



Llywodraeth Cymru  
Welsh Government

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# Housing Delivery

## A Welsh Government Perspective

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Government

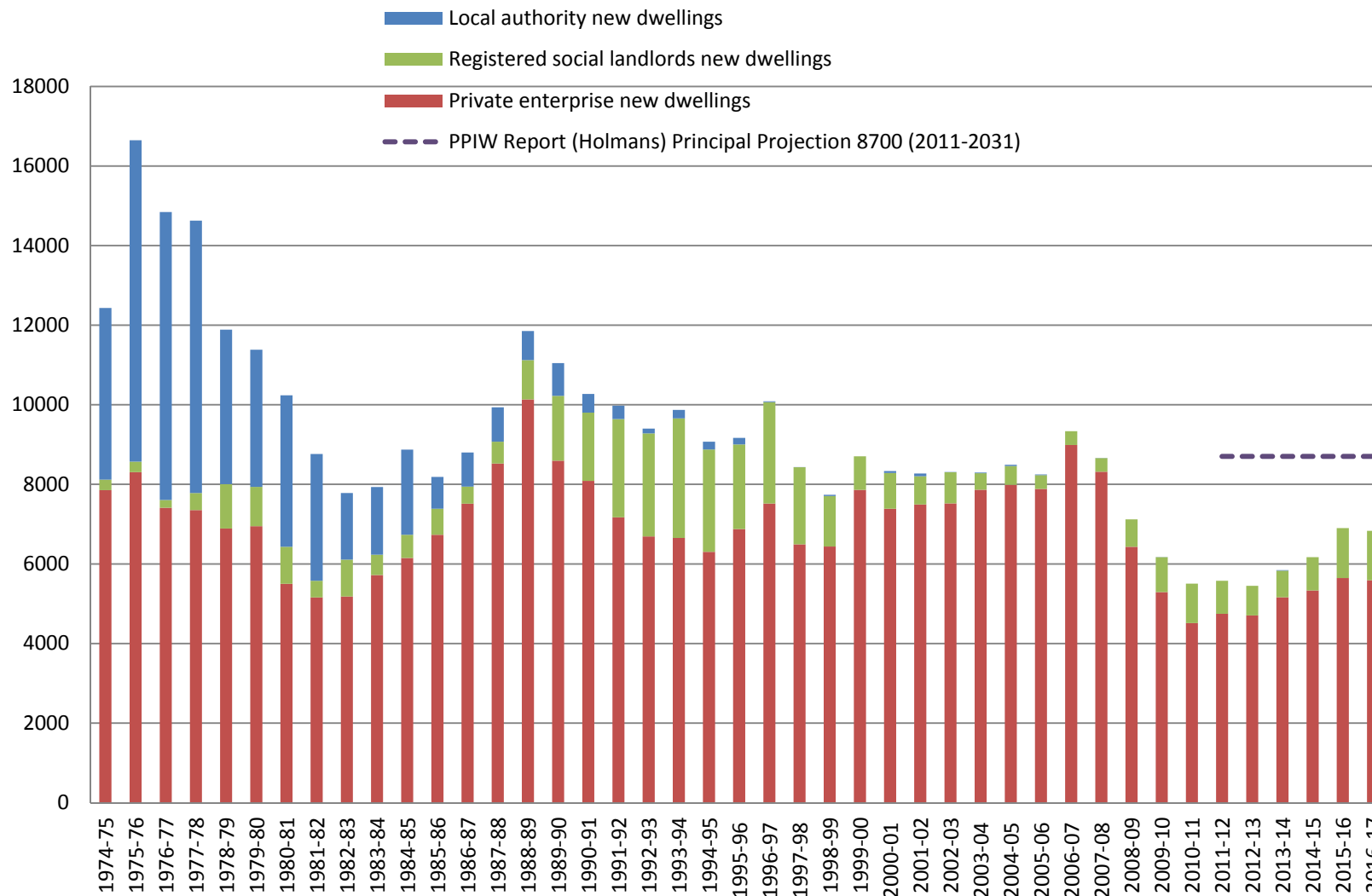


# Outline

- Scale and nature of the housing challenge
- Current position
- Planning approaches
- Other approaches
- Conclusions and Q&A

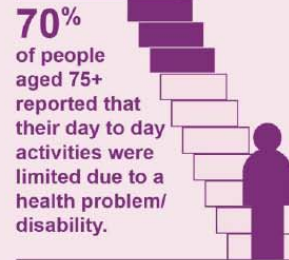
# The scale of the housing problem

## Housing Completions 1974-2017 : Wales



## Housing and ageing in Wales - some key facts\*

In 2015, over



05



Net Current Expenditure on social care services for the 65+ increased by **23%** between 2005-06 and 2015-16.

