

ES2.5



Blaenau Gwent County Borough Council

Local Development Plan

Hearing Session 2: Housing

Tuesday 26 June 2012

Examination 2012

Blaenau Gwent County Borough Council Submission

Examination Statement Reference No:	ES2.5
Submission date:	15th June 2012

SESSION 2 HOUSING (policy, numbers and phasing)

Introduction

This Statement has been prepared by Blaenau Gwent County Borough Council in order to help facilitate appropriate discussion at the Housing Hearing Session. The Paper provides a response to the questions set by the Planning Inspector (Mr Vincent Maher).

Where the Council does not intend to provide any additional written evidence the Inspector's attention is directed to the relevant part of the Evidence Base, which in the view of the Council addresses the matters raised. The paper will not repeat evidence previously submitted for consideration.

The Council's detailed responses to the representations received to Housing are contained in the Report of Representations (**SD07b**).

Council Response to Inspector's Questions (questions in bold)

1. What evidence underpins the case for the Plan's proposed housing target and phasing in the light of recent construction rates, population movements, national guidance and policy? Does the Council's current target represent a realistic and soundly based target or is it an aspirational figure?

What evidence underpins the case for the Plan's proposed housing target and phasing in the light of recent construction rates, population movements, national guidance and policy?

The Council's evidence for the Plan's proposed housing target and phasing is set out in:

- **SD41:** Updated Population and Housing Background Paper
- **SD44:** Housing Delivery Paper
- **SD62:** Local Housing Market Assessment
- **SD73:** Local Authority Population Projections for Wales (2008 Based)
- **SD75:** Local Authority Household Projections for Wales (2008 Based)
- **ED3:** Blaenau Gwent's Response to Inspector's Questions INSP001

To summarise, Planning Policy Wales (PPW) (**W41**, page 129, paragraph 9.2.2) states that the latest Assembly Government local authority level Household Projections for Wales should form the starting point for assessing housing requirements. Local planning authorities should consider the appropriateness of the projections for their area, based upon all sources of local evidence, including the need for affordable housing identified by their Local Housing Market Assessment. Where local planning authorities seek to deviate from the Assembly Government projections, they must justify their own preferred policy-based projections by explaining the rationale.

The latest household projections for Blaenau Gwent are used as the basis for the Housing Requirement target. Based on the 2008 Welsh Government

(WG) projections it was identified that the household requirement would rise from 30,283 in 2006 to 34,208 at 2021. This established a household requirement of 3,925.

The 2008 WG population projection (summary attached at appendix 1) identifies that natural change is projected to increase until 2016/17 reaching 160 more births than deaths, mainly as a result of decreasing death numbers. From here onwards, natural change is projected to decrease as a result of decreasing births and increasing deaths (Appendix 1, page 164). In each year of the projection, net migration is projected to be positive with net UK migrants +47 and net overseas migrants -12 (Appendix 1, page 166).

The 2008 WG population projection identifies that the population will rise from 68,914 in 2006 to 71,094 in 2021 that is an increase of 2,180 (**SD41**, page 9, Table 4). As identified above only 525 are from migration, the remainder is from natural change.

Over two thirds of the increase in the number of households comes from the decrease in the number of people projected to be living in each household rather than from an increase in the population. An extra 2,180 people would create the need for less than a third of the new households ($2,180/2.05=1,063$).

The Local Housing Market Assessment (**SD62**) identified a need for 1,269 houses over a 5-year period. This equates to 3,807 over a 15-year period which generally supported the WG figure of 3,925 (**SD62**, page 75).

It is accepted that recent completion rates are lower than required by the new target figure. A step change in completion rates is required to achieve the figures set out in the Plan. However, completion rates of over 200 units have been achieved in the past, with the early 1980's experiencing completion rates as high as 363 units, similarly in the early 1990's there was a peak of 284 (**SD41**, page 13, Table 9). It should be noted that if build rates continued as before, Blaenau Gwent would continue to lose population which is not what the WG projections predict is going to happen or what the Council would support.

It is considered that the target is soundly based and accords with national guidance set out in PPW (**W41**).

