

Monmouthshire Replacement Local Development Plan

Housing Background Paper

June 2021



**Monmouthshire County Council
Replacement Local Development Plan**

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Planning Policy Service

Monmouthshire County Council

County Hall, Rhadyr, Usk, Monmouthshire NP15 1GA

Tel: 01633 644429

Email: planningpolicy@monmouthshire.gov.uk

Contents

	Page
Executive Summary	i
1. Introduction	1
2. Housing Delivery Commitments	8
3. 'Rollover' Housing Allocations	9
4. Allowance for Windfall Sites	11
5. Allowance for Small Sites	12
6. Housing Requirement	13
7. Sustainable and Resilient Communities Strategy - Spatial Distribution of Growth	15
8. Conclusion	21
Appendix 1: Minister for Housing and Local Government letter to Leaders and Chief Executives of Local Authorities (08 July 2019)	
Appendix 2: Sites included within Table 3 – Sites with Planning Permission (1st April 2021)	
Appendix 3: Housing Potential Study	
Appendix 4: Monmouthshire, Newport and Torfaen Housing Market Areas	

Executive Summary

- i. The Replacement Local Development Plan (RLDP) plays a key strategic role in the delivery of development and it must ensure sufficient land is made available to meet future anticipated population and employment growth in the County over the Plan period. The RLDP aims to create a more balanced population structure to ensure that communities are sustainable, that the County has a sufficient working age population to support the economy and to provide a level of growth that can provide opportunities for young people to both stay and move to the area. The delivery of a suitable supply of housing is central to addressing some of the key issues/challenges that Monmouthshire is facing in relation to demography, affordability and fostering economic growth.
- ii. The purpose of this Background Paper is to identify the amount of land the Council will be required to allocate for housing in the RLDP in order to meet the proposed level of growth. The proposed housing requirement as set out in the Preferred Strategy¹ is for 7,605 homes to be built in the County between 2018–2033. A flexibility allowance over and above this estimate of need will be included to not only account for the possibility that some sites may not come forward as expected during the Plan period but also to allow for aspirational growth if economic circumstances allow. The flexibility allowance is initially set at 10%, but will be subject to refinement as more detailed site viability and deliverability work is undertaken and the housing trajectory further developed. With the inclusion of a 10% flexibility allowance the Plan will make provision for 8,366 homes to deliver a housing requirement of 7,605 homes: this equates to 507 homes per annum up to 2033, excluding the flexibility allowance.
- iii. This Background Paper considers the current possible housing land supply in the County and then provides details of how far each strand of this housing land supply can contribute towards meeting the identified housing provision including a flexibility allowance. The residual balance represents that element of the housing provision that will need to be met by identifying new housing land allocations in the RLDP. The Paper also considers the spatial distribution of this growth.
- iv. A summary of the RLDP housing provision and how this will be met is set out below.

Element	Number of Homes	Notes
Population-led Element of the Strategy		
Housing Provision	6,815	Housing requirement under the population-led element of the Strategy for 2018-2033 = 6,195 + 10% flexibility allowance, to be considered further in the Deposit Plan
Less Commitments:		
2018-21 Completions	1,218	Comprises 949 homes on large sites and 269 homes on small sites

¹ The RLDP Preferred Strategy is available to view via <https://www.monmouthshire.gov.uk/planning-policy/plan-preparation/preferred-strategy/>

Element	Number of Homes	Notes
Population-led Element of the Strategy		
Existing Land Supply Commitments	1,642	Sites have only been included if construction is already underway or they have planning permission or have planning permission subject to the signing of a S106 agreement as at 01/04/21, and they are expected to come forward over the Plan period.
Less Allocations:		
LDP 'Rollover Allocations'	300	This is based on adopted LDP Strategic Site allocations which do not currently benefit from a planning permission but where progress can be evidenced.
Revised Provision	3,655	
Less Allowances:		
Windfall Allowance (>10 homes)	553 (79 dwellings per annum)	The windfall allowance is calculated on the basis of the last 7 years of the Plan period (2026-2033) ² . An allowance of 79 homes per annum is included. This is a future extrapolation rate which is based on an average of windfall completions over the past 10 years (2011-2021).
Small Site Allowance (<10 homes)	995	If the small sites allowance is calculated on the basis of the remaining 12 years of the Plan period (2021-2033) ³ , an allowance of 86 homes per annum would need to be included. This is based on an average of small site completions over the past 10 years (2011-2021), a small site allowance of 1,032 homes. However, following an appraisal of small site opportunities, the allowance for sites of less than 5 homes in rural areas has been discounted by 10%. ^{*4}

² To avoid double counting five years of the remaining 12 years of the Plan period have been discounted as large windfall sites with extant permission are included within the existing land supply commitments

³ The contribution from small sites for the first three years of the 15-year Plan period are included within the completions

⁴ There is limited scope for small site development within our existing rural settlements with many of the development opportunities already taken. To ensure that the small site allowance is achievable the estimated number of completions based on sites of less than 5 that have come forward in our rural settlements over the past 10 years has been discounted by 10%.

Element	Number of Homes	Notes
Population-led Element of the Strategy		
Remaining New Allocations Provision	2,107	
Plus Policy-led Affordable Housing Provision:		
	1,551	Housing requirement under the policy-led Affordable Housing element of the strategy for 2018-2033 = 1,410 + 10% flexibility allowance, to be considered further in the Deposit Plan
Total New Allocations Provision	3,658	

1. Introduction

- 1.1 The Replacement Local Development Plan (RLDP) plays a key strategic role in the delivery of development and it must ensure sufficient land is made available to meet future anticipated population and employment growth in the County over the Plan period. The RLDP aims to create a more balanced population structure to ensure that communities are sustainable, that the County has a sufficient working age population to support the economy and to provide a level of growth that can provide opportunities for young people to both stay and move to the area. The delivery of a suitable supply of housing is central to addressing some of the key issues/challenges that Monmouthshire is facing in relation to demography, affordability and fostering economic growth.

Purpose of this Background Paper

- 1.2 The purpose of this Background Paper is to identify the amount of land the Council will be required to allocate for housing in the RLDP in order to meet the proposed level of growth and to put forward a clear spatial strategy for where in the County this growth should be located. A number of alternative demographic, dwelling and employment-led growth options and spatial options for the RLDP have been considered and assessed, the details of which are set out in the Growth and Spatial Options Paper (December 2020)⁵.
- 1.3 The housing requirement is for 7,605 homes to be built in the County between 2018–2033. A flexibility allowance over and above this estimate of need will be included to not only account for the possibility that some sites may not come forward as expected during the Plan period but also to allow for aspirational growth if economic circumstances allow. The flexibility allowance is initially set at 10%, but will be subject to refinement as more detailed site viability and deliverability work is undertaken and the housing trajectory further developed. With the inclusion of a 10% flexibility allowance the Plan will make provision for 8,366 homes to deliver a housing requirement of 7,605 homes: this equates to 507 homes per annum up to 2033, excluding the flexibility allowance.

Sustainable and Resilient Communities Growth Strategy Housing Requirement: How has the Housing Requirement been Determined?

- 1.4 The Sustainable and Resilient Communities Strategy promotes and supports a level of housing and employment growth that will be distributed proportionately across Monmouthshire up to 2033. The Strategy assists in addressing the demographic and affordability challenges facing the County and ultimately seeks to deliver the Council's core purpose to build sustainable and resilient communities that support the well-being of current and future generations. The proposed level of growth will address the key issues/objectives that we are seeking to address in the RLDP, more specifically issues 2, 3, 4 and 5 relating to employment and economy, issues 24, 25, 26, and 27

⁵ Growth and Spatial Options Paper (December 2020) can be viewed via <https://www.monmouthshire.gov.uk/planning-policy/plan-preparation/growth-and-spatial-options/>

relating to population and housing⁶ and objectives 1 (economic growth/employment), 9 (demography) and 10 (housing). A full description of the issues and objectives for the RLDP can be found in the RLDP Preferred Strategy.⁷

- 1.5 Monmouthshire commissioned Edge Analytics to model a number of alternative demographic, dwelling and employment-led growth options for the RLDP. A total of 14 scenarios were generated, these were considered and assessed and of the scenarios generated 6 options were taken forward for consultation⁸. The Council's Preferred Growth Option, Option 5 – Population-led Projection (with added policy assumptions), which it is considered best addresses the County's key issues and challenges and meet the RLDP objectives, was identified in the Paper. The consultation paper provided a summary of the advantages and disadvantages of each option and considered the extent to which they will achieve the RLDP's objectives. The options are also assessed under the Integrated Sustainability Appraisal (ISA) process as set out in the Initial ISA Report⁹.
- 1.6 The feedback from the consultation has been considered and is summarised in the Growth and Spatial Options Report of Consultation (June 2021)¹⁰ together with the Council's response to the comments made. The identification of the Preferred Strategy has been informed by a range of considerations, including the assessment and consideration of the growth and spatial options, responses from the consultation process, the findings of the Integrated Sustainability Appraisal (ISA), the Sustainable Settlement Appraisal, the newly published Future Wales 2040 (which is a statutory development plan), the LDP tests of soundness, Welsh Government's Building Better Places, and the pressing need to address the key challenges relating to the County's demography, affordability and the climate emergency to achieve a sustainable balanced deliverable outcome.
- 1.7 It is considered that the rationale and assumptions associated with the Preferred Growth Strategy are soundly based and establish a level of growth that seeks to address the key issues relating to the reducing working age population and levels of out commuting in the County and will enable people to live and work in the County by making provision for a supply of good quality market and affordable homes for those who need them.
- 1.8 The underlying assumptions behind the housing requirement for the RLDP Preferred Strategy, the Sustainable and Resilient Communities Growth Strategy, are explained further below:

