

Cardiff RLDP Examination - Session 1 Housing Numbers

20 May 2026

LICHTFIELDS

PERSONAL/GW
41148283v1

Contents

1.0	Is the target of 26,400 units justified?	1
2.0	The housing target is a dwelling led figure, based on expectation of urban land supply and existing greenfield sites in the adopted LDP. Is this an appropriate way to assess need?	3
3.0	Is a 10% flexibility allowance appropriate?	4
4.0	Should housing need be determined by past build rates?	5
5.0	Does the housing need figure need to be changed in the light of the 2022-based local authority household projections.	6
6.0	Should the target be increased to facilitate the delivery of affordable homes to meet the need identified in the Local Housing Market Assessment?	8
7.0	Does the target of 26,400 reflect Cardiff's designation as a National Growth Area in Future Wales	9

1.0 **Is the target of 26,400 units justified?**

- 1.1 Lichfields submitted representations to the deposit plan setting out our view that the RLDP housing requirement figure should be increased from 1,600 to 1,850 per annum. This would give a base housing requirement figure of 27,750 increased to 30,525 when a 10% flexibility allowance is applied.
- 1.2 Since these submissions were made Welsh Government has issued updated 2022 based household projections that give annual average growth for Cardiff of 1,758 dwellings per annum (see table 10, Edge Analytics Report, May 2025). This would give a housing requirement of 26,370 rising to 29,007 with the flexibility allowance.
- 1.3 This is discussed in more detail below but indicates that the Council's preferred growth level for the capital city and growth driver of the city region is now below government trend forecasts.
- 1.4 The Council only considered three alternative growth options at the RLDP preferred strategy stage and treated them as fixed options. It dismissed option A (19,000 homes) as being too low and Option C (30,500 homes) as being too high and that left the remaining option of 24,000 homes.
- 1.5 Option C was dismissed on the basis that it *"...proposes a growth in population more than twice the latest Welsh Government projections and therefore departs significantly from latest evidence on demographic growth."*
- 1.6 The RLDP preferred growth strategy forecast population growth of 39,373 (2021-2036). The latest Welsh Government population projections now give a population growth of 56,992 for Cardiff over the same plan period. It is now the Council's preferred strategy that departs from the latest evidence on demographic growth.
- 1.7 The Council has recently issued the Edge Analytics demographic update that responds to the implications of the latest 2022 based household projections. Edge Analytics question the WG assumptions around projecting forward recent higher levels of net international immigration and therefore the usefulness of these projections for the RLDP.
- 1.8 Instead, Edge Analytics apply a 'policy on' adjustment that reverses recent high levels of net- international migration back to longer term trends over 10- and 15-year periods. These result in outcomes below the Council's RLDP figure of 1,600 dwellings per annum.
- 1.9 Edge Analytics don't however seek to make any similar 'policy on' adjustments to address other demographic issues such as those around high average household size. In paragraph 3.26 they note the changing patterns of household occupancy and household formation that have been seen between 2001, 2011 and 2021 censuses but don't interrogate the issue further.
- 1.10 If a similar adjustment to household formation rates was made to address government concerns around overcrowding/ concealed households and difficulties of access to the housing market, then a higher housing requirement figure would be the outcome.

- 1.11 The 2021 census records that Cardiff has a level of overcrowding which at 3.9% is the highest in Wales and nearly double the Welsh national average of 2.2%. There is a widely acknowledged housing crisis with young adults in particular returning to live with parents or share with friends.
- 1.12 In February 2026 Welsh Government published its 2025-based estimates of overall additional housing need in Wales. This does not break need down below the national level but the methodology provides a useful benchmark for assessing the robustness of the Cardiff RLDP housing requirement figure.
- 1.13 The WG estimates bring together existing unmet need (shown as a single figure) and newly arising need (shown over future years). The newly arising need is based on the 2022-based household projections. Existing unmet need is based on those currently homeless or living in temporary accommodation or their current home is overcrowded.
- 1.14 For Cardiff, the LHMA (2025) identifies existing unmet need as being 1,680 dwellings. If this is added to the newly arising need of 27,750 dwellings from the household projections, then the housing need figure for Cardiff based on the WG methodology would be 29,430.
- 1.15 The potential for addressing both the existing backlog of affordable housing need and newly arising need is significantly improved if the housing requirement figure is increased from 1,600pa to at least 1,850 per annum.
- 1.16 In Lichfields view the Council has not properly justified the RLDP housing requirement figure and it therefore fails Test of Soundness 2 on several counts:
- It is not supported by a robust, proportionate or credible evidence base.
 - It does not meet assessed needs and contribute to the achievement of sustainable development.
 - The Vision and strategy are not sufficiently aspirational.
 - Real alternatives have not been properly considered.

