



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

EB7: Housing Land Supply and Affordable Housing Target

October 2026



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

**EB7
Housing Land Supply
and Affordable Housing Target**

Evidence Base Paper

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1 Introduction

- 1.1 This paper is one of a series produced as part of the evidence base for the 2nd Replacement Local Development Plan, 2020-2035 (2RLDP). Each topic paper can be read in isolation or together to gain a wider understanding of how the policies and/or allocations in the 2RLDP have been developed to address issues facing Caerphilly County Borough.
- 1.2 The 2RLDP must ensure that sufficient land is available to meet the future needs of the population of the County Borough. This evidence base paper has been prepared to consider how much land is required to be allocated for housing in the 2RLDP to meet the preferred level of population and housing growth.
- 1.3 In accordance with the Development Plans Manual, Edition 3 (DPM), this paper assesses 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 provides justification for the assumptions used. Having regard for the committed elements of the housing supply, the paper also sets out how much land will need to be allocated to meet the housing requirement.
- 1.4 The delivery of affordable housing is a key policy objective of Future Wales: The National Plan 2040 (Future Wales), and Planning Policy Wales, Edition 12 (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 can deliver. This paper sets out the evidence to support the affordable housing target.
- 1.5 This document should be read alongside EB4 Population and Housing Growth Options and EB5 Housing and Employment Growth Options (2025 update).

2 Policy Context

Planning Policy Wales, Edition 12 (February 2024)

- 2.1 Planning Policy Wales (PPW) requires the 2RLDP to ensure that an adequate and continuing supply of deliverable housing land to meet the identified requirement throughout the plan period.

Development Plans Manual, Edition 3 (March 2020)

- 2.2 The Development Plans Manual (DPM) contains practical guidance on how to prepare, monitor and revise a development plan, underpinned by robust evidence.

3 Housing Requirement and Provision

- 3.1 The DPM provides guidance on how to calculate the housing supply. The housing supply, or housing provision is the total land that the plan can accommodate for housing, taking account of the housing requirement, plus a flexibility allowance.
- 3.2 The 2RLDP sets a housing requirement figure of 6,165 over the plan period 2020-2035. Details of the how this was arrived at are set out in EB4 Population and Housing Growth Options and EB5 Housing and Employment Growth Options (2025 update).
- 3.3 A flexibility allowance to account for the non-delivery of allocated sites must be applied to the housing requirement, and this document provides justification for the assumptions used to determine this. A flexibility allowance of 16% has been added to give an overall housing provision figure of 7,151.

Housing Requirement	+ Flexibility Allowance	= Housing Provision
6165	+16%	= 7,151

4 Flexibility Allowance

- 4.1 In making provision for housing land, it is good practice to allocate more land than the housing requirement to allow for choice and flexibility, as not all sites will come forward in the timescales anticipated. The DPM indicates that the level of the flexibility allowance is a matter for each LPA to determine based on local issues, but the starting point for such considerations could be a 10% flexibility allowance. Variation from this should be robustly evidenced.
- 4.2 The Adopted LDP incorporated a flexibility of 19%. A key component of the strategy of the Adopted LDP was to target development to the Heads of the Valleys Regeneration Area to diversify the housing stock and retain and attract people to the area. Viability is more challenging in this part of the County Borough, and the higher flexibility allowance in the Adopted LDP was reflective of the greater uncertainty around the delivery of housing sites.
- 4.3 Since the LDP was adopted, there has been a significant change in national planning policy in respect of the evidence required to demonstrate the deliverability and viability of allocations and therefore only sites that are realistically likely to come

forward in the plan period will be allocated in the plan. Where it is difficult to demonstrate deliverability, the plan can allocate aspirational sites that are important for regeneration purposes. Such aspirational or regeneration sites will not form part of the housing supply. The emphasis on the viability and deliverability of sites will provide a greater degree of certainty that any allocated sites will be built out than was the case in the Adopted LDP. As a result, the Preferred Strategy included a flexibility of 10%.

