



Response to the Welsh Government Consultation on the National Development Framework

Response from CLA Cymru

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CLA Cymru: The Voice of the Rural Economy in Wales

1. CLA Cymru represents the broadest possible range of rural economic players, landowners, businesses service-providers, manufacturers and the supply chain for primary producers and those who provide land as amenity. In Wales, rural business totals nearly 105,000 enterprises.
2. While we participate as experts in agricultural issues, we offer expertise on the requirements of the whole rural community including issues affecting businesses concerning planning, investment and economic management, housing, connectivity and physical infrastructure and social issues which affect the rural economy.
3. CLA Cymru's membership reaches nearly 3,000 rural businesses. Here, we play a full and dynamic part in government and stakeholder engagement. Part of a well-established UK-wide organisation, the CLA represents some 33,000 members.

Question 1 - NDF outcomes.

4. CLA Cymru neither agrees nor disagrees that the 11 outcomes offer a realistic vision for the NDF. It is unclear from the vision whether the NDF will deliver outcomes that are sufficiently ambitious to drive growth and sustainability especially in rural areas. The vision should make clear the NDF will deliver Wales' economic, social and environmental and political potential. CLA is underwhelmed by the lack of ambition.
5. CLA Cymru on behalf of its membership wants to see a planning system fit for purpose. We want to see a consistent approach to planning applications across Wales. We are keen to see the planning system effectively working in rural areas in a positive way, which in turn will facilitate rural communities to thrive. New economic investment will allow much needed job creation and maintain the rural economy. It is important with the imminent changes to agricultural policy, traditional sources of income will be under pressure and it is vital that the planning system is flexible to allow farmers and landowners to be able to diversify and seek additional and sustainable income sources.
6. CLA Cymru disagree with the 11 outcomes as ambitions for the NDF for the following reasons:
 - a. **Economy** - It is essential the planning system supports the Welsh economy if the 11 outcomes are to be achieved. However, there is a striking absence of any strategic economic policies in the draft NDF.
 - b. The draft NDF should be setting out how it will create the conditions within which businesses, including those based in rural areas, can invest, expand and adapt and that significant weight will be placed on the need to support economic growth and productivity, taking into account local business needs and wider opportunities for development. The NDF vision and ambition should set out how Wales wants to be a leader in driving innovation.
 - c. The document neglects to make any link between housing and the economy in terms of the need to attract and retain a workforce of sufficient size, and this would include in rural areas too. In fact the translation of the Estimates of Housing Need into housing requirements would likely result in a smaller workforce and higher dependency ratios. In the context of the rapidly ageing population mentioned in the NDF, this could restrict economic growth and jeopardise the maintenance of services and amenities for older people.
 - d. There are three references in the draft NDF to the Economic Action Plan. Unfortunately, it is our opinion that neither the draft NDF nor the Economic Action Plan provide vision and ambition to plan for and deliver Wales' economic potential. This is very disappointing.