09

Single person households projected to increase by **25%** by 2036



01

In 2011, **52%** of people age 65+ and living alone were in 3 or 4 bed properties.

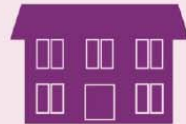


02



In 2011, **81%** of people aged 65+ owned or had shared ownership of their property.

03



**66%** of all recently built properties (and 71% of private sector properties) have 3 or more bedrooms.

04



06



**1 in 9** people over 60 living with sight loss.

07



In 2015-16, **51%** of people 65+ diagnosed with dementia.

08

**2,253** dwellings improved for older recipients in 2014-2015 and

**£31.7 million**

spent on Disabled Facilities Grants.



10



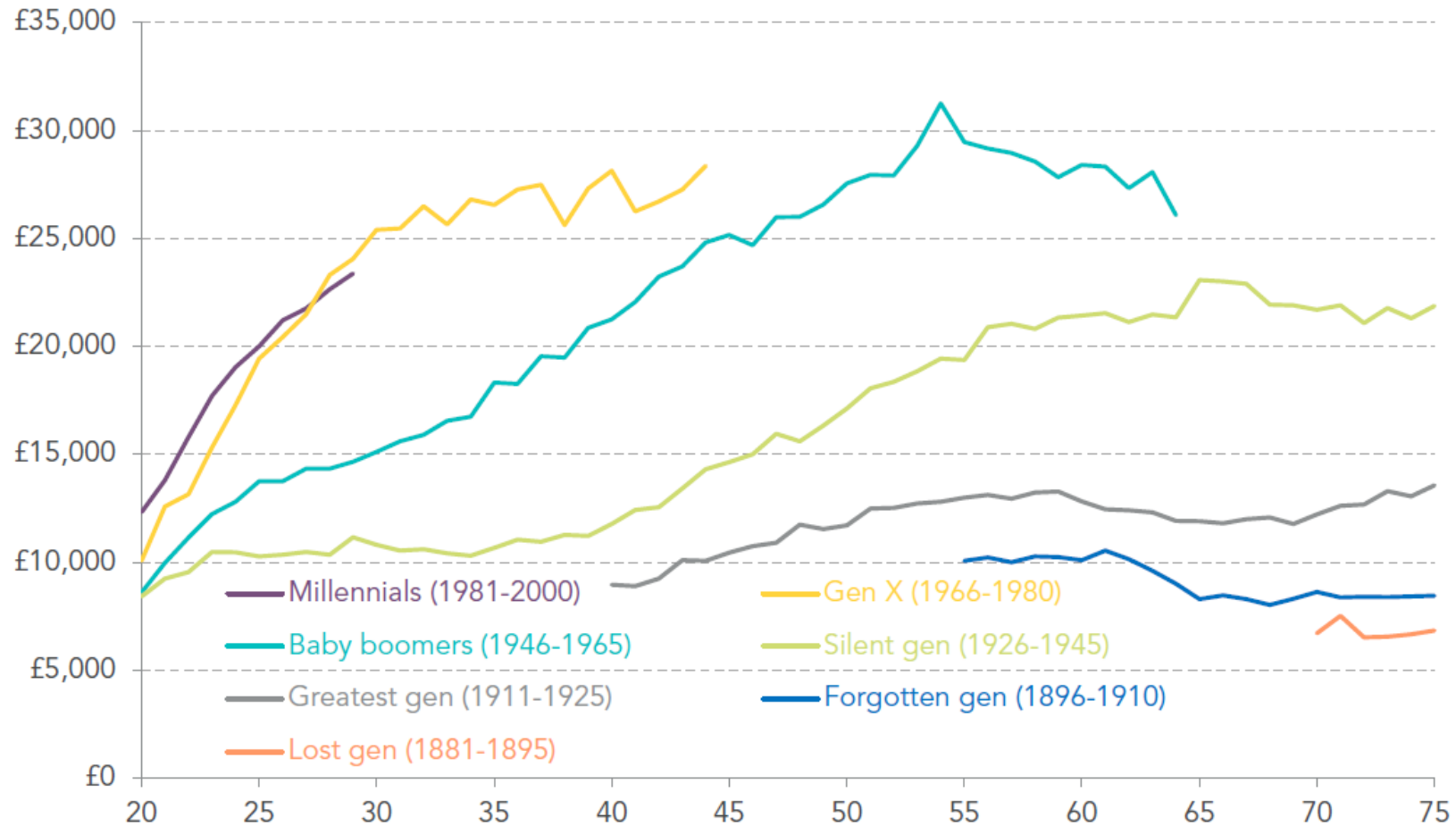
Supporting People Programme spent over **£11.2 million** in 2015-16 to provide over 18,200 units of support to help people 55+.