⁶ The Issues, Vision and Objectives Paper (Updated June 2021) is available to view via

<https://www.monmouthshire.gov.uk/planning-policy/development-of-an-evidence-base/>

⁷ The RLDP Preferred Strategy is available to view via <https://www.monmouthshire.gov.uk/planning-policy/plan-preparation/preferred-strategy/>

⁸ Growth and Spatial Options Paper (December 2020) is available to view via

<https://www.monmouthshire.gov.uk/planning-policy/plan-preparation/growth-and-spatial-options/>

⁹ The Initial Integrated Sustainability Appraisal is available to view via

<https://www.monmouthshire.gov.uk/planning-policy/sa-sea-hra/>

¹⁰ The Growth and Spatial Options Report of Consultation (June 2021) is available to view via

<https://www.monmouthshire.gov.uk/planning-policy/development-of-an-evidence-base/>

RLDP Sustainable and Resilient Communities Growth Strategy – Underlying Assumptions

- 1.9 The Sustainable and Resilient Communities Growth Strategy is based on a population-led scenario with added policy assumptions to address the County's key demographic and affordability issues. As a demographic-led scenario the 2018-based Welsh Government (WG) population and household projection variants form the starting point of the analysis. To ensure that the data is as up to date as possible the ONS 2019 MYE is used as the base year, with area-specific fertility and mortality assumptions derived from the WG 2018-based Principal projection. Internal in-migration rates are adjusted to reflect higher in-migration (based on the last 5-years) from Bristol and South Gloucestershire, following the removal of the Severn Bridge tolls. All other migration assumptions are derived from an 18-year historical period (2001/02–2018/19). Using this as the starting point sensitivity testing has then been undertaken to address the key issues that Monmouthshire faces.
- 1.10 To address the County's unbalanced demographic, one of the key RLDP objectives, and one which has been shown to have increased emphasis and importance in light of the Covid-19 pandemic, adjustments have been made to the household membership rates for three key younger age groups (19-24, 25-29, 30-34). This approach will help retain younger adult age groups and rebalance Monmouthshire's ageing demographic (RLDP Objectives 9, 10, 11, 12 and 13). To address out-commuting, another key objective of the Plan, the Preferred Strategy assumes a reduction in out-commuting in the sensitivity testing, this reflects the Council's economic ambition to both attract new employment to the County and encourage people to reduce travel by working from or near home. There has been a fundamental shift in working practices since the start of the Covid-19 pandemic with an increased propensity to work from home/remotely. It is expected that this trend will continue over the longer term in accordance with Welsh Government's ambition of 30% of the Welsh workforce working from or near home. This will provide residents with the opportunity to both live and work in the County in this new way, whilst also achieving the Welsh Government and Council's aim of reducing the need for commuting. This will help to reduce congestion and pollution, improve the work-life balance for employees and employers, support local businesses/ services and enable the creation of sustainable vibrant communities. This approach will support the Council's Climate Emergency declaration (RLDP Objectives 1, 14, 15 and 17).
- 1.11 The sensitivity testing thus aims to create a more balanced population structure to ensure that the County has a sufficient population base of working aged people to support the economy and to ensure our communities are sustainable and resilient, and to provide a level of growth that can provide opportunities for younger people to both stay in and move into the area, whilst at the same time reducing out-commuting. When applying these assumptions this results in a requirement for 6,195 homes (413 pa) over the Plan period.

- 1.12 The Issues, Vision and Objectives Paper¹¹ notes that due to high average house prices and high prices in relation to earnings there is a pressing need for affordable housing in the County. In March 2020, the average house price in the County was £297,628, with the lower quartile house price to income ratio in the County standing at 10:1 (Hometrack, March 2020-February 2021) for Monmouthshire workers. Consequently, a significant proportion of people cannot afford to buy or rent a home so either leave the County, or have to live with their parents or in shared housing for longer. Taking into account existing planning permissions in the housing land supply, the growth level resulting from the above sensitivity testing offers limited scope to address this affordable housing need. The current pandemic has further increased the need for affordable homes and revealed the extent of homelessness in the County. The Minister for Housing and Local Government has announced that post-Covid-19, no-one should return to the streets and Welsh Government's Building Better Places response to Covid-19 also highlights how the delivery of new social and market housing can make a significant contribution to economic recovery and social cohesion.
- 1.13 One of the key objectives of the Sustainable and Resilient Communities Growth Strategy is to address affordability within the county (RLDP Objectives 9,10,11,12 and 13). The Council consider it necessary to directly address this issue and include within the assumptions a policy led approach to deliver much needed affordable housing on specific sites where 50% of the homes will be affordable. When considering the appropriate split of affordable to private market housing on a site there are a number of issues which need to be considered. The proposed 50% on these specific sites has regard to the Minister for Housing and Local Government's letter of July 2019 (Appendix 1). The letter states that when reviewing LDPs, Local Planning Authorities must make provision for affordable housing led sites including at least 50% affordable housing. The Minister goes on to say that in the first instance affordable housing-led housing sites should make use of public land and, where this is not available, then privately owned land may be identified. This approach is reiterated in Future Wales: The National Plan 2040, Policy 7 – Delivering Affordable Homes which encourages local authorities, registered social landlords, and small and medium sized construction and building companies to build more homes and facilitate the reuse of publicly owned land to help support the provision of affordable housing-led developments.
- 1.14 Planning Policy Wales (Edition 11, February 2021) at paragraph 4.2.32 further supports this approach by stating that planning authorities must make provision for affordable housing-led housing sites in their development plans. Going on to say that such sites will include at least 50% affordable housing based on criteria reflecting local circumstances which are set out in the development plan and relate to the creation of sustainable communities. The Council will give due consideration to identifying appropriate sites through the Candidate Site process. When considering the appropriate mix of housing on these sites the Council is also mindful of the need to consider the viability and deliverability of sites and our aim to facilitate mixed, balanced, sustainable and resilient communities.

¹¹ The Issues, Vision and Objectives Paper (Updated June 2021) is available to view via <https://www.monmouthshire.gov.uk/planning-policy/development-of-an-evidence-base/>
Monmouthshire Replacement Local Development Plan
Housing Background Paper (June 2021)

- 1.15 The latest Local Housing Market Assessment (LHMA)¹² (December 2020) forms the starting point for establishing the need for affordable housing in the County. This establishes an annual affordable housing need figure of 467.81 dwellings per annum for the next five-year period (2020-2025). Extrapolated over the 15-year Plan period this results in a total need for some 7,017 affordable dwellings (467.81 x 15). It is widely accepted that the affordable housing need figure established in the LHMA is beyond the scope of the Development Plan process to deliver in isolation, with other mechanisms available outside of the planning system also playing a role. Establishing a percentage of the affordable housing need figure that provides scope to increase affordable housing delivery is considered a practical and effective way forward. On this basis, meeting 10% of the affordable housing need as evidenced in the latest LHMA on 50/50 sites is considered to offer an appropriate need figure to provide a starting point to address this key objective of affordability. This will provide an additional 705 affordable homes (775 with flexibility allowance). In addition, when considering an appropriate proportion of the need to address, it is important to have regard to the overall housing requirement figure and the outcomes of the Initial Integrated Sustainability Appraisal Report (ISA) of the Growth and Spatial Options Report (December 2020).
- 1.16 The Sustainable and Resilient Communities Growth Strategy will directly address affordability within the county with a policy-led approach to provide additional affordable homes. Making provision for 705 affordable homes on a 50/50 split basis is considered to be an appropriate policy response to addressing affordable housing need. A 50/50 split to delivery, results in an additional 1,410 homes (excluding the flexibility allowance) to be added to the housing requirement figure arising from the population-led modelling i.e. 705 affordable homes accompanied by an additional 705 private market homes, representing a 50/50 split. As the delivery of both market and affordable homes on these sites is additional to the levels established under the population-led modelling, the RLDP will deliver approximately 35% of the identified affordable housing need when all sources of dwelling supply are taken into account. The estimation of achieving around 35% of total affordable housing need is based on current policy thresholds with regard to existing commitments, windfalls and the homes arising from the population-led element of the modelling.

