

---

# **ADE Response | Welsh Government | Draft National Development Framework Consultation**

**14 November 2019**

---

## **Context**

The ADE is the UK's leading decentralised energy advocate, focussed on creating a more cost effective, efficient and user-led energy system. The Association has more than 160 members active across a range of technologies; they include both the providers and the users of energy equipment and services. Our members have particular expertise in heat networks, combined heat and power, demand side energy services including demand response and storage, heat pumps and energy efficiency.

The ADE welcomes the opportunity to respond to Welsh Government's Consultation on the National Development Framework (NDF).

## **Heat Networks**

The Association supports Welsh Government's policies to lower carbon emissions by encouraging the deployment of heat networks in appropriate areas of Wales. The use of the masterplanning and the priority area approach which have seen success in London and Scotland for delivering heat networks are welcomed. In particular, the ADE supports Welsh Government's view that deployment of heat networks will be supported, in principle, where they are viable.

Whilst the Association welcomes Welsh Government's overarching approach, there is more that Welsh Government could do through the NDF to support and encourage the deployment of low carbon heat networks. The planning system has been identified as a key driver of heat network deployment, with visible successes in areas such as London and Bristol which have used their planning systems to drive deployment. This NDF is being developed in the context of net zero, looking ahead towards the next 20 years. Welsh Government should make provision for this changing landscape, and seek to introduce policies that deliver the right low carbon solutions to the appropriate areas of Wales. The introduction of Heat Network Priority Areas is a welcome step in the right direction, towards a system where local planning authorities and local actors play a greater role in identifying the low carbon solutions that will deliver the outcomes they desire. However, progress to date has showed that many local planning authorities are hesitant to use the powers they have to deliver decarbonisation outcomes. A strong NDF that supports local planning authorities to exercise their powers will help to drive the decarbonisation outcomes that Welsh Government is striving for.

The ADE would thus encourage Welsh Government to create more specific policies that take effect in heat network priority areas. The planning system must be used to drive connection of buildings to heat networks, and not just to drive development of heat network infrastructure itself. Connection risk, or demand risk, is the risk created by uncertainty around the existence and timing of future connections to heat networks. This risk creates additional costs within industry, and the cost of investment in heat networks disproportionately high. In turn, these costs can be passed on to consumers. The planning system has been identified by the Heat Networks Task Force and the Heat Networks Industry Council as a key tool that governments can use to reduce this risk. The introduction of a 'heat hierarchy' which provides planning guidance to planning authorities and developers of new build developments within heat network priority areas on the appropriate heating solution to be deployed. At the top of this hierarchy should be connection to existing heat networks, followed by opportunities to develop new networks, and then to deploy 'heat network ready' solutions. Welsh Government's planning policy must deliver strategic, district heating at scale, and thus connection to existing networks and interconnection of existing networks should also be encouraged.

The NDF should also encourage local authorities to identify opportunities for waste heat. Waste heat is a low carbon resource that, as we move towards a circular, net zero consistent economy, we must strive to make use of. At present, risk profiles and a lack of awareness about the existence of waste heat opportunities is preventing its use. The planning system can be used to encourage and incentivise use of waste heat. Planning authorities have a key role to play as part of local development planning to identify existing and forthcoming opportunities for waste heat connection.

Planning authorities should also be encouraged to identify further appropriately sited heat networks that have not been identified in this NDF. There will continue to be a role for small-to-mid size networks, and communal networks.

### **Broader Energy Masterplanning and Zoning**

The Association would welcome the opportunity to discuss its work on the use of zoning and local energy masterplanning to drive heat decarbonisation and energy efficiency. The Association has written a paper that is currently out for consultation with members. We would be grateful for the opportunity to meet with the Welsh Government NDF team to discuss our proposals, and how they could be integrated into the NDF in a low-regrets way

The Association has identified opportunities for Welsh Government to use its planning and development frameworks to encourage locally driven deployment of heat decarbonisation technologies and energy efficiency measures using 'zoning'. Zoning is the process of identifying areas of land upon which specific policies, laws, regulations or powers apply. The ADE proposes that local planning authorities should be able to designate zones for heat and energy efficiency solutions. The principles of this framework are similar to those that Welsh Government have demonstrated in the identification of heat network priority areas, if you think of a priority area as a zone. We have taken this idea further, looking at how local planning authorities can zone for heat pumps, biomass, bio LPG, hydrogen and so on. It would mean taking a considered view of the energy demand and opportunity in an area and identifying the best heating technology or fuel for that area.

In identifying a zone, a local planning authority would make it subject to certain policy levers to encourage the deployment of this technology to come forward. These policies would be set at a national level (where devolved), in consultation with industry, government and society.

Once a zone is established, this will create the policy clarity needed for businesses and individuals to invest – reducing risk and improving investor confidence around heat decarbonisation and energy efficiency.

