

Date/Dyddiad: 5 August 2016

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Mr Richard Jenkins
Inspector
c/o LDP Programme Officer

Dear Mr Jenkins,

RE: Vale of Glamorgan LDP Examination – Housing Provision & Windfall Allowance

I write in response to your letter of 2nd August 2016 regarding the above, and in particular concerns raised in respect of the Council's methodology in respect of large windfall assumptions as set out in the following Action Point Responses:

- Action Points 4, 6, 7, 8, 9 and 10 of Hearing Sessions 2 and 3; and
- Action Point 5 of Hearing Sessions 2 and 3

I would like to take this opportunity to clarify some of the discrepancies you have highlighted in the Council's evidence and provide further justification on the Council's approach that should satisfy you that that the approach is sound.

Clarification on Data Used

You have sought some clarification in relation to the evidence that has informed the calculation of the 77 unit annual average for large sites. Specifically, you have highlighted that the figures outlined in Table 1 of Appendix 1 of the Council's response to Action Point 5 appear to differ from other evidence which is explained in turn below. However, I would first like to apologise that there were some mistakes in Table 1 of Appendix 1 of the Council's response to Action Point 5 which have now been rectified (please see enclosed amended Table 1 and 2).

These amendments result in a drop in the annual average from 77 to 70 units, thus reducing the overall assumptions for dwellings delivered on large windfall sites from 1155 to 1050 for the whole of the Plan period, resulting in a shortfall in the overall dwelling supply of **105 dwellings**. The Council is currently considering allocating further site(s) under Policy MG 2 to address this shortfall, which will unfortunately mean a delay in proceeding to consult on the MAC schedule. However, it is anticipated that we will be able to resolve this swiftly and only set back the consultation period by 2 weeks (i.e. from Friday 2nd September).

At this stage it is not practical to amend Figure 1 of the amended housing

land supply trajectory given the implications for new housing allocations that will need to be fed into the trajectory assumptions. In addition to my apology, please accept my assurance that this data has been thoroughly checked against the published JHLAs for all years and is now correct.

- *The large site windfall figures outlined in Table 4 of the Council's Statement for Hearing Sessions 2 and 3.*

Unfortunately these figures were taken from Appendix 1 of the Housing Supply Background Paper (2013) which also appear to be incorrect as 1 site identified in the published JHLAs for 2007/8 (namely 17 units at Land at Suran-y-Gog) was omitted. In addition, the figures in Table 4 of the Council's Statement for Hearing Sessions 2 and 3 (and Appendix 1 of the Housing Supply Background Paper) included the 234 units at Sully Hospital which have now been excluded from the large windfall trend data as explained in the Council's response to Action Point 5 (paragraph 2 refers). Please find enclosed an amended Appendix 1 for the Housing Supply Background Paper for clarification, which you will see correlates with the amended Table 1 enclosed with the exception of the excluded Sully Hospital site.

- *The large site windfall figures within the trajectory illustrated at Figure 1 (paragraph 2.10) of the amended housing land supply trajectory (Response to Action Points 4, 6,7,8,9 and 10 of Hearings 2 and 3).*

Whilst the figures in Tables 1 have been amended as set out above (as will Figure 1 in due course), there will nevertheless be differences between them as they relate to slightly different data and are illustrating different things as explained further below.

Firstly, it should be noted that the trend data included at Table 1 incorporates all sites that would be defined as 'windfalls' at the point of their submission. It should be noted that in the case of 3 sites (namely the Former Magistrates Court, the Former Emporium Garden Centre site and the Former Cowbridge Lower School Site) these were subsequently allocated under LDP Policy MG 2. Therefore, these are shown in Figure 1 of the Housing Trajectory Paper within the MG 2 completions rather than windfall completions. This does not in any way amount to 'double counting' as the data sets are used for different purposes, i.e. the trend data establishes the likelihood of windfall proposals coming forward during the plan period, whereas Figure 1 relates to actual delivery relative to the housing supply forecasts for the Plan. However, this explains the difference between the 'total' figure in Table 1 compared to Figure 1 of the Housing Trajectory Paper in respect of windfall completions. Table 1 has now been annotated to acknowledge this.

