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Cyngor Sir CEREDIGION



CEREDIGION County Council

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Ceredigion  
Unitary Development Plan  
2001-2016

# **Further Proposed Changes 1**

September 2004



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## Further Proposed Changes 1: How to use this document

### Purpose of the document

This document sets out the further changes the Council proposes to make in response to representations on the Proposed Changes Document of the Ceredigion Unitary Development Plan. The Council will ask the Inspector to consider these changes, together with representations received during the consultation period, at the UDP Inquiry. The aim is to agree changes with objectors prior to the Inquiry, making the process more efficient and less costly. The purpose is to seek to reduce the number of objections remaining to be dealt with at the Public Inquiry, subject to the proposals giving rise to counter-objections.

### How to make your response

Representations of either support or objection at this stage can only be made to the specific change being proposed. **Representations to unchanged text will NOT be accepted as this stage deals solely with the further proposed changes.**

The Deposit Version is shown as Normal Text.

The Proposed Changes Document is shown as Single Strikethrough and Bold text **The Further Proposed Changes 1 (on which you are now invited to comment) are shown as Double Strikethrough and Bold Italic Text)**

Any representations received at this stage will be considered in addition to those submitted at the deposit stage and to the proposed changes (Feb 2004) document. Representations must be made using the appropriate form and be specific to the proposed change. It is essential that objectors clearly state what part of the proposed change they object to and specify what change they seek.

Where a proposed change would resolve an objection submitted at the deposit or proposed changes stage, objectors are invited to support the proposed change and indicate they will conditionally withdraw their objection subject to that particular change being made to the plan.

Changes are referenced by PC (Proposed Change) Numbers, e.g. **PC 53**, throughout the document. The changes to text are very specific and are shown either as double strikethrough deletions (e.g. ~~policy or settlement text~~) or as additions in bold italic print (e.g. *new text*). **Comment on text is invited only in respect of the bold italic or double strikethrough deleted text within the PC reference box.**



## Housing Policies H2.1 and H2.2

<p><b>PC 550</b></p> <p>1.</p> <p>2.</p> <p>3.</p> <p>4.</p> <p>5.</p> <p>6.</p> <p>7.</p>	<p><b>H2.1 Affordable Housing</b></p> <p>Where larger housing development (<del>10 units in the main towns and 5 units elsewhere</del>) is proposed (<b>that is, residential development on a site, or part of a site that is capable of accommodating 10 units or more in the main towns and 5 units or more elsewhere</b>), the Council will seek to negotiate the inclusion of an element of affordable housing, where there is a demonstrated need for affordable housing. Adequate planning conditions or obligations will be used to ensure that the benefits of such housing will be passed on to future occupiers.</p> <p><b>Reasons for Policy H2.1</b></p> <p>General market housing alone will not fully meet the range of housing needs that is likely to exist throughout the County over the next 15 years. Ensuring that an appropriate mix or balance of housing types and sizes exist throughout the County will (in accordance with policy H4.1) help to meet the range of needs which exist. There will be some people however, who cannot compete in the open market and who depend on the provision of public housing for their accommodation needs. The purpose of this policy is to help ensure that the housing requirements of those people with affordable housing needs are met during the plan period.</p> <p><i>According to National Guidance, PG(W) TAN(W) 2 Planning and Affordable Housing, November 1996</i>, affordable housing <b>can</b> include the provision of both low cost market and subsidised housing (irrespective of tenure, exclusive or shared ownership, or financial arrangement) which is available for people who cannot afford to occupy houses that are generally available on the open market. Such people may include, for example, first time buyers and people on low incomes. The definition should however be broadened to include other groups such as key workers (<del>such as someone working in healthcare, social services, local government, public transport or emergency services</del>). <b>in addition to this general definition, within Ceredigion</b> there are areas where demand for housing is high, such as Aberystwyth, where more people are likely to face problems of affordability as house prices are pushed up in response to demand.</p> <p><i>For the purposes of this policy (and Policy H2.2) an affordable house/dwelling is one which is either:</i></p> <ol style="list-style-type: none"> <li><i>1. Owned or managed by an <u>RSL</u>, the Local Authority or other nominated body identified by the LA and is available for rent; or</i></li> <li><i>2. Available for purchase subject to:</i> <ol style="list-style-type: none"> <li><i>a. <u>occupancy requirements</u></i></li> <li><i>b. <u>physical characteristic requirements; and</u></i></li> <li><i>c. <u>a mechanism to ensure that the system is positively policed.</u></i></li> </ol> </li> </ol> <p><i>The conditions and requirements not only define an affordable dwelling but are also the mechanism through which it becomes affordable. The relaxation of the conditions/requirements would lead to an increase in the dwellings value. Given the evidence of unmet affordable need (as set out in the current LHNA) applications for relaxation of</i></p>
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*the conditions/requirements by the owner will not be entertained. If a property is not selling then the price is to high not the conditions to tight. The underlined expressions are further defined in the glossary (page X).*

8.