- 4.4 However, the 2RLDP allocates two large sites HO1.3 - Land south of A472 and HO1.14 - Bryn Meadows Golf Club requiring the delivery of significant infrastructure. A higher flexibility of 16% allows for the allocation of additional smaller sites across the County Borough to sustain and enhance existing communities. This increased flexibility ensures the 2RLDP is robust and resilient, as there is delivery in the short-term while the larger sites take time to be developed out, and providing a range and choice of sites ensures the 2RLDP is not solely reliant on the delivery of larger sites which are more complicated to develop.
- 4.5 Representations submitted at the Preferred Strategy consultation stage were largely supportive of an increase in the flexibility allowance.

5 Components of Housing Supply

- 5.1 There are several housing supply components which must be assessed in combination to inform the delivery of the housing requirement. All housing supply components have the base date of 1st April 2026. The components include:
- **Total Completions:** all residential completions since the start of the 2RLDP period (1st April 2020), split by large sites (10+ units) and small sites (under 10 units).
 - **Land Bank Commitments:** number of units with planning permission on sites of 10 or more units. This includes sites with planning permission that are either under construction or that are due to commence development in the short-term.
 - **Windfall Sites:** large and small windfall sites are not specifically allocated for housing yet come forward during the life of the Plan.
 - **New Housing Allocations:** sites submitted as candidate sites and assessed through the candidate site assessment process, able to evidence deliverability and viability.

Total Completions

- 5.2 During the first six years of the plan period, 1st April 2020 to 31st March 2026, a total of **1,976 dwellings** have already been built. This is summarised in Table 1 as follows:

Table 1: Total Completions 2020-2026

	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Total
	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	
Large Site Completions	319	199	315	231	235	272	1,571
Small Site Completions	98	104	65	47	57	34	405
Total Completions per annum	417	303	380	278	292	306	1,976

Land Bank Commitments

- 5.3 Sites that already have planning permission form another significant component of supply, including developments that are already under construction. The starting point for this component of housing supply is the 2026 Housing Trajectory, which forms part of the Council's Annual Monitoring Report (AMR). Sites of 10 units or more that are under construction or are due to commence and there is therefore confidence that they will come forward over the course of the 2RLDP period, have been included in the 'land bank commitments' component of the supply.
- 5.4 Table 2 identifies the spatial distribution of this supply, and how it relates to the 2RLDP defined settlement hierarchy.

Table 2: Land Bank Commitments 2020-2026

Units with planning permission / under construction (10 or more dwellings)						
Masterplan Area	Settlement Hierarchy					Total
	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	
Heads of the Valleys	102	93	30	0	0	225
Ystrad Mynach	202	0	0	0	0	202
Greater Blackwood	171	113	0	10	0	294
Lower Ebbw and Sirhowy Valleys	23	32	0	0	0	55
Caerphilly	502	0	152	0	0	654
	1,000	238	182	10	0	1,430

- 5.5 As of 1st April 2026, there are a total of **1,430** dwellings with planning permission (on sites of 10 or more dwellings) that are considered realistically likely to come forward during the plan period. Of these **363** dwellings were under construction. There are units under construction on small sites, less than 10 dwellings, but these have not been included in the total above to avoid double counting with the small windfall site assumptions.
- 5.6 The DPM indicates that a 'non-delivery allowance' may be factored into the land bank, discounting a proportion of sites based on local evidence. The Manual states that this may not be appropriate for all Local Planning Authorities (LPAs), but relevant for LPAs with a large number of land bank sites, not those with just a few sites, or in areas where the land bank is made up of numerous small sites, which take a long time to complete. The non-delivery rate has ranged between 20-50% in other areas in Wales, depending on local circumstances.
- 5.7 Overall, there were 2,205 units on sites of 10 or more dwellings that had the benefit of planning permission for housing. However, not all sites that have planning permission are anticipated to be delivered, with only 1,430 of the units included within the anticipated completions total. Based on these figures, the non-delivery rate is expected to be around 35%, which is within the range identified in the DPM.