Similarly, Table 1 includes those windfall sites that are identified separately in Figure 1 of the Housing Trajectory Paper as "Large Sites Supply April 2011". Table 1 has now been annotated to acknowledge this. Furthermore, some 14 units of the "Large Sites Supply April 2011" were on a UDP allocated site (The Coal Yard Le Pouliguen Way) and have not been included in the windfall trend data but are included as actual completions in the Figure 1 of the Housing Trajectory Paper in 2012/13 (see Table C, Appendix A of the Housing Trajectory Paper for a list of these sites).

- *The large windfall site figures at Table 1 (paragraph 12) of the Council response to Action Point 5.*

Again the figures in Tables 1 have been amended as set out above, which has resulted in changes to Table 1 (paragraph 12) of the Council response to Action Point 5. However, it may also be slightly unclear because the “Large Sites Supply at April 2011” had been included within the overall “Large Windfall Site” supply for the purpose of this table. For clarification, the updated table below now separates them out and is consistent with the amended Table 1 enclosed. Furthermore, it is important to note that the large site supply includes 14 units on a UDP allocated site (The Coal Yard Le Pouliguen Way) that have not been included in the windfall trend data but are included as actual completions in the table below.

Table 1: Dwelling Completions (2011-2016)

Year	2011-12	2012-13	2013-14	2014-15	2015-16	Totals
MG2 Sites	0	52	49	171	505	777
Large site supply April 2011	107	45	12	0	0	164
Large windfall sites	0	11	0	42	87	140
Small Windfall Sites	55	80	54	44	44	277
Total	162	188	115	257	636	1358

Source: Vale of Glamorgan Annual Housing Completion Surveys

Differentiation between “Large Sites Supply April 2011” and “Large Windfall (10+ dwellings)”

You have sought an explanation of the differentiation between “Large Sites Supply April 2011” and “Large Windfall (10+ dwellings)”. In the Deposit LDP the Council specifically identified those sites of 10+ dwellings that already had planning permission but were not allocated sites at the start of the Plan i.e. April 2011. These comprise a mix of windfall developments and UDP allocated sites but were included in the anticipated housing supply as committed developments that would be delivered during the Plan Period.

Consequential Changes

As a result of the above review, it transpires that the Large Site Supply (April 2011) has increased from 176 to 182 because 6 units from the Hensol development had been incorrectly attributed to 2010/11 rather than 2011/12, therefore they should be included in the overall plan supply. In light of this and the change to the large windfall assumption, the relevant Action Point responses and MACs will be updated accordingly. For clarity the table at 6.9 of the Plan will be updated as follows (pending additional housing allocations as advised above):

Development of Sites with extant planning permissions (10 or more dwellings) at April 2011	175 182
Allocations within the Plan (NB need at least 8,313)	7,829 TBC
Development of unallocated windfall sites (10 or more dwellings)	4,587 1,050
Development of small sites (less than 10 dwellings)	861
TOTAL DWELLING SUPPLY 2011-2026 (NB need at least 10,406)	TBC

Revised approach to residual method

In light of your letter, the Council has reconsidered the approach used in the revised trajectory paper and we consider that it is too pessimistic in its assumptions on completion rates for large windfall sites in 2016-17 (37 units) and 2017-18 (23 units). For example, it excludes potential development sites that could legitimately come forward in the short term, including the numerous developments that the Council are currently considering as planning applications with more being proposed every month (see Table 4, Appendix 1 of the Council's response to Hearing Session 2&3 Action Point 5 for examples). Therefore, it is proposed to amend the methodology as set out below.

For the first 5 years of the Plan period (2011/12 to 2015/16) the Council has actual completion data for all sites including large windfall sites and this is what should be used in the amended Figure 1 of the housing land supply trajectory (amended version to follow once additional allocations are included). This amounts to 140 dwellings from large windfall sites leaving a residual of 910 dwellings (from the total 1050) for the remaining 10 year plan period equating to 91 per annum (rather than the 116 previously identified for 2019 onwards). The Council still considers, for the reasons explained fully below, that it is appropriate to apply this residual amount as a flat rate across the remaining plan period. Whilst 91 still exceeds the 70 dwellings per annum average, it is within an achievable range for large windfall sites in the Vale of Glamorgan as demonstrated throughout the windfall trend evidence at Tables 1 and 2 (enclosed) where several years have been close to or exceeded this figure.

Justification for the Methodology Used

The Council's evidence set out in the Action Point Responses and clarified above supports the assumption of 70 dwellings per annum arising from large windfall sites across the Plan period and is considered to be robust.

