

WELSH GOVERNMENT
Examination Hearing Statement

Snowdonia National Park
Local Development Plan
First Revision (Short Form Procedure)

Hearing Session 1 – 17th July 2018

Chapter 2: The Development Strategy

Chapter 5: Healthy and Sustainable Communities –
Housing Provision

Matters & Issues

1. Has the Revised Plan been prepared in accordance with the necessary procedural requirements?

a. Has the Revised Plan been prepared in accordance with the Delivery Agreement, including the Community Involvement Scheme?

b. Has the Plan been subject to a robust: Sustainability Appraisal; Strategic Environmental Assessment; and Habitats Regulations Assessment/Appropriate Assessment?

c. Has the Plan been informed by a robust consideration of reasonable alternatives?

In respect of 1a to 1c this is a matter for the LPA. The Welsh Government has made no representation in this respect.

2. Does the Plan's Vision continue to be sufficiently aspirational and locally specific to form the basis for planning to 2031? Are the proposed revisions to the LDP sufficiently specific to the National Park?

a. Do they continue to reflect local distinctiveness?

b. Do they have regard to the National Park Management Plan?

c. Do they adequately reflect the statutory purposes and duty of National Parks?

d. Strategic Policy A: A new criterion has been added regarding the production of Place Plans. Should the plan include an explanation of what Place Plans are and what they are designed to do?

In respect of 2a to 2c this is a matter for the LPA.

In respect of 2d - Place Plans, they are akin to any other SPG. Explanation of the SPG process could usefully be explained somewhere (once) in the plan with a brief description of the scope/purpose of Place Plans. Other external bodies such as Planning Aid Wales have published specific guidance in respect of Place Plans which could usefully be referenced in the reasoned justification.

<http://www.placeplans.org.uk/en/>

3. Although no changes are proposed to the overall strategy, does it continue to be a coherent strategy from which its policies and allocations logically flow and is it founded on robust evidence?

a. Does the scale and location of development continue to address the issues that the LDP has identified?

b. Is the level of growth within the Settlement hierarchy justified and soundly based? Is there sufficient continued justification for the settlement categorisation?

c. Are the percentage targets and ranges set out within Strategic Policy C appropriate and based on robust evidence?

The Welsh Government made comments at both Deposit and Focussed Changes regarding the purpose, clarity, monitoring and implementation of the 'ranges'. The Welsh Government is of the view that as there is now increased detail in the plan in respect of the spatial distribution by housing component, the proposed 'ranges' do not align with this approach and therefore add confusion. The Welsh Government has met with the authority to discuss our representations and it is understood that the 'ranges' are proposed to be removed through the Park's hearing statement. The Welsh Government has also discussed with the authority the benefits of having more specific and meaningful indicators in the monitoring framework in respect of monitoring the strategy. It is anticipated this will be forthcoming.

d. Does the Plan's Spatial Strategy represent a sustainable approach to planning, including in terms of transportation, over the Plan period?

e. Is there sufficient continued justification for the pattern of housing and development distribution adopted? Is the inclusion of general market housing within Service Settlements and Secondary Settlements appropriate?

In broad terms, notwithstanding our comments to 3c (above) the Welsh Government has no concerns in respect of 3a - 3e.

4. Is the Plan's Strategy sufficiently flexible to respond to changing circumstances? Does the Plan continue to provide robust mechanisms for the Monitoring and Implementation of the Plan's Strategy?

See answer to 2c and our comments regarding large windfall developments, the five year supply, housing trajectory and flexibility allowance in question 5.

Chapter 5 Healthy and Sustainable Communities – Housing Provision

5. Is the spatial distribution of new housing consistent with the principles of sustainable development?

a. Is the spatial distribution of housing allocations and windfall opportunities consistent with the identified settlement hierarchy?

In respect of windfall development the Welsh Government has the following observations. The WG made representations at Deposit stage seeking clarification on why there was no large windfall allowance in the plan. The explanation provided in paragraph 34 (Revised Background Paper 7A) is unclear and does not provide sufficient justification as to why there is no large windfall allowance in the plan. The text suggests there have been at least 3 large windfall sites since adoption of the LDP which were unpredicted and could not be identified? This is the nature of windfall development. The authority need to explain what historic trends there have been in respect of large windfalls and consider whether an allowance should be embedded in the plan.

b. Will the spatial distribution of housing growth minimise any increase in car journeys, sustain rural communities and safeguard local facilities and services?

c. Does the distribution of housing adequately relate to existing and proposed transport infrastructure, and relate to where people are likely to work, shop and participate in leisure?