Windfall Sites

Large Windfall Sites

- 5.8 For the purposes of this calculation, 'large windfall sites' are defined as sites that have a capacity of 10 or more units that have been developed but were not allocated for housing at the time the application was submitted in the Adopted LDP or any previous plans.

Analysis of past trends

- 5.9 Figure 1 identifies the number of completions on allocated sites and windfall sites since adoption of the Adopted LDP (the first year of monitoring being 2011) up until 2026.

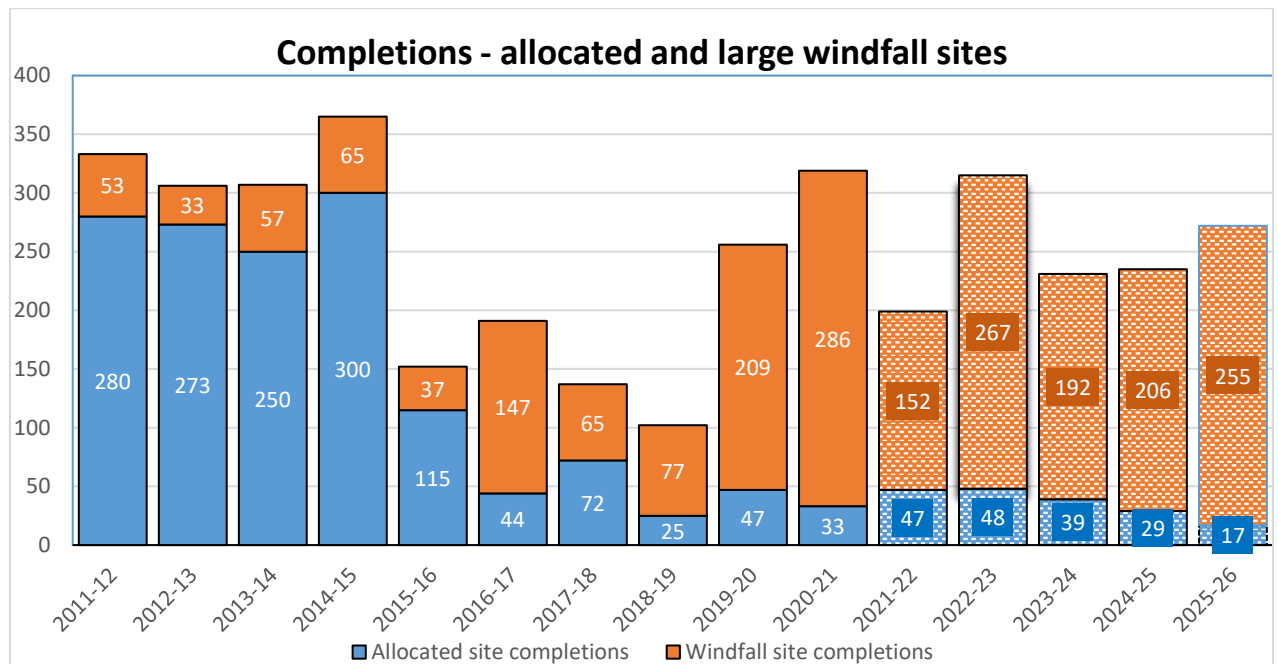


Figure 1: Completions on allocated and large windfall sites

- 5.10 It is evident from the graph that in the period immediately after the adoption of the plan, a significant proportion of housing completions were on allocated sites, with windfall sites making a much smaller contribution. From 2016-17 onwards, the proportion of completions on windfall sites increased significantly and, in the last 5 years, windfall sites have accounted for almost all completions.
- 5.11 The increase in the proportion of windfall completions is usual over a plan period, as there are inevitably sites that become available as a result of circumstances that would not have been known at the time of the adoption of the plan.
- 5.12 However, windfall completions were heavily influenced by the withdrawal of the Replacement Local Development Plan (Withdrawn RLDP) in 2016. The Withdrawn RLDP reached Deposit stage and allocated a number of greenfield sites on the edge of settlement for housing. Following the withdrawal of the plan, planning applications were submitted for several of the sites that were allocated within the Withdrawn RLDP. At the time that these applications were determined, the Council did not have a 5-year land supply for housing and national planning policy in Technical Advice Note (TAN 1): Joint Housing Land Availability Studies stated that “considerable” weight should be given to the lack of a 5-year land supply when determining planning applications for housing. A number of applications for departure sites that were contrary to the Adopted LDP were approved by the local planning authority or at appeal, and completions on these units are included within the windfall figure. It is important to note that, had the Replacement LDP not been withdrawn in 2016, many of these sites would have been allocations.
- 5.13 **10-year Adopted LDP period** - The average number of windfall completions during the Adopted LDP period (10 years since adoption) has been 103 units per annum. However, this is skewed by the large number of windfall completions in the last 2 years of the plan period. If the greenfield edge of settlement sites that were allocated in the Withdrawn RLDP are excluded from the windfall total, this would mean a windfall completion rate of **73 dwellings per annum**.

- 5.14 **15-year average** - It is possible to consider a longer period of time, since LDP adoption up until 2026. The average number of windfall completions during the last 15 years has been 140 units per annum. If the greenfield edge of settlement sites that were allocated in the Withdrawn RLDP, as referred to above, are excluded from the windfall total, this would mean a windfall completion rate of **95 dwellings per annum**. However, the later years data will be skewed by the delay in adoption of the 2RLDP. It is likely, as evidenced during the adopted plan period, that during the early years of the 2RLDP, a significant proportion of housing completions would be on newly allocated sites.

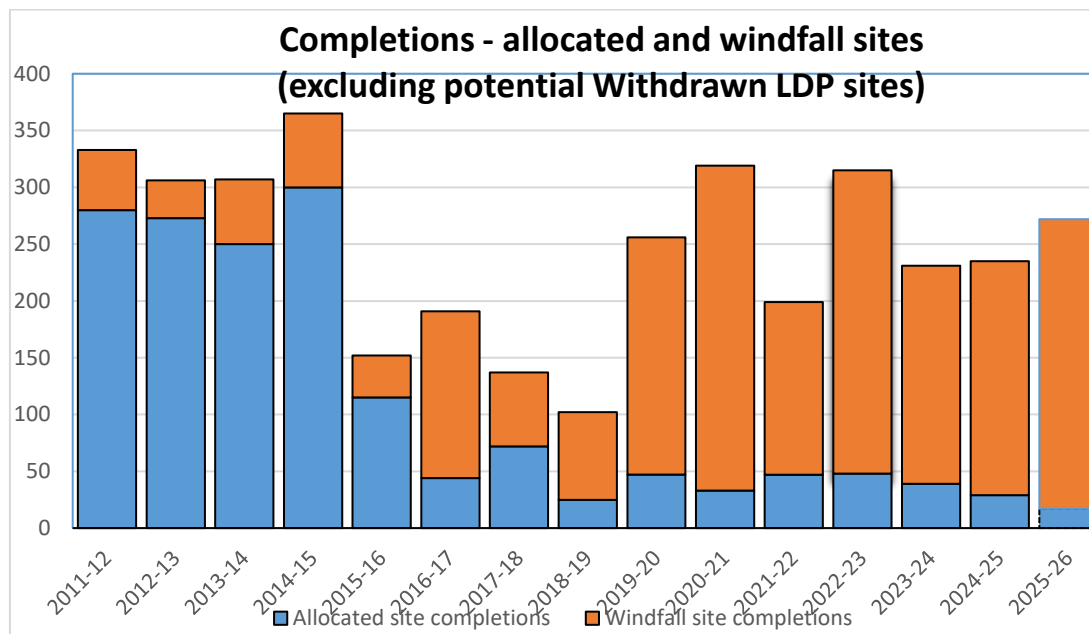


Figure 2: Completions on allocated and windfall sites (excluding potential Withdrawn RLDP sites)

