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Llywodraeth Cymru
Welsh Government

Welsh Government

Consultation – summary of response

Draft Development Plans Manual (Edition 3)

March 2020

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.
This document is also available in Welsh.

1. Introduction

1.1 The Welsh Government conducted a 12 week public consultation on the draft Development Plans Manual (Edition 3) over the period 7 June to 30 August 2019.

1.2 The Development Plans Manual (DPM) is a guidance document for practitioners who are responsible for, or contribute to, the preparation and implementation of a development plan. It is a non-statutory document and does not constitute national policy. However, Local Planning Authorities (LPAs) must have regard to it when preparing a development plan.

1.3 The Manual was revised to take account of significant changes to planning legislation and national policy since the LDP Manual (Edition 2) was published in 2015. It also incorporates more detailed guidance on the preparation of a robust evidence base, incorporating lessons learnt during the first round of LDP preparation. Given these changes, it was an appropriate time to prepare a revised Manual that is up-to-date, fit for purpose and contains more practical guidance on plan preparation.

1.4 This consultation report provides a summary of all responses received to the draft Development Plans Manual (Edition 3) consultation and the Welsh Government's response to the matters raised. The result of this analysis has informed publication of the final Development Plans Manual (Edition 3).

2. Publicity and consultation

2.1 Prior to the formal public consultation, informal technical engagement was undertaken for 3 months commencing October 2018. The draft Manual was sent to all key stakeholders including LPAs, the development industry, the WBFG Commissioner and other selected statutory consultees for informal feedback. Meetings with specific groups, such as LPAs, the Home Builders Federation (HBF) and the WBFG Commissioner were held to understand concerns and subsequent amendments were made to the draft Manual before the formal consultation commenced in June 2019.

2.2 The consultation was published on the Welsh Government's website. The Welsh Government maintains a list of established stakeholders in the planning system and these were all notified of the consultation by email on 7 June 2019. The Welsh Government has also engaged informally with regional planning officer groups and the Well-Being of Future Generations (WBFG) Commissioner.

3. Consultation responses

3.1 A series of 16 questions were formulated to stimulate stakeholder engagement. The questions were based around the key aspects of the draft Manual which have changed, such as the frontloading approach to development plan preparation, ensuring more detailed evidence is available earlier in the process, and additional financial viability guidance to

ensure allocations and housing policies are financially viable and deliverable. An open ended question was also included to enable stakeholders to make general observations.

3.2 A total of 35 responses were received to the consultation. The largest respondent by type was businesses and local planning authorities (LPAs) with 9 responses from business and 9 from LPAs. The business sector included responses from home builders, planning consultants and infrastructure companies. Of the 9 responses received from LPAs, one response was received from a regional grouping of 4 LPAs and another was a joint response. Therefore, a total of 13 LPAs contributed to the consultation. These two groups represented 51% of respondents. The other respondents provided a broad range of views from public sector organisations, professional bodies or interests groups, the voluntary sector and other groups and individuals. A summary of respondents by type is set out below in Table 1, with a full list of respondents provided in Annex 1.

Table 1: Respondents to the Development Plans Manual consultation by type

Respondent type	Number of responses	Percentage
1. Businesses	9	26%
2. Local Planning Authorities	9	26%
3. Government Agency / Other Public Sector	5	14%
4. Professional body / interest group	4	11%
5. Voluntary sector	4	11%
6. Other	4	11%
Total	35	99%

4. Summary of responses by question

4.1 A summary analysis of the key findings for each consultation question is set out below, followed by the Welsh Government's response. Many respondents chose not to provide a direct answer but provided comments. Wherever possible, comments and views have been incorporated into the analysis if they directly relate to the subject matter of the question, even if they were not explicitly presented as answers to the question. Most of the questions invited respondents to expand on their views; therefore much of the analysis is qualitative in nature.

4.2 There are some instances where the calculations undertaken as part of statistical analysis to quantify percentages do not total 100%. This is due to the rounding of figures.

Question 1 – The content of an LDP is now set out in the Manual (see Table 1). Is this sufficiently clear and comprehensive enough? Are there elements which would benefit from further clarity, or have been omitted? Please state what should be changed and why.

