Cardiff Local Development Plan
2006-2026

City of Cardiff Council

Additional Matters Arising Changes Schedule:
Appendix One: MAC4 Policy KP1

October 2015
Strategic Planning
City of Cardiff Council
County Hall
Atlantic Wharf
Cardiff CF10 4UW
Appendix One: MAC4 KP1: LEVEL OF GROWTH

KP1: LEVEL OF GROWTH

The Plan makes provision for 45,415 new dwellings (including a 4,000 dwelling flexibility allowance) to deliver a housing requirement of 41,415 a range and choice of opportunities to deliver 41,100 new dwellings and 40,000 new jobs in Cardiff between 2006-2026. Furthermore, in order to demonstrate that the Plan meets the flexibility test of soundness and to accommodate potentially higher build rates than anticipated, provision has been made to deliver an additional 10% flexibility allowance (for 4,000 dwellings) which can be triggered, if demonstrated as necessary through annual monitoring, in the later phases of the Plan period.

4.12 The LDP Preferred Strategy considered the merits of three growth options and set out a reasoned justification for proposing option B which was below the official household projections but higher than long-term past build rates. It considered all relevant factors including a report by independent population forecasting experts (Edge Analytics, June 2011) which applied more locally robust data to the official statistics. It was also informed by a process of regional collaborative dialogue involving all local authorities in South East Wales together with other key relevant national and regional bodies.

4.13 Views have since been gathered through consultation on the Preferred Strategy which took place in November and December, 2012. The formal consultation process collected 1,028 responses and 8 petitions. Additionally, 444 responses were collected from the Citizens Panel representing a wide distribution of ages and geographical locations across the city. This was in sharp contrast to the wider consultation responses which showed a significant geographical ‘clustering’ of responses generally in proximity to the location of proposed development sites. Responses relating to the proposed level of growth can be summarised as follows:

Citizens Panel LDP Consultation

<table>
<thead>
<tr>
<th>No.</th>
<th>%</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Too low</td>
<td>20</td>
<td>4.6</td>
<td>32</td>
</tr>
<tr>
<td>About right</td>
<td>209</td>
<td>48.2</td>
<td>34</td>
</tr>
<tr>
<td>Too high</td>
<td>205</td>
<td>47.2</td>
<td>553</td>
</tr>
</tbody>
</table>

TOTAL: 434 100 TOTAL: 619 100
4.14 The consultation findings indicate sharply contrasting views on this matter. This underlines the importance of the level of growth in the Deposit LDP being based on robust and up to date evidence.

4.15 Therefore, additional independent expert advice has been sought based on the best possible information currently available. Edge Analytics, the independent population forecasting experts providing advice on the Preferred Strategy, have undertaken a further detailed analysis with their report forming Supporting Document No. 18. It is informed by important new information which was not previously available, the 2011 census results and revised back population figures issued by the Office of National Statistics at the end of April, 2013. The material informing this work is of a more detailed and locally robust nature than the official population projections which do not benefit from such a thorough local analysis of relevant data.

4.16 Overall, the Edge Analytics report has produced compelling, up to date and robust evidence to justify a level of growth lower than the official projections and also lower than that proposed in the Preferred Strategy. The recommendations contained in the report are based on a thorough examination of a number of different growth scenarios.

4.17 The Edge Analytics Report has reviewed the new evidence, presented an analysis of inter-censal change in Cardiff's demographic profile and developed a revised suite of demographic forecasts for consideration. The analysis of inter-censal change revealed a 35,400 (11.4%) increase in Cardiff's population between 2001 and 2011. The analysis of the 'components of change' underpinning Cardiff's population growth has revealed the critical importance of migration, both internal and international in shaping population growth.

4.18 Using the updated evidence, a number of 'trend' scenarios were evaluated and compared to the 'starting point' of the official 2008-based projections. The report concluded by drawing attention to the future uncertainties associated with international migration and recommended to the Council that a lower dwelling growth trajectory of 42,500-43,000 (scenarios F & G) over the 2006-26 Plan period might be more appropriate. Furthermore, the report recommended that the Council gives consideration to further reducing the figure due to the potential impact of applying a slightly lower home vacancy rate for 2026 and also considering a 10% further sensitivity reduction due to a potential decrease in household formation rates.