This 70 dwelling assumption is an 'average' based on robust trend data that has been equalised across the Plan period and is not meant to imply that every year will deliver 70 dwellings, rather some years will be higher and some lower. The trend data shows that across the 15 years from 2001/2 to 2014/15 the number of completions on large windfall sites ranged from only 27 in 2013/14 to as high as 173 in 2007/8. Therefore, it is not appropriate to dismiss the overall windfall assumption of 1050 dwellings across the Plan

period based on the relatively small sample of 5 years during which windfall completions have varied significantly.

It cannot be ignored that the first five years of the Plan (2011-2016) have been marked by economic recession and slow recovery which has meant an overall drop in the delivery of housing throughout the whole of Wales and beyond. This is reflected in completion rates for both windfall and allocated sites during the early years of the Plan. However, recent evidence suggests that this trend is reversing and in 2015-16 the Council's completion records indicate 636 dwellings were built of which 87 were on large windfall sites. The Council is therefore confident that this improvement will continue and the repressed demand that resulted from the economic slowdown will result in higher levels of delivery as the economy continues to improve. It appeared to be accepted in the population projection hearing session discussions that it would not be appropriate to reduce the housing requirement figures in light of the reduced WG population projections because these related to a period of economic slowdown rather than growth. Surely the same logic must be applied to housing supply during the first few years of the plan, i.e. that a sensible approach is advocated by the Council to expect that the long term trend will continue over the whole life of the Plan and overall a windfall annual average of 70 dwellings per annum is realistic.

The Council set out in our Action Point 5 response that the Vale of Glamorgan is a high value and desirable area, which faces significant pressure for housing development. As a result, large windfall sites do come forward frequently and with relative momentum. In addition to the sites identified at Table 4, Appendix 1 of the Council's response to Hearing Session 2&3 Action Point 5, the Council has recently received the following planning applications and pre-application enquiries for some 440 units on large windfall developments, which supports our view that such sites are available and likely to come forward during the remaining plan period:

Planning applications

- 2016/00809/FUL - Land to the rear of Westgate (East of Eagle Lane), Cowbridge - Redevelopment to form 41 retirement apartments for elderly including communal facilities, access, car parking and landscaping received 30th June 2016.
- 2016/00778/FUL - Land at Former Bus Depot Site, Chapel Terrace, Twyn Yr Odyn, Wenvoe - Demolition of existing buildings and residential redevelopment of land to deliver 15 affordable homes received 24th June 2016.

Pre-application enquiries:

- 2016/00095/PRE - St Athan - Refurbishment for the provision of eight flats, the construction of ten new houses and associated works. Received 26th July 2016
- 2016/00085/PRE – Leckwith - Residential redevelopment for circa 350 homes. Received 1st July 2016
- 2016/00078/PRE – Hensol - Residential redevelopment for circa 16

homes. Received 20th June 2016

Furthermore, delivery of an average of 70-71 dwellings per annum as demonstrated by the long-term trend data from 2001 set out in the enclosed Tables 1 and 2 (as amended) shows a degree of consistency in the Vale of Glamorgan over a long term (such as the 15 year plan period) and should not be dismissed on the basis of short term supply during a period of recession.

Finally, having considered the historic windfall trend data for the Vale of Glamorgan, it is apparent that the number of dwellings being delivered on large windfall sites generally increases throughout the life of a Plan, which is a reflection of the development plan system. In a Plan led system, you would expect the allocated development sites to come forward sooner in the Plan period because they have been identified as suitable sites for development and demonstrated to be deliverable, thus reducing the risk for developers and increasing their attractiveness for development.

Identified shortfall

Notwithstanding the above, if you take a residualised approach to the remaining Plan period requiring 91 dwellings per annum, this equates to 210 units over the 70 per annum average. Given the generous amount of flexibility provided for in the housing supply of 946 dwellings, despite being 5 years into the plan with a considerable number of allocated and non-allocated sites under construction, it is considered there is sufficient certainty in delivery of the Plan to justify the above approach. The Council does not think this undermines the soundness of the Plan.

I trust the above clarifies and explains the Council's evidence and is sufficient to overcome the concerns outlined in your letter. I would be grateful to receive your considered opinion on these matters, following which we can prepare amended statements reflecting the above for consideration alongside the MAC Schedule.