Statistical overview

Respondent by type	Agree	Neither agree nor disagree	Disagree	No response
Business	2	1	2	4
Local Planning Authority	2	2	2	3
Government agency / Other public sector	1	0	1	3
Professional body / Interest group	1	0	1	2
Voluntary sector	0	0	2	2
Other (not groups listed above)	0	2	1	1
Total	6	5	9	15
Percentage	17%	14%	26%	43%

Summary analysis

A large proportion of respondents (43%) did not answer this question. In total, 31% were neutral or agreed with the issues and content to be contained in Local Development Plans (LDPs). Some representatives in support requested that the public guide ‘LDP Planning your Community Guide’ published in 2006 is also updated.

A number of respondents, namely LPAs, expressed concern regarding the LDP preparation timeframe of 3.5 years, plus a single 3 month slippage allowance (total 3.75 years). This was considered too short a timeframe taking into account a number of issues including; the evidence gathering required for second generation LDPs, the need to demonstrate site delivery and viability, decreasing local authority budgets and resources and the implications of joint working. The requirement for the LDP to be in ‘general conformity’ with the upper tier plan was also cited as a potential for delay with no upper tier plan published at present.

A small number of respondents also expressed concern that the Manual is urban focussed with a lack of clarity on rural economic and housing issues, including the protection of agricultural land and reference to Natural Resource Wales (NRW) Area Statements.

Welsh Government response

The Welsh Government welcomes the general support for Table 1 on the content and issues to be contained in LDPs. The Manual and LDPs apply equally to authorities in both urban and rural areas, taking account of locally specific circumstances, as well as the requirements of national planning policy including the protection of agricultural land and

having regard to Area Statements. It is for LPAs to select an appropriate response to the issues they highlight.

The Welsh Government agrees with respondents on the need to update the public guidance titled LDP Planning your Community Guide (2006). The guidance has become out dated and no longer reflects the development plan hierarchy introduced by the Planning (Wales) Act 2015. An update to the guide will align with legislation and requirements in the Manual. It will clearly outline the development plan system and explain how people can be involved in the process to support requirements in the Well-being of Future Generations (Wales) Act 2015. The Welsh Government is committed to start work on a review early in 2020.

The Welsh Government acknowledges the concern expressed by some LPAs on the 3.5 years preparation timescale for LDP revisions. As stated in the Manual, this is considered possible second time around by building on existing evidence and utilising skills and knowledge gained from adoption of the extant LDP to expedite the process. It is important to utilise existing information and systems, not start afresh. To date, shorter plan preparation times of 3.5 years have been agreed, with a slippage allowance of 3 months in all replacement plan Delivery Agreements (DA). This will help maintain a plan-led system across Wales. No change to the Manual is proposed

Question 2 - Is the guidance on how to undertake a comprehensive call for candidate sites early in the LDP process clear and sufficiently detailed? If you disagree, please specify what is unclear or requires amendment and why.

Statistical overview

Respondent by type	Agree	Neither agree nor disagree	Disagree	No response
Business	0	1	4	4
Local Planning Authority	2	2	2	3
Government agency / Other public sector	1	1	0	3
Professional body / Interest group	0	0	2	2
Voluntary sector	1	0	0	3
Other (not groups listed above)	0	2	0	2
Total	4	6	8	17
Percentage	11%	17%	23%	49%

Summary analysis

Nearly half (49%) of respondents did not answer this question, and of the remaining respondents, 23% disagreed. The disagreement was in relation to the timing of the call for candidate sites being too early in the LDP process. Whilst there was some support for front loading, the business sector and some LPAs who disagreed argued the preferred strategy should be undertaken prior to the call for candidate sites, to enable developers to understand the LPA's growth aspirations and preferred growth locations. Comments from both sectors were received seeking clarity on what was meant by 'proportionality' in respect of the viability and deliverability requirements at the candidate site stage.

LPAs and the development industry raised concerns regarding the level of information required to demonstrate deliverability at the candidate site stage. They argued it is too focussed at large house builders and could prove problematic and costly for small and medium developers. LPAs also requested further clarity regarding how to deal with sites submitted after the call for sites stage.