4.19 The Council recognise that scenarios F and G result in a very similar level of growth which is considered to be consistent with the overall strategic objectives of the Plan. With regard to the potential options to further reduce the dwelling requirement, the Council supports applying a 3% vacancy rate for 2026 as opposed to a figure of 3.74%. This is because 3% was the previous rate in the 2001 census and due to current Council policy and actions to tackle this issue, a rate of 3% in 2026 is considered to represent a sound, robust and reasonable figure backed by supporting policy framework to deliver.
4.20 However, the Council has significant concerns with applying a further 10% reduction in dwelling need due to a potential reduction in household formation rates. The report draws on recent evidence from England and suggests this recent trend could also be taking place in Cardiff. However, at this juncture, prior to the Welsh Government household projections being released in late 2013, no official data or evidence can be used to substantiate any reduction. Therefore, to reduce figures without any firm evidence carries significant risks, since if the figures do not show a decrease, the Plan would be clearly out of line with evidence and run the risk of being deemed unsound. However, as the Welsh Government household projections will be issued before the Council submit the Plan for examination, there will still be an opportunity to consider their impact ahead of the examination but any analysis must also take account of the issues highlighted in the paragraph below.

4.21 Even if the Welsh Government household projections indicate a reduced rate of household formation, it cannot be assumed that the rate would continue over the entire Plan period. Indeed, if there was to be a reduction, this may be explained by a reflection of the current limited supply of greenfield sites together with the challenging economic conditions at that time. The Plan Strategy of providing a range and choice of sites to meet evidenced need is considered a strong and compelling reason not to apply a 10% reduction which is not founded on hard existing evidence and cannot be justified looking ahead, particularly given the Strategy set out in the Plan.

4.22 Moreover, it should be noted that the annual net migration assumption 2011-26 without the 10% sensitivity adjustment is given as 1,268 persons p.a. This compares to the actual annual net migration data 2001-11 for Cardiff of 1,344p.a. (47p.a. internal and 1,297p.a. international), excluding the 320 per annum asylum seekers net flow to Cardiff. Given Cardiff's role as economic driver of South East Wales, it may be considered unsound for the LDP to incorporate assumptions for a significant reduction in net migration whilst at the same time promoting itself as a European Capital City seeking to attract new employment – for instance into the proposed Cardiff Central Enterprise Zone.

4.23 Therefore, the Council consider the most robust and sound approach to adopt is to set a level of dwelling growth based on the recommended scenarios F and G incorporating a 3% vacancy rate in 2026 which have a very similar dwelling requirement. Of the two scenarios, the Council considers the logic and reasoning behind scenario G is more robust and represents a sound basis on which to base the future dwelling requirement which has been rounded down to 41,100 dwellings for clarity purposes. This level of dwellings is almost exactly proportionate to delivering the 40,000 jobs proposed in the Preferred Strategy so this figure will be retained in the Deposit LDP. This represents: A rise in population from 323,766 in 2006 to 395,378 in 2026, (an additional population of 71,612, representing an increase of 22.1%); A rise in dwellings from 138,735 in 2006 to 179,835 in 2026, (an additional 41,100 new dwellings, equivalent of an 29.6% increase); An
average build rate of 2,055 dwellings per annum over the entire Plan period but due to lower than average completions in early years of Plan period (2006-13), a residual required annual build rate (2013-26) of 2,295 dwellings per annum.

As the LDP has progressed through its numerous stages of preparation, various level of growth options have been considered, consultations have been carried out and expert advice has been sought. The level of growth set out within this Key Policy is considered to best reflect an analysis of all relevant factors. Importantly, it is based on the most up-to-date information reflecting matters raised during the examination process and makes provision (including the flexibility allowance) to deliver the level originally set out in the Preferred Strategy.

4.4 All other relevant factors, as set out in Planning Policy Wales and summarised below, have also been carefully considered. In this respect, it should be noted that national guidance states that the official projections should form the starting point for setting levels of growth in LDPs and makes it clear that any departure from these figures should be fully justified by demonstrable evidence. These official figures show a 42% rise in Cardiff’s population for the period 2008-2033 and a 33% rise for the Plan period 2006-26 for which the Plan makes provision. Other relevant factors include:

- Accordance with Wales Spatial Plan and other key national policy and guidance;
- Cross-boundary/city-region implications;
- Accordance with ‘What Matters’, the Community Strategy for Cardiff Council;
- Extent to which evidenced economic needs are delivered;
- Extent to which evidenced social/housing needs are delivered;
- Environmental and climate change implications;
- Deliverability and capacity factors; and
- Consultation and collaborative working findings.

