



Local Development Plan

2021 > 2036

Cardiff Council - January 2025

Background Technical Paper Number 1

Deposit Plan

Housing



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1. Introduction

1.1. This updated Housing Background Paper has been prepared to inform Cardiff's Replacement Local Development Plan (RLDP) 2021-2036. The information is accurate as of February 2025. It is intended to supplement the Council's evidence base in support of the RLDP, and the information within has been used to inform both the growth and spatial options within the Preferred Strategy (June 2023) and Deposit Plan. This paper supplements the formal RLDP Housing Trajectory, by providing a holistic and detailed analysis of the changes in Cardiff's housing stock which may be anticipated over the Plan period. Though the resulting Housing Supply Table does not form a part of the RLDP itself, it demonstrates that the Housing Trajectory is robust and resilient. That once additional factors affecting total housing stock and availability are considered, the dwelling requirement for the Plan period can continue to be met.

Policy Context

1.2. Welsh Government's 'Development Plans Manual', Edition 3 (2020) advises that the Preferred Strategy should clearly set out what the strategy is, the most appropriate way to deal with issues identified, and how this will be delivered. This should include articulating growth levels spatially and how the level of growth will be delivered in broad terms, including candidate sites, urban capacity, land bank analysis and new allocations. The strategy must be in accordance with the principles of sustainable development and placemaking as set out in Planning Policy Wales (PPW). Cardiff's Preferred Strategy underpins and has been incorporated into the Deposit Plan.

1.3. Eleven Strategic Objectives have been proposed for the RLDP, these respond and deliver upon the key issues, challenges and opportunities facing Cardiff. Strategic Objective 1 seeks "to provide a variety of quality low carbon homes to address the housing crisis and future housing needs". Amongst other objectives, the Plan will:

- *Provide a range and choice of new homes of different tenure, type and location in response to specific housing needs, including responding to the needs of older people; and*
- *Seek opportunities for new homes in city and local centres and sustainable brownfield locations.*

1.4. In arriving at the Preferred Strategy, a policy-driven, dwelling-led target scenario equating to 1,600 homes per annum to 2036 was considered to represent the most realistic and reliable growth option. Planning for such a level of housing completions will help the city recover from the pandemic, provide much needed affordable housing and be a fundamental component in achieving Welsh Government's aspirations for the city as a national growth area and economic driver of the city region. An additional 10% flexibility allowance

is included in the RLDP, resulting in a total provision of 26,400 homes over the plan period.

- 1.5. A sustainable spatial strategy has been chosen to meet this additional growth; essentially a brownfield strategy which seeks to meet the housing land required during the plan period to 2036 through a range of brownfield sites within the existing settlement boundary. Such sites will be major regeneration and renewal areas, located within or adjacent to district or local centres or on transport nodes within the urban areas. These sites, in combination with the substantial existing landbank on brownfield land and greenfield sites around the edge of the city will provide for a range and choice of housing types and locations across the city.

2. Purpose of the Paper

- 2.1. Having regard to the above, the purpose of this Paper is to:

- Identify and quantify potential sources of new housing capacity within Cardiff, over the Plan period,
- Identify other changes in existing stock which will impact total available dwellings in Cardiff, over the Plan period,
- Demonstrate that an adequate supply of suitable housing will be readily available to accommodate the housing requirement identified in the chosen Preferred Strategy growth and spatial options.

Base Date

- 2.2. The components of housing supply referred to in this paper are based on annual data. For clarity, the base date is 1st April 2024 unless otherwise specified.

Scope

- 2.3. Figures provided are indicative only to inform the current stage of Plan preparation. Identification of sites should not be read as conclusive to any allocation or planning consent being granted, as it must be recognised that the Deposit Plan is required to undergo consultation and an independent Examination, prior to Council adoption.

3. Methodology

- 3.1. Welsh Government guidance contained in the Development Plans Manual, Edition 3 (2020) does not prescribe a specific methodology for assessing existing housing capacity, rather it is left to the Local Planning Authority (LPA) to determine an appropriate approach based on local circumstances.
- 3.2. It is noted that Welsh Government policy has long sought to minimise the loss of greenfield land. Planning Policy Wales, Edition 12 (2024) specifies that previously developed land (also referred to as brownfield land) should wherever possible be used in preference to greenfield land. In developing their spatial strategy, and in considering sites for development plans, Planning Authorities must prioritise the use of suitable and sustainable previously developed land and/or underutilised sites within existing settlements before consideration of other land.
- 3.3. Having regard to this 'brownfield-first' policy, the methodology adopted in this paper seeks to identify and quantify all potential aspects of housing land supply within the existing city boundaries, prioritising previously developed land where appropriate. In the first instance, several potential sources of so-called urban capacity are considered, as listed in the manual:
 - Vacant land within a settlement boundary
 - Subdivision of existing housing
 - Flats over shops
 - Empty homes
 - Previously developed vacant and derelict land and buildings (non-housing) i.e. underused/derelict employment sites, petrol stations, public houses, hotels, community buildings
 - School closure programme / public body disposal strategy
 - Open space surplus to requirements
 - Intensification of existing housing areas
 - Redevelopment of car parks
 - Conversion of commercial buildings
- 3.4. Cardiff is a compact capital city, and whilst home to a range of natural assets, the administrative area is predominantly urban in character. Following an initial GIS / desktop review of various data relating to the above categories, it became readily apparent that given its existing urban form, Cardiff contains relatively few such sites. Typically, such sites already have existing planning history, or are earmarked for development, be it through consents, allocation, or candidate site submission. It is therefore anticipated that an analysis of past windfall trends and consideration of future rates could provide a more meaningful understanding of the potential future offer from many of these categories. It is also noted that where windfall allowances are used, care must be exercised in identifying other potential sources, to avoid introducing double-counting. After careful consideration, several additional but discrete categories were identified,

that together with the above are considered to provide a holistic view of housing capacity and dwelling stock change to 2036. The following table identifies each potential source considered in the paper, alongside the data and general approach taken:

| Source | Data |
|---|---|
| Vacant land within a settlement boundary | Few opportunities which are not already earmarked for development. Potential capacity to be captured by windfall allowance. |
| Subdivision of existing housing | Assessment of past trends using Council Tax data. |
| Flats over shops | It is apparent that existing local and district centres in Cardiff will have already undergone a significant degree of change in relation to flats over shops. Potential capacity to be captured by windfall allowance. |
| Empty homes | Assessment of recent trends using Council Tax data. |
| Previously developed vacant and derelict land and buildings (non-housing) i.e. underused/derelict employment sites, petrol stations, public houses, hotels, community buildings | Windfall allowance. |
| School closure programme / public body disposal strategy | Few sites could be identified with sufficient certainty. Potential capacity from Council buildings (e.g. County Hall) to be captured through windfall allowance to avoid double counting. |
| Open space surplus to requirements | Following a desk top review, opportunities for significant disposal of surplus open space are considered minimal. Any incidental arisings to be captured by windfall allowance. |
| Intensification of existing housing areas | Windfall allowance. |
| Redevelopment of car parks | Following a desktop/GIS review, limited realistic opportunities could be identified. Some sites held expired consents. Since these remain undeveloped, often after lengthy periods in the landbank it was decided that the best way to capture such opportunities, should they arise, is through a windfall allowance. It should be noted that several candidate sites proposing this form of development have come forward (though no specific numbers have been expressed). The approach to these sites is discussed in more detail later. |
| Conversion of commercial buildings | Windfall allowance based on past change of use windfalls. |