The target of 3,500 is based on the 2008 WG Household Projection (**SD75**) but takes into account the Council's aspiration to reduce the vacancy rate. A standard formula was used to translate the household requirement to a dwelling requirement (based on Chelmer). The 2001 census figure of 5.7% was used to calculate the 2006 figure for dwellings whereas the Council's aspiration to reduce the vacancy rate to the generally accepted average of 4% was used to calculate the 2021 figure. This resulted in a dwelling requirement figure of 3,506, which was then rounded to 3,500.

The phasing in the Plan (**SD01**) was introduced in acknowledgement of the step change required to deliver the higher housing figure and to take into account current economic circumstances.

Does the Council's current target represent a realistic and soundly based target or is it an aspirational figure?

The Council considers the current target to be a realistic aspiration that is soundly based on evidence.

Rebuttal - WG (Representor No:3)

WG seek clarification within the document of why the Council considers that the step change required in build rates is achievable over the Plan period. If the Inspector is minded to include a statement to this effect the Council has no objection.

The Council also agrees that the monitoring framework must include key triggers so that any significant shortfalls in progress can be identified through the annual monitoring reports.

WG requests that Table 3 from the Housing Delivery Paper (**SD44**, page 7), which sets out the distribution of housing across the Borough, be included in the Plan. The Council does not have an objection to including the table if the Inspector considers it aids the clarity of the Plan.

WG also seeks clarification of what needs to happen to deliver the strategy. The Council addresses this issue in its statement for Hearing Session 16, Delivering Infrastructure (**ES16.3**). Again if the Inspector considers it appropriate to amend paragraph 6.37 to refer to what needs to happen to deliver the strategy the Council has no objection.

Rebuttal – Questedge (Representor No: 41)

Questedge does not consider that the numbers across the identified regions appropriately reflect the need to support growth within the range of settlements, or has realistically considered appropriate alternatives to secure delivery. The Council did look at alternative strategies to delivering housing and one of the options considered was for a more balanced approach to the distribution of growth. In workshops held to identify the preferred strategy the disadvantages of this option (Option 2: Balanced and Interconnected Communities) were identified to be:

- an increase pressure on existing transport infrastructure;
- overdevelopment in the south;
- potentially detrimental environmental impact because of the shortage of brownfield sites could result in development of greenfield sites; and
- less sustainable in terms of transport as growth should take place close to existing and planned infrastructure i.e. Heads of the Valleys Dualling and Ebbw Vale Railway.

(**SD23**, page 11, Disadvantages)

Comments received through consultation of the Preferred Strategy (**SD25**) identified that 80% of those who commented broadly supported the strategy of Growth and Regeneration (**SD29**, page 13, paragraph 4.13). Furthermore the housing sites included within the Plan have been through a comprehensive assessment to ensure the most sustainable sites have been incorporated within the Plan.

2. How do the figures in the proposed site allocations match the various figures in Policies SP4 and SP5?

Although the Plan’s target figure is 3,500 new dwellings, to allow for flexibility, the Plan provides for 3,932 new dwellings. These are the figures set out in Policy SP4.

The 3,932 new dwellings figure is made up of:

Completions April 2006 – April 2009	325
Windfall Allowance	312
Small Site allowance	444
Conversions	60
Housing Commitments	1,707
Allocations	1,399
TOTAL	4,247
Allowance for demolitions	-315
TOTAL	3,932

(Refer to SD41, page 41, Table 22 and pages 18-20 for explanation of figures)

The figures in Policy SP5 criterion (a) (**SD10a**, page 4, FC1.G) are identified through adding the H1 allocations and the Housing Commitments for each area.

Area	Proposals	Commitment	Total
Ebbw Vale	722	892	1614
Tredegar	132	564	696
Upper Ebbw Fach	248	190	438
Lower Ebbw Fach	267	61	358

The figures in Policy SP5 criterion (b) aim to identify the difference between the figures in criterion (a) and the total of 3,932 new dwellings being provided. The figure of 826 is made up of completions, windfall allowance, small site allowance, conversions and demolitions (325+312+444+60-315=826).

The figures in SP5 criterion (c) match the target figure of 3,500.

It is accepted that the difference in the target figure and the number of dwellings being provided causes some confusion.

