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NEWPORT LOCAL DEVELOPMENT PLAN EXAMINATION

Inspector's Note to Council - Matters arising from Hearing Session 19 concerning housing strategy, delivery and identified sites.

- 1) I have considered the matters discussed at hearing session 19 and on other occasions during the examination concerning the soundness of the submitted LDP as regards its housing strategy and the adequacy of its provisions to deliver the identified housing requirement. The purpose of this note is to indicate the overall conclusions I have reached on these matters at this juncture, based on the evidence I have seen and heard; and to inform the Council of my assessment of the Plan's delivery capability, taking into account the revised assessments carried out during the course of the examination.
- 2) I am satisfied that the Council's overall intention to pursue a growth strategy, seeking to make provision for new housing in numbers consistent with the available forecasts of employment growth over the plan period, is soundly based. I consider that the overall identified housing requirement figure of 10,350 dwellings is an appropriate figure for the Council to work to, notwithstanding that it is higher than that indicated by recent trend-based forecasts.
- 3) During the hearings I heard representations that the housing strategy relies too heavily on brownfield sites which may not deliver; that unrealistic sites have simply been carried forward from the UDP; that there is an over-concentration of housing sites on the eastern side of Newport and an under-supply of sites on the north and north-western side of the city; that there is an insufficient spread in the range and type of sites identified; and that there are insufficient opportunities for housing development in the settlements outside the urban area.
- 4) In summary, my conclusions on these matters are that the Plan's focus on prioritising the regeneration of brownfield land over greenfield sites is sound and consistent with national policy. Moreover, given the number of brownfield housing sites either underway, with planning permission or awaiting completion of an associated planning obligation, it is inevitable that a large proportion of sites identified in the Plan will be brownfield land. It is plainly important that such identified sites are realistic and deliverable if they are to be relied on to provide the Plan's housing requirement. However, I have scrutinised all of the sites identified in policy H1 in respect of the current planning position and obstacles or constraints to delivery. With the exception of the sites identified in paragraph 10 below, I consider that the sites included in the Council's revised schedule of sites identified in policy H1 and the numbers of dwellings expected to be delivered by those sites within the Plan period are supported by an appropriate level of evidence.
- 5) As to arguments that the Plan's spatial distribution of housing sites is too heavily focussed on the eastern side of Newport, the major strategic sites of H47 Glan Llyn and H3 Llanwern Village both already have the benefit of planning permission. There will always be an element of uncertainty about future delivery rates on such sites. Nonetheless, I consider that the Council's expectation that these sites can, once fully on-stream, deliver around 300 units per annum between them is, taking account of the

available evidence, on balance reasonable. However, given the significance of these two sites to the overall delivery of housing over the Plan period, targeted monitoring of housing delivery on H47 and H3 will be needed.

6) Whilst there is clearly demand for housing in the north-western sector of Newport, the Plan provides a spread of sites which includes sites in this area, and the overall spatial balance of housing land in the Plan is broadly consistent with the balance of employment land. Given also the urban regeneration focus of the Plan strategy, the Council's spatial and "brownfield first" approach to housing land identification is justified. I consider that the range and type location of sites identified are adequate to enable a full range of housing types to be provided, albeit in some locations as part of the mix on a larger development. Similarly, I consider that the focus of identified new housing development locations in more accessible locations within the urban area rather than the smaller outlying settlements is consistent with broad principles governing sustainably located new development; I see no overriding rural sustainability counter-argument in the context of villages in the Newport local authority area.

7) The submitted Plan seeks to make provision for the identified housing requirement by identifying opportunity for 11,622 units - an oversupply of 12% against the housing requirement in policy SP10. Whilst this degree of flexibility is slightly higher than the 10% that has frequently been used in other cases, the Council has explained its reasoning for this figure, based on the delivery performance of sites relied on in the UDP. Whilst there is evidence that many of the sites in the UDP are now being taken up, and these are relied on to a large extent to provide the LDP's housing requirement, it remains to be seen whether the key major sites in the Eastern Expansion Area of H47 Glan Llyn and H3 Llanwern Village will deliver at the annual level of completions anticipated. Whilst there may be faster build rates than forecast on other sites such as H14 Monmouthshire Bank Sidings and H51 Whiteheads Works, given the large degree of reliance on H47 and H3 to deliver the housing requirement I consider that the 12% flexibility factored in by the Council is prudent.

8) I am satisfied that the Council's revised windfall allowance of 95 units per annum is based on robust evidence. The Council has excluded sites of more than 50 units from its review of windfall completions in past years, on the basis that these larger sites are less predictable as part of the expected "churn" of sites within the urban area. Excluding these sites, completions on windfall sites over the period 2006-11 averaged 93.4 units per annum. The three middle ranking years in that period averaged 97 units. The average windfall completion rate for 2008-13 (the most recent 5 years for which figures are available) is only 69 units per annum (three middle years average 71 units). Whilst this is plainly lower than the 95 units per annum now proposed by the Council, I bear in mind that the 2008-13 period includes 3 consecutive years of low figures from 2010 to 2012 which coincide with the recent economic recession. The most recent figure for 2013 shows an upswing to 110 units. Given also the fact that these figures do not rely at all on unidentified sites of more than 50 units, I consider on balance that the Council's current figure of 95 windfalls per annum over the remaining years of the Plan is soundly based.

9) The small sites average completions estimate of 41 units per annum is based on the most recent 5 year period for which figures are available. I consider that this represents an appropriate basis on which to estimate the annual contribution to housing delivery made by small sites over the remaining years of the Plan.

10) Turning to the estimated housing yield from delivery of identified sites on which the Council relies, it was agreed at Hearing Session 10 that H28 Church Street (16 units) could not be relied on to deliver housing because of its lack of an extant planning permission and its location within zone C2 on the current flood risk Development Advice Map. Following Hearing Session 12 and its examination of SINC constraints affecting the site, the Council has now proposed that the number of houses likely to be delivered on H55 Woodlands be revised downwards from 300 units to 200 units. I remain of the view that H35 East Usk Yard (100 units) should not be relied on to deliver housing within the Plan period, due to its ongoing requirement for storage use in connection with the Valleys electrification project and the uncertainty as to when it might eventually become available for development. As regards H50 Herbert Street (62 units), the further flooding consequences work now carried out in liaison with Natural Resources Wales (document ED016.4a) following Hearing Session 12 leads me to conclude that the level of uncertainty about the ability of a scheme on this site to meet the tests in TAN 15 is such that this site also should not be relied on to deliver the Plan's identified housing requirement.

11) Taking all of the above, I have concluded that, on the basis that the Plan seeks to demonstrate a level of provision of 11,622 units (the identified housing requirement of 10,350 units plus 12% flexibility), the Plan currently falls short of doing this by 274 units.

12) I now invite the Council to consider and propose how this identified shortfall in the Plan should be addressed.

Alwyn Nixon

LDP Examination Inspector

27 May 2014