

**BLAENAU GWENT COUNTY BOROUGH COUNCIL
LOCAL DEVELOPMENT PLAN EXAMINATION**

**Blaenau Gwent County Borough Council
Response to Inspector's Questions INSP 001**

Housing

1. Does the FC figure of 3,500 new houses identified in Objective 3 of the plan refer to additional new homes built or net new houses (that is, new houses built minus houses demolished)?

The Inspector's attention is directed to the Evidence Base as follows:

- **SD41:** Population & Housing Background Paper (page 41 Table 22: Housing Land Requirement Calculation)

The 3,500 figure refers to net new homes. Demolitions are taken into account in calculating how many new homes the Plan needs to provide, that is they are added to the 3,500 figure (**SD 41** Table 22 (F demolitions +315)).

2. Would it be more correct to interpret this figure as 3,500 new "dwellings" or "homes"? Will a proportion of the new homes proposed be flats, especially given the demographic profile of the county borough, relatively low levels of car ownership and a commitment in Policy SP4 to built a mix of dwelling types? If the Council agree that the term "houses" is incorrect, does it follow that this term should be changed elsewhere in the LDP?

Given the demographic profile, a proportion of new dwellings will be flats. It is, therefore, agreed that the term "houses" is incorrect and that the term "homes" should be used. It is also accepted that the term should be used elsewhere in the LDP.

3. How has the figure of 3,500 houses been reached? Some submitters question the Council's sums. Paragraph 5.5 of the FC version of the LDP is unclear. I would welcome a more detailed explanation of the FCs to paragraph 6.30 of the LDP and the figure of 3,932 dwellings that appears in this revision. The Council is asked to present its calculations in a table showing where housing is anticipated in five year phases in the different parts of the county borough.

The Inspector's attention is directed to the Evidence Base as follows:

- **SD41:** Updated Population & Housing Background Paper (page 41 Table 21: Calculation of Conversion of Households to Dwellings)

- **SD41:** Updated Population & Housing Background Paper (page 42 paragraphs 8.13-8.15).
- **SD07b:** Report of Representations (pages 44-45 HBF)

Table 21 of **SD41** identifies how the figure of 3,500 has been reached.

One of the issues with the sums relates to the fact that the Council has taken into account the vacancy issue when translating the household requirement to a dwelling requirement figure (**SD41** page 41 Table 21).

It is accepted that paragraph 5.5 is unclear as it refers to population change and then refers to how many homes are required. Given there is only an increase in 1,935 people it isn't obvious why 3,500 homes are required.

The figure of 3,932 is based on the difference between the 2006 Welsh Government (WG) Household Estimate (30,283) and the WG 2008 projection figure for 2021 (34,208). It is noted that though this specific information is referred to in **SD41** it is not identified in **SD75**, therefore copies of the tables and source of the information is attached as appendix 1.

With respect to the table of where the housing is anticipated the Inspector's attention is directed to:

- **SD44:** Housing Delivery Paper (page 7 Table 3: Phasing by Areas)

4. What evidence underpins the justification for a figure of 3,500 new houses when considered against the Welsh Government population and household projections (SD71 to SD76) and the recent rate of new housing completions in the county borough?

The Inspector's attention is directed to the Evidence Base as follows:

- **SD41:** Updated Population & Housing Background Paper (pages 12-14, Table 9: House Building Completions in Blaenau Gwent 1980-2007 and Figure 4: House Building Completions in Blaenau Gwent 1980-2007)
- **SD41:** Updated Population & Housing Background Paper (pages 40-41 paragraphs 8.6-8.7)
- **SD41:** Updated Population & Housing Background Paper (page 41 Table 21: Housing Land Requirement Calculation)
- **SD44:** Housing Delivery Paper (pages 2-3 paragraphs 4.1-5.4)

As explained above the 3,500 homes figure is based on the 2008 WG population and household projections. The recent rate of housing completions is of concern but if the Council were to base its projection on these rates then the Council will be planning to continue trends of population loss which undermines the strategy for the area. Figures for longer-term completions identify that higher figures are achievable. The overall figure of 3,500 has been phased over the plan period to take into account the step change in the build rate required and the current economic circumstances.