Rebuttal – Questedge (Representor No:41)

Questedge has an issue with a lack of flexibility to allow for growth to support each centre. The Plan provides an overall flexibility of 12% which is considered to be an appropriate level. The aim of the Plan is to deliver sustainable growth and this has been achieved through an assessment based on the Preferred Strategy objectives and against sustainability appraisal objectives. This process has led to the most sustainable sites being chosen rather than setting strict targets for each settlement and identifying unsustainable sites to meet these targets.

Questedge also raise the issue of the lack of new housing in Blaina. They state that the Cwm Farm development is now largely delivered and is in the final phase of delivery, this is not the case, as there are 72 units remaining to be built, 40 of which are estimated to be built between 2011 and 2016 and the remainder from 2016 onwards. Whilst it is accepted that this is the only site included in the Plan there are currently two planning applications being considered by the local planning authority - one for a former hospital site (20 units) and another for the redevelopment of a derelict building on the edge of the town centre (7 units). In addition there is currently planning permission for 29 units on small sites in and around Blaina. In total this results in 128 units either available or which may come forward in the immediate future.

<h3>3. To what extent will the amount of new housing anticipated rely on windfall development?</h3>
--

New housing will rely on 312 units in total which equates to an average of 26 units per year (12 x 26 2009-2021). It is accepted that this is above the 2004-2009 average but this allows sites owned by Tai Calon (formerly council owned houses and land) to be brought forward. A number of parcels of land, which together can accommodate 268 dwellings, were assessed through the candidate site process and found to be suitable for development. However, they were not included in the Plan due to uncertainty over Tai Calon's plans at the time. In addition to this there are plans to rationalise other public services such as police, ambulance, schools which are likely to release land for housing.

The approach is supported by the fact that between 2009 and 2012 a total of 84 units of windfall have come forward (Mountain Road, Ebbw Vale 34 units, Victoria, Ebbw Vale 15 units, St Josephs School, Tredegar 10 units and Gas Works Site, Tredegar 25 units). This is equivalent to 28 units per annum, slightly above what was forecast.

4. Does the Council's target seek to promote too much housing without the increased employment base needed to support the level of population growth anticipated?

No, the Council does not seek to promote too much housing without the increased employment base needed to support the level of population growth. The growth in the working age population is minimal and has been taken into consideration in the employment land calculation. The growth in the working age population is only 100 (**SD46**, page 26, Table 21) and this has been taken into consideration when identifying the employment requirement over the Plan period.

5. What are the implications of increasing the overall supply of housing in the county borough on other Council initiatives such as its empty homes strategy?

In light of the fact that the housing target takes into account the aim of reducing the number of vacant properties, and the Supplementary Planning Guidance on Planning Obligations (**SD128**, pages 20-21, paragraphs 1.4.4 and 1.4.5) allows for part payment of units and off-site contributions to fund the process of bringing these properties into use, then it is considered that there should generally be a positive impact on the Empty Property Strategy.

Provided the demand identified in the WG 2008 projections (**SD73** and **SD75**) is correct and the economy responds to the identified need then there will not be any risk to other Council initiatives. It should be noted that the population increase of 2,180 which is equivalent to the 2001 level.

Rebuttal – HBF (Representor No: 24)

The Council considers that the Vacant Housing Paper (**ES2.1**) provides sufficient evidence to support the empty property assumption in the Plan.

6. Should the Council's target for new housing be higher? If not, why not? Should the target be lower? If not, why not?

The Council considers the target to be correct as it is based on the latest WG household projection for Blaenau Gwent as advised in Planning Policy Wales (**W41**, page 129, paragraph 9.2.2).

A higher figure would have a greater risk of not being deliverable and would be more likely to have an impact on the Council's empty property strategy.

A lower target would risk population decline which would not accord with the strategy chosen for the Plan.

Rebuttal – HBF (Representor No:24)

The HBF considers that the Councils housing strategy will not come close to resolving the problem of affordable housing need. This is incorrect as although only 335 affordable dwellings are identified as being delivered through the planning system (**SD10a**, page 6, FC2B), objective 3 identifies that over 1,000 affordable houses will be delivered overall (**SD10a**, page 6, FC2A). The Affordable Housing Background Paper (**SD43**, page 24, paragraph 3.62) identifies that in total 1,070 affordable units will be delivered which is equivalent to 71 per annum which fairs favourably against the Housing Market Assessment figure of 86 per annum (**SD62**, page 75).