4.25 A summary of the consideration of relevant factors is set out below. However, more detailed relevant information is also contained in Supporting Documents including:

- Supporting Document No. 18: Edge Analytics Report (June 2013);
- Supporting Document No. 1: Population & Housing Technical Background Paper;
- Supporting Document No. 2: Urban Capacity Study; and
4.26 No other material factors are considered to possess sufficient weight to warrant departure from this level of growth which is considered to:

- Accord with the Wales Spatial Plan aims by supporting Cardiff’s role as centre of a networked city-region but not to excessive levels which could prejudice regeneration objectives elsewhere;
- Accord with the Council’s vision and LDP objectives;
- Effectively respond to the regional collaborative dialogue which recognised the dangers of artificially restricting growth in Cardiff - there was a clear recognition of the positive ‘ripple effects’ of providing jobs and homes in Cardiff which improved prosperity in the wider city-region;
- Effectively respond to the clear evidenced need to provide for a significant number of new homes and jobs. Whilst the Plan makes provision to deliver the level proposed may fall short of official projections, it is considered to strike the right balance having regard to the full range of factors;
- Deliver necessary homes and jobs, but in a managed and controlled manner protecting key elements of Cardiff’s environment;
- Meet deliverability and capacity factors - The Deposit LDP contains proposals and mechanisms which justify how deliverability and capacity matters can be adequately addressed. The wide range and choice of sites contributing to the provision together with the masterplanning approach which includes addressing the deliverability of supporting infrastructure demonstrates how development can be successfully brought forward in a managed way. (A higher level of growth would be considered difficult to justify in terms of deliverability factors and set an artificially high target for the 5 year supply requirements set out in TAN 1; and
- Respond in an evidence-based manner to the divergence of views expressed in the Preferred Strategy consultation processes.

4.27 The detailed breakdown of how it is intended to provide for the 41,415 new homes over the Plan period is shown in Table 1, below. The masterplanning approach consultation findings and wider work undertaken have informed the number of new homes and jobs proposed for the Strategic Sites which are described in greater detail in Policy KP2 and Supporting Document.
<table>
<thead>
<tr>
<th>Row</th>
<th>Topic/Factor</th>
<th>Note/Source</th>
<th>Dwellings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NEW DWELLING REQUIREMENT 2006 - 2026</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>2006-2026 Dwelling Requirement</td>
<td>As referenced in Policy KP1</td>
<td>41,415</td>
</tr>
<tr>
<td>2</td>
<td>2006-2026 Dwelling Requirement per year (20 years)</td>
<td>Row 1 divided by 20 years</td>
<td>2,071</td>
</tr>
<tr>
<td><strong>CHANGE IN DWELLINGS 2006 to 2014 AND RESIDENTIAL LANDBANK AT 1st APRIL 2014</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Current Landbank (Under Construction, Not Started and Sites subject to Legal Agreement).</td>
<td></td>
<td>10,885</td>
</tr>
<tr>
<td><strong>ADJUSTMENTS FOR CHANGE IN CURRENT DWELLING STOCK</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Adjustments (Demolitions, Change of Use from Residential to Other Uses and Residential Conversions)</td>
<td></td>
<td>242</td>
</tr>
<tr>
<td><strong>ALLOWANCES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Windfalls (including Change of Use Gains)</td>
<td></td>
<td>5,850</td>
</tr>
<tr>
<td>7</td>
<td>15% Flexibility Allowance for possible reduced dwelling yield on Brownfield sites in landbank and some S106 sites not coming forward</td>
<td></td>
<td>-1,043</td>
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<tr>
<td><strong>LDP STRATEGIC SITES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Units on LDP Strategic Sites</td>
<td>Excludes Strategic Site A - existing commitment in the landbank</td>
<td>13,950</td>
</tr>
</tbody>
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### LDP NON-STRATEGIC SITES*

<table>
<thead>
<tr>
<th></th>
<th>Units on LDP Non-Strategic Sites</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td>572</td>
<td></td>
</tr>
</tbody>
</table>

*Allowance to avoid double counting on Strategic and Non-Strategic sites in the landbank at 31st March 2014:

-1,256

<table>
<thead>
<tr>
<th></th>
<th>Total Supply</th>
<th>41,456</th>
</tr>
</thead>
</table>

|   | Additional 10% flexibility allowance, as referenced in KP1. | 4,000 |

4.28 The Plan deliberately provides an extensive range and choice of opportunities for the creation of new homes and jobs. This is crucial to the overall delivery of homes and jobs by enabling different sites in different locations to be progressed concurrently. It also ensures flexibility as a limited number of sites would carry delivery risks should implementation problems be encountered on specific sites. The masterplanning approach, which also addresses the provision of infrastructure and phasing, puts in place a framework to ensure the orderly development of sites. Key Policies on masterplanning, design and infrastructure, together with supporting documentation, explain this approach in more detail.