- 5.15 The number of windfall sites that are delivered is dependent on a number of factors, including the approach to allocating sites, the LDP strategy and wider economic considerations. Due to concerns over viability, all Adopted LDP allocations will be reconsidered and only those sites that can evidence that they are deliverable and viable will be allocated. This approach will mean that there will be sites that are currently allocated in the Adopted LDP that will not be allocated, but remain within settlement limits, where the principle of development is acceptable. There will be a number of sites within this category, and these sites could make an important contribution to the windfall contribution if delivered in the future.
- 5.16 The Covid 19 pandemic facilitated significant changes in the way in which people work, which has prompted many businesses to reconsider whether their existing premises remain suitable for their needs. There is an expectation that there will be businesses who choose to relocate to premises that better suit their needs, which could potentially result in surplus sites or premises that offer redevelopment opportunities. The Council in particular holds a significant number of assets that are currently being rationalised in light of the pandemic, which may also result in a number of buildings and parcels of land becoming surplus to requirements.
- 5.17 In addition, the Council has committed to an ambitious Sustainable Communities for Learning investment programme. It is anticipated that surplus sites suitable for

housing may arise following the implementation of the rolling programme, which would be potentially classified as windfall sites.

- 5.18 Caerphilly Homes, the Council's housebuilding team, has recently commenced on an ambitious housebuilding programme which will see 1,000 homes delivered by 2033. The proposals incorporate a range of sites in terms of scale, from infill sites of less than 10 dwellings (which will be incorporated in the small sites assumption) up to larger sites, such as the former Oakdale Comprehensive school. Known development opportunities will be assessed through the candidate sites process and allocated where appropriate, but there may be development opportunities that arise in addition to these that would also be considered as windfall sites.
- 5.19 There are number of schemes identified within the 2RLDP as Housing-led Regeneration Opportunities and these schemes are likely to include an element of housing. Due to viability and deliverability concerns, it is not possible to evidence these sites will be delivered within the 2RLDP period. Therefore, the numbers are not included within the housing land supply calculation. Whilst many of these schemes may be developed by Caerphilly Homes to help meet its ambitious target, they are unlikely to be developed until later in the plan period, when windfall sites are likely to make a larger contribution.
- 5.20 An Urban Capacity Study (UCS) has been undertaken, and this identifies several potential redevelopment opportunities within Tier 1 and Tier 2 settlements, and these, if brought forward during the 2RLDP period, would also contribute to the windfall delivery.

Large Windfall Assumption

- 5.21 From analysis of past trends and recognising that during the early years of the plan period, there will be greater development of allocated sites, and more development of windfall sites during the latter years of the plan period, it is considered that a large windfall completion rate of **73 dwellings per annum** is an appropriate assumption for the plan.
- 5.22 To avoid double counting with committed sites, the windfall allowance assumption 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 2029/30. Overall, this would mean a large windfall assumption of **438 dwellings**, to be delivered over the last 6 years of the plan period.

Small Windfall Sites

- 5.23 Small windfall sites are developments of less than 10 dwellings and include individual and small groups of dwellings, self-build dwellings, net gains from conversions of a single dwelling into two or more units and conversions of non-residential buildings such as shops into residential units.
- 5.24 The assumptions for small sites based on past trends are set out within Table 3 below. There has been some variation in the number of small site completions over the plan period, with the number of completions ranging from between 20 and 104 units per annum.