The guidance on filtering candidate sites was generally welcomed, however, a couple of LPAs requested clarity whether all candidate sites needed to be subject to a sustainability appraisal (SA) or at what stage the SA should be undertaken. Some LPAs welcomed the recognition of resources required for LPAs to assist site promoters and the possibility of charging for this service to cover costs.

Welsh Government response

A number of issues were raised in relation to the candidate site stage. In order to address these, the guidance in chapter 3 has been re-structured and further clarification on the candidate site register and assessment process has been added. A new diagram has also been included to summarise the candidate site process and the key requirements of each stage. Additional guidance has also been provided on what is meant by the 'proportionate' approach to financial and wider information/evidence sought in relation to the different type and scale of sites that may come forward.

In relation to the timing for undertaking the call for candidate sites, this is set out in The Town and Country Planning (LDP) (Wales) Regulations. Regulation 14(2) requires LPAs to undertake the call for candidate sites prior to the preferred strategy consultation (LDP Regulation 15) and publish the Candidate Site Register (CSR) alongside the preferred strategy consultation. The Regulations, published in 2005 and updated in 2015 were subject to previous consultation. The guidance in the Manual supports and reinforces the legislative framework and frontloading principle for more detailed evidence required up front and early in the plan making process, to enable the preparation of a more detailed and meaningful preferred strategy. As stated in the Manual, the call for sites should be accompanied by a clear statement indicating in broad terms the settlement or broader areas of search which could be acceptable. This is intended to be a guide and deter sites being submitted in wholly unsustainable locations.

It is recognised that sites may be proposed post the call for candidate sites at preferred strategy and deposit consultation stages. The Manual contains guidance on how LPAs

should deal with these sites, however, this is a matter for the LPA to determine. The Manual sets out a suggested assessment process for filtering candidate sites. A phased approach is advocated, which involves an initial site filter (Stage 1). An SA is only suggested for those sites which pass stage 1 and are considered to be reasonable. Again, the Manual contains sufficient guidance and it is a matter for the LPA to determine the most appropriate methodology. No further changes are considered necessary.

Question 3 - Do you agree with the criteria for what constitutes a ‘deliverable’ and ‘financially viable’ candidate site? (Paragraph 3.40). If you disagree, please state what should be changed and why.

Statistical overview

Respondent by type	Agree	Neither agree nor disagree	Disagree	No response
Business	2	0	4	3
Local Planning Authority	2	1	4	2
Government agency / Other public sector	0	1	1	3
Professional body / Interest group	0	0	2	2
Voluntary sector	1	0	0	3
Other (not groups listed above)	1	1	0	2
Total	6	3	11	15
Percentage	17%	9%	31%	43%

Summary analysis

Nearly a third (31%) of respondents stated they disagreed with the criteria for what makes a candidate site ‘deliverable’ and ‘viable’. The respondents who disagreed, strongly opposed one element, which was a site being defined as viable if it achieves an uplift in land value of 20% above Existing Use Value. This is discussed in further detail in question 9. Overall, general support was given to the principle of ensuring candidate sites are deliverable and viable early in the process. A number of issues were raised which require further clarity and are discussed below.

A couple of respondents raised concern regarding the focus on deliverability and viability which could undermine the importance of site sustainability. Further clarity was sought by a range of respondents on the specific requirements of a ‘viability assessment’ at the candidate stage and different stages of the plan preparation process. Some confusion was expressed regarding the need for an LPA to articulate the broad parameters of site policy requirements and infrastructure costs, in advance of the preferred strategy stage. A couple of LPAs argued this would be unrealistic as abnormal costs associated with a site cannot be

accurately known until significant and expensive survey work is undertaken e.g. ground investigations, ecological surveys, coal mining risk assessments etc.

Concern was raised by one LPA that the illustrative site assessment criteria was too onerous for small sites and may prevent sites coming forward. It was questioned whether LPAs could amend the criteria, or if it was prescriptive.

Clarity regarding the phrase “generally free from physical constraints” was sought in relation to “land ownership, infrastructure, access, ground conditions, landscape, heritage designations, flood risk issues and pollution”. Some respondents argued this statement conflicted with the sequential test set out in national policy to use brownfield land in preference to greenfield land.