| Source | Data |
|--|----------------------------|
| Completions to date (i.e. pre-adoption years within the Plan period) | Council monitoring data. |
| Existing known Supply of homes | Landbank analysis. |
| Loss of stock – Demolitions | Council Tax data. |
| Loss of stock to other uses | Council monitoring data. |
| Second Homes | Council Tax data. |
| Short-term holiday lets | Council Tax data. |
| Review of existing allocations (where no consent yet exists) | Candidate Site Assessment. |
| Candidate Sites | Candidate Site Assessment. |

4. Existing Sources of Housing Supply during the Plan Period

Completions from 2021 to 2024

4.1. Since the RLDP runs from 2021 to 2036, the Plan period has already commenced in practice. It is therefore necessary to capture homes which have been built since the start of the Plan period, as this element of supply will have contributed towards the overall dwelling requirement. Council Housing Monitoring records covering the three-year period since the Plan start date (2021-2024) show that a total of 3,997 new homes have been built in Cardiff. This consists of 915 completions in 2021-22, 1,681 completions in 2022-23 and 1,401 completions in 2023-24.

Current residential landbank (1st April 2024)

4.2. The residential 'landbank' forms the largest component in the supply of additional homes in Cardiff. This comprises¹ extant planning consents, together with planning applications that have been before Planning Committee, whereby it was resolved to grant planning permission subject to signing of a legal agreement. As part of its LDP Annual Monitoring Review, the Council conducts an annual survey² of each site within the residential landbank. This records the status of each site in terms of whether development has commenced, and more specifically the number of dwelling units either under construction or completed during the financial year.

4.3. Results from the latest survey, relating to the year 1st April 2023 to 31st March 2024, indicate that 2,641 homes were under construction. A further 11,581 units had planning consent but were not yet implemented, while an additional 5,073 units had a resolution to grant planning permission, subject to a legal agreement. From the above categories it is possible to state that the current landbank of residential units in Cardiff stands at some 19,295 units³. A summary of this land by brownfield/greenfield split is provided below:

¹ Note: residential sub-divisions are not counted in the landbank since historically council tax records were considered to provide better accuracy. This method of capture continues to be used and is considered later in the document.

² Note: Due to Covid restrictions, no survey was undertaken during 2020, therefore the annual survey from April 2021 covers the two-year period, 2019/2020 to 2020/2021, and results are expressed as an average.

³ Note: Not all units are included in the Housing Trajectory - only those anticipated to complete by 2036.

Figure 1 Housing Landbank, 1st April 2024

| | Brownfield | | Greenfield | | Total |
|----------------------------|--------------|------------|--------------|--------------|---------------|
| | Units | % | Units | % | |
| Under Construction | 2,370 | 90% | 271 | 10% | 2,641 |
| Not Implemented | 4,504 | 39% | 7,077 | 61% | 11,581 |
| Subject to legal agreement | 2,573 | 51% | 2,500 | 49% | 5,073 |
| TOTAL | 9,447 | 49% | 9,848 | 0.51% | 19,295 |

Non-delivery Allowance

4.4. Though it is assumed that sites in the landbank will be developed as planned, consideration has been given to reflect an element of 'fall-out' which may occur. Though recent completion figures have recovered to pre-pandemic levels and represent the highest levels since before the global economic crash in 2008, we continue through a period of recovery and economic uncertainty following recent global events. It is therefore recognised that not all schemes may come to fruition as originally consented and sites may be developed at lower densities, or for alternative purposes.

4.5. In view of the above, a non-delivery allowance has been factored into the Housing Trajectory to allow for sites not coming forward as anticipated. It should be noted that there is no scientific way to predict such reductions, and conversely, higher densities may in some instances be sought as a scheme progresses. An allowance of -20% (-3,018 units) is considered to provide a cautious but reasonable degree of flexibility, reflecting the likelihood that most sites will be built to full capacity. Accordingly, sites within the landbank (those with planning consent but not yet implemented and those with a resolution to grant planning subject to a legal agreement), which feature in the Trajectory are assumed to come forward at 80% of total capacity.

Further allowance at Strategic Site C

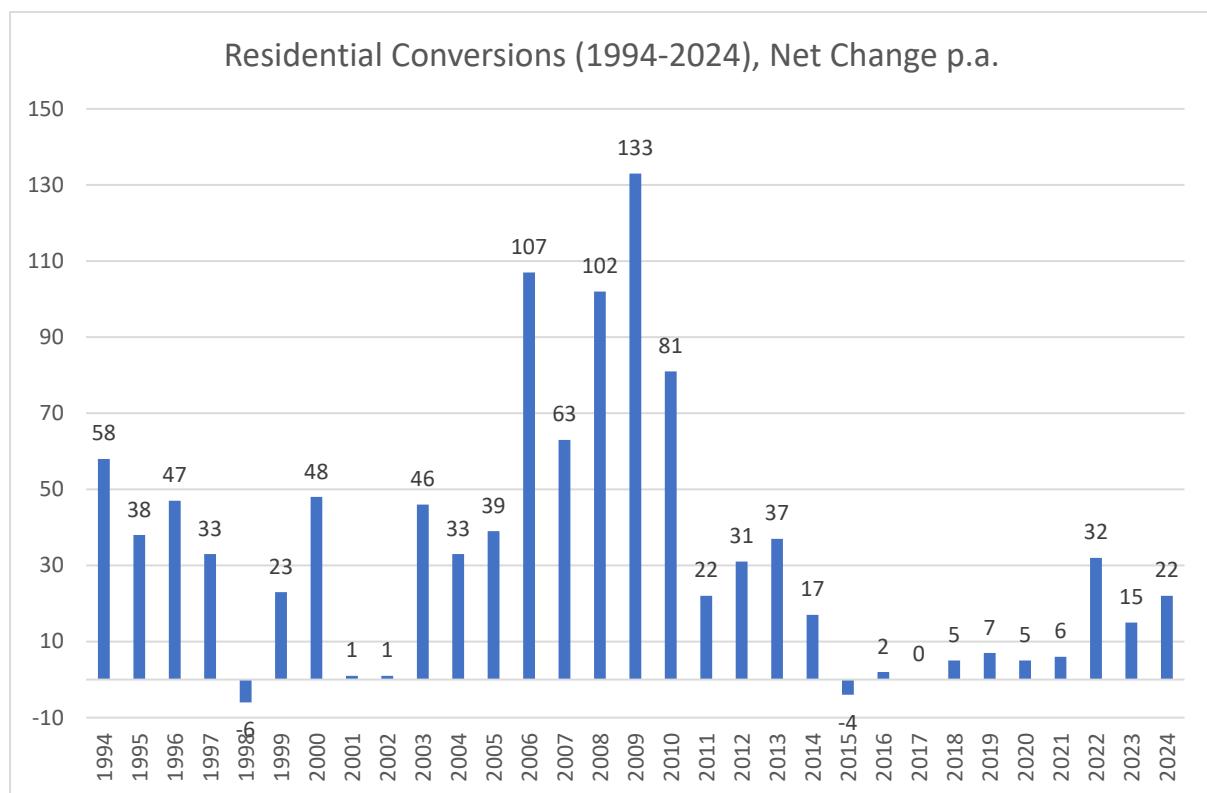
4.6. Following consultation with the lead housebuilder and planning agent representing Strategic Sites C, an exceptional discount has been applied to Plasdŵr. This is to account for changes which have come about since the original outline planning was consented. More specifically, Sustainable Drainage Systems (SuDS) requirements introduced during 2019 have reduced the area of developable land available. Updated masterplans must also have regard to new biodiversity and green infrastructure requirements, and suggest capacities which are inevitably lower than those originally anticipated at Outline. It should be noted that the updated site capacity in the trajectory is also subject to the non-delivery rate above, since despite developer intentions to build-out Plasdŵr without delay, the site remains liable to the external factors above, which could delay completion rates.