Rebuttal – Questedge (Representor: 41)

Whilst Questedge supports the overall figure they maintain that this should allow for flexibility to support appropriate settlements and that sites should therefore be distributed accordingly. This issue has already been addressed under question 2 above.

Appendix 1

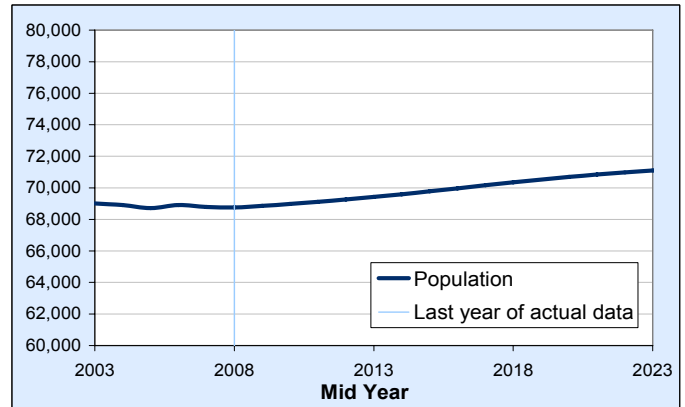
Blaenau Gwent

Blaenau Gwent

Chart 1: Total Population

The total population of Blaenau Gwent is projected to increase by 2,300 (or 3.4 per cent) by mid-2023. This is the third lowest population growth to mid-2023 of all local authorities in Wales.

The population is projected to continue increasing until mid-2031, before experiencing a very small decline in the last two years of the projection period.

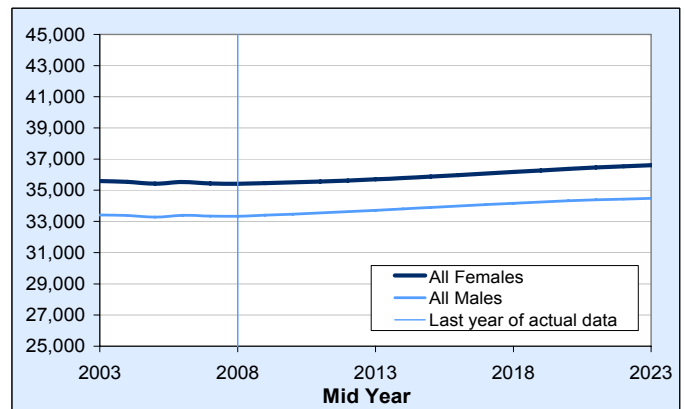


Population as at June 30th each year.

Chart 2: Population by Gender

In Blaenau Gwent it is projected that there will be more females than males in the population throughout the projection period.

From mid-2008 to mid-2023 it is projected that the male and female population will grow at the same rate (3.4 per cent).

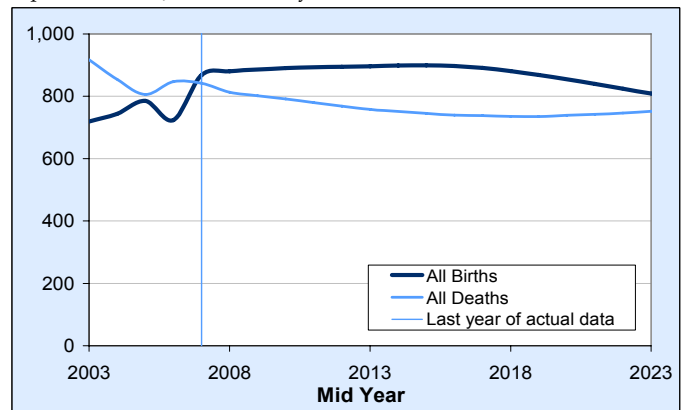


Population as at June 30th each year.

Chart 3: Births and Deaths

The most recent actual data shows that births in Blaenau Gwent have fluctuated from 2003/04 to 2007/08. Births are projected to increase very slowly until 2015/16, before decreasing from here onwards until 2029/30.