Table 3: Small Windfall Site Completions 2006-2021

Year	Number of small windfall site completions
2006-7	84
2007-8	78
2008-9	65
2009-10	51
2010-11	48
2011-12	57
2012-13	38
2013-14	44
2014-15	49
2015-16	35
2016-17	93
2017-18	53
2018-19	20
2019-20	80
2020-21	98
2021-22	104
2022-23	65
2023-24	47
2024-25	57
2025-26	34
Total	1200
Average 5 years	61
Average 10 years	65
Average 20 years	60

5.25 Since the start of the Adopted LDP period (2006), there has been an average of 60 units on small sites completed per annum, compared to 65 units per annum on average over a 10-year period and 61 units per annum over the latest 5 years.

5.26 For the purposes of the housing land supply calculation, the 20-year average figure of **60 small site completions per annum** will be used, as this period covers a full plan period and includes an economic cycle including the economic boom and recession and the effects of the Covid-19 pandemic on recent delivery.

5.27 To avoid double counting with the units that have already been completed during the first 6 years of the 2RLDP period, up to 2026, the small windfall allowance assumption will only be applied to the remaining 9 years of the plan period. Overall, this would mean a small windfall assumption of **540 dwellings**, to be delivered over the last 9 years of the plan period.

Housing Allocations

- 5.28 The final part of the housing land supply are new allocations. There are 20 proposed sites, totalling 2,767 new dwellings. Table 4 sets out the list of housing sites proposed for allocation in the 2RLDP, organised in order of settlement tier.

Table 4: 2RLDP Housing Allocations

Site Ref	Site Name	Settlement	Total No. of Dwellings
Tier 1 Settlements			
HO1.1	Castle Fields	Rhymney	100
HO1.2	Land at Heolddu Grove	Bargoed	55
HO1.3	Land at Cefn Llwynau Farm	Ystrad Mynach	175
HO1.4	Land south of A472	Ystrad Mynach	422
HO1.5	Former DCWW Depot	Nelson	91
HO1.6	Land at Ty Du Farm	Nelson	150
HO1.7	Land at Heol y Cefn	Blackwood	200
HO1.8	Land at Cwm Gelli Farm	Blackwood	175
HO1.9	Land at Elm Drive	Risca	132
HO1.10	Land at Energlyn	Caerphilly	35
HO1.11	Welsh Egg Farm	Caerphilly	41
HO1.12	Land at Nant y Calch Farm	Caerphilly	44
HO1.13	Land at Watford Road	Caerphilly	12
HO1.14	Land at Pandy Road (Phase 2)	Bedwas	44
Tier 2 Settlements			
HO1.15	Land at Coed y Brain	Aberbargoed	176
HO1.16	Bryn Meadows Golf Club	Maesycwmmmer	500
HO1.17	Land at Nant Gau	Oakdale and Croespenmaen	20
HO1.18	Land east of former Oakdale Golf Club	Oakdale and Croespenmaen	65
HO1.19	Land at Pantysgawen Farm	Oakdale and Croespenmaen	140
Tier 3 Settlements			
HO1.20	Land off Pengam Road	Penpedairheol	190
Total			2,767

Rollover Sites

- 5.29 The Development Plans Manual allows for the allocation of sites rolled forward from a previous plan into the 2RLDP, subject to careful justification. Clear evidence is required that such sites can be delivered.
- 5.30 There are a number of sites that the Council would wish to rollover for regeneration purposes, however, it has not been possible to evidence deliverability. Therefore, a number of sites are proposed for housing-led and heritage-led regeneration schemes, but these will not be relied upon to contribute to the housing provision.

Components of Housing Supply

- 5.31 Table 5 summarises the components of housing land supply. Overall, there are **4,384 units** that form part of the existing land supply. When this is deducted from the housing provision figure, this indicates that an additional **2,767 units** would be required to be allocated in the 2RLDP.