5. Potential Increase in Dwellings

Residential Conversions

5.1. Each year, a number of houses in Cardiff will be sub-divided into smaller units, for example, single homes converted into flats, resulting in the creation of additional dwellings. Conversely, some properties will be converted from multiple units into fewer units, for example, back into a single house. The net effect of these changes has typically (in all but two years on record) led to an increase in stock. As noted earlier, historically in Cardiff such 'residential-to-residential' changes have been captured through council tax records, since these were deemed to provide a more accurate method of monitoring the net change from this form of development. So as to avoid double counting, these developments are not monitored in the Planning landbank data. The net annual effect of such conversions is shown below:

Figure 2 Residential Conversions



Source: Cardiff Council, Council Tax Records

Windfalls

5.2. 'Windfalls' can be described as new, unexpected dwelling completions that arise on land which was not identified within the development plan. Historically, such sites have provided a valuable and consistent source of housing in Cardiff, offering a significant contribution to the overall net supply. Over the period for

which data is available (2001-02 to 2023-24), over 22,500 windfall completions have been recorded within Cardiff.

Historic Windfall Rates

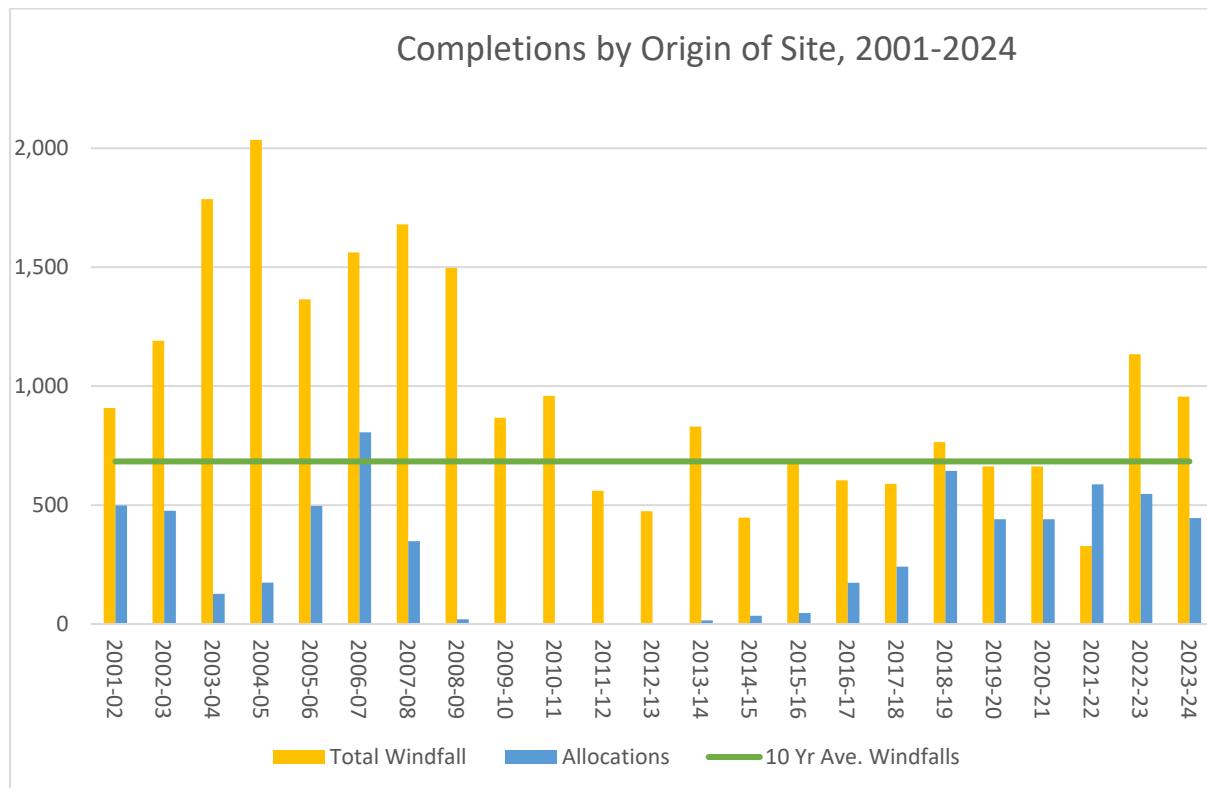
5.3. It is a longstanding principle of national policy that Local Planning Authorities should make the most efficient use of resources, prioritising the use of existing and underused land and buildings. Planning Policy Wales states that windfalls should be supported where they accord with national placemaking outcomes. A review of windfall completions in Cardiff over the last ten years suggests that over 90% took place on brownfield land. Given the inherent sustainability benefits associated with previously developed sites, it is appropriate to give due consideration to the likely contribution windfalls may make over the Plan period. This will allow the level of growth to be met in an efficient manner, preventing unnecessary allocations which may ultimately not be required within this Plan period. This windfall ‘allowance’ is therefore considered fully compatible with the growth and spatial strategy of the RLDP. An analysis of past rates, recent and historic, together with a consideration of the growth and spatial options preferences advocated by the Plan, has informed this allowance, as summarised below.