There are a number of contributing factors to the issue of affordability within Ceredigion. House prices within the County have risen to a level that many people cannot afford. This is a widespread problem that is common to both urban and rural areas throughout the County. Factors such as high levels of second home ownership or in migration can also impact on house prices, especially along the coast. An increase in house prices coupled with a generally low average income makes it difficult for many local people to compete for housing in the open market. In addition access to existing affordable housing has been affected by the 'Right to Buy'; which has reduced the Council Housing stock by half. The provision of affordable housing for rent is now the responsibility of Housing Associations (such as Tai Cantref and Mid Wales Housing Association); the provision made by Housing Associations (HA) has not however made up for the shortfall created by the 'Right to Buy'. At the end of 2001, HAs accounted for only 3% of total County's housing stock, with Council housing accounting for just over 8%. The 'Right to Buy' has therefore reduced the level of low cost housing stock available for local people to rent. All these factors combined affect the ability of local people to access the housing market which in turn affects the fabric of communities (i.e. access to appropriate housing has an important role to play in sustaining communities).

9.

The issue of affordability will vary across the County (geographically) and also over time (15 year plan). *However the available information suggests that the need for affordable housing will outstrip the ability of the planning process to deliver it throughout the plan period. It is therefore appropriate to set achievable targets for affordable housing in order to clarify the contribution the planning system can make to overall aims within the Councils Housing Strategy. Taking into account existing residential permissions (as at 2003) and completions to date (2001-03), the Council seek to ensure that 'affordable housing' accounts for 30% of the remaining residential development that is subject to policy H2.1. That is, 30% of the total development that will come forward on sites capable of accommodating 10 or more units in the main towns and 5 or more units elsewhere. Bearing in mind that a significant number of applications will make no contribution to affordable needs the level required on sites where the policy applies may be significantly higher. However* the exact details and precise scale of housing to be provided at an affordable level can therefore only be determined at the application stage. The plan recognises however that there is likely to be a need for affordable housing within the towns throughout the period. The need to consider providing an element of affordable housing has therefore been identified for allocated residential sites within towns (see Proposals Schedules). For development other than on sites allocated for residential development, consideration will be given to whether there is a need for affordable provision on all **applications that are received with regard to sites, or part of a site, that is capable of accommodating** ~~of~~ 10 units or more within the main towns and ~~for all sites of~~ 5 units or more elsewhere. **To clarify, the requirement for affordable housing will depend on the capacity of the overall site and not necessarily to the number of units applied for, this is because, where applications are submitted for only part of a site (for example, 3 dwellings out of a potential 15 units) the policy**