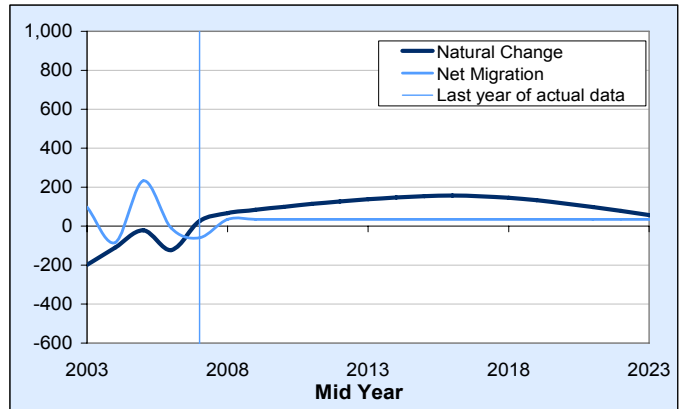
Death numbers in Blaenau Gwent from 2003/04 to 2007/08 decreased every year except in 2006/07. Deaths are projected to continue decreasing until around 2019/20, before increasing from here onwards. This is in line with the general pattern expected to be seen across Welsh local authorities.



Events plotted against start of mid-year period.

Chart 4: Natural Change and Net Migration

There were more deaths than births in Blaenau Gwent from 2003/04 to 2006/07, but in 2007/08 natural change became positive. Natural change is projected to increase until 2016/17 reaching 160 more births than deaths, mainly as a result of decreasing death numbers. From here onwards natural change is projected to decrease as a result of decreasing births and increasing deaths, and is projected to become negative in 2027/28.

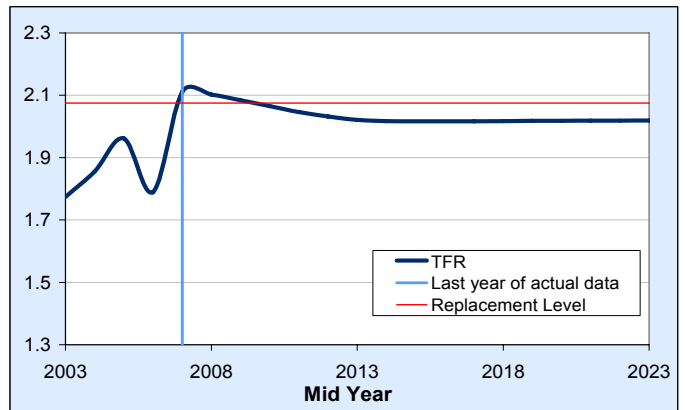


Events plotted against start of mid-year period.

Chart 5: Total Fertility Rate

The most recent actual data shows that the TFR in Blaenau Gwent was below replacement level fertility (2.08) from 2003/04 to 2006/07, rising above replacement level in 2007/08. The TFR is expected to follow the general pattern seen across local authorities in Wales – i.e. a projected initial decline before levelling out.

Replacement level fertility is the level of fertility required for the population to replace itself in size given constant mortality rates and the absence of migration.

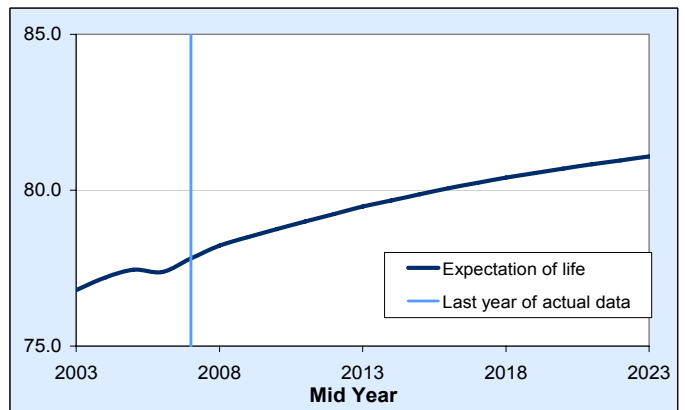


Events plotted against start of mid-year period.

Chart 6: Expectation of Life

The most recent actual data shows that expectation of life in Blaenau Gwent generally increased to 2007/08.