5. Why is the Council seeking to promote the figure of new housing set out in the LDP, given the levels of vacant stock (refer SD68)? What would be the implications of increasing the supply of housing on other initiatives which seek to reduce the number of vacant houses? Does the Council have any firm, costed proposals to reduce the number of vacant houses over the lifetime of the plan other than those set out in SD68? If so, what are they?

The Inspector's attention is directed to the Evidence Base as follows:

- **SD41:** Updated Population & Housing Background Paper (page 41 Table 21: Calculation of the Conversion of Households to Dwellings)
- **SD10a:** Statement of Focussed Change (page 147 Appendix 2 Monitoring Framework)

The issue of vacant stock is taken into account when the household requirement is translated to a dwelling requirement figure. The calculation in table 21 of **SD41** is based on the Chelmer model calculation for generating dwelling figures from household figures. It utilises the 2001 Census figure of 5.7% for generating the 2006 figure and the accepted average of 4% to generate the 2021 dwelling figure. Appendix 2 identifies the average vacancy across South East Wales in 2001 as 3.97% which is slightly lower than the 4% average referred to as the accepted average.

As account has been taken of the vacancy rate, providing the WG projections are accurate the increase in the supply should not impact on the vacancy rate. It is, however, accepted that this needs to be monitored as identified in **SD10a** appendix 2 page 147.

The Council does not have any firm costed proposals other than those set out in **SD68**. However, the Empty Property Strategy is to be reviewed this year and a new strategy prepared. The Council will be offering interest free loans to owners of long-term vacant properties to bring them back into use from April 2012. In terms of funding, WG is making £5million available across Wales to enable empty properties to be brought back into use with Gwent being allocated just under £900,000.

6. How does the Council's approach to the planning of new housing perform when tested against soundness tests CE1, CE2, CE3 and CE4? Is the Council's policy and allocations for new housing realistic and soundly based?

CE1: The plan sets out a coherent strategy from which its policies and allocations logically flow and/or, where cross boundary issues are relevant, it is compatible with the development plans prepared by neighbouring authorities.

It is considered that the Plan sets out a coherent strategy from which its policies and allocations flow. The Spatial Strategy is based on regenerating the area through building a network of district hubs around the principal hub of Ebbw Vale, whilst recognising there is a north south divide in terms of opportunities for growth.

The housing allocations flow from the spatial strategy in that most development is based in the main settlement of Ebbw Vale (52%), with fewer houses in Tredegar (22%) and Upper Ebbw Fach (14%) and less in the south (Ebbw Fach 12%). All sites were assessed in accordance with the candidate site methodology (**SD30**) to ensure the most appropriate and sustainable sites were identified.

In accordance with the requirements of the Housing Ministerial Interim Planning Policy Statement (MIPPS 01/2006) the Council worked with the South East Wales Strategic Planning Group (SEWSPG) in proportioning the 2003 based National and Sub National projections. At this time it was agreed that Blaenau Gwent would allocate 200 dwellings per annum (refer to **SD40** page 6 paragraphs. 2.23-2.26). SEWSPG continue to monitor the overall housing provision across the region. More recent guidance from WG (Planning Policy Wales Edition 4) places greater emphasis on WG local authority projections.

CE2: The strategy, policies and allocations are realistic and appropriate having considered the relevant alternatives and/or are founded on a robust and credible evidence base.

The housing requirement figure is based on the 2008 WG Household Projection which is a robust and credible evidence base (refer to **SD41** pages 40-41 paragraph 8.6-8.7). The strategy for the housing policies and allocations were developed through workshops which considered relevant alternatives (refer to **SD23** page 4 and **SD41** pages 24-27).

CE3: There are clear mechanisms for implementation and monitoring.

There are clear mechanisms for implementation and monitoring set out in the Statement of Focussed Changes (**SD10a** pages 146-150). Notwithstanding this the Council is aware of further work being undertaken on monitoring by WG which will need to be introduced through the annual monitoring process. It is, therefore, accepted that further improvements could be made.

CE4: It is reasonably flexible to enable it to deal with changing circumstances.

An element of flexibility is built into the Plan in terms of the delivery of the housing requirement figure in that 12% more homes are allocated than required (refer to **SD10a** pages 3 FC1.F). The monitoring system will identify if the Plan is meeting the housing requirement figure and will identify where a change is required.

