	
Housing Association Public								
Varmans Yard	Abercarn	33	23	0	10	10	0	
Twyncarn House, Newport Road	Cwmcarn	32	0	0	32	32	0	
Land within Curtailage of the Pentwyn Inn	Trinant	19	3	0	16	16	0	
Former Ysgol Cwm Rhymni School	Bargoed	28	28	0	0	0	0	site complete
Former Nursing Home at Brynheulog, Gelliwen	Penybryn	25	25	0	0	0	0	site complete
Ysgol lfor Bach	Senghenydd	33	0	0	33	33	0	
Penallta Colliery RSL	Ystrad Mynach	55	0	0	55	55	0	
TOTAL			122			494		