- e. **Rural economy** – The absence of any strategic economic policies in the draft NDF is hugely detrimental to the resilience of the rural economy. This further compounds the lack of vision and ambition for the rural economy in the Economic Action Plan. In the parallel ‘Sustainable Farming and our Land’ consultation, we have also raised the lack of connectivity between its vision, the Economic Action Plan, and the important role that the planning system plays in underpinning economic growth. We ask Government to reflect on these individual strategies with a view of creating a more holistic approach that recognises the interdependencies and complement each other. Currently, this is not the case.
- f. The NDF should be setting out how it will be supporting and delivering a prosperous rural economy.
- g. There are useful comments in the draft NDF about sustaining rural communities through the delivery of jobs, homes and services. But the rural economy of Wales is heavily linked to the Welsh national economy and it is unclear how small and medium sized rural businesses will be able to connect into wider strategic economic policies given the silence on such matters in the draft NDF.
- h. The NDF needs to set more clarity and consistency relating to rural enterprise dwellings across Wales.
- i. The NDF should seek to encourage work/live dwellings where appropriate in rural areas.
- j. **Rural economy and innovation** – The draft NDF reflects the growing numbers of small and medium sized enterprises. Many of these businesses are located in rural Wales. The draft NDF reflects the current and future need for innovation but it does not properly reflect the fact that not all innovation happen in and around cities. For example, many innovations in health, housing, transport and waste management (composting) have emerged primarily in response to growing demand in primary rural sectors such as the need to transport minerals, agricultural produces, or timber to ports and cities. Some of the largest global centres of innovation have taken place in rural areas (e.g. Silicon Valley). For example, today’s satellite generated geographic information systems, used by many urban motorists, have their origins in rural Canada. The draft NDF should provide a visionary and ambitious approach to promoting innovation across Wales, including in rural areas. The draft NDF should be saying that Wales, including rural Wales, must be/will be the go-to area for innovative industries. This requires a vision and ambition that is wider and more far-reaching than is currently stated in the draft NDF or the Economic Action Plan.
- k. **Housing** – There is a clear focus in the draft NDF on delivering affordable housing but no acknowledgement of the need to increase the supply of market homes. Without a supply of market homes, including in rural towns and villages, then it is debateable whether the NDF ambitions and outcomes will be delivered. Furthermore, the draft NDF estimates are based on 2014-based household projections which carry forward recession-based trends. The 2014 figures fall far short of actual housing need across Wales, including in rural areas, and do not reflect committed strategies for growth and regeneration. It is very important that housing policy supports prosperity and well-being through alignment with economic aspirations. But this requires the NDF to set out strategic economic policies across all parts of Wales, which, as already stated above, it does not currently.
- l. The draft NDF recognises that delivery of affordable housing outside of section 106 agreements will also be needed in order to boost supply. It goes on to state that the Welsh Government will support delivery by providers including local authorities and by managing allocation of funding. However, it does not state that funding will be increased and does not indicate how this would be distributed. It is therefore unclear if and how this will assist in increasing supply.
- m. If Welsh Government wants to increase the tax base in Wales then market housing will play an important role.
- n. The draft NDF’s silence on the need for market housing, including in rural towns and villages, will not deliver sustainability and resilience in rural communities. A vision of

delivering housing of all types and tenures, across all parts of Wales, is essential for the long term prosperity of the principality. The draft NDF should properly reflect this vision if its ambitions are to be met.

- o. **Green Belt** – The draft NDF requires that the Strategic Development Plan designates as green belt land to the north of the M4 from the Severn Crossings to North Cardiff. The designation of such a large area, which includes a significant portion of Monmouthshire would impede growth in an area of high demand strategically located between Newport and Bristol. Whilst it is noted that this is expressed as a requirement, there appears to be no evidence base to support such a major long-term policy decision. We link our concerns about the proposed green belt designation in South East Wales with our concerns about the fact that the draft NDF identifies Newport as the focus for strategic housing and economic development with emphasis on brownfield regeneration. There are high levels of flood risk and ecological designations around Newport, the combination of which would seemingly lead to a limited opportunity for significant new allocations of land for housing and economic development especially when linked to the green belt proposals.
- p. Now that the tolls have been abolished on the Prince of Wales Bridge, there is a very real opportunity for Newport as a focus for strategic and economic development. But this focus could well be undermined by the various planning and ecological impacts. We suggest that further analysis is required here.
- q. The proposal for green belt designation to the north east of Wrexham is of concern as again, there appears to be no evidence base to support the proposal.
- r. **Public land** – The draft NDF focusses on the release of public land, especially in towns and cities, for development including mixed use and affordable housing. However, it is important that the use of public land is in addition to the identification of other potentially more appropriate sites. Will this be addressed in the NDF

Question 2 - Spatial Strategies.