5.4. For the purpose of effective monitoring, windfall sites in Cardiff have historically been categorised into three distinct groups:

- large windfalls – sites which deliver 10 or more new build units;
- small windfalls – sites which deliver less than 10 new build units;
- change of use windfalls – buildings which have undergone a change of use to residential.

5.5. A review of completions between 2001-02 and 2023-24 indicates that windfall sites accounted for roughly 77% of total completions in Cardiff. Over the most recent 10-year period, windfalls accounted for approximately 66% of total completions. Despite having adopted the LDP in 2016, windfalls have exceeded completions on allocated sites in all but one year. This is somewhat unsurprising given Cardiff’s compact and predominantly urban form, where brownfield sites are under pressure to come forward at higher densities. The following graph displays the number of completions on both windfall and allocated sites, along with the 10-year average windfall completion figure for comparison:

Figure 3 Windfalls by Origin



Source: Cardiff Council Housing Monitoring Data

5.6. Several observations can be made above. Firstly, windfall opportunities do not necessarily diminish over time as might initially be assumed; with 2023-24 having experienced higher windfall completions than the first year on record. Whilst it is accepted that some traditional windfall opportunities decrease, such as those on former industrial land; cities constantly evolve in response to different market demands/pressures. Cardiff, like many other cities is once again witnessing significant pressure within its core business areas for the repurposing of land and buildings to residential use, at significantly increased densities. A recent example of this can be seen in the rapidly emerging variants of high-density urban living, such as the co-living or private build-to-rent sectors. The particularly high windfall rates during the mid-2000s capture a period of sustained economic growth and more readily available lending, coinciding with a sharp pick-up in demand for flatted developments within the city centre and Cardiff Bay.

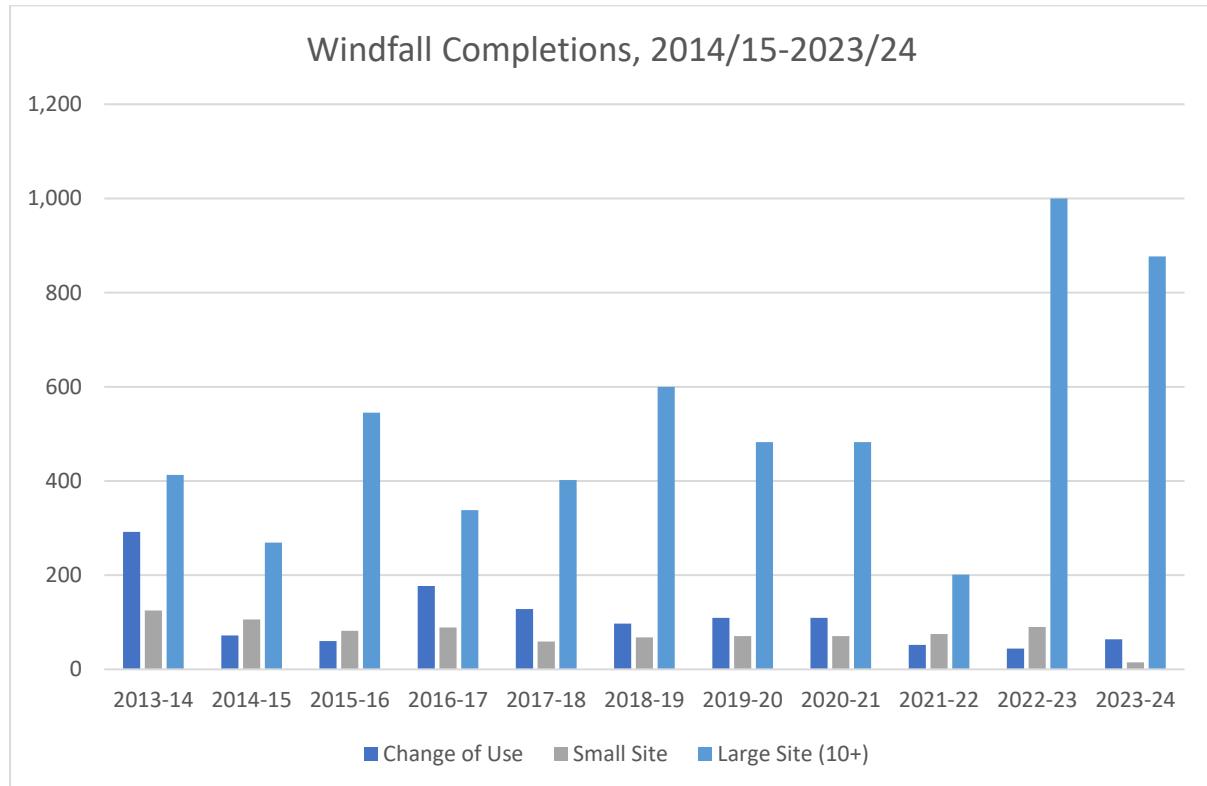
5.7. Secondly, availability of allocated sites does not necessarily constrain windfall activity – this is evident both since the adoption of Cardiff's current LDP in 2016, and during the 2000s where the previous Local Plan (1996) housing allocations presided. Given the tendency for windfalls to occur on brownfield land, it is likely that the typology, or 'offer' these homes present is sufficiently different from new homes built on allocated greenfield sites. It is therefore not considered that the

large number of committed greenfield homes will hinder future windfall opportunities, since the two represent reasonably different markets in Cardiff.

Composition

5.8. A breakdown of the composition of windfall completions in Cardiff over the last ten years (2014-15 to 2023-24) is provided below:

Figure 4 Windfalls by Type



Source: Cardiff Council Planning records

5.9. Over the last ten years, the composition of windfall completions has remained reasonably consistent with that over the last twenty years, with 'Large Sites' the predominant category. In total, large windfall sites have provided 5,197 completions representing an average delivery of approximately 520 units per year. 'Change of Use' sites provided the second highest contribution, with an average of approx. 91 units per year. 'Small Sites', whilst being the lowest contributor of the three windfall categories, also delivered a reasonably consistent yield of approx. 73 completions per year on average.

5.10. Having regard to the above, it is evident that windfalls can provide a reasonably consistent and stable source of completions in Cardiff. Though by their nature windfalls can be afforded no absolute certainty, recent trends suggest that such opportunities are under no immediate risk of depleting. To the contrary, having regard to windfall completion rates over the two most recent years, together with current landbank activity, it could be argued that windfalls are in fact

increasing – as a response to the renewed pressures for city-centre, higher-density living noted above.