Over the projection period, expectation of life in Blaenau Gwent is expected to increase from 78.2 in 2008/09 to 81.0 in 2022/23. This increase is projected to continue over the last ten years of the projection period.



Events plotted against start of mid-year period.

Table 1: Population change, key years and key age groups

	2008	2013	2018	2023
Children	12,902	12,734	13,390	14,003
Ages 16-64	43,604	43,176	42,323	41,623
Ages 65+	12,253	13,514	14,637	15,469
Total	68,759	69,424	70,349	71,095

The population of Blaenau Gwent is projected to increase by 3.4 per cent from mid-2008 to mid-2023. This increase is due to the increase in children and people aged 65+, projected to grow by 8.5 per cent and 26.2 per cent respectively between mid-2008 and mid-2023. The increase in the number of older people is due to two factors; firstly increased expectation of life which results in more people living longer, and secondly the ageing on of larger cohorts, such as those born after the Second World War. Blaenau Gwent is projected to see a decline in 16-64 age group from mid-2008 to mid-2023.

Table 2: Dependents per 1,000 people aged 16-64, selected years

	2008	2013	2018	2023
Children	296	295	316	336
Ages 65+	281	313	346	372
Total	577	608	662	708

As at June 30th 2008, there were approximately 576 dependents per 1,000 people aged 16-64 in Wales. Note that here dependents refer to children aged 0-15 and people aged 65+.

Over the projection period, the dependency ratio in Blaenau Gwent is projected to increase from around 580 per 1,000 people aged 16-64 in mid-2008 to 710 per 1,000 people aged 16-64 in mid-2023. This increase is driven by an increase in children and in the population aged 65+.

Internal net migration by gender

In each year of the projection period, Blaenau Gwent is projected to experience:

- 1,620 people arriving in the authority from the rest of the UK;
- 1,570 people leaving the authority for the rest of the UK;
- A net internal migration of +50 people.

In each year of the projection period, net internal migration for Blaenau Gwent is projected to be:

- +50 for females and around zero for males;
- The 6th lowest level of internal net migration across all Welsh local authorities.

International net migration by gender

In each year of the projection period, Blaenau Gwent is projected to experience:

- 60 people arriving in the authority from overseas;
- 70 people leaving the authority for overseas;
- A net international migration of -10 people.

In each year of the projection period, net international migration for Blaenau Gwent is projected to be:

- -10 for males and around zero for females;
- The 12th highest level of international net migration across all Welsh local authorities.

Table 3: Components of Change, key years

Year (a)	Births	Deaths	Net UK migrants	Net Overseas migrants	TFR	SMR	Net Change	Population as at end of mid-year
2008-09	880	813	47	-12	2.10	102	102	68,861
2009-10	886	802	47	-12	2.08	99	119	68,980
2010-11	890	791	47	-12	2.07	97	134	69,114
2011-12	893	779	47	-12	2.05	94	149	69,262
2012-13	895	768	47	-12	2.03	91	161	69,424
2013-14	897	758	47	-12	2.02	89	173	69,597
2014-15	899	752	47	-12	2.02	87	182	69,780
2015-16	899	745	47	-12	2.02	84	189	69,968
2016-17	897	740	47	-12	2.02	82	192	70,161
2017-18	891	738	47	-12	2.02	80	188	70,349
2018-19	881	735	47	-12	2.02	78	181	70,530
2019-20	869	735	47	-12	2.02	77	168	70,698
2020-21	855	739	47	-12	2.02	75	151	70,849
2021-22	840	742	47	-12	2.02	74	133	70,982
2022-23	824	746	47	-12	2.02	72	113	71,095
2023-24	809	752	47	-12	2.02	71	92	71,187
2024-25	796	757	47	-12	2.02	70	74	71,261
2025-26	785	762	47	-12	2.02	69	58	71,319
2026-27	777	770	47	-12	2.02	68	42	71,361
2027-28	771	779	47	-12	2.02	67	28	71,389
2028-29	768	785	47	-12	2.02	66	18	71,407
2029-30	767	792	47	-12	2.02	65	9	71,416
2030-31	767	801	47	-12	2.02	65	1	71,418
2031-32	769	810	47	-12	2.02	64	-6	71,412
2032-33	773	821	47	-12	2.02	63	-12	71,399

(a) Refers to events during July 1st year y and June 30th year y+1.