Sustainable and Resilient Communities Growth Strategy

- 1.17 In order to consider the implications of the housing requirement figure that reflects the Growth Strategy on population, jobs and households, Edge Analytics modelled two dwelling-led scenarios which take account of all of the above policy assumptions. The first factors in the 705 market homes associated with the affordable housing policy assumption combined with the 6,195 homes from the population-led modelling and models the implications on population change and jobs. The rationale for this is that the affordable housing need figure is derived from the LHMA and represents people already living in the County but who have been unable to form households. 705 of the

¹² The Local Housing Market Assessment is available to view <https://www.monmouthshire.gov.uk/planning-policy/development-of-an-evidence-base/>

1,410 housing requirement arising from the affordable housing policy assumption are therefore already factored into the residential population and would not impact on population or job numbers.

- 1.18 The second scenario models the impact of both the affordable and market homes associated with the affordable housing policy assumption, together with the projected 6,195 dwelling growth from the population-led modelling, on household numbers. The rationale behind this being that both the market and affordable homes arising from the affordable housing policy assumption have an impact on household formation during the Plan period as the population while already living in the County, are in need of new homes. Further details on this are set out in the Edge Analytics Affordable Housing Evidence Report (November 2020)¹³.
- 1.19 Table 1 below shows the total housing requirement for the RLDP Preferred Strategy this gives a total dwelling requirement of 7,605 homes over the 15 year Plan period (507 homes pa).

Table 1: Sustainable and Resilient Communities Growth Strategy Housing Requirement

	Sustainable and Resilient Communities Growth Strategy Dwelling Requirement
Total Dwelling Requirement	7,605
Annual Dwelling Requirement	507

Brecon Beacons National Park

- 1.20 The Brecon Beacons National Park is situated to the north and northwest of Monmouthshire. Consideration therefore needs to be given to the proposed delivery of housing in that part of the County which is covered by the Brecon Beacons National Park Authority (BBNPA). Edge Analytics in Appendix C of the Monmouthshire Updating the RLDP Demographic Evidence Paper¹⁴, have modelled the housing requirement for Monmouthshire excluding that part of the County which falls within the BBNPA. This results in a requirement for 380 homes per annum up to 2033. With a total requirement of 413 homes per annum for the County as a whole, an allowance of 33 homes per annum is therefore projected to be delivered within the Park over the Plan period. The affordable housing led policy housing requirement does not apply to the BBNPA area of the county given that it is specific to Monmouthshire planning area only.
- 1.21 Whilst the BBNPA consulted on its RLDP Preferred Strategy in July-August 2019 they have now gone back a stage and have recently completed consultation on a Revised Delivery Agreement and a Towards a Revised Preferred Strategy document. The latter document sets out the rationale for a shift in policy focus, making the case to revisit

¹³ Edge Analytics Affordable Housing Evidence Report (November 2020) is available to view via <https://www.monmouthshire.gov.uk/planning-policy/development-of-an-evidence-base/>

¹⁴ Monmouthshire Updating the RLDP Evidence (November 2020) is available to view via <https://www.monmouthshire.gov.uk/planning-policy/development-of-an-evidence-base/>

the Preferred Strategy phase of the RLDP process. With regard to the strategy for future homes in the BBNPA, the aim put forward in the document is to provide for the housing growth defined by national population projections whilst also considering household need generated through overcrowding and homelessness. It is proposed to work with the constituent authorities to apportion housing growth to ensure that most of the need generated within the National Park can be accounted for outside of the National Park boundary. Monmouthshire's Preferred Growth Option includes an allowance for the BBNPA which equates to 33 homes per annum within the National Park area. At this stage it is proposed that the allowance of 33 dwellings will be met within the Monmouthshire planning area. This allowance of 33 homes per annum is therefore included within the requirement for 413 homes per annum up to 2033. This position will be further considered with the BBNPA as their RLDP progresses.

Identifying the Amount of Housing Land Required in the RLDP

- 1.22 The RLDP must ensure that there is a sufficient supply of land for housing to meet the housing requirement identified and should clearly identify the components of housing supply by settlement/settlement category to support the housing policy framework. This will demonstrate how the different components of supply make up the total plan provision and crucially, how they will be spatially distributed. To identify the amount of land the Council will be required to allocate for housing in the RLDP to meet the housing requirement, an analysis needs to be made of the various components of housing supply, including existing commitments¹⁵, trend based small site and windfall site completions expected over the Plan period plus extant LDP allocations that can be 'rolled forward' to the Replacement Plan. This paper analyses each component of housing supply in more detail before arriving at a new allocations requirement based on the methodology detailed within the Welsh Government Development Plans Manual Edition 3 (March 2020).

2. Housing Delivery Commitments

- 2.1 Housing delivery commitments include the number of homes completed since the start of the RLDP period (2018), units currently under construction and those already with planning permission. The 31st March 2021 based survey of sites for the annual monitoring of housing land provides the most recent evidence on housing completions and supply in this respect and is therefore the starting point to identify these commitments. The latest monitoring of housing land in the County identifies a supply of 2,860 homes, which reflects the total level of potential supply within the current housing delivery commitments. The potential housing delivery commitments will now be categorised according to the different components of supply to inform how the RLDP's housing requirement will be met.

¹⁵ Existing commitments comprise units currently under construction and large sites with planning permission as at 31 March 2021 included on the site schedule for the annual Housing Land Monitoring.

Dwellings Completed Since 1st April 2018

- 2.2 The RLDP requires 7,605 new homes to be accommodated in the County during the 15 year RLDP period from 2018-2033. However, 1,218 homes have already been delivered since the start of the Plan period as summarised in Table 2 below. This equates to the first three years of the RLDP period and the residual requirement is therefore 6,387 homes up to 2033.

Table 2: Completions (Replacement LDP Period)

Total Completions 1 st April 2018 – 31 st March 2021	Large Site Completions	Small Site Completions
1,218	949	269

Sites with Planning Permission

- 2.3 Sites that already have planning permission form another significant component of supply, including developments that are already under construction and those approved subject to the signing of a s106 agreement. Table 3 summarises sites incorporated within the most recent site schedule for the annual monitoring of housing land that meet this criteria. All of the developments included within the schedule are being progressed and there is confidence that they will come forward over the course of the RLDP period, justifying their inclusion within the 'Commitments' strand of supply summarised in Table 3. Details of Sites included within Table 3 are provided in Appendix 2 for reference.

Table 3: Commitments – Sites with Planning Permission (1st April 2021)

Settlement	Sites with Planning Permission
Abergavenny	101
Caldicot	130
Chepstow	484
Llanfoist	106
Magor/Undy	209
Monmouth	81
Portskewett	269
Raglan	45
Rogiet	13
Sudbrook	110
Rural sites	94
Total	1,642

Sites without Planning Permission (Excluded from Commitments)

- 2.4 A number of allocated Main Village sites do not currently benefit from planning permission and are therefore not strictly compliant with the Development Plans

Manual definition of 'Land Bank Commitments' for the purposes of this paper. This amounts to a total of 120 homes.

- 2.5 The Main Village sites in the Adopted LDP were specifically allocated to provide affordable housing to meet local needs, with 60% of the proposed homes to be affordable. Whilst some allocated village sites have come forward to date there are a number where no meaningful progress has been made. If it is determined that a village site is unviable or cannot otherwise be delivered, it is proposed to omit it from the RLDP. To safeguard against non-delivery, all Main Village sites without a planning permission are therefore initially discounted from the commitments strand of supply within this paper. Each of these sites will be monitored and subject to review as part of the RLDP and future Annual Monitoring Reports for the Adopted LDP. Any subsequent progress will be factored into this paper to ensure the commitments form of supply is as accurate as possible.

3. 'Rollover' Housing Allocations

- 3.1 The remaining element of housing supply stems from specific LDP housing allocations, within the Main Towns and Severnside, which do not currently have a planning permission and so are excluded from Table 3. Before considering the allocation of any new sites for housing, it is important to assess all current large allocations that have not yet come forward under the Adopted LDP and to determine whether circumstances have now changed to justify their inclusion in the RLDP. There are three such extant allocations that meet this criteria, these are considered 'Rollover Allocations' capable of delivering 370 homes in total.
- 3.2 Table 4 below shows the situation with regard to the number of homes these sites were allocated for in the Adopted LDP alongside the current known position with regard to the number of homes that these sites are likely to deliver.