- 5.11. In considering an appropriate time-period upon which to base a future windfall allowance, the most recent ten-year trends are considered to represent a suitable timeframe. This period captures recent and consistent patterns of windfall activity, whilst having regard to the underlying context of an up-to-date development plan and relevant economic and market trends. On this basis, the most recent ten-year rate for each component has been extrapolated forward for the remainder of the Plan period, subject to the notes below:

Large Site Windfalls

- 5.12. In accordance with Welsh Government guidance, windfall completions on large sites are not included in the first two years of the housing trajectory. This avoids potential double counting since imminent completions on these larger sites are likely to already be present in the landbank, as existing commitments. An allowance is therefore made for 10 remaining years at a rate of 520 completions p.a. This projection is subject to a 25% reduction, allowing for the possibility that some depletion of large site opportunities may take place.

Small Site Windfalls

- 5.13. An allowance is made for the 12 remaining years to 2036 at a rate of 73 completions p.a. This projection is also subject to a 25% reduction to allow for some degree of depletion which may take place in small site opportunities.

Change of Use Windfalls

- 5.14. It is anticipated that there will be a steady source of under-used and/or out-dated office and other buildings that will convert to residential use during the plan period and so it is assumed that 100% of the average rate for the last 10 years will apply. An allowance is therefore made for 12 remaining years at a rate of 91 completions per annum.

Net Windfall Allowance

- 5.15. Having regard to the above factors, the net contribution from the three windfall components amounts to a total windfall allowance of 6,202 dwellings over the remainder of the Plan period, to 2036. The windfall allowance is summarised in the following table:

Figure 5 Summary of Windfall Allowance

| Change of Use | Small Sites | Large Sites (10+) | Total Windfalls |
|--------------------|--------------|-------------------|-----------------|
| 2014-15 | 72 | 106 | 269 |
| 2015-16 | 60 | 82 | 545 |
| 2016-17 | 177 | 89 | 338 |
| 2017-18 | 128 | 59 | 402 |
| 2018-19 | 97 | 68 | 604 |
| 2019-20 | 110 | 71 | 483 |
| 2020-21 | 110 | 71 | 483 |
| 2021-22 | 52 | 75 | 201 |
| 2022-23 | 44 | 90 | 1,000 |
| 2023-24 | 64 | 15 | 877 |
| 10 Yr Total | 913 | 725 | 5,197 |
| 10 Yr Ave | 91.3 | 72.5 | 519.7 |
| Allowance | 1,096 | 653 | 3,898 |
| | | | 5,646 |

Source: Cardiff Council Planning records

Feasibility

5.16. Having regard to recent rates and the factors noted above, the windfall allowance is believed to be achievable throughout the plan period. Moreover, it is considered that the hybrid brownfield strategy underpinning the Deposit Plan and its policies are supportive of windfall development which may in time stimulate and enable increased activity, as finite greenfield sites diminish.

Empty Homes

5.17. Cardiff Council has committed to reducing the number of long-term empty properties. The recently adopted 'Private Sector Empty Homes Policy (2021-2024)' proposes a mix of proactive and reactive measures to tackle the issue. For various reasons such properties remain absent from the local housing market but provided they can be brought back into use, form a potential source of capacity which could reduce the number of new homes required.

5.18. Following new Welsh Government powers introduced on 1st April 2023, properties in Cardiff which have been unoccupied and unfurnished for more than one year now attract a 100% council tax premium. A progressive tax premium also applies to properties which remain unoccupied and unfurnished, up to a maximum 300% premium. It is anticipated that these collective measures will assist in reducing empty homes. Latest figures from Welsh Government's Council Tax Dwellings Survey suggest that there are currently in the region of 860 long-term empty homes in Cardiff, down from approximately 1,300 in 2024/2025. Whilst these tax changes appear to have had a positive impact in the short term, given the relative infancy of these measures it remains unclear how effective they may be in the long term. It is therefore not proposed

to make a formal allowance for empty homes at present, though the impact of these measures can be kept under review for future consideration.

Allocations

5.19. The Deposit RLDP is proposing a range of allocations which will contribute approximately 5,666 units over the Plan period. These allocations comprise a mixture of existing Strategic Sites, existing Non-Strategic Sites and new Housing-led Regeneration Areas. These allocations are summarised below:

Figure 6 Summary of Allocations

| | | Homes |
|---|---|--------------|
| Strategic Sites (Policy H1A) | | |
| SH1.1 | Land at Church Farm (Part of adopted Strategic Site F) | 205 |
| SH1.2 | Land south of the M4 Motorway, West of Rudry Road, Lisvane (Part of adopted Strategic Site F) | 100 |
| SH1.3 | Land to the north of Ty-Draw Road (Part of adopted LDP Strategic Site F) | 350 |
| SH1.4 | Land south of Llantrisant Road (Part of adopted LDP Strategic Site D) | 300 |
| SH1.5 | Land at Llantrisant Road (A4119) (Part of adopted LDP Strategic Site D) | 150 |
| SH1.6 | Land at Llwynioli Farm (Part of adopted LDP Strategic Site D) | 70 |
| SH1.7 | Former Gas Works, Ferry Road | 500 |
| | | 1,675 |
| Non-Strategic Sites (Policy H1B) | | |
| H1.1 | Land at Areas 9-12, St Mellons | 150 |
| H1.2 | Rookwood Hospital | 90 |
| | | 240 |
| Housing-led Regeneration Areas (Policy H2) | | |
| H2.1 | International Sports Village | 1,000 |
| H2.2 | Whitchurch Hospital/Velindre Site | 410 |
| H2.3 | Cardiff Gate Business Park (West) | 200 |
| H2.4 | Roath Dock (North side) | 316 |
| H2.5 | Porth Teigr and Alexandra Head (capacity 2,310) | 1,310 |
| H2.6 | Hadfield Road | 200 |
| H2.7 | Callaghan Square | 315 |
| | | 3,751 |

5.20. For those sites which are allocations within the current Adopted LDP, the status of these sites is such that residential land use is already established. Subject to other material considerations, it is anticipated that some of these sites could feasibly gain planning consent prior to the adoption of the RLDP. In this event, the relevant site will be treated as an existing commitment within the landbank. For the avoidance of doubt, none of these sites are currently featured in the housing supply identified within this Paper.

