



Replacement Local Development Plan 2018-2033

Background Paper

May 2019

BP 07: Housing Land Supply

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1 Introduction

This background paper has been produced to accompany the Conwy Replacement Local Development Plan (RLDP) Preferred Strategy, to provide an explanation and justification for the housing supply. The background paper should be read in conjunction with other relevant documents, in particular BP01: Growth Level Options Report and BP08: Conwy Joint Housing Land Availability Study (JHLAS). It is primarily a technical document which uses housing completions data and the Preferred Strategy as a basis for calculating likely sources of housing delivery over the plan period.

This document details only the level of housing supply anticipated to be delivered in meeting Conwy's housing requirement. The Preferred Strategy includes a requirement of 4,300 dwellings over the plan period, with a 20% contingency level to take the overall housing supply requirement to 5,150. The intention is to oversupply in relation to the baseline housing requirement, to ensure delivery of 4,300 dwellings over the plan period. Calculation of, and justification for this housing requirement is provided in detail in BP01. The above figure makes an allowance for 100 dwellings within the part of Conwy County Borough which falls inside Snowdonia National Park.

The housing supply position detailed in this background paper reflects a single point in time, based on the available data. The document will be updated throughout the RLDP process to reflect the latest sources of information, and greater detail available in the emerging RLDP. As the main source of data for this background paper is the latest published JHLAS report¹, the base date for the background paper matches that of the 2018 JHLAS – i.e. 1st April 2018.

¹ Latest JHLAS report available from www.conwy.gov.uk/jhlas

2 Sources of Housing Supply

2.1 Housing supply overview

Various different sources are anticipated to contribute to the housing supply in the RLDP, which can be summarised as follows:

Completions. Dwellings completed since the start of the RLDP Plan Period.

Commitments. Dwellings anticipated to be built over the RLDP Plan Period on large sites (those with a net gain of 10 or more dwellings) with planning permission.

Windfall. Unallocated (often brownfield) sites which are likely to be developed over the RLDP Plan Period.

Allocations. Sites to be allocated for residential development in the RLDP.

A comprehensive trajectory detailing the contributions to be made by each source can be found at Appendix 1, whilst a further explanation of the sources of supply is detailed below.

2.2 Completions

The RLDP Plan Period began in April 2018, therefore some dwellings already completed will contribute to the plan's housing requirements. The number of dwellings completed in the Plan Area is worked out from site surveys completed annually to inform the JHLAS report. This includes dwellings on both small sites (<10) and large sites (10+).

At the time of writing this background paper, the 2019 JHLAS report has yet to be completed so the number of dwellings completed since the start of the plan period is not known. As previously explained, the base date for this Background Paper is therefore taken to match that of the latest published (2018) JHLAS report, which also corresponds to the start of the RLDP Plan Period, giving a completions figure of 0 in this document.

2.3 Commitments

Dwellings on large sites with planning permission that are expected to be built during the plan period fall into this category (Appendix 2). These sites correspond with those falling within categories 1 & 2 in the site schedules of the latest JHLAS report, to ensure that only sites agreed to be deliverable as at the JHLAS base date are included. One exception is where sites are expected to be commenced but not completed within the 5 year JHLAS period. In this case, the additional dwellings expected to be completed beyond 5 years would still be completed within the RLDP Plan Period therefore will also be included as commitments.

Current LDP allocations without planning permission will not form part of the supply of commitments for the RLDP, as these will be superseded by new allocations. Should existing LDP allocations gain permission and form part of the 5-year supply prior to adoption of the RLDP, they would then form part of the committed supply.

Small sites with planning permission are not included within the commitments figure. This is because the deliverability of these sites are not assessed by the JHLAS study

group in the same way as the larger sites, so rates of housebuilding based on planning permissions would be uncertain. A large number of planning permissions on small sites are renewed repeatedly before being built. The contribution of small sites to the housing supply is therefore taken from past completions, in a similar way to the small site supply in the JHLAS.

2.4 Windfall

Windfall sites refer to those unallocated sites anticipated to be developed over the plan period. They are typically – though not exclusively – brownfield sites within built-up areas. The contribution to be made from windfall sites is calculated differently depending on the size of the site.

Small sites – As mentioned above, the contribution made to the housing supply from small sites (net gain of <10 dwellings) is calculated based on the past completions of small sites using historical housebuilding rates from JHLAS reports.

