

NEWPORT LOCAL DEVELOPMENT PLAN EXAMINATION

Hearing Session 2: Provision for housing

10.00am Wednesday 2 April 2014

Council Chamber, Civic Centre, Newport, South Wales NP20 4UR

Submissions made on behalf of
St Modwen Developments Limited
by Savills (Reference: 1466)

The following statement has been prepared for session 2 of the LDP Examination. The Inspector's questions are grouped and repeated in italics before a brief answer is provided.

Main discussion matters

1. Housing requirement - Is there a sound rationale for the identified housing requirement of 10,350 new homes over the Plan period?

Does the demographic and economic-led housing forecast (SD55 NLP Assessment of Housing Requirements Paper) provide a robust and credible basis for setting the Plan's housing requirement?

Does the Experian Business Strategies economic growth forecast of 7,400 new jobs created in Newport between 2011 and 2026 provide a suitably reliable and authoritative basis for estimating economic growth over the Plan period?

Does the evidence constitute a rational basis for departing from the 2008- based WG population and household projections, having regard to the factors identified in PPW at paragraph 9.2.1?

Do the latest WG projections (expected end February 2014) necessitate any adjustment of the identified Plan housing requirement?

Would an overestimation of housing need in the Plan lead to problems in terms of implementation and realistic monitoring?

Response

Provision

1. In our submissions to the Revised Deposit Local Development Plan (RDLDP) we questioned the level of housing development the Council proposed to plan for. We saw a lack of explanation or justification for a rate that was substantially ahead of household projections. We alerted the Council to the unintended consequences of this approach.

2. With respect to justification or explanation we have seen nothing to change our position. We cannot see why the Council wants to find and describe a different approach to housing development levels – especially when that approach triggers such a substantial difference from conventional household projection based figures. The levels that the household projections would demand were already quite challenging and would not be a brake on development or city growth (if that was the Council's concern).

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3. The most recent, 2011 census based figures reinforce that view (and do nothing to support the Council's proposals):
- a) The 2008 based household projection supported an increase of 7150 households over the period 2011 – 2026.
 - b) The 2011 based projections, released at the end of February this year, support an increase of 8000 new households
 - c) The 2011 based projections show a slower and smaller reduction in household size
 - d) The Council continues to plan for 10,500 new homes – which is over 30% higher than the Census based figure

4. The problem or deviation is then compounded by the 12% contingency figure applied by the Council. This results in a level of housing provision (at 11,750) that is almost 50% more than the 2011 based projections support.

5. In our view, the overall provision should be based on the 2011 based projections. These are very current and are generally seen as being accurate (and there has been no critique offered as we write this). As a result they should be followed unless there are very good reasons not to and we therefore recommend that provision is made (before any contingency) for about 8,000 new dwellings.

6. With respect to the contingency, we understand that the need for this type of mechanism will vary according to each authority and the circumstances they find themselves in. So long as the right figure (8,000) is used as the base for housing requirements we have no objection to this figure being in the 10% range. If housing provision creeps past 8,000 then that excess is itself a contingency and the allowance can and should fall proportionately.

Why this is important

7. Getting the numbers right in the LDP is important for a number of obvious reasons. As a forward plan, the statistical base shapes strategy and allocations by telling the authority what requirements it needs to plan for. Newport City Council has recent experience – in its UDP - of pursuing a different platform for plan strategy which was based more on opportunities than requirements. However this was done for specific reasons, responded to specific challenges and was based on a specific mandate.

8. It is many of the larger opportunities that the UDP identified that current plan prioritises – together with some new ones (of a similar type). This is a reasonable, especially as these sites together provide the capacity to meet the statistically driven requirements – found in the most recent and census based projections - that the LDP should be based on.

9. To increase development beyond that level presents a number of risks:
- a) The allocation of sites that should not be developed either now or ever
 - b) The confusion of the market for land and development
 - c) Problems with delivery and planning of physical and social infrastructure

- d) Reducing funds for infrastructure (given where this will come from)
- e) Unless properly controlled, it will jeopardise any list of priorities or sequence of development that the Council wishes to follow

10. These risks were explained in our submissions to the RDLDP. They are clearly risks that the planning system recognises – why else would it seek to establish (and retain) a sequence for development that asks local authorities to prioritise the redevelopment of previously developed land before releasing further green fields. This continues to feature in the most recent version of Planning Policy Wales and has significant weight in Newport because of the range and choice of deliverable brownfield sites that are being actively promoted by developers.

2. Spatial distribution of housing provision and site selection

What rationale underpins the Plan's approach to the spatial distribution of housing provision over the Plan period? What factors have been balanced in coming to this view?

Is there a sound rationale for the level of reliance on brownfield land to deliver the housing requirement?

What evidence demonstrates that all housing allocations are soundly based on a methodical, consistently applied, robust and objective site selection process, taking into account considerations concerning site suitability, availability and deliverability?

Do the housing allocations and policies provide a sufficient range and choice of housing sites and opportunities across the Council's area, in locations consistent with the objectives of the Plan? Is the Plan sound as regards the approach taken to new housing provision in settlements outside the main Newport urban area?

What risks or problems has the Council identified associated with the level of reliance on brownfield sites – and how does the Plan seek to deal with these?

Response

11. In our submissions to the RDLDP we explained why the Council's general approach to housing provision was broadly correct. We also highlighted where it needed clearer explanation and adjustment. The reason for this supportive approach came from the clear references the Council makes to a sequence of development that sees the regeneration of previously developed land as the cornerstone of the plan.