7. The CLA represents the rural economy and therefore comment on **Policy 4 Supporting rural communities**. We are of the view that the draft NDF reflects the needs of rural communities in terms of jobs, housing and services. However the lack of any strategic economic policies in the draft NDF means that the delivery of these jobs, homes and services are unlikely to materialise. The wording of Policy 4 is hardly ambitious and, in our opinion, is unlikely to deliver sustainable communities and businesses let alone a **prosperous rural economy**. This will have a consequential impact on the delivery of environmental goods and services. Therefore we disagree with the spatial strategy and the key principles for development in rural areas.
8. All land-based businesses will need to consider how best to utilise all their available assets (land, buildings etc) to best possible use. The draft NDF should be encouraging land-based businesses in rural Wales to find alternative sources of income other than from farming – indeed this is the Welsh Government aspiration in the concurrent ‘Sustainable Farming and our Land’ consultation. This message should be part of a strategic economic policy in the NDF. It is only through setting out this overarching message that planning authorities will be strongly encouraged to put the necessary policies in their development plans and act upon them.
9. Policy 4 states that “priority should be given to economic activities with strong links to rural areas....”. Whilst we would not entirely disagree with this statement, we strongly believe that the draft NDF should be much more ambitious about the types of industry that can and should take place in rural Wales.
10. The CLA would argue that Wales’ rural areas are becoming less distinct. Increasingly rural areas benefit from net in-migration of people especially professional and managerial ex-urbanites. Traditionally rural economies have been dominated by industries such as farming, forestry, mining and seaside tourism. However today, even in remoter rural areas the larger

employment sectors are in public administration, education and health, distribution, hotel and catering, manufacturing. By contrast farming and fishing account for a very small percentage of jobs. As a result rural areas are gradually becoming less distinct from their urban counterparts.

11. The draft NDF should be providing a vision for innovative business start-ups in rural Wales just as much as it does around cities. A diverse business base in rural Wales should be based on encouraging innovation. These new businesses may require new buildings or they might be located in converted farm buildings, they will need a skilled labour force, and this skilled labour will need adequate housing and services close by if they are to be prevented from reverse commuting from nearby towns and cities.
12. Furthermore, this ambition for an innovative and diverse rural economy must not stop at those rural areas around rural towns and cities. This policy of innovation and creativity must be driven out across all of rural Wales including those remoter parts.
13. This more diverse, innovative, business base will assist in delivering sustainable and resilient communities. A seasonal “tea shop” type-economy does not, and will not, support “strong and resilient communities”.
14. It is worth noting that the word “prosperous” does not figure in Policy 4 or the commentary. However, the word “prosperous” in connection with the rural economy suddenly appears on page 52 of the draft NDF. We strongly suggest that the wording of Policy 4 is amended to include the word “prosperous”. This is an inconsistency that needs to be tidied up in the final NDF.

Question 3 – Affordable Housing

15. The CLA neither agrees nor disagrees that the NDF sets out an approach to successfully increasing affordable housing in Wales. There is a clear focus in the draft NDF on delivering affordable housing but no acknowledgement of the need to increase the supply of market homes. Without a steady supply of market homes, including in rural towns and villages, then it is debateable whether the NDF ambitions and outcomes will be delivered.
16. Furthermore, the draft NDF estimates are based on 2014-based household projections which carry forward recession-based trends. The 2014 figures fall far short of actual housing need across Wales, including in rural areas, and do not reflect committed strategies for growth and regeneration. It is very important that housing policy supports prosperity and well-being through alignment with economic aspirations. But this requires the NDF to set out strategic economic policies across all parts of Wales, which, as already stated above, it does not currently.
17. The draft NDF recognises that delivery of affordable housing outside of section 106 agreements will also be needed in order to boost supply. It goes on to state that the Welsh Government will support delivery by providers including local authorities and by managing allocation of funding. However, it does not state that funding will be increased and does not indicate how this would be distributed. It is therefore unclear if and how this will assist in increasing supply.
18. The draft NDF’s silence on the need for market housing, including in rural towns and villages, will not deliver sustainability and resilience in rural communities. A vision of delivering housing of all types and tenures, across all parts of Wales, is essential for the long term prosperity. The draft NDF should properly reflect this vision if its ambitions are to be met.
19. We strongly agree with the proposal to remove the minimum age of 65 for succession on retirement applications.