Large sites – In addition to those sites already with planning permission and sites allocated for residential development, it is likely that a number of additional large sites will be brought forward for housing – most likely through urban redevelopment. Since adoption of the LDP in 2013 it has been clear that such large windfall sites have formed an important part of housing delivery (Appendix 3) and it is anticipated that they will continue to do so through the RLDP plan period. The rate at which such sites have come forward over the past five years will be projected forward for the remainder of the plan period to provide an estimate of the contribution made to the housing supply from large windfall sites.

Large windfall sites are deemed to be those sites for 10+ dwellings that were not allocated for development, but where the principle of residential development was considered acceptable, irrespective of the housing land supply position. It is important to note that this calculation will not include those ‘speculative’ sites approved due to a land supply shortfall, as these are being developed contrary to LDP policy.

2.5 Allocations

The RLDP will include a number of allocations to form a large part of the housing requirement over the plan period. The Preferred Strategy identifies four key strategic sites in Llanfairfechan, Deganwy/Llanrhos, Old Colwyn and Llanrwst which form part of the supply. Additional, smaller allocations sites will be included in the Deposit plan and whilst the location and number of these sites is not presently known, it is assumed that there will be sufficient sites to meet the required level of housing growth. This background paper will be updated to accompany the Deposit Plan.

3 Accuracy and Uncertainty

To ensure that the land supply calculation is as accurate as can be realistically achieved, it is important to ensure that the data used in the analysis is as complete as possible; and to consider wider issues and uncertainties which may affect trends in housebuilding. This section outlines the measures that have been taken to reduce the opportunities for inaccuracies.

3.1 Data accuracy

The annual JHLAS report forms the basis for much of the housing supply data. In particular relating to completions figures and projected housebuilding rates on large sites. Surveys are made every year of all sites with residential permission to count housing completions over the preceding 12 month period. Where necessary, additional checks are made with Building Control to ascertain whether development has commenced – particularly in relation to conversions or subdivisions when commencement may be difficult to confirm from a site visit. Great care is made to keep the JHLAS database and site schedules accurate, and local knowledge from members of the study group can help to pick up inaccuracies through the process. Despite this, it is possible that some errors exist in the data, although these are likely to be small with minimal impact on overall supply and the flexibility in the housing supply referred to in 3.3 should be sufficient to address this.

3.2 Avoiding double counting

Due to the different sources of housing supply as previously described, it is important to ensure that no dwellings can be counted more than once. In order to avoid any double counting, the sources of housing supply have been classified as shown in Table 1 below, which highlights any areas where there is a risk of categories overlapping and therefore housing supply being double-counted.

Table 1: Sources of housing supply

Timeframe	Site size	Category	Data source
Built	Small	Completions	JHLAS - small site completions data from 1/4/2018 to study base date
	Large		JHLAS - large site completions data from 1/4/2018 to study base date
Projected	Small	Windfall	JHLAS - small site completions data projected forward from base date to end of RLDP Plan Period
	Large	Commitments	JHLAS - site schedules for anticipated housing delivery on large sites with planning permission
		Windfall	JHLAS - past completions figures on large, unallocated sites since LDP adoption, projected forwards to end of RLDP Plan Period
		Allocations	Strategic sites - Preferred Strategy Non-strategic sites - Deposit LDP

At the base date of any housing supply report, sources of supply contributing to the total RLDP housing figures will either have been built during the Plan Period prior to this date, or be projected for completion in the remainder of the Plan Period. Those houses which have all been built, whether on small or large sites, will only be counted as part of the completions figures which are known with certainty from the JHLAS process. Even if a subsequent application is approved on a completed site, only the net change of any development would be taken into account so there is not considered to be any risk of double counting of the completions figures.

Some sites fall within more than one category, however in this case individual dwellings will still only be counted once. For example if a large site is under construction, some dwellings may have been completed, whilst other dwellings on the site would contribute to the commitments element of supply. In this circumstance, the JHLAS site schedules make clear the distinction between dwellings that have been completed on a site, and those projected for completion in subsequent years.

The majority of the RLDP housing supply is expected to come from projected development, i.e. commitments, windfall and allocated sites. The future estimate of small site delivery is based on past housebuilding trends. As long as the period covered by the projected housebuilding trend runs to the end of the RLDP Plan Period and does not overlap with the past completions data, there will be no double counting of small sites.