Table 5: Components of Housing Supply

	Component of Supply	Assumption	Number of units
A	Total Completions	Large and small completions	1976
B	Units under construction	As of base date of 1 st April 2021	363
C	Units with planning permission	Only those sites considered deliverable in the plan period (large sites only, excluding those under construction)	1,067
D	Applications awaiting determination	Only those sites acceptable in principle (large sites only)	0
E	Large windfall sites	Based on 73 units per annum average for the last 6 years of the plan period	438
F	Small windfall sites	Based on 60 units per annum for the remaining 9 years of the plan period	540
G	Total		4,384
H	Housing Requirement		6,165
I	Housing Provision	Housing Requirement plus 16% Flexibility Allowance	7,151
J	New allocations required	(I – G)	2,767

6 Affordable Housing Target Calculation

- 6.1 The 2RLDP has a key role in ensuring new housing development incorporates a mix of market and affordable housing, thereby contributing to the development of sustainable, cohesive communities.

Local Housing Market Assessment

- 6.2 Key to understanding the level of affordable housing required is the LHMA, which identifies the level and type of housing need per annum, both numerically and spatially.
- 6.3 The DPM requires LHMA to “identify the total affordable housing need extrapolated over the plan period, spatial implications and the predominant tenure mix required”.
- 6.4 The Council’s latest LHMA (2024) identifies:
- A net annual need for 218 affordable units per annum for the first 5 years of the LHMA period, comprising 160 social rented units and 58 units of intermediate housing.
 - A need for 189 affordable units per annum for the remaining 10 years of the LHMA period, comprising 140 social rented units and 49 units of intermediate housing.
- 6.5 This would represent an affordable housing requirement of 2,980 homes if extrapolated over the Plan period. This is not a realistic affordable housing target for the 2RLDP, and it is not expected to be as new development is only one of a variety of means of achieving a supply of affordable homes.
- 6.6 The LHMA contains analysis of need at both ward and housing market area level, with 20 housing market areas being identified within the County Borough. Overall, the need for affordable housing is highest in the Tier 1 settlements of Caerphilly and Blackwood, and the Tier 2 settlement of Maesycwmmmer, however the LHMA identifies a need of affordable housing across the authority, and the greatest need is for one-bedroom properties.

Addressing Affordable Housing Need through the 2RLDP

- 6.7 PPW 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.”
- 6.8 The DPM confirms, “LPAs should maximise the delivery of affordable housing in their LDP, based on the viability evidence of allocations/sites in their plan”.

Affordable Housing Viability Study

- 6.9 The Council has undertaken a viability assessment, and this is contained within evidence base paper EB9 Affordable Housing Viability Study. The results of this study have informed the affordable housing Policy SP9.
- 6.10 Table 6 summaries the level of affordable housing to be delivered, as required by Policy SP9.

Table 6: Policy SP9 Affordable Housing Contributions

Band	Area	Size of Development (number of units)					
		5-9	10-20	21-30	31-40	41-50	51 or more
1	Abertysswg, Argoed, Bargoed, Deri, Fochriw, Markham, New Tredegar, Pontlottyn, Rhymney.				7%	10%	15%
2	Aberbargoed, Abercarn and Cwmcarn, Abertridwr, Cefn Hengoed and Hengoed, Crosskeys and Pontywaun, Crumlin, Cwmfelinfach, Gelligaer and Penybryn, Glan-y-nant and Tir-y-berth, Hafodyrynys, Nelson, Newbridge, Pengam and Fleur-de-lis, Penpedairheol and Glyngaer, Pentwynmawr, Senghenydd, Trinant, Wattsville, Wyllie, Ynysddu.		5%	15%	20%	25%	25%
3	Blackwood (including Cefn Fforest and Pontllanfraith), Llanbradach Maesycwmmmer, Oakdale and Croespenmaen, Ystrad Mynach (including Penallta and Tredomen), Risca and Pontymister.		20%	25%	30%	30%	35%
4	Caerphilly, Bedwas and Trethomas, Machen, Rudry.	*10%	30%	35%	35%	35%	40%

Calculation of the Affordable Housing Target

- 6.11 The affordable housing target must reflect what can realistically be delivered through the planning system, that is, through Section 106 agreements or planning conditions, which require the provision of a percentage of affordable housing. Table 7 sets out the components that have been factored into the affordable housing target calculation.