Table 4: Rollover Housing Allocations (1st April 2021)

Rollover Allocation	Number of Homes allocated in the Adopted LDP	Current Situation
Land at Vinegar Hill, Undy	225	155
Wonastow Road, Monmouth	110	110
Tudor Road, Wyesham	35	35
Total	370	300

- 3.3 From the table above it can be seen that all three sites are considered to be deliverable during the RLDP period, however the expected delivery of homes on one of the sites has changed in light of more recent information. A brief summary of the current situation is provided below:

- **Land at Vinegar Hill, Undy** – A hybrid application has been submitted on this site for two parcels of land for up to 155 dwellings with associated open space and infrastructure. A full planning consent is being sought for 72 dwellings on parcel A with an outline planning consent being sought for parcel B with all matters reserved except for access. Whilst allocated for 225 dwellings in the Adopted LDP the site is only proposed to come forward for up to 155 dwellings as the landowner doesn't wish for a parcel of land to be brought forward. Therefore 70 of the dwellings will not be taken forward as a rollover allocation.
- **Wonastow Road, Monmouth** – This is the remaining area of the Wonastow Road site, also known as Drewen Farm. The developer is keen to progress the site, however following new evidence about the environmental impacts of phosphate in watercourses Natural Resources Wales (NRW) has adopted tighter targets for the water quality of watercourses. The site is located in the River Wye catchment area and as such the new guidance from NRW has significant implications for the development of the site. We are working with NRW, Dwr Cymru Welsh Water, Welsh Government and the development industry to find solutions and enable progression of affected sites, as such it is proposed at this stage to include the site in the LDP rollover housing allocations.
- **Tudor Road, Wyesham** – The Site has been the subject of pre-application discussion with the Council and there is an interested developer on board. The planning application is expected to be for a higher number of homes than the current allocation (subject to a detailed planning application), however as no application has been submitted as yet it is proposed that the allocated number be taken forward as a rollover allocation. As with the site above this site is located in the River Wye catchment area and thus the new guidance from NRW has significant implications for its development. We are working with NRW, Dwr Cymru Welsh Water, Welsh Government and the development industry to find solutions and enable progression of affected sites, as such it is proposed at this stage to include the site in the LDP rollover housing allocations.

3.4 It is proposed at this initial stage that the three sites as detailed above are 'rolled over' into the RLDP, contributing 300 homes to the housing supply. However, if no significant progress is made in the short term the site promoters will need to provide robust evidence on delivery, phasing, infrastructure requirements and viability at the Deposit Plan stage if they are to remain as allocations in the RLDP.

4. Allowance for Windfall Sites

4.1 Windfall Sites are sites with a capacity of 10 or more homes that are not specifically allocated for housing, yet come forward in accordance with the Plan. Assessing the likely contribution that such sites can make to the housing land supply requires consideration of the sites that have come forward under the respective LDP policies in recent years. Given the very nature of Windfall Sites, it is considered more realistic to monitor the total number of homes completed annually as opposed to the number of homes with planning consent. This helps to provide a realistic estimate of the likely

contribution Windfall Sites may make to the land supply. Table 5 below provides an overview of Windfall Site completions over the past 10 years.

Table 5: Windfall Site Completions

Year	Windfall Site Completions (>10 homes)	Percentage of Total Completions
2011/12	74	29%
2012/13	55	16%
2013/14	53	23%
2014/15	33	16%
2015/16	135	58%
2016/17	128	54%
2017/18	107	38%
2018/19	80	18%
2019/20	0	0%
2020/21	121	29%

5 Year Average	10 Year Average (Adopted Plan Period)
87 Homes	79 Homes

- 4.2 Windfall Site completions have varied over the life of the Adopted LDP (2011-2021); ranging from 0 to 135 homes per annum or an overall annual average of 79 homes. Average completion levels have been higher in the most recent five years (87 homes), with lower completion levels in the first 5 years of the Adopted Plan period (70 homes), the latter average being partially curtailed by the lower build rates exhibited during the early years following the 2008 recession. It is important for the future extrapolation rate to be based on a balanced rate of completions to avoid being skewed by particularly high or low trends. Therefore, a ten year average (2011/12 to 2020/21) is considered the most robust for this purpose as this period encompasses the lasting repercussions of the 2008 recession and the following years of economic recovery.
- 4.3 It is reasonable to expect Windfall Sites to contribute a similar number of homes to the forthcoming housing land supply. There are 12 years remaining of the RLDP, however to avoid any double counting, as windfall sites with current permission are already included within the existing commitments, it is proposed to exclude the first 5 years of the remaining Plan period from the calculation. This produces a projected windfall allowance of 553 homes over the lifetime of the RLDP (79 homes per annum average x 7 years).
- 4.4 In order to identify where these windfall sites could potentially come from a Housing Potential Study (HPS) has been undertaken. This study has looked at the availability of land and under used buildings within the urban areas of Monmouthshire, this includes possible regeneration schemes within settlements and empty homes and upper floors within town centres which have the potential to provide additional homes. This will help to establish the capacity for housing development within the urban areas and also

inform decisions on how much greenfield land may be required for development within the RLDP. The HPS is included at Appendix 3. It should be noted, however, that this is a living document and as such will be updated at key stages of the RLDP preparation process to reflect the most up to date information.

5. Allowance for Small Sites

- 5.1 Small Sites are sites that accommodate fewer than 10 homes, and make an important contribution to the overall housing land supply, introducing an element of choice and flexibility into the housing market. An allowance therefore needs to be made for Small Sites that are likely to be delivered over the Plan period based on an assessment of past trends. Table 6 below outlines the number of small site completions over the past 10 years.

Table 6: Small Site Completions

Year	Small Site Completions (<10 homes)	Percentage of Total Completions
2011/12	90	35%
2012/13	94	27%
2013/14	59	26%
2014/15	99	48%
2015/16	99	42%
2016/17	74	31%
2017/18	78	28%
2018/19	84	19%
2019/20	104	29%
2020/21	81	19%

5 Year Average	10 Year Average (Adopted Plan Period)
84 Homes	86 Homes

- 5.2 The most notable trend evident from Table 6 is the relative stability in the number of homes delivered per annum on Small Sites. The range of completions year to year is relatively narrow; with 86 homes per annum on average over the Adopted LDP period (2011-2021). Indeed, the number of completions has seldom fallen below 80 homes per annum and there is no particularly notable dip in completions during the period following the recession, which reflects the unique mechanics of Small Site delivery. Whilst average Small Site completion numbers have not proved significantly changeable over different time periods, it is logical to base the future extrapolation rate on the same trend based time period used to inform the Windfall Site Allowance, that is a ten year average (2011/12 to 2020/21). This is equally justifiable given the diverse economic conditions witnessed over the past decade. This gives a projected Small Site allowance of 86 homes per annum or 1,032 homes over the remaining 12 years of the RLDP period. The full 12 years of the remaining Plan period need to be taken into account as Small Sites are not included within the existing commitments detailed in Table 3.

- 5.3 As small site completions make an important contribution to the land supply, as with the windfall sites, it is useful to identify where these sites could potentially come from. Whilst there are still opportunities for small site development within our larger settlements it is considered that these opportunities are becoming more limited in our rural areas. Officers have undertaken an assessment of the possible small site opportunities within the existing development boundaries of the main villages, infill opportunities within minor villages and also considered past trends in barn conversions in the County. This assessment only looked at sites for less than 5 dwellings. This has identified that there is limited scope for small site development within our existing rural settlements with many of the development opportunities already taken. Based on past trends we would expect some 372 completions in the rural areas on sites of less than 5 over the remainder of the RLDP period (31 homes per annum). It is proposed to discount 10% of these to represent a more realistic completion rate given the limited opportunities available, as such an allowance has been made for an average of around 28 homes per annum to come from this source of housing supply (335 homes).

6. Housing Requirement

- 6.1 Having considered the current possible housing land supply in the County, this section of the paper provides details of how far each strand of this housing land supply can contribute towards meeting the identified housing provision, including a flexibility allowance. The residual balance represents that element of the housing provision that will need to be met by identifying new housing land allocations in the RLDP.
- 6.2 A flexibility allowance has been included within the calculation. This is necessary in the event that certain sites do not come forward as expected during the Plan period and also to allow for aspirational growth if economic circumstances allow. This allowance has initially been set at 10%, although this level will be subject to refinement as more detailed site viability and deliverability work is completed and the housing trajectory is further developed. The flexibility allowance provides a further safeguard to ensure delivery of the housing requirement (in addition to discounting those sites currently within the land supply that do not yet benefit from planning permission, such as some of the Main Village sites).