The Association would welcome the opportunity to discuss these proposals with Welsh Government. These proposals will also be recommended to Westminster and Scottish Government.

---

**For further information please contact:**

Charlotte Owen  
Policy Officer  
Association for Decentralised Energy

Tel: +44 (0) 20 3031 8740

**[charlotte.owen@theade.co.uk](mailto:charlotte.owen@theade.co.uk)**

---

## **Consultation Response Form**

Your name	Charlotte Owen
Your address	10 Dean Farrar Street, London SW1H 0DX
Preferred contact details (email/phone/post)	<a href="mailto:charlotte.owen@theade.co.uk">charlotte.owen@theade.co.uk</a> 020 3031 8743
<u>Organisation (if applicable)</u>	<b><u>Association for Decentralised Energy</u></b>

## 1. NDF Outcomes (chapter 3)

The NDF has proposed 11 Outcomes as an ambition of where we want to be in 20 years' time.

- Overall, to what extent do you agree or disagree the 11 Outcomes are a realistic vision for the NDF?

[illegible]

- To what extent do you agree with the 11 Outcomes as ambitions for the NDF?

[illegible]

- If you disagree with any of the 11 Outcomes, please tell us why:

--

## 2. Spatial Strategy (policies 1 - 4)

The NDF **spatial strategy** is a guiding framework for where large-scale change and nationally important developments will be focused over the next 20 years.

- To what extent do you agree or disagree with the spatial strategy and key principles for development in...

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	<i>Don't know</i>	<i>No opinion</i>
Urban areas (Policies 1, 2 & 3)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rural areas (Policy 4)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- If you have any comments on the spatial strategy or key principles for development in urban and rural areas, please tell us:

### 3. Affordable Housing (policy 5)

The NDF sets out the approach for providing affordable housing, encouraging local authorities, social landlords, and small and medium-sized construction and building enterprises to build more homes.

- To what extent do you agree or disagree with the approach to increasing affordable housing?

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	<i>Don't know</i>	<i>No opinion</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- If you disagree, in what other ways can the NDF approach the delivery of affordable housing?

### 4. Mobile Action Zones (policy 6)

- To what extent do you agree or disagree the identification of mobile action zones will be effective in encouraging better mobile coverage?

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	<i>Don't know</i>	<i>No opinion</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- If you disagree, in what other ways can the NDF improve mobile phone coverage in the areas which currently have limited access?

### 5. Low Emission Vehicles (policy 7)

- To what extent do you agree or disagree that policy 7 will enable and encourage the roll-out of charging infrastructure for ultra-low emission vehicles?

[illegible]

- If you disagree, in what other ways can the NDF enable and encourage the roll-out of charging infrastructure for ultra-low emission vehicles?

--

## 6. Green Infrastructure (policies 8 & 9)

- To what extent do you agree or disagree with the approach to maintaining and enhancing biodiversity and ecological networks?

[illegible]

## 7. Renewable Energy and District Heat Networks (policies 10-15)

- To what extent do you agree or disagree with the NDF's policies to lower carbon emissions in Wales using...

	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	<i>Don't know</i>	<i>No opinion</i>
Large scale wind and solar developments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
District heat networks	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- If you disagree with the NDF's approaches to green infrastructure, renewable energy or district heat networks, what alternative approaches should we consider to help Wales to enhance its biodiversity and transition to a low carbon economy?

Whilst the Association welcomes Welsh Government's overarching approach, there is more that Welsh Government could do through the NDF to support and encourage the deployment of low carbon heat networks. The planning system has been identified as a key driver of heat network deployment, with visible successes in areas such as London and Bristol which have used their planning systems to drive deployment. This NDF is being developed in the context of net zero, looking ahead towards the next 20 years. Welsh Government should make provision for this changing landscape, and seek to introduce policies that deliver the right low carbon solutions to the appropriate areas of Wales. The introduction of Heat Network Priority Areas is a welcome step in the right direction, towards a system where local planning authorities and local actors play a greater role in identifying the low carbon solutions that will deliver the outcomes they desire. However, progress to date has showed that many local planning authorities are hesitant to use the powers they have to deliver decarbonisation outcomes. A strong NDF that supports local planning authorities to exercise their powers will help to drive the decarbonisation outcomes that Welsh Government is striving for.

