



Caerphilly County Borough
2nd Replacement
Local Development Plan 2020-2035

EB5.1 Housing Land Supply and Affordable Housing Target - Addendum

January 2025

Mae'r ddogfen hon ar gael yn Gymraeg, ac mewn
ieithoedd a fformatau eraill ar gais.

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2nd Replacement Caerphilly County Borough Local Development Plan 2020 - 2035

EB5.1

Addendum to Housing Land Supply and Affordable Housing Target January 2025

Introduction

The Council commenced work on the 2nd Replacement Caerphilly County Borough Local Development Plan 2020 - 2035 (2RLDP) in October 2020. The 2RLDP will cover the period 1 April 2020 to 31 March 2035.

The Council consulted on its first Pre-Deposit Plan for the 2RLDP in October and November 2022. Conformity Objections to the plan were received from Welsh Government in respect of the Strategic Site allocation, the regional approach and context to growth, and the nature-based approach. As a result of these objections, changes to the Pre-Deposit strategy have been made.

Given that changes have been made to the strategy (Revised Preferred Strategy) the Council is taking a step back in the process and is undertaking a second consultation on the Pre-Deposit Plan with its amendments.

Changes to the Pre-Deposit Plan

Evidence base paper *EB5 Housing Land Supply and Affordable Housing Target* was produced during the preparation of the 1st Pre-Deposit Plan in October 2022. This paper assessed the components of the housing supply including completions, units under construction, existing sites with planning permission and assumptions for small and windfall site completions and provided justification for the assumptions used. Having regard for the committed elements of the housing supply, the paper set out how much land will need to be allocated to meet the housing requirement.

The delivery of affordable housing is a key policy objective of Future Wales, the National Development Framework, and Planning Policy Wales (PPW) is clear that a development plan should include a target for affordable housing based on the Local Housing Market Assessment (LHMA) and the expected affordable housing contributions that policies in the development plan will make to meeting this target. Evidence base paper *EB5 Housing Land Supply and Affordable Housing Target* also set out the evidence to support the affordable housing target.

This Addendum has been produced to reflect the latest available information.

Components of Housing Supply

The assumptions detailed in *EB5 Housing Land Supply and Affordable Housing Target* have been updated to reflect the latest completions, units under construction and the number of dwellings with planning permission.

Total Completions

In the first years of the plan period, 1st April 2020 to 31st March 2024, a total of 1,378 dwellings were built. This comprised 1,064 units on large sites (10 or more dwellings) and 314 units on small sites (less than 10 dwellings).

Units Under Construction

As of 1st April 2024, 198 dwellings were under construction on large sites. There are units under construction on small sites, but these have not been included in the total in the table above to avoid double counting with the small windfall site assumptions.

Windfall Sites

To avoid double counting with committed sites, the large windfall allowance assumptions will only be applied to the remaining years of the plan period *following the adoption of the 2RLDP*, the first full year of which is likely to be 2028/29. A windfall completion rate of 73 dwellings per annum is considered an appropriate

assumption for the plan and overall, this would mean a large windfall assumption of 511 dwellings, to be delivered over the last 7 years of the plan period.

The small windfall site assumption will be applied to the remaining years of the plan period. Therefore, an assumption of 60 units per annum for the remaining 11 years of the plan period would mean a small windfall assumption of 660.

Sites with Planning Permission

Overall, 1,541 units on sites with planning permission are considered to be realistically likely to come forward during the plan period. This figure excludes both units that have been completed and units that were under construction as of the base date.

Planning applications awaiting determination

In addition to the sites with planning permission, there are a number of sites upon which planning applications have been submitted but the applications were not determined as of 1st April 2024. There are 359 units within this category.

Components of Housing Supply

Overall, there are 4,647 units that form part of the existing land supply. When this is deducted from the Housing Provision figure, this indicates that an additional 2,778 units would be required to be allocated in the 2RLDP.

	Component of Supply	Assumption	Number of units
A	Total Completions	Large and small completions in 2020 - 2024	1378
B	Units under construction	As of base date of 1 st April 2024	198
C	Units with planning permission	Only those sites considered deliverable in the plan period (large sites only)	1,541
D	Applications awaiting determination	Only those sites acceptable in principle (large sites only)	359
E	Large windfall sites	Based on 73 units per annum average for the last 7 years of the plan period	511
F	Small windfall sites	Based on 60 units per annum for the remaining 11 years of the plan period	660
G	Total		4,647
H	Housing Requirement		6,750
I	Housing Provision	Housing Requirement plus 10% Flexibility Allowance	7,425
J	New allocations required	(I – G)	2,778

Affordable Housing Target Calculation

Planning Policy Wales (PPW, Edition 12) states “Development plans must include a target for affordable housing (expressed as numbers of homes). The target for affordable housing should be based on the LHMA and identify the expected contributions that the policy approaches identified in the development plan (for example, site thresholds, site specific targets, commuted sums and affordable housing exception sites) will make to meeting this target. The target should take account of deliverability and viability which will be influenced by the anticipated levels of finance available for affordable housing, including public subsidy, and other community benefit contributions being sought by the planning authority.”

Local Housing Market Assessment

The latest Local Housing Market Assessment (LHMA) was published by the Council in April 2018. This assessment identified a total need of affordable housing of 282 units per annum over 5 years (inclusive of turnover for social rented units).

The Council is preparing a new LHMA that covers the period from April 2024 to March 2028. However, at the time of preparation of the 2RLDP evidence base, whilst the LHMA has been submitted to Welsh Government, this latest LHMA has not yet been agreed.

Therefore, the Revised Preferred Strategy includes the target of at least 1360 affordable homes, as detailed in paper *EB5 Housing Land Supply and Affordable Housing Target*. However, when approved the new LHMA will form the basis for the LDP and the plan will be updated with this information as part of the preparation of the Deposit Plan.

Conclusion

The Components of Housing Supply have been revised to reflect the latest, factual updates.

As, at the time of writing, the latest LHMA has not yet been agreed, the Affordable Housing Target Calculation has not yet been updated. However, Evidence base paper *EB5 Housing Land Supply and Affordable Housing Target* will be fully revised to reflect any further changes or updates, including the findings of the new LHMA, in readiness for the Deposit Stage of plan preparation.