It is the housing supply anticipated from large sites which provide the most potential for double counting, due to the different types of site which fall in to this category. Commitments, Large Windfall and Allocations all contribute to the future housing delivery on sites of 10+ dwellings. There is no need for committed sites to be allocated in the RLDP, so there should be no issue of double counting between these categories.

Greatest care needs to be taken in the crossover between large windfall sites and committed sites. Past completions on sites classed as large windfall will be used to calculate an annual contribution over the remainder over the Plan Period, in much the same way as small windfall sites. Some Committed sites are also considered to be large windfall sites however (Appendix 2). The numbers of dwellings anticipated from committed large windfall sites will be subtracted from the large windfall sites total projection, to account for those with current planning permission that are expected to be developed over the next few years (section 4.3).

3.3 Managing uncertainty

Delivery data from housing completions are the only certain element of housing supply in the LDP. All projected figures for housing completion are estimated based on the latest and most appropriate information available and a number of assumptions with regard to future housing delivery. Even with the latest data available, these figures remain as estimates and are unlikely to be 'correct' in the strict sense. As more data becomes available however, the housing supply calculation will be frequently revisited and recalibrated, to make it more accurate over time.

Committed sites are agreed through the JHLAS process, which should normally provide a fairly robust estimate of completions rates on these sites. By their nature, the delivery of windfall sites are unpredictable and past completions demonstrate that housebuilding rates have fluctuated quite significantly.

Development on both small and large windfall sites are expected to continue in line with the trends over recent years as detailed in sections 2.4 and 4.3. The projected delivery from small windfall sites is 80 dwellings per year. This is significantly lower and considered to be more realistic than the 125 dwelling estimate included in the previous LDP housing supply calculation. This, like the housing requirements on which the LDP growth was based, assumed continuation of a period of rapid housebuilding due to the timing of available data.

Large windfall sites are expected to deliver in the region of 66 dwellings per year (section 4.3), although in the next few years this contribution will be made up from those large windfall sites which are already committed, i.e. with current planning permission. RSL developments have made up a significant proportion of large windfall sites, with grant funding often being key to delivery. It seems likely that over the coming years available funding will reduce, so the model for delivery of RSL schemes will have to change. This has already been considered as part of the RLDP process, and it is proposed to amend housing policies to provide greater flexibility for RSLs to deliver housing schemes using some open market dwellings to cross-subsidise affordable housing. It is assumed that this policy change will offset any reduction in housing delivery caused by changes to grant, maintaining the level of housing delivery on large windfall sites.

The contribution to be made to the housing supply from allocated sites is assumed to be realistic, and this assumption is affected by two key factors. Firstly whether the sites will come forward at the rate anticipated in the RLDP, and secondly if the numbers of dwellings attributed to individual strategic sites (plus those to be identified in the Deposit Plan) will be achieved in practice.

A number of LDP allocations have failed to come forward for development at all, and of those that have been built, several have delivered fewer dwellings than the sites were allocated for. Deliverability of allocated sites is an issue that has previously been highlighted through Conwy AMRs, also through the Arcadis Longitudinal Viability Study², commissioned by Welsh Government. The greater 'front-loading' of site assessments required by Planning Policy Wales³ should provide greater certainty over housing delivery on sites allocated in the RLDP.

The discrepancy in housing numbers on allocated sites has been attributed to two key reasons: constraints such as topography, landscape and historic designations not having been fully considered in calculating housing numbers; secondly parking requirements which have become a greater issue in recent applications, despite no change to policy. A further change which may affect the density on sites is the recent

² Longitudinal Viability Study of the Planning Process by Arcadis available from: <https://gweddill.gov.wales/topics/planning/planningresearch/publishedresearch/longitudinal-viability-study-of-the-planning-process/?lang=en>

³ Planning Policy Wales Edition 10 available from: <https://gov.wales/planning-policy-wales>

introduction of SuDS requirements, however the impact of this is yet to be seen in practice. It is clear that sites allocated in the RLDP must make a realistic contribution to the housing supply over the Plan Period, taking account the above constraints.

Estimates of both housing need and housing supply have been based on recent trends and assume economic growth over the RLDP Period will be similar or slightly stronger than that in recent years. Major external influences out of the control of local authorities would have the potential to significantly upset the level of growth. These shocks could triggered by political, economic or environmental turmoil, for example issues related to Brexit, the international economy or climate change.