Key Points:

- Births in Blaenau Gwent are projected to increase very slowly until around 2015/16 reaching 900 births, before decreasing from here onwards until around 2029/30. By 2032/33, there are projected to be around 100 less births in Blaenau Gwent than in 2008/09, and this may be due to a cohort effect, in that there are projected to be more women of child bearing age (15-49) in the initial years of the projection period than in the latter half. The birth numbers are predominately driven by the population of women of high fertility age (25-34), projected to increase from 3,800 in mid-2008 to 4,900 in mid-2019, before decreasing for the remainder of the projection period.
- The number of deaths in Blaenau Gwent is projected to decrease until around 2019/20 reaching 740, before increasing from here on, reaching 820 by 2032/33. The changes seen in the death figures are due to two factors: firstly the projected increases in life expectancy (hence the decrease in deaths in the early years of the projection); and secondly, a cohort effect, in that if people are living longer, in future years there will be more older people. The number of older people (age 65+) in Blaenau Gwent is projected to increase from 12,300 in mid-2008 to 18,100 in mid-2033. The older age groups have a higher mortality rate, leading to more deaths being projected.
- Natural change in Blaenau Gwent is projected to increase until 2016/17 reaching 160 more births than deaths, mainly as a result of decreasing death numbers. From here onwards natural change is projected to decrease as a result of decreasing births and increasing deaths, and is projected to become negative in 2027/28. In each year of the projection period, overall net migration is projected to be positive, with 40 more people arriving in the authority than leaving each year.
- Net change in Blaenau Gwent is projected to increase until around 2016/17, reaching 190. From here onwards net change is projected to decline throughout the projection period as a result of decreasing natural change, and is projected to become negative by the end of the projection period as a result of more deaths than births in the local authority, and a relatively small contribution from net in-migration. Therefore this negative net change will result in a small population decline for Blaenau Gwent by the end of the projection period.

Variant Projections

In order to illustrate the uncertainty associated with population projections, variant projections have also been published alongside the main (or principal) population projection.

The following results are purely illustrative to show how changes in the fertility, mortality and migration assumptions impact the population projections and how the size of the impact increases the further into the projection period the results are taken.

A zero migration (natural change only) projection has been produced to illustrate the projected population of each local authority if there were no future inward or outward migration. Higher and lower population variants have also been produced.

The higher population variant is based on assumptions of higher fertility rates and lower mortality rates.

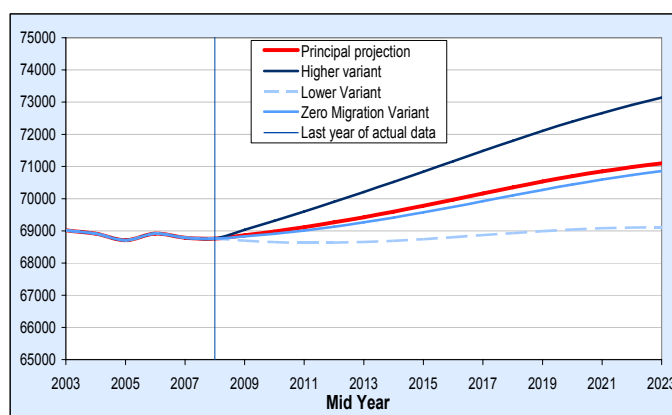
The lower population variant is based on assumptions of lower fertility rates and higher mortality rates.

Chart 7: Variant Projections

Under the natural change (zero migration) projection, the population of Blaenau Gwent is projected to increase by 3.1 per cent from mid-2008 to 70,900 by mid-2023. This is 200 less than the principal projection.

Under the higher variant (high fertility, low mortality), the population is projected to increase by 6.4 per cent from mid-2008 to 73,100 by mid-2023. This is 2,000 higher than the principal projection.

Under the lower variant (low fertility, high mortality), the population is projected to increase by 0.5 per cent from mid-2008 to 69,100 by mid-2023. This is 2,000 less than the principal projection. The population is projected to decline from mid-2024 onwards.



Population as at June 30th each year.