- 2.0 The housing target is a dwelling led figure, based on expectation of urban land supply and existing greenfield sites in the adopted LDP. Is this an appropriate way to assess need?**
- 2.1 Lichfields is concerned that the Council has sought to restrict its residential growth target at the number of dwellings that can be achieved without the need to make new greenfield allocations. That is not a reasonable basis on which to plan or meet the needs of future generations.
- 2.2 In Lichfields view the Council has failed to undertake a proper unconstrained assessment of residential need as outlined in section 5 of the Development Plan Manual section 5. Instead, it has concentrated on supply factors which constrain the ability of the plan to deliver. Given Cardiff is the acknowledged economic driver of the region it would be anticipated that the Council would be seeking a more aspirational level to growth.
- 2.3 It is recognised that there has been a significant shift in the demographic evidence base since preparation of the preferred strategy. The Council had thought its dwelling led requirement figure represented an uplift to demographic forecasts to reflect economic growth ambitions and acknowledged affordable housing need.
- 2.4 It now seems to be arguing that the housing requirement figure should be set below demographic trends, and it is unclear how this aligns with delivering economic growth and addressing affordable housing concerns.
- 2.5 Lichfields consider that the Council should have sought to assess alternative growth options along the lines set out above in section 1.

3.0 **Is a 10% flexibility allowance appropriate?**

- 3.1 There is a lack of transparency surrounding the housing supply figures contained in the Updated Housing Background Paper. Lichfields would like to understand the assumptions around the 16,064 'Homes with planning consent and not implemented and anticipated to complete during the plan period'.
- 3.2 Approximately 25% of the land supply over the balance of the plan period (5,537 homes) is to come from 'allowances' on unidentified sites. Added to this there are question marks over the availability of some Strategic Sites (Policy H1A) and Housing Led Regeneration Areas (Policy H2).
- 3.3 This level of uncertainty given the importance of Cardiff to the CCR suggests that the flexibility allowance should be increased and additional allocations are brought forward within the RLDP.

4.0 **Should housing need be determined by past build rates?**

4.1 Lichfields has presented evidence at the deposit stage that the low levels of housing delivery achieved in Cardiff over the past 15 years primarily reflect issues around land supply and economic shocks rather than a lack of housing demand or need.

4.2 The Council has sought to argue that a housing delivery rate above 1,600 dwellings per annum is unachievable. Lichfields disagree and argue that is a self-fulfilling prophecy that will perpetuate under delivery of much needed homes despite demographic evidence of need, clear economic aspirations for growth and evidence of social exclusion in the housing market.

5.0 **Does the housing need figure need to be changed in the light of the 2022-based local authority household projections.**

5.1 The Development Plan Manual states that the most up-to-date suite of Welsh Government Population and household Projections are a fundamental part of the evidence base (5.34). All LPAs should use these projections and the resultant household numbers when considering the level of housing provision for a plan period (5.35). The degree of variation in any assumptions will need to be clearly evidenced and explained (5.36).

5.2 Planning Policy Wales paragraphs 4.2.6 and 4.2.7 also refer to the latest household projections as forming a fundamental part of the evidence base for development plans alongside the latest LHMA. The potential for elements such as migration and household formation rates to vary and influence outcomes is noted as is the requirement for modelling based on robust evidence, to identify alternative options.

5.3 The 2022 based household projections project annual average growth for Cardiff of 1,758 dwellings per annum approximately 10% higher than the RLDP annual dwelling requirement of 1,600.

5.4 Edge Analytics May 2026 demographic update states in bold that:

“Caution should be exercised in relation to the highest growth scenario outcomes due their dependence upon unprecedented levels of international migration recorded in recent years. This applies to the Edge Analytics Trend 5yr scenario, as well as the WG-2022 Principal, High Population and Low Population scenarios...”

5.5 Lichfields would welcome Welsh Government’s views on the robustness of its most recent suite of projections.

5.6 Edge Analytics report suggests that the 2022 population and household projections significantly over state the potential level of net international in-migration over the balance of the RLDP period due to changes in UK policy on this issue.

5.7 Edge Analytics note in paragraph 3.15 that WG state the differences between the 2022 based projections and previous projections are down to:

- The change in demographic trends seen in recent years;
- Changes in the methods used to generate the projections and;
- The rebasing of the historical MYE

5.8 Edge Analytics correctly state that the demographic report that underpins the 2022 projections has not yet been published and neither are the detailed output sheets available to interrogate. Until this is available it not reasonable for Edge Analytics to assume that all Unattributable Population Change (UPC) is down to international migration factors. Lichfields is concerned that the Council is seeking to dismiss the relevance of the latest up to date projections that capture high levels of net in-migration that have already occurred during the first few years of the RLDP period.