The Inspector's attention is drawn to **SD41** page 32 paragraph 6.73 where earlier attempts to introduce flexibility through a range were not supported by WG.

To conclude it is considered that the policy and allocations for new housing are realistic and based on sound evidence.

Employment

1. What is meant in Objective 9 of the LDP by the phrase "By 2021, 50 hectares of employment land and a range of premises have been delivered"? I do not understand what "delivered" means. What evidence or reports did it rely upon to arrive at this figure?

The term "delivered" in objective 9 means that that a range of premises have been built on the 50 ha of allocated employment land. If considered necessary, the Council will consider changing the wording of the objective in order to improve clarity.

The Inspector's attention is directed to the Evidence Base as follows:

- **SD46:** Employment Background Paper (Chapter 8.0 pages 21 – 27)
- **SD77:** Blaenau Gwent County Borough Employment Sites and Premises Study (Chapter 8.0 pages 62 – 70)

SD46 and **SD77** explain how the Council arrived at the 50 ha employment allocation figure.

2. The Delivery and Implementation section of the LDP identifies some public sector grant for the delivery of MU1, the largest allocation of employment land to be "delivered". To what extent is the delivery of this project dependent on public sector grant? Is the necessary public sector funding package in place to secure private sector investment?

The MU1 site comprises of two employment allocations, namely Rhyd y Blew and Bryn Serth. These two sites are included in the Ebbw Vale Sustainable Regeneration Framework (**SD59a-b**).

The Rhyd y Blew site is owned by Welsh Government and is a priority for investment from an approved European Convergence project, with approval imminent for the necessary match funding, from Welsh Government resources. This project relates to infrastructure. There could well be additional public sector funded projects on the site, for construction of business premises. The site is designated in the Blaenau Gwent Enterprise Zone and is likely to benefit from enhanced capital allowances for investment in plant and

machinery, which will make the site extremely attractive for inward investment projects.

In the case of Bryn Serth, this is a privately owned site and is not dependent on public sector funding. The site benefits from outline planning permission and relies on the private sector for implementation. The site is included in the proposed enterprise zone and can benefit from the business rate relief proposal for 5 years which will encourage development. Enterprise Zone sites will also benefit from improved broadband.

3. What are the implications of pursuing an employment land allocation of this scale when there is already a significant amount of empty stock? Does the Council acknowledge that vacant stock elsewhere will not be developed for employment or other uses during the lifetime of the plan?

The Inspector's attention is directed to the evidence base as follows:

- **SD77:** Blaenau Gwent County Borough Employment Sites and Premises Study (Chapter 8.0 pages 68 – 69)

The Council consider that there is not a significant amount of empty stock as evidenced in **SD77**. The issue of vacant stock is taken into account in the synthesis forecast which identifies future employment floorspace demand.

SD77 identifies that within the industrial (B2) and warehouses (B8) uses 9% of the premises are vacant which is marginally above the 8% accepted industrial vacancy rate. It is accepted that the level of office vacancy is above the optimal amount of office vacancy level, however since the report was published in 2007, some of the new vacant offices have been occupied for example Innova One at Tredegar Business Park has been occupied by Centrica and a vacant office unit on Roseheyworth Business Park has been occupied by Tai Calon.

Policy EMP2 allows the Council to protect the best employment sites (business parks and primary sites) and provide greater flexibility on other sites (secondary sites). Rather than take a blanket approach to protecting all employment uses, the policy will enable the Council to be both flexible and responsive when considering proposals seeking alternative uses on existing employment sites. It will also allow the Council to respond to changing circumstances.

The Council do not necessarily agree that there is going to be a significant loss in B2 employment land as suggested in the Employment Sites and Premises Study. The dualling of the A465 is expected to generate benefits for the manufacturing sector by improving the cost base and competitiveness of many of the companies located along the Heads of the Valleys corridor.

Recent economic events have reignited the debate on the role of manufacturing in the national economy and the need for some rebalancing to take place. Blaenau Gwent is well placed to capitalise on this renewed interest in the manufacturing sector.

4. Is the Council's policy and allocations for employment land use realistic and soundly based?

It is accepted that the employment land figure is challenging but unless the Council plans to meet this figure the area will continue to decline. Evidence collected through the plan preparation identifies that job prospects are considered of primary importance and in most need of improvement in Blaenau Gwent. Based on this, the Council has taken into account growth in the working age population and the aim to reduce unemployment in identifying future employment requirements (**SD46** pages 25 - 27).