	<p>wouldn't apply if it were worded as such that the requirement related to the number of units for which consent was sought. Policy H2.2 will have an important role in aiding the development of affordable housing where provision through large-scale development is unlikely to be achieved.</p>
10.	<p>Whether an element of affordable housing is required <b>will be determined by the Council and</b> will depend on the existence of need and the feasibility of meeting the provision. Issues which may be considered when determining affordable housing need may include:</p>
11.	<ul style="list-style-type: none"> <li>• <b>Bespoke local needs housing assessments;</b></li> <li>• Local market housing prices/rents;</li> <li>• Local incomes;</li> <li>• Supply and suitability (size and type) of existing stock (rent/buy);</li> <li>• Nature of proposed development (type of housing proposed);</li> <li>• Other factors which may affect/restrict access to housing within the community for example the proportion of houses that are second homes;</li> <li>• Housing waiting list;</li> <li>• Community surveys, <del>and/or local needs surveys both existing and proposed</del> <b>such as Llandysul and Pontweli Ymlaen</b> Community survey 1994;</li> <li>• Census data;</li> <li>• Welsh House Condition Survey Information;</li> <li>• 'Housing circumstances in Ceredigion', report by Rural Surveys Research Unit (RSRU) Aberystwyth 1996;</li> <li>• Information from the housing section of the Council;</li> <li>• Other relevant information at the time.</li> </ul>
12.	<p>Where need is identified it will then be necessary to determine whether it is feasible to require a provision of affordable housing. Consideration will include:</p>
13.	<ul style="list-style-type: none"> <li>• Size of site, suitability and economics of provision (e.g. if the site is located at far end of settlement it may be least appropriate in terms of access to bus services etc);</li> <li>• Other costs associated with the development of the site (such as physical constraints that may need to be overcome which would make it uneconomic to develop affordable housing);</li> <li>• Whether the provision of affordable housing would prejudice the provision of other planning objectives that need to be given priority in developing the site.</li> </ul>
14.	<p>Where the provision of affordable housing is required, the Council will, where necessary, use planning conditions and/or obligations to ensure that the initial and subsequent occupiers benefit from the affordable status of the dwelling. Further guidance on the application of conditions and obligations is contained in TAN(W)2. It is recognised that, in general, the provision of housing through Registered Social Landlords (RSLs) or HAs, provides the most effective means of ensuring that housing remains affordable in the long term. Developers will therefore be encouraged to work in partnership with RSLs in providing for affordable housing as part of an overall residential proposal. <b><i>To ensure that the LPA can monitor any modifications or additions made to dwellings permitted as 'affordable housing' - which could lead to increasing the value of the property - the GPDO rights relating to the property may be removed.</i></b></p>
15.	<p>Other mechanisms exist within the planning system which can contribute to achieving affordable housing. The type of housing available (size, layout, associated facilities etc.) will to a large extent influence the affordability of a property. If, for example, a village is predominately characterised by large 4 bedroom properties with large gardens and double garages, it is unlikely that first time buyers or even</p>

<p>16.</p>	<p>key workers will be able to access property on the open market. Ensuring that an appropriate balance or mix of housing types exists within each settlement or community therefore has an important contribution to make in ensuring that the needs of the whole community can be met. The Council will therefore seek to ensure that a balanced approach is taken with regard to size, scale and type of housing permitted in relation to the needs of the community (see policy H4.1).</p> <p>Planning alone cannot tackle the affordability issues which exist within the County. The Council's Housing Section and Housing Associations have a large role to play in ensuring that an adequate provision of affordable housing exists throughout the County. The Council's housing strategy has regard to the UDP and has an influence on The National Assembly for Wales's allocation of social housing grant for development of affordable housing within the County by RSLs. Initiatives such as the 'homebuy' option, 'low cost housing' or similar subsidised schemes which help people acquire their own property will increasingly have an important role to play and should be promoted through the Council's housing strategy and council programme. Accessibility to low cost housing for local people is further enhanced by the Council's power to restrict the re-sale of properties bought through the 'Right to Buy' scheme to local people only; this restriction applies to a substantial part of the County. However, such financial provisions are aimed at owner occupation; and assume that the applicant can acquire a mortgage for a significant proportion of the property's value (up to 75%). These provisions must therefore be accompanied by a sufficient stock of affordable housing for rent because many people will not be able to afford to buy their own property even with the assistance of such schemes as the 'homebuy' option; hence there is an important role for RSLs. There is also a role for the private rented sector where grant aided conversions into flats are conditioned upon nomination rights for the Council and rent restrictions for those on Housing Benefits. The key to meeting the future affordable housing needs of the County is to ensure that a balanced provision of housing exists so that everyone has access to a decent home.</p>
<p>PC 551 17.</p>	<p><b>H2.2 Affordable Housing in Rural Areas Exceptions Policy</b></p> <p>In exceptional circumstances the provision of housing to meet affordable housing needs may be considered on sites adjoining existing settlements provided:</p> <ol style="list-style-type: none"> <li>1. No alternative feasible or suitable premises or sites exist within the <del>community</del> <b>settlement</b>;</li> <li>2. There is adequate evidence of need to require the provision of affordable housing within the <del>local community</del> <b>settlement (definition of affordability and local need provided in the reasons for policy below)</b>;</li> <li>3. <del>Adequate planning conditions or obligations exist to give effect to and to pass on the low cost benefits to future occupiers;</del></li> <li>4. <b>(Becomes criterion 3)</b> That the development is of a scale and design that is appropriate to the locality and that there are no unacceptable adverse impacts on the environment, amenity or highway issues;</li> <li>5. <b>(Becomes criterion 4)</b> The proposed development is adjacent to and forms a logical extension of the settlement boundary, <b>or where the proposed development relates to a cluster or group of dwellings that do not have a settlement boundary it adjoins the existing built form.</b></li> </ol> <p><b>Planning conditions <i>will be applied</i> and obligations will be <del>applied</del> <i>sought with regard to all new dwellings permitted by this policy to give effect to and pass on the low cost benefits to future occupiers.</i></b></p>