4.29 In terms of the provision of new homes, brownfield sites still contribute over half of the provision, but this is supplemented by new greenfield opportunities offering a fuller range and choice. This provides a much needed catalyst to the local housing market which has seen a recent shortage of greenfield sites and can help meet a growing latent demand. Furthermore, greenfield sites can play a key role in bringing forward high levels of affordable and family housing. Evidence has shown that site viability factors make it difficult for brownfield sites to consistently provide high levels of affordable housing.

4.30 It should also be noted that Cardiff has a finite supply of brownfield sites and that the previous LDP was withdrawn due to the Inspector’s concerns that it was a, ‘brownfield only’ Strategy. The last decade has seen significant brownfield developments, the most notable being the successful regeneration of Cardiff Bay. However, brownfield opportunities of this scale no longer exist. Research work has been undertaken to explore the possibilities of maximising the contribution of brownfield land to meet future provision. Supporting Document 2 sets out in detail the findings of this work and demonstrates the different potential opportunities which have been explored.
4.31 The Plan recognises that there is a limited supply of acceptable brownfield land. It also recognises that not all existing brownfield sites with planning permission will be developed due to changed economic/market conditions. These changed market conditions also mean that delivering previously anticipated levels of affordable housing may prove challenging due to current financial viability factors. This, in part, contributes to the current limited number of sites being brought forward for development from the landbank. Additionally, there are serious policy issues with losing further employment land of strategic or local importance to housing and it is not considered acceptable for the Plan to propose building on river valleys, parks and playing fields.

4.32 However, brownfield sites will continue to play an important role and windfall provisions will form part of the provision for new homes as land uses within the city continue to evolve. For example, the Council is currently strategically assessing its land holdings which, over the Plan period, is likely to generate a wide range and choice of brownfield housing opportunities across the city.

4.33 The Deposit LDP seeks to respond to need in a way which provides range and choice of land for housing. Maximising the contribution of brownfield sites still forms over half of the provision over the whole Plan period, but this is supplemented by a range of greenfield opportunities offering a range and choice and to provide a catalyst to help kick-start the currently depressed housing market situation. Greenfield sites generally have far lower site development costs/constraints and are therefore widely recognised as providing far higher levels of affordable housing than brownfield sites.

4.34 The provision of a full range and choice of housing options also fully supports the delivery of the economic Strategy - new homes and supporting community facilities can help attract new investment to the city and stimulate more movement in the housing market. Associated construction jobs would provide an additional benefit to the local economy.

4.35 New greenfield releases also bring with them the ability to contribute towards the wider provision of strategic infrastructure to the benefit of the city and wider city-region as a whole. For example, the delivery of sustainable transportation solutions will have positive implications for the wider community. In this respect, there are clear benefits of the locations of the strategic sites which offer the opportunity of a joined-up approach to deliver strategically important infrastructure in the North West and East/North East corridors. This assists in prioritising infrastructure provision in a planned and focussed manner.

4.36 In order to deliver the required level of growth over the Plan period, there will be a need for a range and choice of sites to be on stream over the remainder of the Plan period. The masterplanning approach has been adopted to carefully manage this process with Key Policies KP2 (A) to KP2 (H) providing a framework for the delivery of each Strategic Site in this respect.
In this way, each site and each phase of development can bring with it the necessary range of supporting infrastructure. It should be noted that the scale of strategic sites open up the opportunity for delivering significant infrastructure benefits. However, some major elements may take a long period to deliver. Therefore, early phases will need to both deliver the infrastructure which is required for that particular phase along with contributing to the provision of wider strategic infrastructure which may be physically provided at a slightly later date. Detailed provisions will be put in place to secure delivery in such instances.

4.37 The Plan is considered sufficiently flexible to respond to changing conditions. This will be kept under review in the Annual Monitoring Reporting process allowing future reviews to address the need for change. Should demand be lower than anticipated, the sequence of provision will remain in place, thereby controlling development in an orderly manner and linking it in with infrastructure provision. However, this scenario would result in the trajectory being followed over a longer period allowing either Plan review or the next Plan to make appropriate judgement on future provision at that time.

4.38 Consideration also needs to be given to demand being higher than expected. This is considered to be a less likely possibility, based on current evidence of low completion rates and the challenging economic conditions. However, the LDP tests of soundness demand that Plans are sufficiently flexible to be able to positively respond to changes in circumstances. This Policy therefore has a built-in 10% flexibility allowance.

4.39 In this way, if a need is identified in the Annual Monitoring Report before the end of the Plan period, additional land can be brought forward for residential purposes at that point in time in a Plan review. The Plan demonstrates a clear commitment to a long term direction of travel by identifying geographically defined areas which have been subject to SA/SEA analysis and are well positioned to meet such need, if required.