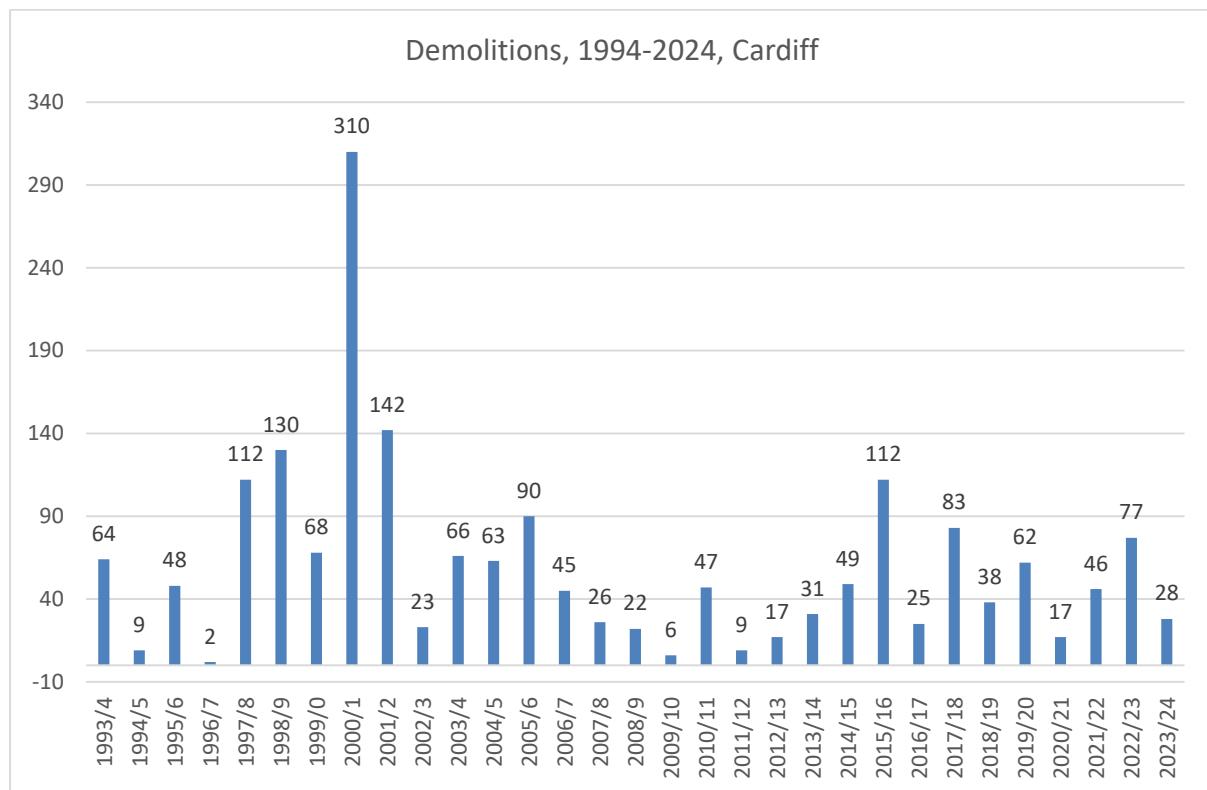
6. Potential Losses to Existing Dwelling Stock

6.1. Historically, a small amount of Cardiff's existing dwelling stock is lost each year with the effect that more new dwellings need to be built to replace lost stock and ensure that the overall housing requirement is still met. Several reasons are considered below:

Demolitions

6.2. Cardiff's Council Tax records provide a reliable indication of the scale of this change in existing stock, over time. The following graph shows annual demolitions in Cardiff over the period where information was readily available (1994-2024).

Figure 7 Demolitions



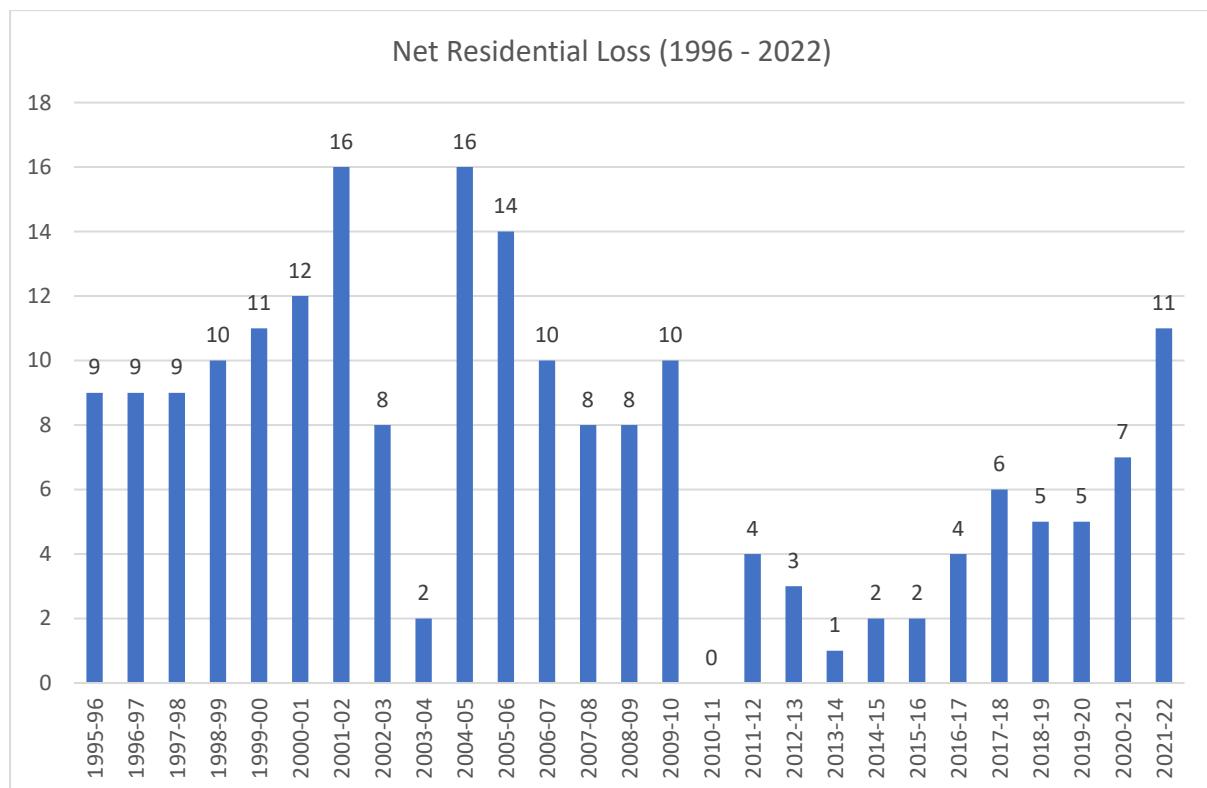
Source: Cardiff Council Tax adjustments

6.3. As can be seen from the above graph, the number of demolitions does not generally fluctuate excessively from year to year. An isolated spike in 2001/02 represents a large-scale regeneration initiative in the Trowbridge ward whereby the units were replaced. During the most recent ten-year period, an average of nearly 54 demolitions have taken place, for the most recent twenty-year period, the average drops to 45 demolitions. Given the reasonable degree of consistency, it is assumed that over the remainder of the Plan period similar levels of demolition will take place to that observed over the last ten years, equating to a net loss of 644 dwellings.