12. This is reasonable. Newport has considerable experience in major regeneration projects. The City contains a number of large areas that have been very heavily used and these are now mainly in the hands of competent and proactive organisations. Even where things have taken a little longer than anticipated their regeneration is either underway or will come forward during the plan period. They are collectively capable of delivering a substantial amount of growth. They are also well located within and around the city and can accommodate a mixture of new homes. On this basis – and because the market is becoming more sophisticated (and positive), regulators more responsive and developers more imaginative – the rate of development is likely to increase.

13. The Council's rationale is therefore aspirational and realistic – as are the plan's objectives and many of the allocations that then follow.

14. In terms of the Council's methodology for assessing the potential of sites, we can only comment on how officers have approached Glan Llyn. This contact has been regular for a number of reasons and the Council does display a solid understanding of the site. If this approach has been repeated for other opportunities then we are satisfied that it should have substantial and credible evidence of the capacity of the main sites it is relying on. For Glan Llyn the Council also has comprehensive information on the proposals we have made for development there (and this point is taken further in the next section of this submission).

15. This explains why we considered that the Council's strategy with respect to previously developed land should be stronger. We continue to recommend that the commitment to prioritising, supporting and accelerating the use of previously developed land before greenfields should feature within the plan's objectives. We also recommend that Policy SP11 should make specific reference to Glan Llyn to ensure the Plan reflects the site's potential and continues that commitment for the full plan period.

3. Land supply

What evidence demonstrates that the allocated sites are capable of yielding the identified housing target?

Does the Plan identify with sufficient clarity how it makes provision for 11,622 units in order to deliver the Plan requirement of 10,350 units – have dwelling completions on large sites from 1.4.11 to 30.9.12 (518 units) been excluded from the H1 existing commitments site schedule?

How have questions of housing mix and density on allocated sites been approached? What assumptions regarding this are reflected in the identified allocated site capacities?

On what basis has the anticipated yield of each site been calculated?

Have significant site-specific constraints (eg: flooding; ecological or environmental constraints; topography; access/infrastructure requirements) been properly taken into account in each case? What evidence demonstrates this?

Is policy H1 sufficiently clearly worded as a housing site allocation policy? Are the anticipated total capacities/unit yields for each site identified in policy H1 intended to operate as maxima, or simply best estimates? Does policy H1 need to be clearer on this?

Response

16. Our submissions to the RDLDP reviewed the position that St Modwen had reached at Glan Llyn (and summarised the main contents of the proposals there). Despite some very difficult economic conditions, major progress has been made since outline planning permission was granted in 2010. Approval of proposals for Persimmon Homes, Charles Church and Fairlake's/Seren's first phase (of 300 houses) has also been secured and a substantial number of homes are now occupied. With major improvements to the soft and hard infrastructure (strategic and local roads - including the opening up of Queensway - and the large new western park), the transformation of this very large area of land is clearly underway.

17. The next stages of development are also at an advanced stage:

- a) Reserved matters approval has very recently been secured for St Modwen's own Homes division's first scheme in Wales. This extends to 50 new houses and apartments. Development is expected to begin in April with first occupation in the late summer/autumn.
- b) A second scheme for St Modwen Homes (comprising of about 110 dwellings) is currently being designed. This will be due for submission in the summer and will allow development to continue uninterrupted once the first 50 have been completed.
- c) Discussions are underway with the Council with respect to the design and implementation of the first primary school
- d) Disposal of the area around the school – extending to 150 new homes is also likely to take place soon.

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- e) A further 12 acre residential phase will be marketed during the summer as well.
- f) Proposals for the first phase of the employment element of the scheme (Celtic Business Park) are being refined and work to prepare the land for redevelopment will shortly commence.
- g) A mini masterplan for the local centre has been prepared. This will help release a planning application for the first part of the centre in the next 2 – 3 months.

18. On this basis and for two further reasons, the Council can be confident that the Glan Llyn can yield what is expected of it, that there are no constraints that cannot be overcome and that it can deliver a comprehensive range of properties of various types and tenures.

19. The two further reasons reflect Glan Llyn's planning status and the organisation that is behind the scheme. On the first point, outline planning permission has been granted for the whole scheme. That allows 4,000 new homes together with a mixture of other uses and activities. The residential part of the scheme is divided into three main sub areas – and detailed proposals for these areas are governed by sub area masterplans. The masterplan for the western sub area has been approved and covers the first 1250 homes, the western park, local centre and first primary school.

20. The scheme's sponsor (the second additional point) is St Modwen Developments Limited, which has substantial experience in the delivery of large previously developed sites. The company is able to take a medium to long term view on the pace and progress of regeneration and is confident that both will accelerate now that market conditions are improving (and with the added incentive of recent Welsh Government Help to Buy initiatives). It also sees the prospect of some special events or milestones including the start and completion of the site's first primary school, the opening of the main park and the delivery of specific housing schemes further boosting performance. Later on in the plan period a rail halt and park and ride will be open which will also significantly improve accessibility and profile and trigger another pulse in activity.

21. As we said in our submissions, this progress has been achieved in difficult conditions and at the start of the redevelopment process for a very large site. As a result, the Council is right to rely on Glan Llyn to provide a substantial quantity of development during the plan period. The Council and its LDP should also, however, emphasise (or at least not ignore) the qualitative benefits of the scheme and what it will achieve in providing a large number of new homes through the transformation (and recycling) of one of Wales largest single areas of previously developed land.