In respect of 5b – 5c, this is for the Authority to answer. In broad terms, the Welsh Government has no concerns in this respect.

6. Is the housing requirement figure of 770 (51 units per annum) appropriate and realistic to meet the needs of the Authority over the Plan period?

a. Has the Revised Plan been informed by a robust assessment of the housing requirement, having regard to Planning Policy Wales?

b. In identifying the requirement figure, has adequate regard been paid to the Welsh Government household and population projections, e.g. the 2014-based projections?

c. Has the requirement figure been informed by a robust assessment of the main local influences on housing demand, including: household formation, migration, and household conversion ratios.

This is for the Authority to answer. In broad terms, the Welsh Government has no concerns in this respect.

d. Should the level of housing provision, Plan requirement and a list of housing allocations be included within Strategic Policy G?

As stated in our FC representation, the WG considers that Policy G is an affordable housing policy and the authority should consider renaming it as such. The amendments proposed (NFf20) would be more appropriately included as a separate policy to be included in section 5.4 of the Deposit Plan. This would add clarity, readability and structure with the supporting reasoned justification, tables on housing supply/components and site allocations flowing from it. The policy could also make reference to the affordable housing target, for example *“makes provision for 810 dwellings, of which 350 will be affordable up to 2031”* The affordable housing target should be included within a policy not the reasoned justification.

In summary, the authority should consider the order and structure of the housing chapter in respect of how the housing and affordable housing policies, reasoned justification are presented. This does not change the content/strategy of the plan, but will ensure key elements are included within appropriate policies, supported by the reasoned justification in a coherent manner. The Welsh Government has been in discussion with the authority on this basis who have agreed such amendments would be helpful. This will be considered as part of the Park’s hearing statement.

7. Are the Housing Supply calculations and assessments within the Revised Plan appropriate?

- a. Are the figures set out within the Plan sufficiently up to date, accurate and clearly set out?**

- b. Will the Plan provide a 5 year supply of housing for the duration of the Plan? Does the LDP provide a satisfactory total amount of land for housing development?**

The Housing Supply calculations should be correct. The trajectory currently remains incorrect as the total cumulative completions are 810 units at the end of the plan period. This is incorrect as this should total the requirement, not the provision. On this basis it is not clear if there is a 5 year supply at adoption, or throughout the plan period. In addition, it also appears that the supporting graph does total a provision of 810 units? However, the graph demonstrates that there is no flexibility from 2022 onwards. Is the plan therefore sufficiently flexible to deal with unforeseen circumstances? The Welsh Government has been in discussion with the Park on this basis and it is anticipated that the numerical inaccuracies will be dealt with as part of the Park’s hearing statement.

8. Have the inter-relationships between the LDP’s growth strategy and the strategies of neighbouring authorities been taken into account?

- a. There is a continued acceptance in the Revised Plan that settlements outside the Park but on the border can provide housing, employment**

and other services for residents. Is there sufficient evidence that part of the need identified can be met by neighbouring authorities?

This is for the Authority to answer. In broad terms, the Welsh Government has no concerns in this respect.

9. Will the level of growth proposed be delivered?

a. Does the strategy rely too heavily on existing commitments and windfalls?

b. Is the LDP's estimate of windfall sites coming forward realistic?

c. Is the estimated number of conversions reasonable?

d. Is the LDP's estimate of small site contributions too high?

e. Are the proposed completions rates realistic? What are the implications of failing to deliver the required amount of housing?

f. Is there sufficient flexibility to deal with the failure of sites listed in the LDP to come forward? Is the contingency (40 units) enough? Does the 5% slippage allowance provide sufficient flexibility in the event of sites not coming forward as anticipated?

In respect of 9a to 9f, amendments to the trajectory and supporting 'flexibility' graph (as set out in our response to question 7) will assist in answering the above questions in respect of land supply, delivery and flexibility. Until these amendments are made it is difficult to ascertain whether there is a five year supply or whether there is sufficient flexibility throughout the plan period. In addition and as previously stated, the Welsh Government consider that the rationale for not including an allowance for large windfall sites should be explained given the evidence shows that they will come forward in the plan period. This is particularly pertinent as at present the trajectory 'currently shows' there is no flexibility in the plan from 2022 onwards.