Change of Use from Residential to Other (net loss to existing stock)

6.4. Consideration can also be given to dwellings which may be redeveloped for an alternative use. Council Planning records can be used to provide estimates of such changes each year. Data for the period covering 1995/96 to 2021/22 (latest data available) indicates that the occurrence of such redevelopments is both reasonably consistent and relatively low. Over the ten-year period 2012-13 to 2021-22, 46 dwellings were lost to alternative uses (i.e. average of 4.6 dwellings each year). It is assumed that such levels will continue over the short to mid-term, and therefore an adjustment has been made to model net-loss. Extrapolating the ten-year average over the remainder of the Plan period results in the loss of approximately 55 units.

Figure 8 Net Residential Loss



Source: Cardiff Council Monitoring data

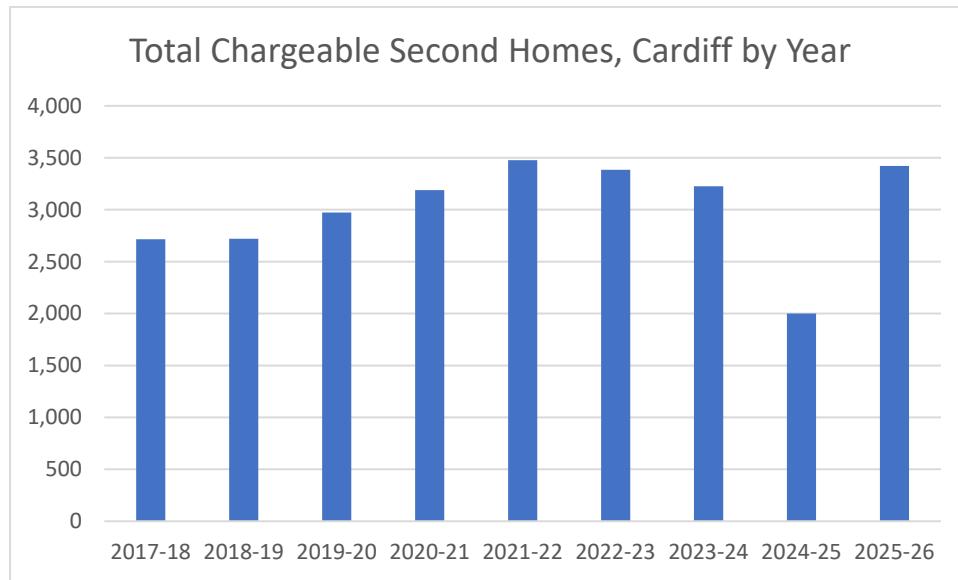
Chargeable Second Homes

6.5. Recent Welsh Government research highlighted that a rise in second home ownership had taken place across Wales, with Cardiff and several coastal or rural areas experiencing high levels relative to other parts of Wales. One direct impact of second home-ownership is a reduction in availability of housing stock for permanent residence. Welsh Government has recently introduced various policy levers to allow local authorities greater control over second homes within their administrative areas. Amendments to the Planning Use Class Order created an additional use-class (C5) covering second homes, whilst changes to taxation legislation provides discretionary powers for local authorities to charge council tax premiums on second homes. From 1st April 2024, Cardiff

Council has introduced a 100% Council Tax premium on second homes, designed to disincentivise second home ownership in Cardiff.

6.6. Annual data from Council Tax records published on the StatsWales website can be used to track changes in the number of second homes registered in Cardiff. Data is available from 2017-18 onwards, as shown below:

Figure 9 Second Homes



Source: StatsWales/Cardiff Council Tax records

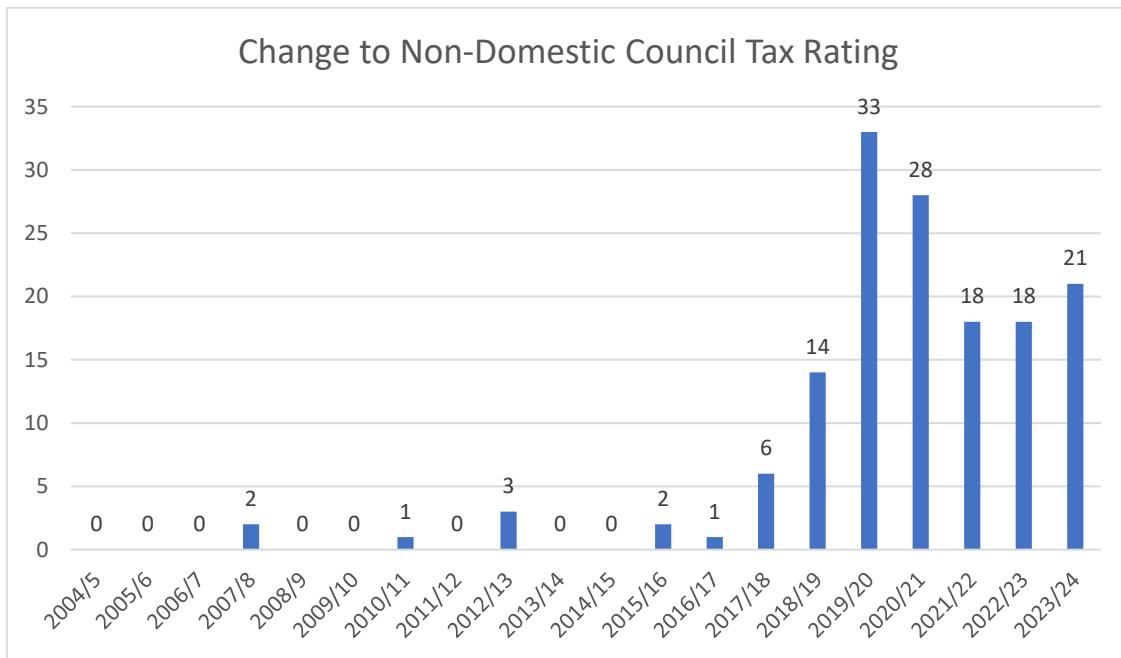
6.7. A steady period of growth appears to have taken place between 2017-18 and 2021-2022, amounting to 761 additional second homes being registered in Cardiff. This was followed by three consecutive years of decline, including a dramatic fall by -1,225 units in 2024-25. This sharp drop does however appear to have been followed by a dramatic increase of 1,422 during 2025-26. It is possible these shifts relate to administrative adjustments to registrations and the introduction of the new tax premium. Despite the volatility in data over the last couple of years, it is suggested that second homes in Cardiff remain lower today than 5 years ago. It is therefore difficult to conclude that second home ownership in Cardiff is increasing at pace, or is likely to increase significantly over the remaining Plan period. This is particularly true having regard to the new measures which are available to manage growth. Accordingly, an allowance is no longer considered necessary at the current time.