18.	<p><b>Reasons for Policy H2.2</b></p> <p>Much of the development that occurs within the County is accounted for by sites of less than 5 units, and more often than not by single build. It is recognised, therefore, that the affordable needs of the County, especially within the smaller settlements and their surrounding communities, may not necessarily be met through policy H2.1 <b>alone</b>. Ensuring an appropriate mix of house types and sizes will, therefore, have a crucial role to play in helping <b>to</b> meet housing needs in rural areas (see policy H4.1). Due to the scale of development that is likely to come forward it is <b>may be</b> less feasible to negotiate an element of affordable housing as part of an overall development. This “exceptions” policy, therefore, relates specifically to the release of land to meet local affordable housing needs <b>where it can be demonstrated, by reference to the current LHNA and/or other relevant information (see details under policy H2.1) (the applicant), that the need for affordable housing exists. Such provision should be located: outside of but adjoining existing settlement boundaries where it can be demonstrated that the need for affordable housing exists</b></p>
19.	<ul style="list-style-type: none"> <li>• <b>Outside of but adjoining existing settlement boundaries where it can be demonstrated that the need for affordable housing exists; or</b></li> <li>• <b>In the case of smaller settlements, hamlets or groups of houses which do not have settlement boundaries, adjacent to the existing built form.</b></li> </ul>
20.	<p><del>The policy applies to sites which would not otherwise be allocated for housing, or included within the settlement boundary.</del> Development that comes forward as a result of this policy is likely to be small scale, and in the more rural settlements is likely to predominantly be individual dwellings. <b>This policy does not apply to the County’s six main towns as appropriate provision for securing affordable housing has already been included within the individual housing allocations for each town and can be achieved through the application of policy H2.1. The provision of ‘affordable housing’ on non-allocated sites within the six main towns will also be secured through the application of H2.1.</b></p>
21.	<p>As the policy operates on an exceptions basis, by definition, the policy only applies in those settlement locations where <b>the applicant is able to prove that there is a proven need for affordable housing within that settlement.</b> When identifying <b>affordable need the applicant must</b> <del>it should be demonstrate</del> that there are no alternative suitable premises or sites available either within the settlement or neighbouring settlements <b>at an affordable level.</b> <del>Need can be separated into several categories, all of which contribute to the general overall aim which is to maintain a balanced community. An indication of the types of circumstances which qualify under this policy are listed below; these are based on definitions contained in PG(W) TAN2 and are generally accepted by most other LAs:</del></p>
22.	<p><b>Policy H2.1 has already set out what is meant by ‘affordable’ need. Individuals or households in ‘affordable’ need are defined as those who cannot afford to occupy houses that are generally available on the open market. Such individuals or households may include, for example, first time buyers, people on low incomes and key workers. In areas where house prices are high, and continuing to rise, this ability to access the open market is likely to become increasingly difficult and the number of individuals or households facing affordability issues is also likely to increase. The SPG will include further clarification as to the definition of ‘affordability’ as it relates to Ceredigion. It is acknowledged, however, that continuous monitoring is required</b></p>