Table 7: Sustainable and Resilient Communities Growth Strategy - RLDP Housing Provision

Element	Number of Homes	Notes
Population-led element of the Strategy		
Housing Provision	6,815	Housing requirement under the population-led element of the Strategy for 2018-2033 = 6,195 + 10% flexibility allowance, to be considered further in the Deposit Plan
Less Commitments:		
2018-21 Completions	1,218	Comprises 949 homes on large sites and 269 homes on small sites

Element	Number of Homes	Notes
Population-led element of the Strategy		
Existing Land Supply Commitments	1,642	Sites have only been included if construction is already underway or they have planning permission or have planning permission subject to the signing of a S106 agreement as at 01/04/21, and they are expected to come forward over the Plan period.
Less Allocations:		
LDP 'Rollover Allocations'	300	This is based on adopted LDP large site allocations which do not currently benefit from a planning permission but where progress can be evidenced.
Revised Provision	3,655	
Less Allowances:		
Windfall Allowance (>10 homes)	553 (79 homes per annum)	The windfall allowance is calculated on the basis of the last 7 years of the Plan period (2026-2033). An allowance of 79 homes per annum is included. This is a future extrapolation rate which is based on an average of windfall completions over the past 10 years (2011-2021).
Small Site Allowance (<10 homes)	995	If the small sites allowance is calculated on the basis of the remaining 12 years of the Plan period (2021-2033). An allowance of 86 homes per annum would need to be included based on an average of small site completions over the past 10 years (2011-2021), a small site allowance of 1,032 homes. However, following an appraisal of small site opportunities, the allowance for sites of less than 5 homes in rural areas has been discounted by 10%.*
Remaining New Allocations Provision	2,107	
Plus Policy-led Affordable Housing Provision:		
	1,551	Housing requirement under the policy-led Affordable Housing element of the strategy for 2018-2033 = 1,410 + 10% flexibility allowance, to be considered further in the Deposit Plan

Element	Number of Homes	Notes
Population-led element of the Strategy		
Total New Allocations Provision	3,658	

*Please see paragraph 5.3

7. Sustainable and Resilient Communities Strategy - Spatial Distribution of Growth

- 7.1 As well as setting out the preferred level of growth required over the Plan period, the RLDP Preferred Strategy must also put forward a clear spatial strategy for where this growth should be located in the County. Alongside the growth options, four spatial options have been the subject of consultation. The Growth and Spatial Options Paper¹⁶ provides a summary of the advantages and disadvantages of each of the spatial options considered, along with a map to portray a spatial illustration, and considers the extent to which they will achieve the RLDP's objectives. The spatial options have also been assessed under the ISA process as set out in the Initial Integrated Sustainability Appraisal Report¹⁷. The Growth and Spatial Options Paper identified the Preferred Spatial Option that is considered to best address the County's key issues and challenges and meet the RLDP objectives. An assessment of all of the options is included in a Growth and Spatial Options Background Paper¹⁸.
- 7.2 The feedback from the consultation has been considered and is summarised in the Growth and Spatial Options Report of Consultation (June 2021)¹⁹ together with the Council's response to the comments made. The identification of the Preferred Spatial Strategy - Distribute Growth Proportionately across the County's most Sustainable Settlements, has been informed by a range of considerations, including the assessment and consideration of the growth and spatial options, responses from the consultation process, the findings of the Integrated Sustainability Appraisal (ISA), the Sustainable Settlement Appraisal, the newly published Future Wales 2040 (which is a statutory development plan), the LDP tests of soundness, Welsh Government's Building Better Places, and the pressing need to address the key challenges relating to the County's demography, affordability and the climate emergency to achieve a sustainable balanced deliverable outcome.
- 7.3 The Preferred Spatial Strategy seeks to distribute development across the County in a proportionate manner that reflects and addresses the aims of the overarching Sustainable and Resilient Communities Growth Strategy. The Preferred Spatial

¹⁶ Growth and Spatial Options Paper (December 2020) can be viewed via <https://www.monmouthshire.gov.uk/planning-policy/development-of-an-evidence-base/>

¹⁷ The Initial Integrated Sustainability Appraisal Report can be viewed via <https://www.monmouthshire.gov.uk/planning-policy/sa-sea-hra/>

¹⁸ Growth and Spatial Options Background Paper (June 2021) can be viewed via <https://www.monmouthshire.gov.uk/planning-policy/development-of-an-evidence-base/>

¹⁹ The Growth and Spatial Options Report of Consultation (June 2021) is available to view via <https://www.monmouthshire.gov.uk/planning-policy/development-of-an-evidence-base/>

Strategy seeks to distribute growth across Primary Settlements, Secondary Settlements, Severnside and those Rural Settlements identified as having capacity for growth and/or in need of development to sustain them, including, a small amount of development in the most sustainable Rural Settlements to bring forward affordable housing.

- 7.4 'Proportionately' is deemed to mean that the level of growth directed toward a settlement will be proportionate to its population size and amenities, and will reflect affordable housing need as identified in the LHMA in both urban and rural areas. To calculate the proportion of development to be directed toward a settlement only the population of those settlements included in the Sustainable Settlement Appraisal²⁰ has been used to contribute to the total population figure for the County. This takes into account the large areas of Monmouthshire which are rural and as such these areas would not be expected to have any significant development. Table 8 below shows the population of individual settlements within the proposed settlement hierarchy and the proportion of the population that these settlements account for.

Table 8: Settlement Population

Settlement	Population	%
Primary Settlements		
Abergavenny (incl. Llanfoist)	16,267	21
Chepstow	12,896	17
Monmouth	11,912	15
Total	41,075	53
Severnside Settlements		
Caldicot	10,815	14
Caerwent	1,547	2
Crick	174	0.2
Magor/Undy	6,378	8
Portskewett	1,122	1.4
Rogiet	1,956	2.5
Sudbrook	736	0.9
Total	22,728	29
Secondary Settlements		
Penperlleni	1,498	2
Raglan	1,243	2
Usk	2,370	3
Total	5,111	7
Rural Settlements		
	8,668	11
Total	77,582	100

²⁰ The Sustainable Settlement Appraisal can be viewed via <https://www.monmouthshire.gov.uk/planning-policy/development-of-an-evidence-base/>

- 7.5 Within this overall Spatial Strategy, development will be directed towards those settlements identified in the Sustainable Settlement Appraisal²¹ which are most sustainable and have capacity to deliver further growth and/or in need of development to sustain them, including a small amount of development in the most sustainable Rural Settlements to bring forward affordable housing. Where the proportionate level of growth cannot be met in an individual settlement then development will be directed towards a same tier or a higher tier settlement within the same Housing Market Area. Further information with regard to the tiers that individual settlements fall within is given in Strategic Policy S2 - Spatial Distribution of Development – Settlement Hierarchy of the RLDP Preferred Strategy²². A map of the Housing Market Areas is included at Appendix 4.
- 7.6 The spatial distribution of growth will also reflect affordable housing need, focusing on those sustainable settlements with the highest levels of housing need, as evidenced by the Local Housing Market Assessment (December 2020)²³ and the most up to date waiting list information available. If a need cannot be met within a specified settlement then development will be directed towards another settlement in the same Housing Market Area. If the need cannot be met in a settlement in the same Housing Market Area then it will be met in a settlement in the closest Housing Market Area.
- 7.7 Whilst the total level of need for affordable housing has been identified from the latest LHMA, the assessment does not disaggregate the need to individual Housing Market Areas. Local waiting lists have therefore been used to establish the need at this level. There are three housing market areas in the County: Abergavenny, Monmouth and Chepstow/Caldicot. Where the need is disaggregated to this level the percentage allocation has been placed against the main settlement within the housing market area as the most sustainable location for growth. As both Chepstow and Caldicot are located within the same housing market area those who specifically requested one of these settlements have been allocated to that settlement. For those in need who expressed no preference between Chepstow or Caldicot, the need has been allocated depending on distance to each settlement. Table 9 below shows the percentage of those on the waiting list for affordable housing broken down by the main settlements within each Housing Market Area.

Table 9: Affordable Housing Need by Housing Market Area

Housing Market Area	Affordable Housing Need	%
Abergavenny	736	30
Chepstow and Caldicot	1152	46
Monmouth	587	24

²¹ Sustainable Settlement Appraisal (June 2021) can be viewed at

<https://www.monmouthshire.gov.uk/planning-policy/development-of-an-evidence-base>

²² The RLDP Preferred Strategy is available to view via <https://www.monmouthshire.gov.uk/planning-policy/plan-preparation/preferred-strategy/>

²³ <https://www.monmouthshire.gov.uk/planning-policy/development-of-an-evidence-base>

Source: Homesearch Register

- 7.8 Considering all strands of housing supply i.e. completions, land bank commitments, LDP 'Rollover Allocations', windfall site and small site allowances and new allocations, and the implications of the allocation of housing based on population size and affordable housing need, Table 10 below shows the proposed spatial distribution of housing provision for the RLDP. As no detailed site assessment work of Candidate Sites has been undertaken at this stage the percentages are only intended to show a broad distribution of growth, with the total not broken down for the Severnside, Secondary or Rural Settlements at this stage. Further refinement for the Deposit RLDP will follow detailed assessment of sites and the capacity of settlements to take future growth.