Ultimately, the RLDP cannot hope to plan for all eventualities. However by undertaking as much work as can reasonably achieved to ensure deliverability of allocated sites, and by including 20% contingency in the housing requirement, sufficient flexibility should be built in to the RLDP to deal with a range of scenarios. This level of contingency, over and above the baseline housing requirement of 4,300 dwellings is an oversupply, intended to not only deal with issues of uncertainty, but also encourage competition between landowners to improve viability of development sites. It must be recognised however that the authority does not build houses itself and is reliant on external actors, whether they be the private sector or RSLs, to provide the dwellings for which the RLDP is planning. If, for reasons outside of Conwy's control allocated sites fail to come forward, there is little the LPA can do to deliver on the ambitions of the development plan. Greater powers for LPAs such as a simpler CPO process for sites allocated in a development plan, or a financial penalty along the lines of a vacant land tax as has been considered by WG could help ensure delivery of allocated sites and reduce uncertainty in LDPs.

4 Housing Supply Calculation

Bringing together all of the threads of the previous sections, the tables below show the calculations for each source of housing supply for the Conwy RLDP, at the base date of this background paper. Additional data can be found in BP08: Conwy Joint Housing Land Availability Study. Please note that due to the uncertainties associated with projected housing completions, some figures have been rounded to avoid implying a level of accuracy that does not exist.

4.1 Completions

None as at the background paper base date of 1/4/2018.

4.2 Commitments

Year	2018-19	2019-20	2020-21	2021-22	2022-23	Beyond 5 years	TOTAL
No. of dwellings	193	235	189	137	42	28	824

4.3 Windfall

Year	Previous Housing Completions	
	Small sites	Large windfall sites
2008-09	162	-
2009-10	86	-
2010-11	73	-
2011-12	101	-
2012-13	50	-
2013-14	68	LDP Adopted October 2013
2014-15	44	78
2015-16	71	52
2016-17	38	44
2017-18	107	89
Total for period	800	263
Average annual completions	Over 10 years	Since LDP adoption
	80	66
Total projected windfall site completions over RLDP Period	1,200	1,000

Large windfall sites supply calculation - avoiding double counting	
Estimate of total large windfall site completions	1,000
Less delivery from committed large windfall sites	400
Total contribution from large windfall sites over Plan Period	600