20. The draft NDF is too urban focussed, account needs to be taken of 1 and 2 bedroomed properties which again could alleviate housing shortages.
21. The NDF needs to recognise the two potential scenarios relating to affordable housing, Local Authority or Housing Association, constructed where the land will be purchased cheaply, or Privately built where there will be a needs for a mix of market and affordable homes in order to cross subsidise the land value from the profits from the market houses.
22. More ambition is needed to improve the current situation within the NDF to see more affordable homes being built and to improve upon the current situation.

Question 4 – Mobile Action Zones

23. The ambition to deliver better mobile coverage across Wales is laudable especially given the number of not-spots in rural areas. However, the draft NDF should also be stating that the NDF ambition is support the expansion of electronic communications networks, including next generation mobile technology (such as 5G) and full fibre broadband connections to all premises. The NDF should also state that policies should set out how high quality digital infrastructure, providing access to services from a range of providers, is expected to be delivered and upgraded over time; and should prioritise full fibre connections to existing and new developments, especially as these connections will, in most cases, provide the optimum solution.

Question 5 – Low Emission Vehicles

24. In principle, we would agree with the ambition to encourage the rollout of charging infrastructure for ultra-low emission vehicles. However, we raise questions about the practicality of the ambition in rural communities. Such ambition has to be 'all or nothing'. To make such vehicles viable, there must be sufficient options for charging across Wales to make it an attractive proposition for individuals. The NDF must also be aware of the ability of the electricity grid to be able to supply the laudable ambition of this topic for discussion bearing in mind the current system is in many rural areas up to full capacity. Solutions to this problem must be urgently sought.

Question 6 - Green Infrastructure

25. The CLA agrees with the approach to maintaining and enhancing biodiversity and ecological networks. However, the NDF should be more ambitious about biodiversity enhancement. We suggest that the NDF should provide for a 10% increase net biodiversity gain through their development schemes.

Question 7 - Renewable Energy and District Heat Networks

26. We are in agreement with the NDF's policies to lower carbon emissions in Wales using renewable energy and district heat networks. The documentation include a very useful plan showing the suggested areas for solar and wind energy.
27. Having studied the maps, it has become clear that grid capacity will be a major limiting factor for any new developments within the specified priority and other areas. Due regard needs to be given to the practicalities and limitations. It is strongly recommended that the relevant District

Network Operator (DNO) being Western Power Distribution in Mid and South Wales and Scottish Power Electricity Networks, in Mid and North Wales are fully consulted with prior to publishing such proposals. The published map is too broad and general and not specific enough, outlining potential opportunities. We are acutely aware that grid capacity in the majority of rural Wales and mid Wales in particular is up to capacity in being able to allow new generation connections, with the current technology that is available. There is concern within the industry how it will be able to meet demand for Electric Vehicles given the very rural nature of much of Mid Wales and the grid capacity and supply issues. Major investment needs to be directed into improving the grid capacity to many parts of rural Wales. Once this is undertaken then the objectives set out in this document can become a reality.

28. The NDF needs to explore alternatives in greater detail such as tidal and hydro with an eye of grid connection opportunities.
29. Grid capacity is a major issue, emphasis should also be centred on community schemes and projects, which are not dependant of grid capacity issues. Local grids could be considered to service the needs of a particular community. This will need further consideration if investment is not forthcoming into upgrading the DNO grid network.
30. Technology and investment in the renewable sector is changing ideas and opportunities. The NDF needs to be adaptable to the changes taking place within this sector and be a tool to encourage this change. The NDF needs to be able to future-proof itself. This not only goes for renewable energy technology but with every aspect of Wales' future economic journey.

Question 8 – The Regions

31. We agree with the proposal for developing Strategic Development Plans at a regional scale. However, it is unclear how Strategic Development Plans or regional economic development plans can deliver the list set out at Policy 16 given the striking absence of an overarching Strategic Economic policy in the draft NDF and the particularly weak statements about the potential for the rural economy in the Economic Action Plan.
32. Furthermore, the absence of a link between housing and the economy in terms of attracting and retaining a workforce, including in rural areas, will not assist in delivering SDPs or regional economic development plans, as will the fact that the draft NDF is silent on the delivery of market housing.