Table 10: Sustainable and Resilient Communities Growth Strategy - RLDP Spatial Distribution of Housing

Components of Housing Supply														
Settlement	Housing Delivery Components					Allowances					RLDP New Housing Allocations	RLDP New Housing Allocations (%)	Total Housing Provision Sustainable and Resilient Communities Strategy	Total Housing Provision Sustainable and Resilient Communities Strategy (%)
	Total Completions 2018-21 (small & large sites)	Existing Land Supply Commitments	LDP 'Rollover' Allocations	Total Commitments		Small Site Allowance (<5 homes)	Small Site Allowance (5 - 9 homes)	Windfall Allowance (>10 homes)	Total Allowances					
Primary Settlements														
Abergavenny (incl. Llanfoist)	362	207	0	569		99	65	273	437		887	24	1893	23
Chepstow	96	484	0	580		111	38	63	212		729	20	1521	18
Monmouth (incl. Wyesham)	261	81	145	487		89	7	86	182		749	21	1418	17
Total	719	772	145	1636		299	110	422	831		2365	65%	4832	58%
Severnside														
Caldicot	67	130	0	197		62	7	64	133					
Caerwent	6	0	0	6		11	0	0	11					
Crick	1	0	0	1		2	0	0	2					
Magor Undy	63	209	155	427		41	0	0	41					
Portskewett	0	269	0	269		23	0	0	23					
Rogiet	18	13	0	31		12	0	32	44					
Sudbrook	145	110	0	255		14	0	15	29					
Total	300	731	155	1186		165	7	111	283		854	23%	2323	28%
Secondary Settlements														
Penperlleni	72	0	0	72		16	1	0	17					
Raglan	4	45	0	49		24	0	7	31					
Usk	11	0	0	11		16	4	0	20					
Total	87	45	0	132		56	5	7	68		249	7%	449	5%
Rural Settlements														
Rural Settlements	112	94	0	206		335	18	13	366		190	5%	762	9%
TOTAL														
TOTAL	1218	1642	300	3160		855	140	553	1,548		3,658	100%	8,366*	100%

*The housing provision figures include a 10% flexibility allowance which may be reviewed as part of the Deposit RLDP preparation process

7.9 At this stage of the process it is important to stress that whilst the Preferred Strategy identifies potential Strategic Growth Areas for both Primary Settlements and the Severnside Area, these are not site specific and the spatial distribution of growth illustrated in Table 10 is indicative only. An initial call for Candidate sites was undertaken in 2018, with a total of 220 candidate sites submitted for a range of uses, including residential, employment and recreation uses, as well as for protection. A Second Call for Candidate Sites will be undertaken alongside the consultation on the Preferred Strategy. Those sites that demonstrate compatibility with the Preferred Strategy will be the subject of detailed assessment. It is likely that the overall total of homes arising from this process will exceed the residual 'New Allocations Provision', and, therefore, it is important to note that the potential Strategic Growth Areas identified in the Preferred Strategy will be subject to significant refinement to ultimately identify specific sites within the Deposit Plan. The final selection of sites will be dependent on detailed site assessment work including:

- The ability to deliver the level of supporting infrastructure required;
- A masterplanning process for large sites to ensure they create sustainable, cohesive, well-designed places delivered through a strong place-making approach; and
- A viability assessment to ensure the site is deliverable within the Plan period.

7.10 This analysis will provide a high degree of confidence that the sites included within the Deposit Plan are realistically deliverable, considering the full range of associated infrastructure requirements and place-making principles to deliver sustainable and resilient communities.

8. Sustainable and Resilient Communities Growth and Spatial Strategy

8.1 The total housing requirement/provision figure that will deliver the Sustainable and Resilient Communities Growth Strategy is based on a population-led scenario with added policy assumptions to address the County's key demographic, economic and affordability issues. The provision of 8,366 homes will deliver the housing requirement of 7,605 homes allowing for flexibility. This 10% flexibility allowance will be further reviewed and refined as the Deposit Plan preparation progresses. Additional flexibility has been incorporated by discounting some sites within the housing land supply that do not currently have planning permission, which will again be kept under review. Incorporating this level of flexibility into the Plan not only safeguards against under-delivery but also provides scope to cater for any unanticipated higher levels of growth over the life of the RLDP should local economic prospects dictate.

8.2 Taking account of the existing land supply commitments, the Sustainable and Resilient Communities Strategy makes provision for new sites that will deliver 3,658 homes over and above these existing commitments. The three Primary Settlements of Abergavenny (including Llanfoist), Chepstow and Monmouth (including Wyesham) and the Severnside Settlement of Caldicot have been identified as being the most sustainable locations with capacity to deliver more significant growth, followed by the Severnside area as a whole and the three Secondary Settlements of Penperlleni, Raglan and Usk. Some development will also be directed towards the County's most

sustainable rural settlements to support/enhance such areas and address affordable housing need and rural isolation. The level of growth will be proportionate to a settlement's size and amenities and will reflect affordable housing need as identified in the LHMA in both urban and rural areas. Where the proportionate level of growth cannot be met in an individual settlement then development will be directed towards a same tier or a higher tier settlement within the same Housing Market Area.

- 8.3 In line with National Policy, an affordable housing policy-led element is included within the Strategy. This seeks to address the affordability issue that the County faces by allocating sites where 50% of the dwellings are affordable. It is proposed to meet 10% of the affordable housing need identified in the LHMA on such sites. This is in addition to the affordable housing that will be delivered from existing commitments, windfalls and the population-led element of the strategy. As with the flexibility allowance, the level of affordable housing need to be met on such sites will be further reviewed and refined as the Deposit Plan preparation progresses.
- 8.4 The Sustainable and Resilient Communities Strategy will deliver 7605 homes (507dpa), which together with a proposed 10% flexibility allowance requires that provision is made for 8,366 homes (558dpa) over the RLDP Plan period 2018 – 2033.

Appendix 1: Minister for Housing and Local Government letter to Leaders and Chief Executives of Local Authorities (08 July 2019)

Julie James AC/AM
Y Gweinidog Tai a Llywodraeth Leol
Minister for Housing and Local Government



Llywodraeth Cymru
Welsh Government

Ein cyf/Our ref: MA/P/JJ/1514/19

Leaders and Chief Executives of Local Authorities

July 2019

Dear Colleague,

At this year's RTPI Wales Planning Conference, I outlined that the Welsh Government is committed to diversifying housing supply in Wales with the need to focus attention on the delivery of social housing. This position is supported by the findings of the Independent Review of Affordable Housing Supply and the recently published estimates of housing need in Wales by tenure. I also said that, as a result, we intend updating Planning Policy Wales (PPW). This letter sets out my expectations of development plans for the delivery of social housing in advance of changes to PPW.

Good progress has been made towards delivering our target of 20,000 affordable homes, however evidence shows we need to build more social homes. We recognise the important contribution which market housing makes to providing affordable housing, but over the last 40 years house building output has only attained the levels of need when councils built and managed substantial numbers of social homes.

The published estimates of housing need in Wales by tenure provide a range of estimates based on different demographic projections for the next 5 years. The central estimate of housing need suggests an additional 4,400 market houses and 3,900 affordable homes are needed each year. In other words, 47 per cent of the homes we need in Wales should be for social or intermediate rent. Given these estimates, and based on average new house-building statistics for the past few years, it appears that we are already building the number of market homes we need, whilst we are falling short of the number of affordable homes we desperately require. The public sector must accept the challenge and step in to ensure that everyone who needs a home has a home.

One area where the prospects for social housing have been transformed is the opportunity which now exists for local authorities to build again. The Welsh Government is determined to support the building of a new generation of council homes at scale and pace to meet the needs of communities across Wales. The direct provision of social housing requires concerted effort across the public sector. There are examples of good practice emerging across Wales where local authorities have, by extending their borrowing, begun the task of

Canolfan Cyswllt Cyntaf / First Point of Contact Centre:
0300 0604400

Bae Caerdydd • Cardiff Bay
Caerdydd • Cardiff
CF99 1NA

Gohebiaeth.Julie.James@llyw.cymru
Correspondence.Julie.James@gov.Wales

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

building new council houses. The availability of well located affordable land is critical to the success of this policy.

Up to date Local Development Plans (LDPs) are a cornerstone for housing delivery by identifying the best sites for new homes. Local planning authorities must, when complying with their statutory duty to prepare LDPs, address the need for affordable housing.

LDPs must be informed by evidence including the estimates of housing need in Wales by tenure and Local Housing Market Assessments which together identify the type and tenure of housing required. The most recent version of PPW, published last December, requires local planning authorities to follow place-making principles. Place-making is a people- centred approach to planning, designing and managing communities to promote peoples' health, happiness and well-being which must be central to preparing LDPs and deciding planning applications. PPW already allows local planning authorities to identify sites for up to 100% affordable housing. Whilst PPW also states that such sites are likely to be small in scale and number in relation to the total number of sites available, the need for social housing is now so acute that this policy needs to be implemented in a flexible way to reflect local circumstances. PPW will be updated to reflect the revised policy as part of the current review of the delivery of housing through the planning system.