11

\* Information sources provided at Appendix 5

Figure 2: For the first time, one generation has been worse off than its predecessor

Average household income for each generation by age, after housing costs

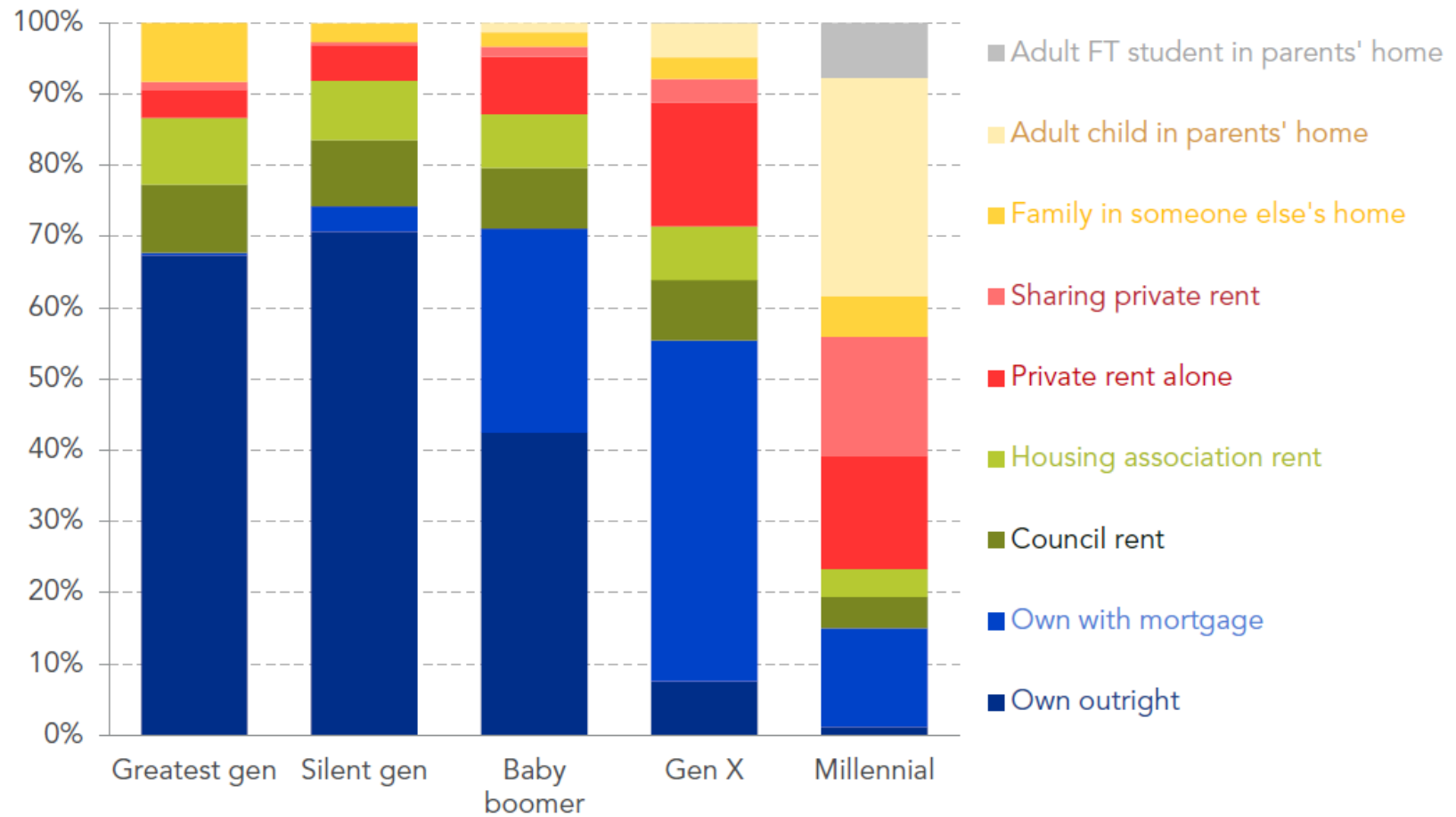


Notes: Data covers Great Britain, 1961 to 2014-15. Real, equivalised incomes in 2014-15 prices using a CPI variant that excludes all housing costs. Figures for each generation are derived from a weighted average of estimates by single year of age for each single-year birth cohort within that generation; generations are included if at least five birth years are present in the data.