There was some disagreement to the delivery criteria for publically owned sites. One business argued that being listed on a Council’s disposal strategy provides insufficient evidence for delivery of a public sector site, and that sites should have appointed a developer or submitted an outline planning application. One LPA stated the wording for a published disposal strategy did not reflect a scenario where the site may be developed by the Council.

Welsh Government response

A number of changes have been made to the DPM to address the issues raised:

- All references to a 20% uplift in land value from existing use value have been deleted. It is acknowledged from the responses received that this would have a negative effect upon the delivery of housing, particularly in marginal areas, and there was a lack of evidence to support its inclusion. This issue is discussed further in question 9.
- The guidance has clarified that site sustainability must be considered alongside deliverability and viability. A further reference to the search sequence in PPW has been made, to ensure that planning policy requirements are not overlooked.
- Further guidance and clarity on the proportionality of information requested and the requirements of viability assessment at each stage of the process has been provided, to ensure the level of information requested by LPAs is sufficient to enable a thorough site assessment, whilst being appropriate not to deter landowners from submitting suitable sites.
- Guidance has been added to clarify the term ‘generally free from physical constraints’. This now refers to ‘insurmountable constraints’.
- The inclusion of delivery criteria for public owned sites reinforces the requirement for all sites to demonstrate delivery within a defined timescale, as reflected in the housing trajectory. This applies equally to both the private and public sector owned sites. The DPM has sought to clarify how public owned sites should demonstrate a commitment to delivery in a published disposal strategy and/or through Council resolution if the land is to be retained, or sold by the Council.

Question 4 - Is the Manual sufficiently clear on how to undertake a sustainability appraisal (SA), Habitats Regulation Assessment (HRA) or a holistic Integrated Sustainability Appraisal (ISA)? If you disagree, please detail how you think the guidance could be improved and why.

Statistical overview

Respondent by type	Agree	Neither agree nor disagree	Disagree	No response
Business	1	3	0	6
Local Planning Authority	1	3	2	3
Government agency / Other public sector	0	1	0	3
Professional body / Interest group	0	2	0	2
Voluntary sector	1	1	0	2
Other (not groups listed above)	1	0	0	3
Total	4	10	2	19
Percentage	11%	29%	6%	54%

Summary analysis

The majority of respondents (54%) did not answer this question and a further 29% neither agreed nor disagreed. The guidance on sustainability appraisal (SA) was generally supported and welcomed by the respondents. Those respondents who have specialist knowledge on SA, namely LPAs and government agencies suggested a number of minor amendments to ensure accuracy and consistency with the legal framework. These related to the section on Health Impact Assessment, the consultation stages of SA and the Habitats Regulation Assessment (HRA).

There was support for the guidance on different assessment requirements introduced by the Well-being of Future Generations (Wales) Act, the Welsh language in the Planning (Wales) Act, Equality Act and Public Health (Wales) Act. Respondents welcomed the principle of undertaking an Integrated Sustainability Appraisal (ISA) but one LPA would welcome the inclusion of example of an ISA.

Welsh Government response

The Welsh Government welcomed the responses and suggested changes and has made a number of minor corrections to the guidance to ensure accuracy with the legal framework. These include amendments to the section on Health Impact Assessment, opportunities for stakeholder involvement relating to SA, and amendments to the HRA section on consultation and legal requirements.

Where suggested amendments have not been made, this has been due to the change being considered too detailed. The intention of the chapter is to provide a short overview of the requirements of SA, incorporating Strategic Environmental Assessment, HRA and other legislative requirements. It is not intended to repeat or replace the relevant legislation or policy, which should be read alongside the DPM.

Question 5 – Is the ‘de-risking plan checklist’ (page 83) a useful summary of the core issues of plan making as summarised in Chapter 5? If you disagree, please state what changes should be made and why.

Statistical overview

Respondent by type	Agree	Neither agree nor disagree	Disagree	No response
Business	3	0	2	4
Local Planning Authority	3	3	0	3
Government agency / Other public sector	1	0	0	4
Professional body / Interest group	1	1	0	2
Voluntary sector	1	1	0	2
Other (not groups listed above)	0	1	0	3
Total	9	6	2	18
Percentage	26%	17%	6%	51%

Summary analysis

From the 26% of respondents that agreed with the question, many supported the checklist and its emphasis on frontloading to help prepare a ‘sound’ LDP. Of the 6% that disagreed, the only theme to emerge by some businesses was on the ordering of the checklist and how it should be ordered with the key issues and priorities listed first.