When reviewing LDPs local planning authorities must make provision for affordable housing led housing sites. **Such sites will include at least 50% affordable housing, which is defined as social rented housing provided by local authorities and registered social landlords, and intermediate housing where prices or rents are above those of social rent but below market levels and there are secure arrangements to recycle receipts to use for future affordable housing where full ownership is achieved.** In the first instance affordable housing led housing sites should make use of public land. Where public land is not available, privately owned land may be identified. Sites should not be inferior in any way to sites which are being promoted for market housing.

Yours sincerely,



Julie James AC/AM

Y Gweinidog Tai a Llywodraeth Leol
Minister for Housing and Local Government

CC Heads of Planning Service
 Heads of Housing Service

Appendix 2: Sites included within Table 3 – Sites with Planning Permission (1st April 2021)

Settlement	Site Name	Homes on Sites with Planning Permission (1st April 2021)
Abergavenny	Ross Road	9
	Mulberry House	25
	Deri Farm	67
Total		101
Caldicot	Church Road	130
Total		130
Chepstow	Osborn International	129
	Fairfield Mabey	355
Total		484
Llanfoist	Land at Grove Farm	106
Total		106
Magor/Undy	Rockfield Farm	122
	Rockfield Farm (Phase 1)	87
Total		209
Monmouth	Hillcrest Road, Wyesham	11
	Land west Rockfield Road	70
Total		81
Portskewett	Crick Road	269
Total		269
Raglan	Land at Chepstow Road	45
Total		45
Rogiet	Green Farm	11
	Land at Ifton Manor Farm	2
Total		13
Sudbrook	Old Shipyard	24
	Former Paper Mill	86
Total		110
Rural Sites	Land adjacent Cross Ash Garage	6
	Land at Well Lane Devauden	15
	Llanellen Court Farm	28
	Land north Llanfair Kilgeddin	5
	Land rear Carpenters Arms Llanishen	8
	Land south west Penallt	10
	Land adjacent Clearview Court Shirenewton	11
	Former Abbey Hotel Tintern	11
Total		94
Total		1642

Appendix 3: Housing Potential Study

Purpose of the Housing Potential Study

A 3.1 The purpose of this Housing Potential Study (HPS) is to sit alongside the Housing Background Paper, which has identified the amount of land the Council will be required to allocate for housing in order to meet its identified level of housing growth for the RLDP. Part of the assessment of the Housing Topic Paper is to assess and estimate the contribution windfall sites (10 or more dwellings) will make to Monmouthshire's Housing land supply. The Housing Background Paper determines a projected windfall allowance of 553 units over the lifetime of the RLDP (equating to 61 dwellings per annum average x9 years). This HPS aims to identify where these windfall sites could potentially be located within the existing settlement areas of Monmouthshire.

A 3.2 This HPS will promote the Council's objective of more sustainable patterns of development, by gaining an accurate understanding of the 'urban housing potential' (availability of land and under used buildings within the urban areas of Monmouthshire), also known as Brownfield land. It will also look for sites of under-utilised Greenfield land within settlement boundaries. This is in line with Welsh Government (WG) guidance whereby a key aim of Planning Policy Wales Edition 11 (PPW11) 2021 is that:

'Planning authorities must prioritise the use of suitable and sustainable previously developed land (brownfield) and /or underutilised sites for all types of development.... Planning authorities should consider previously developed land and/or underutilised sites located within existing settlements in the first instance.... It is recognised however that not all sites of this nature are suitable for all types of development' (PPW 11 3.43).

This HPS will thus help to demonstrate the extent of capacity for housing development within Monmouthshire's urban areas and will help to identify Brownfield land sites and inform decisions on how much Greenfield land outside existing settlement boundaries may be required for housing development within the RLDP.

A 3.3 This HPS is intended to be a live and adaptable document that will be updated throughout the preparation of the RLDP. This is because the nature of windfall sites for development is changeable and often unpredictable, for instance, some sites may be developed and thus taken out, and new sites can become available and added in.

Methodology

A 3.4 In order to establish what windfall sites are available for residential development within Monmouthshire's urban areas, a methodology to identify such sites has been devised for this HPS. The methodology involves the following 3 stages:

- Stage 1: Defining the study area and site thresholds
- Stage 2: Identifying sources of supply
- Stage 3: Findings and conclusion

Stage 1: Defining the Study Area and Site Thresholds

A 3.5 The first stage of the HPS involved determining the search area for identifying windfall sites. As part of the RLDP review a Sustainable Settlement Appraisal (SSA) has been prepared which evidences a sustainable settlement hierarchy that will assist in identifying which of the County's settlements are the most sustainable and have capacity to accommodate and deliver further growth. The top three settlement tiers of the hierarchy, which include 13 settlements are the settlements included within the HPS area. These are set out in table 1 below. This HPS will only consider potential sites that are within these settlement development boundaries as defined within the current LDP¹.

Table 1: Study Area

Primary Settlements (Tier 1)
Abergavenny
Chepstow
Monmouth
Sevenside Settlements (Tier 2)
Caldicot
Caerwent
Crick
Magor & Undy
Portskewett
Rogiet
Sudbrook
Secondary Settlements (Tier 3)
Usk
Raglan
Penperllenni

A 3.6 In terms of the site threshold, this HPS has considered sites that are capable of accommodating a capacity of 10 or more residential units. This is in line with guidance set out in TAN 1 (4.3.2) and as defined in Monmouthshire's current LDP and JHLAS studies for Windfall housing sites. The calculation for the number of units a site is able to accommodate is based on the net density of 30 dwellings per hectare².

¹ Crick does not have an existing development boundary within the current LDP. However, as Crick has been identified as a sustainable cluster settlement of the Sevenside area through the Sustainable Settlement Appraisal process, this HPS will assess any potential brownfield sites within and immediately adjacent to Crick's existing urban form.

² This is a crude calculation and there is some flexibility given to this calculation depending on individual site circumstances.

Stage 2: Identifying Sources of Supply

A 3.7 Stage 2 of the methodology involves the identification of potential urban housing sites that are capable of accommodating 10 or more dwellings. This has been undertaken in a variety of ways, including:

- The initial call for candidate sites (July – November 2018)
- A specific call for Brownfield sites in February 2019 inviting such sites to come forward, and
- Planning Policy Officers actively identifying potential sites through desktop research, site visits and consultation with Council staff.

The full range of sources and methods are set out in table 2 below.

A 3.8 Potential sites identified at this stage have only been subject to a high level assessment i.e. initial sift, to identify any insurmountable constraints to development, such as C1 (on greenfield only) and C2 flood risk.

A 3.9 Only sites which are considered to have tangible potential for development will be taken into account. For instance, this HPS cannot consider sites that are not readily available, unless there has been indication with landowners/developers via pre-app and planning applications to pursue residential development on the site.

Table 2: Sources of Site Identification

Type of site	Potential data source
Land in the Local Authority's ownership and regeneration initiatives (i.e. school redevelopment)	- Consultation with Council's Property and Assets, Housing, Education and Development Management teams to determine the development potential of land within MCC's ownership.
Surplus open space/recreation land/Vacant and derelict land	- Consultation with Council's Property and regeneration/open space teams. - A desktop review using aerial mapping and photography of settlements to identify potential vacant land.
Schemes with the benefit of extant planning permission ³	- Planning application records, which have been analysed and checked for constraints, such as flood plain. This also involved consultation with the Development Management team and review of Pre-application discussions. - The previous MCC UHPS carried out in 2008 by Baker associates has also been reviewed to identify sites within this study that have not yet come forward
Planning permission that are unimplemented / expired	
Planning applications that have been refused or withdrawn	
Candidate Sites	- There was an initial Call for Candidate Sites (July- November 2018) as well as a specific call for brownfield sites (February 2019). There will be a 2 nd Call for Candidate Sites during the Preferred Strategy consultation in early 2020.

³ Sites where there is current planning permission (within 5 years) are not assessed as part of this study as they are included within the JHLAS figures.

Stage 3: Findings and Conclusions

- A 3.10 The final stage of this study has involved an analysis of the findings to compile a list of potential windfall sites that have the potential to come forward for residential development (10+ dwellings) during the RLDP period. These sites are set out in table 3 below and plotted on the accompanying maps. At this stage of the RLDP process, this is a high-level list of potential windfall sites which meet the site study area and site thresholds. There has been no detailed analysis apart from necessary planning history search and high-level constraints investigation. This has meant that certain sites have been sifted out of the HPS list; a list of these sites are set out in table 4.⁴
- A 3.11 It is concluded that there is currently a limited supply of urban land opportunities for windfall sites in the County. The sites identified at this current point of time indicate a capacity for approximately 322 units, which falls short of the 553 units windfall allowance set out in the Housing Topic Paper. This shortfall in windfall site availability is predominantly due to the rural nature of the County where there are limited brownfield and underutilised land and building opportunities. It is acknowledged however, that as the HPS is a live document, it will be updated during the RLDP process to take account of changing site circumstances that may occur in the interim, prior to the adoption of the RLDP.