Question 9 - North Wales

33. We disagree with the suggested approach to the North Wales Region highlighting the following issues:
 - a. **Rural economy** – The absence of any strategic economic policies in the draft NDF is hugely detrimental to the resilience of the rural economy. This further compounds the lack of vision and ambition for the rural economy in the Economic Action Plan. The NDF should be setting out how it will be supporting and delivering a prosperous rural economy.
 - b. There are useful comments in the draft NDF about sustaining rural communities through the delivery of jobs, homes and services. But the rural economy of Wales is heavily linked to the Welsh national economy and it is unclear how small and medium sized rural businesses will be able to connect into wider strategic economic policies given the silence on such matters in the draft NDF.
 - c. **Green belt** - The proposal for green belt designation to the north east of Wrexham is of concern as there appears to be no evidence base to support the proposal. Also the

green belt shading shows it overlapping with part of the national growth area. Green belt status will prevent development that is inappropriate taking place, which is likely to undermine the national growth area status. Further analysis is required on whether the land is to be designated for growth or green belt designation.

Question 10 – Mid and South West Wales

34. Likewise, we disagree with the approach for the Mid and South Wales Region identifying similar issues:

- a. **Rural economy** – The absence of any strategic economic policies in the draft NDF is hugely detrimental to the resilience of the rural economy. This further compounds the lack of vision and ambition for the rural economy in the Economic Action Plan. The NDF should be setting out how it will be supporting and delivering a prosperous rural economy.
- b. There are useful comments in the draft NDF about sustaining rural communities through the delivery of jobs, homes and services. But the rural economy of Wales is heavily linked to the Welsh national economy and it is unclear how small and medium sized rural businesses will be able to connect into wider strategic economic policies given the silence on such matters in the draft NDF.

Question 11 – South East Wales

35. Again, likewise, we disagree with the suggested approach for South East Wales highlighting the following issues:

- a. **Rural economy** – The absence of any strategic economic policies in the draft NDF is hugely detrimental to the resilience of the rural economy. This further compounds the lack of vision and ambition for the rural economy in the Economic Action Plan. The NDF should be setting out how it will be supporting and delivering a prosperous rural economy.
- b. There are useful comments in the draft NDF about sustaining rural communities through the delivery of jobs, homes and services. But the rural economy of Wales is heavily linked to the Welsh national economy and it is unclear how small and medium sized rural businesses will be able to connect into wider strategic economic policies given the silence on such matters in the draft NDF.
- c. **Green belt** - The draft NDF requires that the Strategic Development Plan designates as green belt land to the north of the M4 from the Severn Crossings to North Cardiff. The designation of such a large area, which includes a significant portion of Monmouthshire, would impede growth in an area of high demand strategically located between Newport and Bristol. Whilst it is noted that this is expressed as a requirement, there appears to be no evidence base to support such a major long-term policy decision.
- d. We link our concerns about the proposed green belt designation in South East Wales with our concerns about the fact that the draft NDF identifies Newport as the focus for strategic housing and economic development with emphasis on brownfield regeneration. There are high levels of flood risk and ecological designations around Newport, the combination of which would seemingly lead to a limited opportunity for significant new allocations of land for housing and economic development and especially so when linked to the green belt proposals which overlap with the area shaded as national growth area.
- e. Now that the tolls on the Prince of Wales Bridge have been abolished, there is a very real opportunity for Newport to become a focus for strategic and economic

- development. But this focus could well be undermined by the various planning and ecological impacts. .We suggest that further analysis is required here.
- f. The rejection of the M4 upgrade around Newport needs to be countered with a suitable alternative, the current state of the road is not fit for purpose and is hampering the local economy.

Question 12 – Integrated Sustainability Appraisal

- 36.** Para 1.3.32 suggests the NDF will impact on rural communities. It singularly fails to recognise the detrimental impact the NDF will have on all rural businesses because of the complete absence of a strategic economic policy in the NDF.

Question 13 – Habitats Regulations Assessment

- 37.** We do not have any comment to make

Question 14 - Welsh Language

- 38.** We do not have any comment to make.