Table 7: Affordable Housing Target Calculation

	Sources of Affordable Housing	Number of Affordable Homes
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A	Completions Affordable homes delivered between 2020-2026.	875
B	Land Bank Commitments Affordable homes to be secured on existing commitments based on the Adopted LDP affordable housing percentage thresholds, that are still to be delivered.	158
C	2RLDP Housing Allocations Affordable homes to be sought on new housing allocations through S106 agreements or planning conditions.	873
D	Total Affordable Housing Target	1,906

- 6.12 **Row A** takes account of the number of affordable homes that have been delivered during the first 6 years of the plan, using Welsh Government Affordable Housing Returns data.
- 6.13 **Row B** identifies the number of units secured through Section 106 agreements or planning conditions on sites with planning permission. Of the 159 units identified, 53 are under construction.
- 6.14 It should be noted that a large number of new dwellings have been delivered in the County Borough on sites that have been brought forward by Registered Social Landlords (RSLs) with many of these schemes being funded through WG's Social Housing Grant programme. Caerphilly Homes have also commenced work on an ambitious housebuilding programme to seek to increase the supply of affordable housing in the County Borough. Where possible, it is the Council's policy to require RSLs to enter into a Section 106 agreement requiring a policy compliant level of affordable housing to be secured, even if a scheme is proposed for 100% affordable housing. This approach ensures that affordable housing would be required on a scheme even if circumstances change and a site is ultimately sold on to a private developer. In the case of Caerphilly Homes schemes, affordable housing is secured by condition rather than Section 106 agreement. As there are Section 106 agreements or conditions in place on RSL or Council led schemes, only the number of dwellings secured as part of these agreements has been factored into the overall figures on the number of affordable units secured by the planning system, and therefore this figure should be seen as a minimum.
- 6.15 **Row C** identifies the affordable housing provision that will be provided on allocated housing sites, based on the 2RLDP policy requirements. This assumes that the sites come forward for policy compliant levels of affordable housing.
- 6.16 **Row D** identifies a target of 1,898 affordable dwellings. In calculating the affordable housing target, the Council recognises that the number of affordable homes delivered during the plan period could be lower or greater than the target because of

site viability, or where sites are brought forward by either Caerphilly Homes or another Registered Social Landlord.

Affordable Housing Exceptions Sites

- 6.17 PPW also indicates that the contribution from affordable housing exceptions sites should be factored into the affordable housing target. The Adopted LDP includes Policy CW12 on affordable housing exception sites, which would apply on small sites in or adjoining rural settlements where housing would not normally be permitted and there is a genuine local need that could not otherwise be met within the settlement or within a nearby settlement.
- 6.18 This policy was included within the Adopted LDP by the Inspector, who considered that a policy of this nature would *“increase the plan’s scope to deliver affordable housing, including in the HOVRA strategy area where [the policy] would not deliver affordable housing but where pockets of need may exist. Given the extent to which the affordable housing delivery target in the Plan fall short of levels of identified need, I consider that an exception sites policy is a necessary element of the Plan’s affordable housing provisions.”*
- 6.19 Since the LDP was adopted in 2010, the affordable housing exceptions policy has not been used, as no planning applications for affordable housing on exceptions sites have been submitted. Given the evidence from the last 16 years that there has been no contribution to the affordable housing target from exceptions sites, it is not considered appropriate to include an exceptions site contribution within the overall affordable housing target. However, it is still considered necessary to include an exceptions policy within the 2RLDP to allow such sites to come forward should circumstances change in the future.

7. Next Steps

- 7.1 The Council will continue update its evidence base and provide an update to this paper following Deposit Plan public consultation, in readiness for submission for examination.