⁴ If circumstances change, such as a site becomes vacant and available for development they can then be added to the windfall potential list.

Table 3: HPS Windfall Sites

Site Ref	Settlement	Address	Site Area	Approximate no. of units	Land type	Windfall Opportunity
AB002	Abergavenny	Land at Ross Road	0.71ha	18	Greenfield	Extant permission for 18 units. It is outside of the 5 year supply and not counted in the existing housing commitments The access has been implemented. There is scope for this site to still be developed or a new scheme to be considered.
AB003	Abergavenny	Land at Midway Lane	0.43ha	13	Greenfield	Paddock land. There is considered potential for residential units at this site.
AB004	Abergavenny	Flannel Street Carpark	0.08ha	10 **	Brownfield	Private car-park. There has been a pre-app for commercial ground floor and residential units above.
AB007	Abergavenny	Land at King Henry VIII School	1.21ha	36	Brownfield	MCC plans to redesign the existing school, which could mean some land is released for residential development at the site.
AB008	Abergavenny	Land at Lansdown Road	0.53ha	16	Greenfield	Vacant land. There is considered potential for residential units at this site.
AB013	Abergavenny	Newbridge House Tudor Street	0.2ha	14**	Brownfield	Recently refused planning permission for conversion to 21 units due to loss of employment land. There is considered scope to reapply for upper floors to be converted with ground floor to remain employment use.
CH001	Chepstow	Boverton House, Bulwark Road	0.3 ha	10*	Brownfield	Current planning application for a change of use from day centre to residential use of the building, which has been approved subject to S106 for financial contribution towards affordable housing. There is future potential to subdivide property/ build new houses within the grounds.
CH002	Chepstow	Severn View Residential Home	0.53ha	16 **	Brownfield	Current use as a Residential Care Home. MCC social care are proposing to re-locate residents to a new residential home that will be built at the LDP allocated Crick Road site. Potential for site to become available for residential development.
CR001	Crick	Sir Robert McAlpine, Crick Road	2.44ha	73	Brownfield	Immediately adjacent to Crick's urban form. Submitted as a Candidate site for residential development.

Site Ref	Settlement	Address	Site Area	Approximate no. of units	Land type	Windfall Opportunity
LI001	Llanfoist	Greenfield,Merthyr Road	0.41ha	12	Brownfield	Recently refused planning application for 18 retirement apartments. There is currently a current appeal application. There is potential for the appeal to be allowed or for an amended scheme to be submitted.
MA001	Magor & Undy	Land at former Tythe House , Church Road	0.38ha	11	Brownfield	Permission expired. Scope to consider a new scheme at this site.
MA002	Magor & Undy	Land at Undy Primary School	0.45ha	14	Greenfield	Underutilised playing field at the school. Has residential development potential
RA001	Raglan	Raglan Ford , High Street	0.29ha	10 **	Brownfield	Commercial and police station. There have been pre-app discussion in relation to developing this site for residential.
PE001	Penperlleni	Land off Capel Ed Lane	0.41ha	12	Greenfield	Agricultural land within the development boundary.
PE002	Penperlleni	Land east of Plough Road	1.04ha	31	Greenfield	Agricultural land within the development boundary. There has been pre-app for residential development.
US001	Usk	Goods Yard, A472	0.87ha	26	Brownfield	Submitted as a Candidate Site for residential development.

* These sites have scope to deliver more units than the net density of 30 units per ha as there is an existing building for subdivision

** These sites have scope to deliver more units than the net density of 30 units per ha as they are located within a high density town centre location

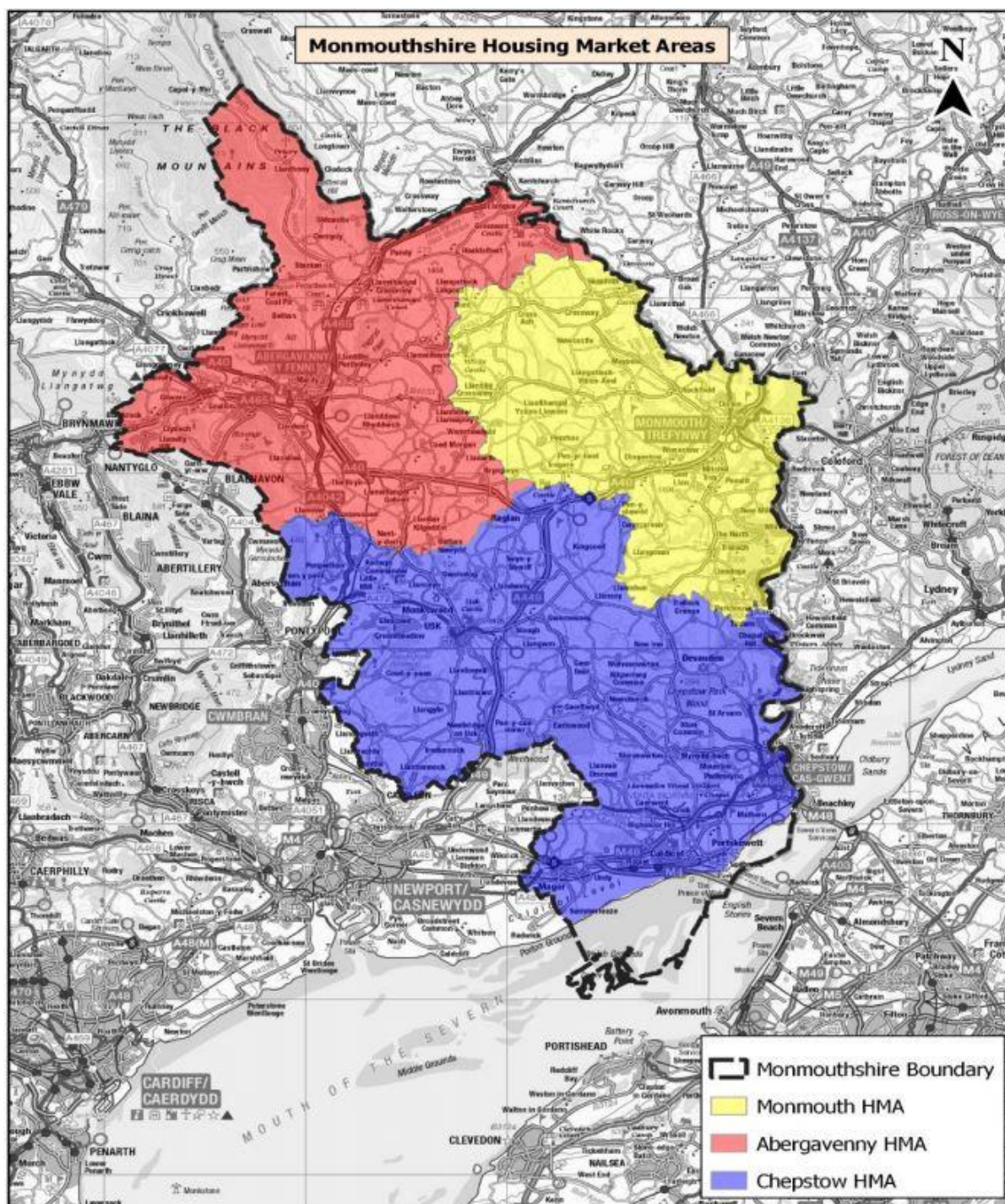
Table 4: HPS Rejected sites

Site Ref	Settlement	Address	Site Area	Approx units	Land type	Constraint
AB001	Abergavenny	Seven Corners Lane	0.57ha	17**	Brownfield	There is a current use at the site. No indication given that it is available for development.
AB009	Abergavenny	Post Office , St John's Square	0.08ha	10**	Brownfield	There is a current use at the site. No indication given that it is available for development.
AB0010	Abergavenny	Robert Price Park Road	0.46ha	14**	Brownfield	There is a current use at the site. No indication given that it is available for development.
AB0012	Abergavenny	Tescos Frogmore Street	0.18ha	10**	Brownfield	There is a current use at the site. No indication given that it is available for development.
AB0014	Abergavenny	BT , St Johns Street	0.08ha	10**	Brownfield	There is a current use at the site. No indication given that it is available for development.
MA003	Magor & Undy	Land adjacent to Wesley House, Main Road	0.64ha	19	Greenfield	Greenfield land within a C1 flood zone.
RA002	Raglan	Land rear of Butchers	0.16ha	10*	Brownfield	No indication given that it is available for development.
RO002	Rogiet	Rogiet Hotel Station Road	0.12 ha	10 *	Brownfield	Site is within a C2 flood zone.

* These sites have scope to deliver more units than the net density of 30 units per ha as there is an existing building for subdivision

** These sites have scope to deliver more units than the net density of 30 units per ha as they are located within a high density town centre location

Appendix 4: Monmouthshire Housing Market Areas



Source: Monmouthshire Local Housing Market Assessment (December 2020)