Welsh Government response

The Welsh Government acknowledges that the de-risking plan checklist should be organised more methodically to take account of the key issues and priorities. For clarity, the checklist will be reorganised in the final published version of the Manual to reflect these priorities.

Question 6 – Do you agree the guidance on formulating a spatial strategy adequately covers all the key elements necessary when assessing the role and function of places? If you disagree, please state what should be changed and why (page 88).

Statistical overview

Respondent by type	Agree	Neither agree nor disagree	Disagree	No response
Business	0	1	3	5
Local Planning Authority	3	2	1	3
Government agency / Other public sector	1	0	1	3
Professional body / Interest group	1	1	0	2
Voluntary sector	1	0	0	3
Other (not groups listed above)	0	1	0	3
Total	6	5	5	19
Percentage	17%	14%	14%	54%

Summary analysis

Of those respondents who answered this question, the largest proportion agreed (17%) that the guidance on spatial strategy covered the key elements. The checklists were welcomed as a useful summary and helpful reminder of national policy.

Those respondents (14%) who disagreed proposed some minor changes relating to the addition of criteria to the checklist under paragraph 5.10. Two LPAs (one rural, one urban) found the guidance to be too focussed and specific and not applicable to their specific authority.

Two professional bodies stated that the guidance should clearly articulate that the needs of an area will be driven by the evidence and knowledge of stakeholders and the local community.

Welsh Government response

The Welsh Government welcomes the suggested additions to paragraph 5.10 and has restructured the checklist to ensure it is ordered and avoids unnecessary duplication. A number of references have also been added to ensure the local community are actively involved during the preparation of the spatial strategy.

The guidance provided on devising a spatial strategy is a starting point for all authorities in Wales, whether predominately urban or rural. LPAs will need to take account of their unique, locally specific circumstances, demands and aspirations as well as the

requirements of national planning policy. Therefore, no changes are proposed as LPAs can choose what is appropriate to their area from the guidance.

Question 7 – Is the guidance on housing and economic growth scenarios sufficiently clear to enable a plan maker to consider a range of growth options and identify a requirement/plan provision, for both homes and jobs that is appropriate and deliverable? If you disagree, please state why and how you consider the guidance should be improved.

Statistical overview

Respondent by type	Agree	Neither agree nor disagree	Disagree	No response
Business	2	0	3	4
Local Planning Authority	3	1	2	3
Government agency / Other public sector	0	1	0	4
Professional body / Interest group	0	0	1	3
Voluntary sector	1	0	0	3
Other (not groups listed above)	0	1	0	3
Total	6	3	6	20
Percentage	17%	9%	17%	57%

Summary analysis

Most respondents (57%) did not respond to the question and a further 9% were impartial on the housing and economic growth scenarios listed in the Manual. There was a split between the respondents who agreed and disagreed with the assessment process for housing and economic growth levels in LDPs.

A number of respondents support the link between housing and economic forecasting in the Manual, particularly in more rural areas where employment can be localised requiring a sufficient number of new homes to support local employment opportunities. In contrast, responses by some businesses believe there is too much emphasis in the Manual on aligning homes and jobs, which could lower the level of housing provision in LDPs. Many businesses consider this situation is further exasperated by uncertainty on the delivery of employment allocations and commuting patterns that often cross administrative boundaries so that housing may not always need to be located in the same plan area as economic growth.

Welsh Government response

The Welsh Government acknowledges the mix of responses on growth scenarios linking homes and jobs. The rationale for the approach in the Manual is the importance of understanding both forecasts, which is crucial to explain the relationship between housing and economic growth, population change and commuting patterns in LDPs. To address the concern of some businesses, the Manual is clear there is no direct mathematical relationship between housing and job growth and that forecasts and assumptions can only broadly align, however it is important that both elements are considered in the round to ensure that growth levels and their impacts are sustainable, minimising the need to travel by private vehicle.

Question 8 – Is there sufficient practical guidance on how to prepare a housing trajectory to support the delivery of housing? Are the definitions of the components sufficiently clear? If you disagree, please state what should be changed and why.