Source: RF analysis of IFS & DWP, *Households Below Average Income*

Figure 8: Home ownership is much more common for older generations but not all own their own home

Family units by tenure and generation, year to Q3 2016



Notes: Data covers the UK. Excludes millennials under 19.

Source: RF analysis of Labour Force Survey

# Planning Delivery - Plans

|                   | <b>Affordable Homes</b> | <b>Total Homes</b> |
|-------------------|-------------------------|--------------------|
| Adopted (20)      | 30,300                  | 187,406            |
| Examination (2)   | 4,372                   | 24,250             |
| In progress(2)    | N/A                     | 16,170             |
|                   |                         |                    |
| <b>Total (24)</b> | <b>34,672</b>           | <b>227,826</b>     |

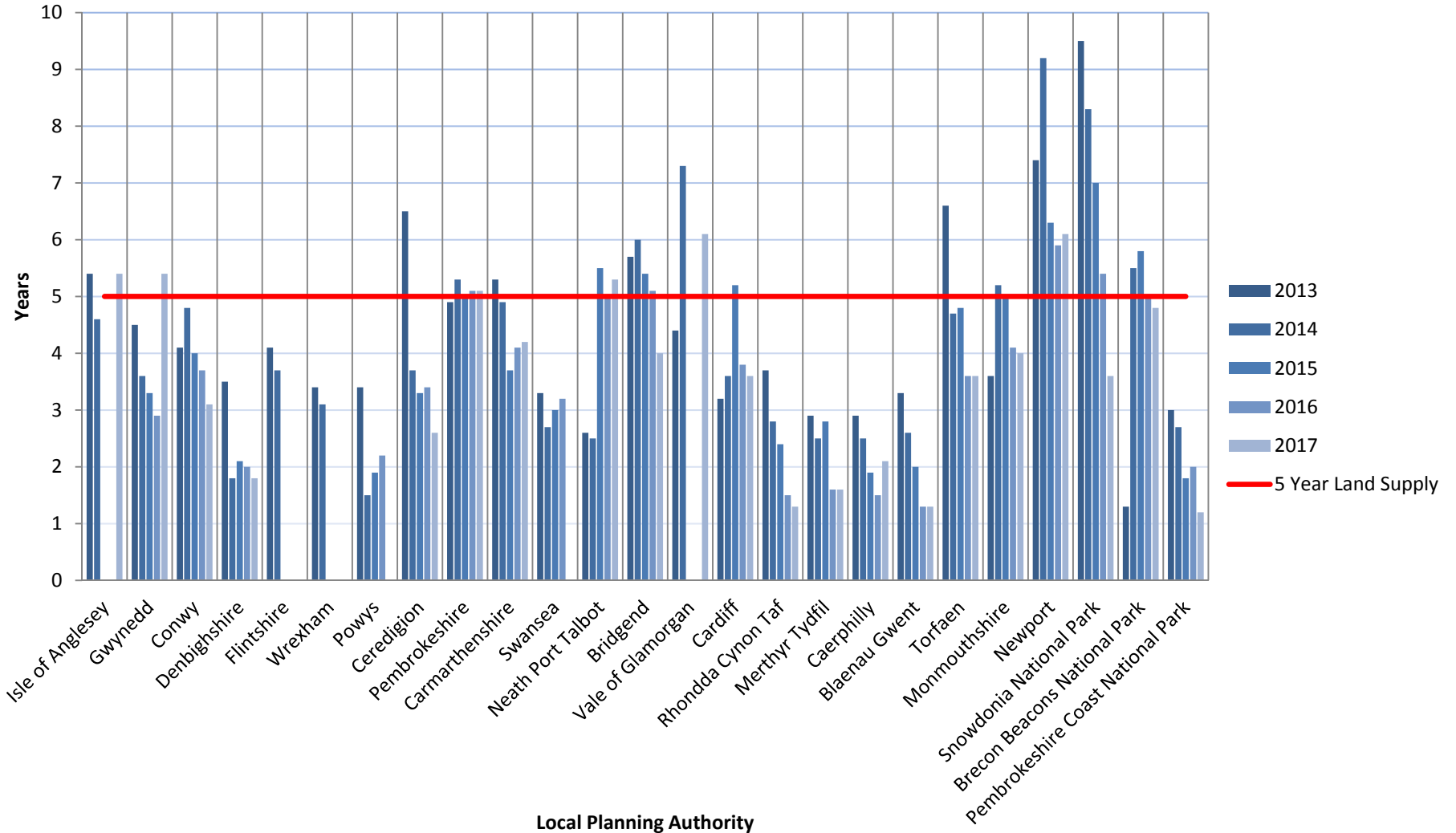


# Planning Delivery - Consents

- 2016/17 unimplemented planning permission for 10,764 housing units in Wales
- Increase of 1,791 units compared with the equivalent figure for 2015/16.
- Unimplemented defined as:
  - Not yet on site
  - Started on site but yet to complete