Yours sincerely,

Mrs Victoria Robinson
Operational Manager Development Management

TABLE 1: LARGE SITE WINDFALL COMPLETIONS 2005-15 (EXCLUDING SULLY HOSPITAL)

Site Name	Units Completed	2005/6	2006/7	2007/8	2008/9	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Former Magistrates Court, Barry (approved pre DLDP)*	52	0	0	0	0	0	0	0	0	0	52
Former Emporium Garden Centre, Fferm Goch (approved pre DLDP)*	15	0	0	0	0	0	0	0	0	0	15
Former Cowbridge Lower School (approved pre DLDP)*	21	0	0	0	0	0	0	0	0	15	6
68-84 Merthyr Street #	12	0	0	0	0	0	0	0	0	12	0
Theatre Royal, Barry	42	0	0	0	0	0	0	0	0	0	42
Former Church in Wales Primary School, Plassey Street #	25	0	0	0	0	0	0	0	25	0	0
Penarth Heights, Penarth (net dwelling gain) #	48	0	0	0	0	0	0	42	6	0	0
Hensol Castle #	58	0	0	0	0	6	20	32	0	0	0
Llantwit Major Social Club #	17	0	0	0	0	0	0	17	0	0	0
Bethan Chapel, Corner of Court Road Barry	12	0	0	0	0	0	12	0	0	0	0
61-73 Main Street, Barry	20	0	0	0	0	20	0	0	0	0	0
7 Paget Road, Barry	11	0	0	0	0	0	0	0	11	0	0
Custom House, Dock View Road, Barry	16	0	0	0	0	0	0	16	0	0	0
St. Athan Methodist Church	16	0	0	0	0	16	0	0	0	0	0
Land at Suran-y-Gog, Pencoedtre Barry	50	0	0	17	20	13	0	0	0	0	0
Former Penarth Baths, Penarth	19	0	1	2	0	16	0	0	0	0	0
Cowbridge Grammar School	19	0	0	4	15	0	0	0	0	0	0
11 Paget Road , Barry	11	0	0	11	0	0	0	0	0	0	0
Barry Hotel, Barry	28	0	0	28	0	0	0	0	0	0	0
Area A1 Anchor Way	47	0	0	47	0	0	0	0	0	0	0
Land at Robbins Lane, Barry	11	0	0	11	0	0	0	0	0	0	0
Beach Way, The Knap, Barry	26	0	0	26	0	0	0	0	0	0	0
Bron-y-Glyn, Marine Parade, Penarth	27	0	0	27	0	0	0	0	0	0	0
1a Rock Café , Pagent Road, Barry	12	12	0	0	0	0	0	0	0	0	0
2c Nells Point, Barry	50	50	0	0	0	0	0	0	0	0	0
Heritage Coast House, Main Road Ogmore	15	15	0	0	0	0	0	0	0	0	0
Land at Robbins Road/ Glenbrook Drive	18	18	0	0	0	0	0	0	0	0	0
Completions 2005-2015	698	95	1	173	35	71	32	107	42	27	115
Annual Average 2005-15	70										
Difference Annual Average Against LDP (106 per annum)	-36	# Sites included within the "Large Sites Supply April 2011" * Sites later allocated under Policy MG 2									
Total Difference from proposed DLDP	-537										

Appendix 1 of the Housing Supply Background Paper (2013) (As amended 2016)

Joint Housing Land Study Year	No. dwelling Completions
Site Name	
JHLA 2010/11	
Hensol Castle	20
Vacant Site and Bethel Chapel	12
JHLA 2009/10	
Suran-y-Gog Pencoedtre	13
Former Penarth Baths	16
Hensol Castle	6
63-73 Main Street Barry	20
Methodist Church St Athan	16
JHLA 2008/09	
Land at Suran-y-Gog Pencoedtre	20
Cowbridge Grammar School	15
JHLA 2007/08	
Land at Suran-y-Gog Pencoedtre	17
11 Paget Road , Barry	11
Beach Way, The Knap, Barry	26
Barry Hotel, Barry	28
Bron-y-Glyn, Marine Parade, Penarth	27
Former Penarth Baths, Penarth	2
Sully Hospital	117
Cowbridge Grammar School	4
Land at Robbins Lane, Barry	11
A1 Anchor Way Penarth Haven	47
JHLA 2006/07	
Former Penarth Baths	1
Sully Hospital	117