The Welsh Government does not object to the principle of a 5% allowance, it will be for the authority to demonstrate that the level of flexibility is appropriate for their area, having regard to the issues, the timing and the deliverability of sites in the plan.

g. Are all the site allocations available and deliverable within the anticipated timescale?

h. Are the allocations supported by a robust and comprehensive site assessment methodology, free of significant development constraints and demonstrated to be economically viable and deliverable?

i. Have all infrastructure requirements been considered to ensure the timely deliverability of allocated sites, including in terms of sewerage capacity?

j. Is allocating so many sites for 100% affordable housing (11 out of 16 allocated housing sites) a sensible approach where there may be viability issues that could affect delivery?

In respect of 9g to 9j - It is a matter for the LPA to demonstrate that the level of housing growth proposed through the site allocations can be delivered throughout the plan period. The Authority will need to robustly evidence the delivery of allocations including those for 100% affordable housing. Our detailed response to the additional work on affordable housing viability and delivery is covered in Questions 10 & 11. Subject to our comments raised in the affordable housing section, the Welsh Government is broadly supportive of the additional work undertaken by the Council in respect of affordable housing, need, viability and deliverability.

In addition, the WG made representations at Deposit stage seeking clarification on delivery information in respect of site allocations such as timing, phasing, costs and funding mechanisms. The introduction of Appendix 5 is supported. However, it does not always contain detailed phasing information. For example, some sites state 'very likely to be developed in one phase', what does this mean? The Appendix should be amended to give more detailed phasing information, linked to the trajectory. The Appendix should also be embedded in the plan itself.

Affordable Housing:

10. Is the affordable housing target of 350 units appropriate given the overall need for 2,130 units? How does the Plan provide for the different types of tenure required to meet the need?

This is for the Authority to answer. In broad terms, the Welsh Government has no outstanding concerns in this respect. The Authority is in a unique position in that it does not produce a LHMA specific to the NPA boundary; it is reliant on the evidence of neighbouring authorities. The additional evidence set out DA-006 (April 2018) clarifies the limitations in this respect and the approach to affordable housing need and tenure going forward. The NPA has done all it can, however what does require

clarification is how tenure has been looked at through the viability work. (See response to 11 D).

In addition and to add clarity, the plans the target of 350 homes could usefully be broken down by housing component in a new table in the plan. This will aid the clarity and effective monitoring of the plan.

11. Are the thresholds for affordable housing delivery set out in ‘Strategic Policy G: Housing’ realistic and founded on a credible assessment of viability?

This is unclear. The thresholds of 5, 3, and 2 respectively appear to be based on a sample size of application type and size, or a policy choice and not whether the threshold is viable to trigger affordable housing (DA-007, April 2018). The Welsh Government does not disagree with the localised approach but considers further explanation of how these thresholds were chosen would be advantageous.

The policy is also unclear on what circumstances the Council will be seeking commuted sums. For example below the thresholds, or in cases where there will be a partial unit, or off site? The policy would benefit from clarification.

In addition, the requirement for conversions ‘anywhere’ to trigger at least 50% affordable housing requires justification given that this is different from the viable thresholds and targets in the rest of the policy. For example a 3 unit site that is not a conversion in Local Service Centre would not be expected to contribute affordable housing, yet a conversion of 3 units in the same zone would be expected to achieve is 50%. How is this viable?

a. Should Strategic Policy C specifically refer to the up to date figure for affordable housing need?

No. The affordable housing need of 2,130 units will be subject to change and is not fixed over the plan period as Conwy and Gwynedd Councils update their LHMA's. However, as previously stated the affordable housing target of 350 units should be set out in Strategic Policy: Housing (G) to ensure effective monitoring and implementation.

b. Does the Plan maximise the delivery opportunities for the provision of affordable housing? Does the Plan strike an appropriate balance between landscape protection and affordable housing provision?

This is for the Authority to respond. The Welsh Government has no fundamental concerns in this respect.

c. Is the affordable housing target of 350 units achievable? Are those units anticipated within lower tier settlements and the countryside based on

sound and robust evidence that takes adequate account of local housing markets and need?