# Housing Land Supply 2013 - 2017





# TAN 1 related Appeals

(1 April 2017 to 16 February 2018)

- **36 appeals where TAN1 referred to** - 27 dismissed and 9 allowed.
- All **27 dismissed appeals** were due to the proposed developments not according with local and/or national policies.
- The sustainable location, compliance with local and national policies and the lack of a plan-led solution to a housing land supply shortfall were the main reasons for the **9 allowed appeals**.
- 21 of the appeals (58%) were in local authority areas without an adopted LDP (5 allowed / 16 dismissed).



# What is the problem?

- Uncertainty about how and when sites may come forward:
  - Undermines the robustness of the development plan process
  - Leads to prolonged negotiations at development management stages
  - Makes the Housing Land Availability Studies a less effective monitoring tool
- The research recommendations highlight:
  - Importance of evidencing viability and deliverability from early stages of plan preparation
  - Creation of more certainty about how and when sites may come forward
  - Need for greater transparency and for open and positive engagement



# PPW - New Policy Content

## PLACEMAKING - HOUSING

- Settlement Strategies now under Strategic Place making
  - Wider than just housing
- New settlements / urban extensions promoted through NDF / SDP / Joint LDP
  - Over 1000 dwellings
- Stronger emphasis of previously developed land
  - Need to demonstrate deliverability



# PPW - New Policy Content

## ACTIVE AND SOCIAL PLACES – HOUSING

- Identification of deliverable housing land
- Where new housing is to be proposed:
  - Policies need to be clear that developers will be expected to provide community benefits - reasonably related in scale and location to the development
  - Policies should take account of the economic viability - consider impact on site delivery
  - Policies should not be unrealistic – need to be tested
  - Planning authority should seek to negotiate with developers
  - Negotiation should operate in an open and transparent manner - “open book” basis



# **New Policy Content**

## **ACTIVE AND SOCIAL PLACES - HOUSING**

- Housing for older people
- Custom and self build housing
- Proposals for housing on infill and windfall sites within settlements should be supported



# PPW – Links with NDF

## Role and Purpose

### Planning Policy Wales (PPW)

- Overarching planning policy document for Wales
- Policy advice for decision makers and those formulating Development Plans at all levels

### National Development Framework (NDF)

- Spatial expression of planning policy for Wales
- Vision and strategy for development
- Identification of DNS projects
- Development plan status

Common structure around 4 themes and similar design so read across between both documents is simple and easy to identify and understand



# Development Plan Manual

- The new manual will provide a stronger emphasis on how to demonstrate delivery within development plans.
- A more robust candidate site process – front loading, making sure that viability and delivery evidence is provided at the right time.
- Site viability and delivery – site specific viability work, statement of common ground.
- Delivering quality outcomes - embedding key masterplanning principles / place making into development plans.
- How to demonstrate delivery of a five year supply throughout the entire plan period – how to prepare a housing trajectory, the importance of urban capacity studies, small site and windfall allowance assessments and applying a non delivery allowance to the land bank (where appropriate)





# Vacant Land Tax

- Research has clearly identified that land allocated for housing in Development Plans is not being brought to the market.
- A vacant land tax could incentivise more timely development by making it more expensive to hold on to vacant land, which has been identified as suitable for development. The purpose of the tax would be to change behaviour rather than to raise revenue.
- Welsh Government to request transfer of competence under Wales Act 2014.
- Further detailed development and consultation if competence devolved.



## Next Steps...

- PPW Consultation
  - 12 February to 18 May 2018
- Final version published: Summer 2018
- National Development Framework Consultation
  - April to July 2018
- Development Plan Manual
- Vacant Site Tax competence?



# Conclusions and Q&A

- Evidence from plans and consents suggest sufficient land but not all available suitable for development
- Need to ensure that land in plans is deliverable – changes to policy and guidance in progress
- Availability of land major barrier to increasing supply
- Explore other levers including taxation and compulsory purchase