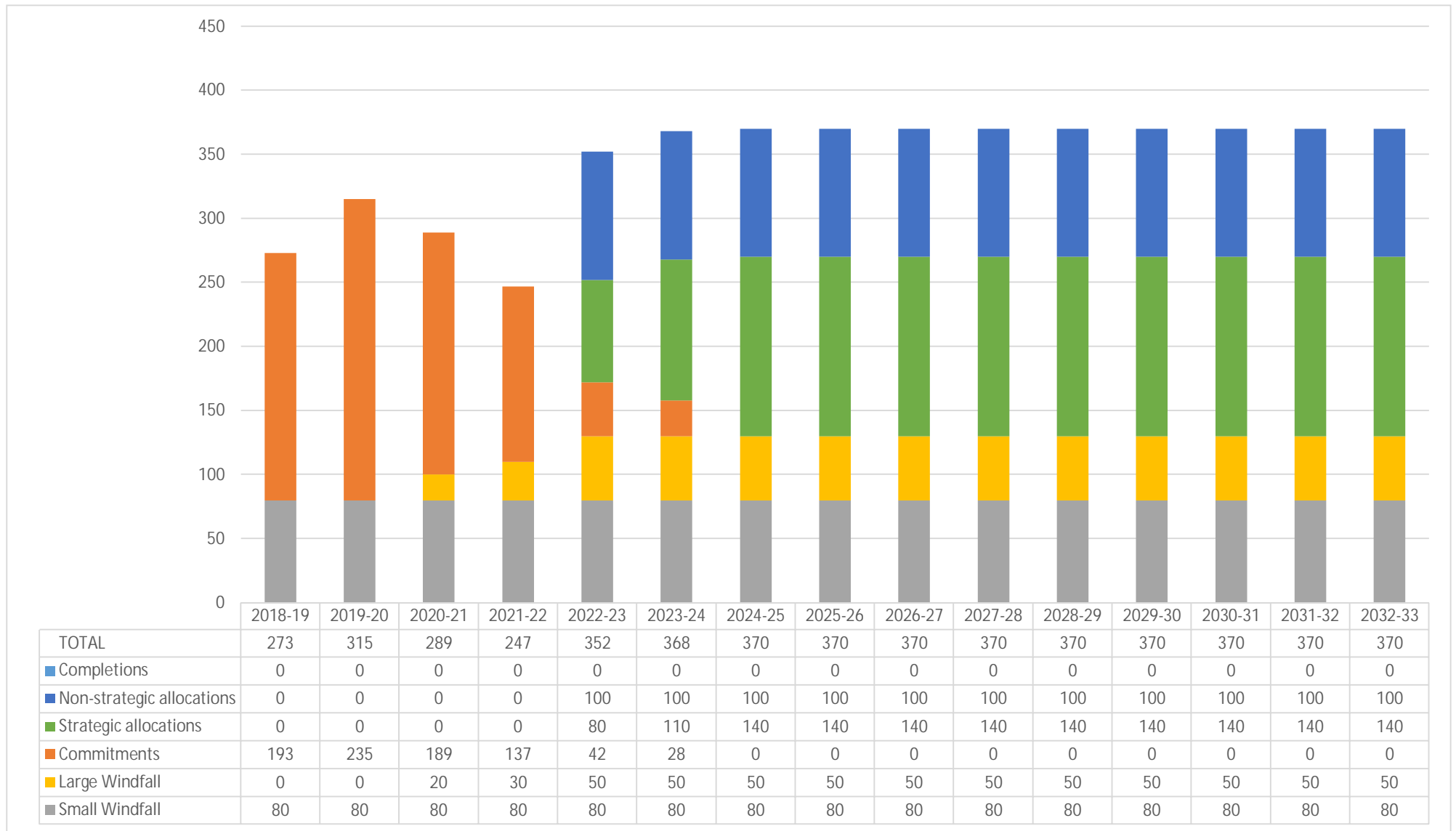
4.4 Allocations

Site category	Site name	No. dwellings
Strategic allocations	Llanfairfechan	400
	Llanrhos	400
	Old Colwyn	450
	Llanrwst	200
	TOTAL	1,450
Non-strategic allocations	To be identified in Deposit LDP	1,100
GRAND TOTAL		2,550

4.5 Total Housing Supply

Category	Completions	Commitments	Windfall	Allocations	Total
Small	0	-	1,200	-	1,200
Large	0	824	600	1,100	3,950
Strategic	-	-	-	1,450	
Total	0	824	1,800	2,550	5,150

Appendix 1: Housing Trajectory



Appendix 2: Commitments

Site name	Expected completions in year					Beyond 5 years
	2018-19	2019-20	2020-21	2021-22	2022-23	
Elmwood, 4 Pwllcrochan Road, Colwyn Bay*	14					
Fair View Inn, Llanddulas*		25				
Land at Berth y Glyd Road, Old Colwyn*		17				
Gainsborough House, Abergele	6	10	15	15	7	
British Legion Water Street, Abergele*	10					
Land off St George Rd, Abergele	30	10				
Adj 65 Victoria Park*	22					
35 Pwllcrochan Avenue, Colwyn Bay*	12					
Imperial Buildings, Colwyn Bay*			21			
Nant y Glyn Holiday Park, Colwyn Bay*		10	12	10		
Pinewood, Sychnant Pass Road, Conwy	15	60	8			
Deganwy Castle Hotel*	7					
Ocean View, Llanddulas	3	3	2	2	1	
Plas Dulas, Pencoed Rd, Llanddulas*		5	5	5		
Former Dulas Arms, Llanddulas*		5	4	4		
Former Penmorfa Hotel, Llandudno			28			
Former Trinity Youth Centre, Llandudno*		18				
Former Pier Pavilion*				49		
Social Club/Youth Club, Llandudno Junction	10					
Adj. Fernbank, Llanfairfechan*	17					
West Coast Building, Llanfairfechan		5	5			
Trem Gwydir, Llanrwst*			18	16		
Bod Hyfryd, Tan y Graig Road, Llysfaen*		3	6	6	4	
Former Seventy Degrees Hotel, Old Colwyn*	29					
Land off Dolwen Road, Old Colwyn	12					
Opposite Bryn Rodyn, Old Colwyn	6	25	11			
St John's Church Hall, Old Colwyn*			10			
Interleisure, Pensarn		10	30	30	30	28
Pennant Hall, Beach Road, Penmaenmawr*			14			
20 College Avenue, Rhos on Sea*		17				