This is for the Authority to respond. The additional work produced by the Council in DA006, DA007 and DA008 is helpful in this respect.

d. Is the Plan based on an up-to-date assessment of the full range of housing requirements across the National Park? Has there been an assessment of the required tenure mix (e.g. affordable, intermediate and social rented housing)? How will the Plan ensure a balanced mix of house types, sizes and tenure that are related to the needs of the area?

The Welsh Government has one outstanding comment in respect of tenure mix. As previously stated the Council is not in control of the LHMA and is limited in this respect in what it can do or indeed evidence. This is not disputed. In essence, given the authority will look at tenure on a case by case basis, how then can policy targets be based on different tenure approaches as set out in the updated AHVS (DA008)? For example, it appears that some targets are based on the ACG route; others are based on the intermediate route. In Local Services Centres the 20% target in policy appears more akin to less viable schemes tested under the ACG route and conversely, the 30% target in Service Settlements is higher to reflect more viable schemes tested under the intermediate route. The Authority should explain this approach, how it has influenced the affordable housing targets and explain which route best reflects the type of housing that is most likely to be achieved in practice.

e. Are the affordable housing contributions that are sought financially viable and based on sound methodologies and assumptions? How has the level of contribution taken into account rising build costs, including the sprinkler requirements introduced into the Building Regulations, and other associated costs?

In respect of our previous representations we note that the AHVS update (DA008) dated March 2018 should now reflect sprinkler costs in the BICS approach. The Authority should confirm that this is the case.

f. How will off site contributions be used to deliver affordable housing, and what mechanisms are in place to ensure that the levels of contributions sought are realistic and transparent?

See previous comments regarding commuted sums on Policy G. In addition, would commuted sums need to be sought on allocations that cannot deliver an equal number of 50% open and 50% market housing, for example on 5 unit sites in Capel Horeb, Dyffryn Ardudwy and on Land at the Former Woollen Mill, Trefriw?

- g. Past trends indicate that larger sites and those with Social Housing Grant (SHG) funding in place are more viable. How will the sites within the Local Service Centres, Service Settlements and Secondary Settlements be delivered? Will the required number of affordable houses be delivered?**

This is for the Authority to respond. The additional work undertaken by the Council in respect of evidencing affordable housing delivery is broadly supported and subject to our comments in this statement have no fundamental concerns in this respect.

- h. Is the Plan sufficiently clear on the delivery and viability of affordable houses within sub market areas?**

The Welsh Government representation at Deposit stage highlighted there was no clear alignment between Strategic Policy: Housing (G) and the supporting AHVS, specifically what settlements are viable at which percentage in each of the sub-market areas given they are not directly comparable. This remains to be the case given the AHVS has been assessed on different bases, namely market areas. The additional work undertaken by the Council has explained that targets are broadly viable at these levels, in light of the AHVS and local evidence. Subject to our comments in respect of tenure, we have no further comments on this basis.

To aid clarity of the plan a cross reference from this policy to the list of settlements by settlement tier set out in Appendix 6 will be advantageous. Or a new table supporting Policy G that lists targets by settlement. This will be a matter for the NPA to consider.

- i. It is likely that individual plots and conversions will be developed by private individuals (as shown by past trends). In the absence of Social Housing Grants (SHG) being available for private developers, will such schemes be viable?**

This is for the Authority to respond.

- j. What evidence is there of close liaison with housing providers in the National Park?**

This is for the Authority to respond.

- k. Is there sufficient evidence that part of the need identified can be met by neighbouring authorities?**

The Welsh Government has no concerns with the zones of influence approach. It is recognised that that core settlements that are integral to the role and function of the park are located outside the park. The authority must ensure that it has balanced affordable housing need and delivery with the key issues the park is seeking to address, such as landscape protection.

12. Does the Plan provide a sound basis for implementation and monitoring of housing provision?

a. Does the Plan incorporate robust monitoring and review mechanisms that will enable the open market housing and affordable housing strategies to respond effectively to changing circumstances, such as changing market conditions?

b. Does it contain clear identifiable targets and milestones as well as triggers for action if the numbers do not come forward as anticipated?

See previous comments.

13. The Welsh Language and Communities

a. Do the thresholds set out in Policy 18 continue to be fit for purpose?

b. Would the requirement of a Community and Linguistic Statement to accompany a planning application for unanticipated windfall sites be unnecessarily onerous for development falling within this category?

The Welsh Government has no concerns in this respect.