- 5.9 The WG Principal population projection does in fact indicate a reduction in future levels of net international in-migration albeit higher than the level Edge Analytics prefer in their 10/15-year migration trends.
- 5.10 The average household size for Cardiff in the 2022 based household projections at 2.33 is higher than in the 2018 based household projections (2.30) and is only projected to fall by -0.03 over the projection period compared to -0.12 in the 2018 based household projections. The result is a significant reduction in the number of one-person households compared to 2018.
- 5.11 Edge Analytics state in paragraph 3.26 that this is likely linked to updated demographics and changes in patterns of household occupancy and household formation seen between 2002, 2011 and 2021. Lichfields agree and understand that these changes in household occupancy are in a large part due to the difficulty that younger age groups have in accessing the housing market, result in a greater number of concealed households.
- 5.12 Whilst Edge Analytics refer to national policy objectives in terms of reducing net international migration, they are silent on the government ambition to tackle the housing crisis and encourage higher levels of house building to allow greater access for all to the housing market.
- 5.1 If Edge Analytics is correct and the level of international in-migration does reduce, this will not occur equally everywhere. Cardiff is the identified focal point for a growth region seeking increased levels of job growth over and above past trends. Even should international net-in migration fall, if the CCR and Council's economic policy objectives are to be delivered then increased net in-migration will be required to increase the labour force particularly in the context of an aging population.
- 5.2 In their conclusion Edge Analytics state that the RLDP housing requirement figure sits in the middle of a range of scenario outcomes. It should be noted that it sits below all the Welsh Government 2022 based projections and above a series of scenarios of Edge Analytics own choosing. Lichfields would have expected a wider range of scenarios that properly test the CCR aspirations for enhanced employment growth, aspirations to encourage concealed households into the housing market as well as addressing wider affordable housing need.

6.0 Should the target be increased to facilitate the delivery of affordable homes to meet the need identified in the Local Housing Market Assessment?

- 6.1 Even if economic ambitions for growth are not delivered and recent levels of net-migration fall, there is still evidence of a clear backlog of affordable housing need as well as newly arising need.
- 6.2 The Council's Local Housing Market Assessment (2025) Table 4a estimates an affordable housing need of 14,407 (960 dwellings p.a.) over the 15 years of the LHMA period based on the Council's RLDP preferred growth option (User Projections).
- 6.3 The newly arising market housing need in Tables 2a/3a is calculated as being 11,490 (766 dwellings p.a.) over the 15-year LHMA period. This would give a total 15-year housing requirement of 25,897 dwellings (1,726 dwellings p.a.) if the affordable and market housing need estimates are combined.
- 6.4 The LHMA is based upon the 2018 household projections. If the Council updated the LHMA to include the 2022 based household projections the range of assessments of affordable and market housing need would be significantly higher.
- 6.1 An increased level of housing delivery will still be required to address affordable housing needs and rebalance the housing market even if the pressure from net in-migration eases. There is very little downside to a higher housing requirement figure provided sustainable new sites area identified, if there is no demand for new homes they won't be built. By contrast there are significant economic and social risks associated to under delivery of new homes in Cardiff.
- 6.2 Brownfield development sites traditionally face greater viability challenges than greenfield sites. It would be helpful to understand from the Council the level of affordable housing delivery that has been achieved on private brownfield sites against greenfield sites. The Council's decision to follow a brownfield only approach to new allocations brings into question their ability increase affordable housing deliver from private sector sites.

7.0 **Does the target of 26,400 reflect Cardiff's designation as a National Growth Area in Future Wales**

7.1 Future Wales states in Policy 33 and supporting text that:

"...The Welsh Government supports Cardiff's status as an internationally competitive city and a core city on the UK stage..."

"...Cardiff will remain the primary settlement in the region, its future strategic growth shaped by its strong housing and employment markets and it will retain its capital city role..."

"...Cardiff must generate and support regional growth throughout the South East while enhancing its status as a vibrant capital city of Wales."

7.2 Lichfields is concerned that restricting population and housing growth in Cardiff below the levels forecast by up-to-date Welsh Government population and household projections will undermine delivery of Future Wales Policy 33.

7.3 Cardiff is identified in Future Wales the driver of the economy in SE Wales, with aspirations as an internationally competitive city and a core city on the UK stage. These ambitions will be difficult to deliver when the proposed level of new housing for our 'growth driver' is set below the baseline for competing English cities.

7.4 Lichfields recognise that the standard method does not apply in Wales, but comparative growth levels are relevant when Cardiff Capital Region will need to compete with other UK city regions for jobs and labour force. An English city with the same characteristics as Cardiff would be required under the standard method to deliver 1,866 homes per annum.

7.5 Lichfields notes that the preferred strategy has implications for both housing delivery and labour market growth. Not only is the level of housing growth below latest evidence of demographic need but the projected workforce growth of 2,153 per annum would be below average job growth over the previous ten-year period (2014-2024) of 2,450 jobs per annum.