Change from Domestic to Non-domestic Council Tax Ratings (short-term Let/holiday homes)

6.8. Finally, in accounting for net loss to existing stock we may consider dwellings which have been reclassified as holiday homes / short-term lets which attract non-domestic council tax ratings. Similarly to above, Welsh Government has consulted on proposals for a statutory registration and licensing scheme, with the regulation of visitor accommodation being rolled out in phases which are expected to commence this year. Together with amendments to the Use Class

Order, local authorities will have greater control over stock in their areas. Data for recent changes in stock within Cardiff is presented below:

Figure 10 Non-domestic Ratings



Source: Cardiff Council Tax Records

6.9. It has been suggested by Council Tax colleagues that the relatively sharp increase from 2018-19 onwards may be attributed to increased exemptions being pursued following greater public awareness, alongside a sharp rise in the growth of short-term holiday let online platforms. Given the relatively small changes to stock observed over the longer term, together with the forthcoming regulation of visitor accommodation, it is assumed that levels are unlikely to rise in any significant quantities during the Plan period. An allowance for the remainder of the Plan period is therefore not considered necessary at the present time.

7. Conclusion

- 7.1. This housing paper has sought to provide a holistic consideration of the broad range of components which will affect housing stock and supply over the Plan period, beyond those included in the formal Housing Trajectory. The paper forms part of the Replacement LDP evidence base, and its results have informed the preparation of both the Preferred Strategy and subsequent Deposit Plan. The paper supplements the Trajectory and is intended to validate the assumptions which have been used, and ascertain whether the LDP dwelling requirement could be met in practice, having regard a wider variety of influences that impact upon housing supply and availability in practice.
- 7.2. After a comprehensive review of all identified components, it can be concluded that sufficient housing supply and capacity exists to deliver the LDP dwelling requirement. It is considered that the rates and assumptions identified in the paper are both reasonable and robust, having been based on time-periods which demonstrate consistent yields through a varied range of economic conditions.
- 7.3. A summary of the housing supply to 2036 which incorporates the totality of the components discussed in this paper can be found in the table below. Row 23 indicates a **Net Housing Supply of 29,429 homes**, which represents a surplus of 5,429 units over and above the Plan requirement of 24,000 homes. Having regard to the Anticipated Annual Build Rate factored into the Housing Trajectory, an anticipated cumulative total of 27,232 homes will be built over the LDP period to 2036. Once allowances are made for changes in existing stock due to demolitions and changes of use as noted in this paper, Row 24 indicates that a surplus of 2,640 homes above the dwelling requirement continues to exist. It is therefore considered that no additional allocations, beyond those put forward in the Deposit Plan, are required to deliver the LDP's Dwelling Requirement.

8. Recommendation

- 8.1. It is recommended that the rates and assumptions are subject to review as the Plan progresses and suitable monitoring indicators are utilised in the Plan. This will ensure that the assumptions remain relevant and that the evidence base remains sound.

Figure 11 Summary Housing Supply Table

| | | Cardiff LDP Housing Requirement (2021-36) | |
|--|----|--|---|
| | | | |
| Housing Provision | 1 | Dwelling Requirement (figure derived from growth scenario) | 24,000 |
| | 2 | 10% Flexibility Allowance | 2,400 |
| | 3 | Total Housing Provision 2021 to 2036 (LDP must accommodate this number of homes) | 26,400 |
| Completions & Landbank | 4 | Homes Completed 1st April 2021 to 31st March 2024 | 3,997 |
| | 5 | Homes currently under construction (as at 1st April 2024) | 2,641 |
| | 6 | Homes with planning consent and not implemented (16,654 as at 1st April 2024) and anticipated to complete during Plan period | 15,088 |
| | 7 | Non-delivery Allowance | 20% reduction (row 6) to account for possible reduced dwelling yield and/or some sites not coming forward |
| | 8 | Anticipated 'Landbank' (i.e. rows 5,6 & 7) | 14,711 |
| | 9 | Completions & Anticipated 'Landbank' subtotal | 18,708 |
| | | | |
| Adjustments for changes in existing dwelling stock | 10 | Demolitions during Plan period (net loss) | Assumes demolitions will continue at similar levels to the past 10 years (i.e. 537 between 2014/15 to 2023/24) for the remainder of Plan period. |
| | 11 | Change of use from residential to other uses (net loss) | Assumes similar levels of existing housing stock will be lost to other uses to that experienced over the last 10 years (i.e. 46 between 2012/13 to 2021/22) |
| | 12 | Residential conversions - positive net change | Assumes similar levels of residential to residential conversions (e.g. subdivision of property) will take place to past 10 years (i.e. 90 between 2014/15 to 2023/24) |
| | 13 | Adjustments sub total | -592 |
| Allowances | 14 | Large windfall sites (10 or more units) | Assumes delivery rates approx. 75% of past 10 years (i.e 5,197 between 2014/15 to 2023/24). First two years post adoption omitted. |
| | 15 | Small windfall sites (under 10 units) | Assumes delivery rates approx. 75% of the past 10 years (i.e 725 between 2014/15 to 2023/24) |
| | 16 | Change of use windfalls | Assumes these come forward at a similar level to the past 10 years (i.e 913 between 2014/15 to 2023/24) |
| | 17 | Allowances sub total | 5,646 |
| | | | |
| 18 Strategic Sites (Policy H1A) | | | |
| | | Land at Church Farm (Part of adopted LDP Strategic Site F) | 205 |
| | | Land south of the M4 Motorway, West of Rudy Road, Lisvane (Part of adopted LDP Strategic Site F) | 100 |
| | | Land to the north of Ty-Draw Road (Part of adopted LDP Strategic Site F) | 350 |
| | | Land south of Llantrisant Road (Part of adopted LDP Strategic Site D) | 300 |
| | | Land at Llantrisant Road (A4119) (Part of adopted LDP Strategic Site D) | 150 |
| | | Land at Llwynioli Farm (Part of adopted LDP Strategic Site D) | 70 |
| | | Former Gas Works, Ferry Road | 500 |
| | | | 1,675 |
| | | | |
| 19 Non-Strategic Sites (Policy H1B) | | | |
| | | Land at Areas 9-12, St Mellons | 150 |
| | | Rookwood Hospital | 90 |
| | | | 240 |

| | | |
|-----------|--|---------------|
| 20 | Housing-led Regeneration Areas (Policy H2) | |
| | International Sports Village | 1,000 |
| | Whitchurch Hospital/Velindre Site | 410 |
| | Cardiff Gate Business Park (West) | 200 |
| | Roath Dock (North side) | 316 |
| | Porth Teigr and Alexandra Head (capacity 2,310) | 1,310 |
| | Hadfield Road | 200 |
| | Callaghan Square | 315 |
| | | 3,751 |
| 21 | Allocations subtotal (Currently only includes previously allocated strategic sites) | 5,666 |
| 22 | Net Housing Supply | 29,429 |
| 23 | Residual Balance (Net Supply minus Dwelling Requirement) | 5,429 |
| 24 | Residual Balance (incorporating Anticipated Build Rate in Housing Trajectory) | 2,640 |