It should also be recognised that the following factors will assist in delivering the 50 ha of employment land:

- The new Convergence Programme of EU funding 2015-2020 which is likely to provide funding for business property development
- The recent designation of Blaenau Gwent as an Enterprise Zone with a combination of measures and funding which will prove attractive to businesses
- The proposed dualling of the A465 Heads of the Valleys Road between Hirwaun and Abergavenny, at a cost of £600million, represents one of the largest public sector infrastructure projects in Wales. It will run through Rassau Industrial Estate and is therefore very close to some of the employment designations.

The employment allocations flow from the spatial strategy in that most development is based in the Ebbw Vale area, with fewer opportunities in the South of the Borough (Lower Ebbw Fach). All employment sites were assessed in accordance with the candidate site methodology (**SD30**) to ensure the most sustainable and developable sites were identified.

There are clear mechanisms for implementation and monitoring set out in the Statement of Focussed Changes (**SD10a** pages 155-158). The monitoring framework assesses the effectiveness of the policies and identifies trigger points to consider a review of the plan.

Transport

1. Policy T2 identifies the need to safeguard land for the extension of the railway from Ebbw Vale Parkway to Ebbw Vale town, a rail link to Abertillery and a new station at Cwm. The supporting text to this policy refers to a doubling of the frequency of rail services. How confident is the Council that these projects will be delivered during the lifetime of the LDP? Have any of these projects secured funding? If so, when are they scheduled to start and be completed?

The Inspector's attention is directed to the evidence base as follows:

- **SD100:** South East Wales Transport Alliance – Regional Transport Plan (RTP) (pages 78 – 83 & 115)

The Welsh Government lead on the delivery of new rail infrastructure and new services. The Wales Rail Forward Programme and the Wales Transport Plan sets out the Welsh Government's current commitment to rail schemes.

Early stage development is carried out by the local transport consortia (Sewta for south-east Wales) in partnership with the Welsh Government. Once a preferred option is chosen (equivalent to Grip Stage 3 in the Network Rail stage gate process), the Welsh Government acquires the lead role.

The extension from Parkway to Ebbw Vale Town is currently at Grip Stage 4 (detailed design). The option selection report (Grip Stage 3) has recently been completed for the Ebbw Vale Frequency Enhancement (service to Newport); and Sewta, as part of the Ebbw Valley Railway Future Phases Study, are currently identifying the options for new stations and spur to Abertillery.

The phenomenal success of the first phase of passenger services on the EVR to Cardiff has exhibited the appetite that Blaenau Gwent residents have for affordable and efficient access opportunities to employment and services. Further route and frequency development on the EVR is being progressed by both the Welsh Government and Sewta, and it is hoped that these projects will be delivered within the lifetime of the LDP. The projects are all included in the Sewta Regional Transport Plan (refer to **SD100** pages 78-83 & 115).

2. How critical are the road projects identified in Policy T5 to securing new private sector investment? Has funding been secured to implement them? When will they be implemented?

The new highway links and junction improvements are key to the success of the strategic development site at 'The Works', the proposed enhancements to Ebbw Vale Town Centre (AA1.1 & AA1.2) and the Northern Corridor. The schemes (T5.1 & T5.2) development has taken into consideration the significant increases in traffic flows generated by the new development sites, the proposed reassignment of the A4046 Strategic Highway route to the new

Peripheral Distributor Road through 'The Works' and the implications of the dualling of the Heads of the Valleys Road.

It is anticipated that the first section of the PDR (T5.1) will be opened late in 2012, whilst on-line improvements in the Libanus Road junction (T5.2) will be complete early in 2013. The first phase of the Rhyd-y-Blew junction scheme (T5.2 the Mountain Road link) will be completed in the spring of 2012, whilst the detailed design of the second phase has recently been finalised. The preferred option for the Cemetery Road roundabout improvement (T5.2) has been chosen.