The ADE would thus encourage Welsh Government to create more specific policies that are in effect in heat network priority areas. The planning system must be used to drive *connection* of buildings to heat networks, and not just to drive development of heat network infrastructure itself. Connection risk, or demand risk, is the risk created by uncertainty around the existence and timing of future connections to heat networks. This risk creates additional costs within industry, and the cost of investment in heat networks disproportionately high. In turn, these costs can be

passed on to consumers. The planning system has been identified by the Heat Networks Task Force and the Heat Networks Industry Council as a key tool that governments can use to reduce this risk. The introduction of a 'heat hierarchy' which provides planning guidance to planning authorities and developers of new build developments within heat network priority areas on the appropriate heating solution to be deployed. At the top of this hierarchy should be connection to existing heat networks, followed by opportunities to develop new networks, and then to deploy 'heat network ready' solutions. Welsh Government's planning policy must deliver strategic, district heating at scale, and thus connection to existing networks and interconnection of existing networks should also be encouraged.

The NDF should also encourage local authorities to identify opportunities for waste heat. Waste heat is a low carbon resource that, as we move towards a circular, net zero consistent economy, we must strive to make use of. At present, risk profiles and a lack of awareness about the existence of waste heat opportunities is preventing its use. The planning system can be used to encourage and incentivise use of waste heat. Planning authorities have a key role to play as part of local development planning to identify existing and forthcoming opportunities for waste heat connection.

Planning authorities should also be encouraged to identify further appropriately sited heat networks that have not been identified in this NDF. There will continue to be a role for small-to-mid size networks, and communal networks.

## 8. The Regions (policy 16)

- To what extent do you agree or disagree with the principle of developing Strategic Development Plans prepared at a regional scale?

Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree	<i>Don't know</i>	<i>No opinion</i>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The NDF identifies three overall regions of Wales, each with their own distinct opportunities and challenges. These are North Wales, Mid and South West Wales, and South East Wales.

## 9. North Wales (policies 17-22)

We have identified Wrexham and Deeside as the main focus of development in North Wales. A new green belt will be created to manage the form of growth. A number of coastal towns are identified as having key regional roles, while we support growth and development at Holyhead Port. We will support improved transport infrastructure in the region, including a North Wales Metro, and support better connectivity with England. North West Wales is recognised as having potential to supply low-carbon energy on a strategic scale.

- To what extent do you agree or disagree with the proposed policies and approach for the North Region?

[illegible]

## 10. Mid and South West Wales (policies 23-26)

Swansea Bay and Llanelli is the main urban area within the region and is our preferred location for growth. We also identify a number of rural and market towns, and the four Haven Towns in Pembrokeshire, as being regionally important. The haven Waterway is nationally important and its development is supported. We support proposals for a Swansea Bay Metro.

- To what extent do you agree or disagree with the proposed policies and approach for the Mid and South West Region?

[illegible]

## 11. South East Wales (policies 27-33)

In South East Wales we are proposing to enhance Cardiff's role as the capital and secure more sustainable growth in Newport and the Valleys. A green belt around Newport and eastern parts of the region will support the spatial strategy and focus development on existing cities and towns. Transport Orientated Development, using locations benefitting from mainline railway and Metro stations, will shape the approach to development across the region. There is support for the growth and development of Cardiff Airport.

- To what extent do you agree or disagree with the proposed policies and approach for the South East Region?

[illegible]

If you have any comments about the NDF's approach or policies to the three regions, please tell us. If you have any alternatives, please explain them and tell us why you think they would be better.

--

## **12. Integrated Sustainability Appraisal**

As part of the consultation process, an Integrated Sustainability Appraisal (ISA) was conducted to assess the social, economic and environmental impacts of a plan. The report identified a number of monitoring indicators, including health, equalities, Welsh language, the impact on rural communities, children's rights, climate change and economic development.

- Do you have any comments on the findings of the Integrated Sustainability Appraisal Report? Please outline any further alternative monitoring indicators you consider would strengthen the ISA.

## **13. Habitats Regulations Assessment**

As part of the development of the NDF, a Habitats Regulations Assessment (HRA) was undertaken. The purpose of the HRA process is to identify, assess and address any 'significant effects' of the plan on sites such as Special Areas of Conservation and Special Protection Areas for birds.

- Do you have any comments on the Habitats Regulations Assessment report?

## 14. Welsh Language

We would like to know your views on the effects that the NDF would have on the Welsh language, specifically on opportunities for people to use Welsh and on treating the Welsh language no less favourably than English.

- What effects do you think there would be? How could positive effects be increased, or negative effects be mitigated?

Please also explain how you believe the proposed NDF could be formulated or changed so as to have:

- I. positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language, and
- II. no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.

## 15. Further comments

- Are there any further comments that you would like to make on the NDF, or any alternative proposals you feel we should consider?

**16. Are you...?**

Providing your own personal response	<input type="checkbox"/>
Submitting a response on behalf of an organisation	<input type="checkbox"/>

<b>Responses to the consultation will be shared with the National Assembly for Wales and are likely to be made public, on the internet or in a report. If you would prefer your response to remain anonymous, please tick here</b>	<input type="checkbox"/>
--	--------------------------