	<p>with regard to the relationship between income levels and market house prices and rent throughout the County in order to understand what constitutes an appropriate price for affordable housing at a particular point during the plan's lifetime.</p>
23.	<p>'Need' can be separated into several categories, all of which contribute to the general overall aim which is to maintain a balanced community. An indication of the types of circumstances <b>or 'needs'</b> which qualify under this policy are listed below (<i>and are further defined in the glossary</i>); these are based on definitions contained in PG(W) TAN2 and are generally accepted by most other LAs:</p>
24.	<ul style="list-style-type: none"> <li>• Existing residents needing separate residence (for example newly married);</li> <li>• People whose work provides important services and who need to live closer to the local community;</li> <li>• People with longstanding links with the local community (people who need to move to be close to relatives);</li> <li>• People who have been offered a job in the area, who cannot accept the offer due to lack of affordable housing.</li> </ul>
25.	<p>It is the combination of this need for accommodation <del>within the settlement</del>, as listed above, and the issue of affordability that must be satisfied in order to qualify under this exceptions policy. The need to live within <i>Ceredigion (the settlement)</i> alone will not render the application successful, the underpinning factor is the lack of property available within the settlement in question at a price that the particular individual or household can afford.</p>
26.	<p>The Council will ensure that, in accordance with policy H2.2, permissions are granted only where a <b>an affordable</b> need is justified. <i>In the case of self build applications where the value of the property (once built and subject to conditions) will not be tested in the market the applicant will be required to provide proof of end value from two Chartered Surveyors. In cases of doubt the LA will seek the opinion of the district valuer in which circumstances his view will be final.</i> and it is therefore intended that where such a claim is made in support of a planning application, that the Council's housing officers will make an assessment of the extent of the claim. <del>Though the results of an up to date bespoke housing needs survey, when available, along with subsequent updates, will help to indicate areas within the County where affordable need exists, such surveys offer but a snap shot of housing circumstances at a particular time and do not necessarily provide detailed enough information at the very local scale. It is, therefore, necessary and appropriate that the applicant submit information which supports their application, demonstrating that they are in 'affordable need'. Such evidence should include:</del></p>
27.	<ul style="list-style-type: none"> <li><del>• The household's financial and personal circumstances;</del></li> <li><del>• Efforts sought to obtain suitable housing on the open market within the settlement and adjoining settlements;</del></li> <li><del>• The price (mortgage) or rent the household is able to pay for accommodation;</del></li> <li><del>• The need to locate in a particular settlement (as set out above); and</del></li> <li><del>• The constraints of obtaining alternative accommodation within the settlement and adjoining settlements.</del></li> </ul>
28.	<p><del>The Council will produce a Supplementary Planning Guidance note to further clarify the type of information that an applicant will need to submit in support of an application which is subject to policy H2.2 in order to identify that an 'affordable' need exists.</del></p>

29.	<p>In circumstances where the Council is justified in granting planning permission for dwellings on the basis of claimed <b>need for affordable housing need</b>, it is necessary that the benefit of the policy will be passed on to future occupiers. The use of planning conditions and/or obligations will be used to ensure that such dwellings remain affordable in perpetuity.</p> <p><b>The Council will require that the benefits of affordable local housing granted under this exceptions policy must be passed on to subsequent occupiers. Planning conditions and obligations will include a requirement that the details of potential future occupants are passed on to the Council to ensure that they comply with the occupancy requirements of the original planning application. <i>To ensure that the LPA can monitor any modifications or additions made to dwellings permitted as 'affordable housing' - which could lead to increasing the value of the property - the GPDO rights relating to the property may be removed.</i></b></p>
30.	<p><del>More guidance will be included in an SPG as to how the property should be kept affordable.</del></p>



## Amendments to the UDP Glossary

Proposed Changes Ref Number		
<b>PC 552</b>	<b>Occupancy Restrictions</b>	<p><i>Requirements which limit the availability of the house/dwelling to those defined as follows:</i></p> <p><i>a. Those with a (combined) ability to borrow not more than the amount required to purchase the property plus 10% of it's purchase price.</i></p> <p><b>AND</b></p> <p><i>b. Those who:</i></p> <p><i>i. Have a local connection in that they are an existing or former resident of Ceredigion who have been resident for a continuous period of at least 10 years within the last 20 years;</i></p> <p><b>OR</b></p> <p><i>ii. Need to live in Ceredigion to substantially care for or be cared for by a close relative where the relative meets the requirements of paragraph "b(i)" above and the relatives property is incapable (whether as it stands or subject to extension) of meeting the needs of the combined household.</i></p> <p><b>OR</b></p> <p><i>iii. Need to be in Ceredigion for employment purposes as key workers on a full time (37 hours) permanent basis</i></p> <p><b>AND</b></p> <p><i>c. Those who following their purchase of the 'affordable house' will own no other residential property and who will occupy the 'affordable house' on a full time basis.</i></p>
<b>PC 553</b>	<b>Policing mechanism:</b>	<i>This is a mechanism endorsed by the LPA that will ensure that the system can be positively policed.</i>
<b>PC 554</b>	<b>Physical Characteristic requirements:</b>	<i>Requirements which will be fully set out in SPG to compliment the policy and whose intention is to ensure that the affordability principle is maintained in the execution of the policy and to prevent the creation of "minimum spec" affordable housing.</i>
<b>PC 555</b>	<b>Registered Social Landlord (RSL):</b>	<i>RSLs include housing associations, local housing companies or cooperatives, and charitable trusts.</i>