4.40 Work undertaken as part of this process has shown that there is limited scope for further development areas due to the environmental and other constraints around the city together. There is considered merit in focussing potential additional areas based upon proposed Strategic Sites where there is land available to take advantage of the comprehensive provision of new community and transportation infrastructure and minimising impact on areas of higher environmental sensitivity including land proposed for Green Belt designation.

4.41 Three areas have been identified to provide good flexibility as just one option may limit the scope for dwellings being delivered should problems be encountered on a particular site. It should also be noted in this respect that each area offers a large gross area with the combined potential to deliver more than just an additional 10% flexibility. The masterplanning of adjoining Strategic Sites will take account of these potential additional areas in the planning of land uses and supporting
infrastructure. Other strategic sites have far more fixed boundaries and do not lend themselves to logical extension. will ensure that suitable access is secured and future Plan monitoring will trigger any future detailed consideration of infrastructure and masterplanning requirements should the need for the early release of the identified Search Areas be triggered within the Plan period.

4.42 The areas considered most suitable to deliver this potential need are as follows:

i. Land North of the North West Cardiff Strategic Site - Up to 57 hectares of land located between Llantrisant Road and the M4 Motorway bounded by the edge of Radyr to the East and the recent development on the former Rhydlafar Hospital to the West. This is a gross figure with the net developable area likely to be a significant reduction due to natural and infrastructure constraints within the site. This could provide a minimum of an extra 1,250 dwellings if required in the later phases of the Plan period but further masterplanning addressing long-term capacity is likely to demonstrate a higher figure is possible and the land is indicated by an arrow for potential future development on the Key Diagram; as Search Area A on the Proposals Map;

ii. Land West of the Strategic Site North of Junction 33 - Up to 41 hectares of land represents a logical extension of this site which falls between the M4 Motorway and Llantrisant Road. This could provide a minimum of an extra 1,250 dwellings if required in the later phases of the Plan period but further masterplanning addressing long-term capacity is likely to demonstrate a higher figure is possible. The land is indicated by an arrow for potential future development on the Key Diagram; as Search Area B on the Proposals Map; and

iii. North West Cardiff Strategic Site - As highlighted in Table 1, above, the overall capacity of this site is considered to be in the order of 6,500-7,000 dwellings depending on the precise configuration of land uses and housing densities. Work undertaken to date suggests that a figure of 5,000 dwellings is appropriate for homes being delivered within the Plan period (by 2026). However, should build rates be faster than anticipated, this site represents an ideal opportunity to help meet any additional need within the Plan period and benefits from the comprehensive masterplanning of the area as a whole which is shown as a allocation in its entirety.

4.43 In a similar way to the provision of new homes, a range and choice of new job opportunities is also proposed. It is important to ensure that a range and choice of employment land and business premises are provided to maintain and improve the competitiveness of the city, promote and protect indigenous business and attract inward investment.
4.44 This approach responds to Cardiff’s role as the main economic driver of the city-region accounting for 32% of total employment in South East Wales. At the heart of this approach is recognition that the Cardiff city-region clearly forms a natural economic area and it has consistently made a major positive contribution to the economic growth of Wales. In core city analysis, Cardiff performs well and there is an opportunity to build further on this through continuing to enhance Cardiff's role and also improve linkages and connectively within the city-region. It is also recognised (as evidenced in the recent Cardiff LDP regional collaborative working exercise summarised in Supporting Document 17) that there are significant benefits for adjoining areas from Cardiff’s success in achieving economic growth.

4.45 The Plan provides a framework for delivering a wide range and choice of employment sites in different locations and for different sectors including the key market sectors of ICT, energy and environmental technologies, advanced materials and manufacturing, creative industries, life sciences and financial and professional services. The range of new sites ensures that Cardiff can deliver the stated level of growth for new jobs. Importantly, different sites will perform different roles in the strategy. For example, Porth Teigr (Roath Basin) has the potential to become an important location for media and creative industries. Other locations may be better suited to small out of centre employment sites, including offices, creative industries, small workshops, and starter units.

4.46 The geographical spread of the ‘Cardiff offer’ also addresses the need to provide jobs in accessible locations. In this respect, the key strategic proposal relating to the Cardiff Central Enterprise Zone and Regional Transport Hub represents a highly sustainable and accessible location, close to areas of high unemployment in the city but also readily accessible to the wider region via sustainable modes of transport.

4.47 Further background evidence underpinning the approach to providing the range and choice of new jobs is provided in Supporting Document 4.