Funding for the highway schemes come from various year-on-year Welsh Government sources, however it is anticipated that improvements will be in place in phase 2 of the LDP. Both schemes are inclined in the Sewta Regional Transport Plan (**SD100** page 92)

3. Has the Council commissioned any research to assess the economic impact of the transport investment the Council seeks to achieve? How will these projects demonstrably improve the offer of the county borough for inward investment and consequent housing investment relative to neighbouring local authority areas?

The road projects cannot be viewed in isolation but need to be considered alongside a wider package of proposals for the area.

The proposed dualling of the A465 Heads of the Valleys (HoV) Road between Hirwaun and Abergavenny, at a cost of £600million, represents one of the largest public sector infrastructure projects in Wales. There is widespread expectation that the road improvement will have a significant impact on investment and economic activity along the Heads of the Valleys corridor, which ultimately will generate higher and sustained levels of prosperity in one of the poorest areas of Wales.

However, research shows that improvements in road infrastructure alone are unlikely to unlock the economic potential of an area and benefits will not be realised unless the investment is supported by a range of complementary measures. Creating a dynamic economic environment requires an integrated package of actions designed to stimulate investment of which transport infrastructure is just one component.

The two road proposals included in the Plan provide a link from the HoV Road to two very large regeneration schemes, the Works (MU2) and the Northern Corridor Site (MU1). These provide complementary measures such as land for high quality business infrastructure (in the form of sites and premises); land for new housing development; and new learning and leisure infrastructure.

Another major element of the package of measures being put in place is the identification of Ebbw Vale as an Enterprise Zone. Ebbw Vale is currently one of only seven enterprise zones identified for Wales and this provides a significant opportunity for the area in terms of opportunities to bolster economic investment but also demonstrably improving the offer of the county borough for inward investment in comparison to neighbouring authorities. The Enterprise Zone will benefit from:

- A business rate discount worth up to £275,000 per business over a 5 year period
- All business rates growth within the zone for a period of at least 25 years will be retained by the local area, to support the Partnership's economic priorities and ensure that Enterprise Zone growth is reinvested locally
- Government help to develop radically simplified planning approached for the zone using, for example, Local Development Order powers
- Government support to ensure that superfast broadband is rolled out throughout the zone, achieved through guaranteeing the most supportive regulatory environment and, if necessary, public funding
- Enhanced capital allowances for plant and machinery, in a limited number of cases, where there is a focus on manufacturing
- Tax Increment Finance to support the long-term viability of the area
- UKTI support for inward investment or trade opportunities in the zone.

Blaenau Gwent is also likely to continue to benefit from the highest levels of EU Structural Fund interventions during the period 2015-2020. With the emphasis on improving economic competitiveness, the new Convergence Programme is likely to provide funding for business property development.

The proposed transport schemes alongside this wider package of actions will demonstrably improve the offer of the county borough for inward investment. With the construction of the dualling of the Heads of the Valleys Road (through Blaenau Gwent) due to commence later this year, the declaration of the Enterprise Zone and two very large regeneration schemes, Blaenau Gwent is better placed than neighbouring authorities to benefit from inward investment in the coming years.

[028727] Household Estimates for Wales by Local Authority, 1991-2010 NS
Statistical Directorate, Welsh Assembly Government

All households												
Year	1991	1996	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Blaenau Gwent	28,297	29,324	29,560	29,535	29,644	29,827	29,965	30,283	30,464	30,679	30,885	31,031

[025025] Household Projections for Wales - 2008-2033 NS
Statistical Directorate, Welsh Assembly Government

Area	Blaenau Gwent
Year	Principal Projection
2008	30,679
2009	30,962
2010	31,246
2011	31,540
2012	31,853
2013	32,146
2014	32,437
2015	32,719
2016	32,998
2017	33,269
2018	33,526
2019	33,772
2020	33,993
2021	34,208
2022	34,418
2023	34,608
2024	34,796
2025	34,970
2026	35,139
2027	35,298
2028	35,454
2029	35,613
2030	35,769
2031	35,921
2032	36,058
2033	36,201

Table of Vacancy Rates in South East Wales from 2001 Census

Topic/Factor	BG	Bridgend	Caerphilly	Cardiff	Merthyr	Mon	Newport	RCT	Torfaen	Vale	Average S.E. Wales
Vacancy Rate	5.74	3.51	3.72	3.06	5.86	4.35	3.56	4.79	2.98	4.42	3.97

Source: 2001 Census