Odstone, Marine Drive, Rhos on Sea*		12				
Total	193	225	159	107	12	28
GRAND TOTAL	824					
* Of which are large windfall	400					

Appendix 3: Large windfall site completions

Site name	Dwellings completed in year			
	2014-15	2015-16	2016-17	2017-18
Awel y Mor, Abergele	49			
Deganwy Castle Hotel	26			
Land at Oak Drive, Colwyn Bay	3	2	6	
Three Gables, Sychnant Pass Road, Conwy		10	17	3
Land at corner of Pentwyn Rd & Park Rd, Deganwy		22		
St Winifred's, Marine Drive, Rhos on Sea		18		
Former Slaters dealership, Abergele			21	
Plas y Coed, The Dingle, Colwyn Bay				19
53 & 55 Oak Drive, Colwyn Bay				17
Red Gables, Bangor Road, Penmaenmawr				10
Rothesay Hotel, Rhos on Sea				40
Total	78	52	44	89
GRAND TOTAL	263			

Glossary

Terms shown in **bold** text are defined elsewhere in the glossary.

Allocations – Land which is designated for a particular purpose (such as housing) in a development plan.

Brownfield land – Informal term which generally corresponds with **previously developed land**.

Commitments – Land with current planning permission for residential development. For this purpose, the realistic contribution to be made to housing supply from commitments relates to **large sites** which are assessed through the **JHLAS** process.

Completions – The number of **dwellings** completed through new-build construction or conversion of existing buildings over a set period.

CPO – Compulsory Purchase Order is a process through which a local authority can buy land or buildings when necessary for a specific project, if they are unable to negotiate a willing sale.

Dwelling – Permanent, self-contained residential accommodation including houses and flats.

JHLAS – Joint Housing Land Availability Study, an annual study undertaken by all LPAs with a current, adopted **LDP** to assess the available sources of housing land. Completed studies are published online, available from www.conwy.gov.uk/jhlas

Large site – A site for residential development which would provide a **net gain** of 10 or more **dwellings**.

LDP – Local Development Plan is the statutory development plan which each **LPA** in Wales is required to produce. An LDP includes **allocations** to be development sites and contains policies to be used in determining planning applications. The present LDP in Conwy was adopted in 2013 and is the development plan for the **Plan Area**.

LPA – Local Planning Authority is the local government body responsible for determining planning applications and producing **LDPs** in Wales. LPAs consist of the local authorities and National Park authorities. Conwy LPA is responsible for the planning matters within the **Plan Area**.

Net Gain – The total number of **dwellings** on a development site, after subtracting any lost through demolition or conversion.

Plan Area – The geographical area covered by the Conwy **LDP**. This is the County Borough of Conwy, excluding the part that is within Snowdonia National Park.

Plan Period – The time period (normally 15 years) for which an **LDP** is the statutory development plan in an **LPA**. The current LDP will expire at the end of the Plan Period in 2022 and will cease to be used to determine planning applications after this time.

Planning Policy Wales (PPW) – The national planning policy document published by **WG**. The latest version is Edition 10, available from <https://gov.wales/planning-policy-wales>

Previously Developed Land (PDL) – Land which is or was occupied by a permanent structure and associated fixed surface infrastructure. It includes areas around buildings such as gardens, but excludes agricultural or forestry buildings or land on which the remains of buildings have blended into the landscape over time. There is a fuller definition of PDL on page 38 of **Planning Policy Wales**.

RLDP – Replacement Local Development Plan is the new **LDP** which is currently being prepared in Conwy with a **Plan Period** of 2018-2033. Once complete and adopted, the existing LDP will be cancelled.

RSL – Registered Social Landlord, also known as Housing Associations are non-profit organisations who provide and manage affordable housing. Some (such as Cartrefi Conwy) came into existence when council housing stock was transferred from the local authority to form a new independent organisation.

Small site – A site for residential development providing a **net gain** of less than 10 dwellings.

SuDS – Sustainable Drainage Systems are a means to dispose of surface water through the use of ponds or soakaways on site, to avoid moving water into watercourses which can contribute to flooding. Since the implementation of the SuDS Regulations in Wales in January 2019, all residential developments for 2 or more dwellings must incorporate SuDS in line with published standards.

Windfall – A site not specifically **allocated** in a development plan, but which becomes available for residential development during the lifetime of a plan.

WG – Welsh Government.