

Consultation Response

About HBF

The Home Builders Federation represents home builders in England and Wales. HBF's members build the majority of new homes built in England and Wales each year. Its membership includes national developers and hundreds of SME builders.

Representor ID no. – 85

Cardiff Council Replacement Local Development Plan Examination Hearing Session 3 - Affordable Housing

Issues - Whether the Plan's affordable housing target is justified having regard to the identified level of need, and whether the proposed thresholds and percentage targets are supported by robust evidence.

2. Affordable Housing Target

2.1 Is the target of 5,500 to 6,000 units sufficient to meet the need for affordable housing?

HBF notes that Cardiff and all LDP's have not been able to fully meet the affordable housing requirement for several reasons. Firstly, as the affordable housing delivered by S106 as part of a wider private development is not grant funded it results in a cost to a developer affecting the overall viability of the scheme. This is why following a plan viability exercise the percentage requirement for different sites/ areas in the plan is set in policy. Secondly there is a need for both private and affordable homes, so both must be considered and allocated for by the plan. Thirdly, the wider socio-economic impact of single tenure development must be considered, sustainable mixed communities require a mix of tenures. Further affordable housing is delivered in a number of ways including by RSL's and some Councils (including Cardiff), both on land within identified urban areas or on windfall sites. More of the larger housing associations, many of which cover the Cardiff area, are becoming developers and delivering either 100% affordable home schemes or on larger sites mixed tenure sites with higher than policy requirement affordable provision.



2.2 The LHMA identifies a need of 960 pa (net) for the plan period. This equates to 14,400 but the target is only 5,500 to 6,000. Why is it proposed to deliver just over 1/3rd of the identified need?

As identified above, affordable homes can be delivered in several ways by a number of types of developers many of the sites delivered will not be on allocated sites.

3. Viability

3.3. Should the policy allow for the targets to be reduced on grounds of viability?

HBF supports such an approach as the viability work carried out to set these affordable targets is high level and cannot take account of all the issues that may be faced by a developer which affects the viability of the scheme. It is common across other LDP's that similar policies include flexibility for each site to be considered on its own merits. HBF considers it preferable for this to be included in the policy text rather than the supporting text to the policy.

4. Other matters

4.1. Where/who will provide the affordable housing funded by off-site contributions?

HBF carry out an annual report of unspent-developer-contributions. In 2026 this showed that Cardiff Council had a total of unspent S106 contributions of £36,057,977.44 of which £7,868,773.59 related to affordable housing. This highlights the importance of ensuring a clear mechanism is in place to ensure funds are used for the correct purpose as quickly as possible. Such a process should be open and accessible to developers should they wish to check progress on the use of their contribution.

4.2. Should Policy H3 include build to rent and discount market rate housing?

The LHMA (evidence document 37) identifies Low-cost home ownership (LCHO) as one of the tenures in need. HBF notes that the definition of LCHO includes discounted market sales, therefore HBF would support Policy H3 including this form of affordable housing.