Statistical overview

Respondent by type	Agree	Neither agree nor disagree	Disagree	No response
Business	2	1	2	4
Local Planning Authority	4	1	1	3
Government agency / Other public sector	0	2	0	3
Professional body / Interest group	0	0	1	3
Voluntary sector	0	1	0	3
Other (not groups listed above)	0	0	1	3
Total	6	5	5	19
Percentage	17%	14%	14%	54%

Summary analysis

17% of respondents, the majority of whom were LPAs, found the guidance on preparing a housing trajectory to be practical and clear.

Some LPAs expressed concern regarding the level of detail required to formulate a trajectory, which was said to be “too great, too predictive and beyond an LPA to control”. It was argued by one LPA that a housing trajectory will become out of date quickly and is best maintained outside an LDP and updated through the Annual Monitoring Report (AMR). One LPA stated they would welcome examples of best practice. A professional body argued for the trajectory to be accompanied by an analysis of how the estimation of housing provision meets the housing needs of specific groups. The links of the housing trajectory with the

AMR process was supported. However, one professional body found it unclear how the monitoring trigger points link with the housing trajectory.

Welsh Government response

In July 2018 the Welsh Government undertook a ‘call for evidence’ to seek views on how to improve the delivery of housing requirements set out in LDPs. The subsequent consultation ‘Delivery of housing through the planning system’ commenced in October 2019 proposed an alternative to the monitoring of housing land supply by the monitoring of housing delivery based on an LDP’s housing trajectory and reported in the Annual Monitoring Report (AMR).

The Welsh Government has included further clarity within the Manual on how to calculate a housing trajectory, specifically following adoption of the plan and determining an adjusted anticipated completion rate. Terminology has been clarified along with detailed calculations enabling a trajectory to be determined. Reference has also been added to the link to the AMR and the significance of ensuring delivery matches anticipated rates.

Question 9 – Do you agree with the definition of viability (paragraph 5.81) and the key components of viability (tables 24 and 25)? If you disagree, please state what requires amending and why.

Statistical overview

Respondent by type	Agree	Neither agree nor disagree	Disagree	No response
Business	0	0	6	3
Local Planning Authority	2	1	3	2
Government agency / Other public sector	0	0	2	4
Professional body / Interest group	0	1	0	3
Voluntary sector	1	0	0	3
Other (not groups listed above)	1	0	0	3
Total	4	2	11	18
Percentage	11%	6%	31%	51%

Summary analysis

A large number of respondents (31%) particularly LPAs and businesses raised concern on the definition of viability (paragraph 5.81) specifically the reference to an uplift of at least 20% above Existing Use Value (EUV) to encourage a landowner to sell. This figure was considered unrealistic, particularly on agricultural land, where an EUV of £10,000 per acre would only require a £2,000 uplift (at 20%). This rate was considered unworkable by many businesses as landowners would retain their landholdings and current revenue streams with

no incentive to sell. Respondents considered this would significantly reduce the amount of land coming forward and have severe negative consequences for the ability to deliver planning obligations and affordable housing, particularly in more marginal areas. There was a strong consensus from LPAs and businesses that this rate is not supported by evidence, national planning policy and is at odds with other published guidance (e.g. Harman, RICS) so should be removed from the Manual. The uplift value at which a landowner is willing to sell was agreed by most respondents to vary across areas, is locally specific, but is significantly higher than 20%. With this in mind, there was a general consensus that the price paid for development land should not be specified in the Manual but must be left open and remain reasonable to meet policy requirements in up-to-date LDPs, whilst still delivering sustainable development with a focus on placemaking. If the 20% uplift value were to remain, it was considered this would choke off housing development across Wales.

Table 24 in the Manual identifies the core inputs that should be taken into account when undertaking a high level viability study. There was general support for the inputs but some concern by LPAs and businesses that the use of the Building Cost Information Service (BCIS) should be included with caution in viability studies. It was highlighted that volume house builders do not feed into the process so BCIS figures are provided by smaller house builders and Registered Social Landlords (RSLs). Due to economies of scale, their build costs are often higher and become less relevant on larger development sites in LDPs. Other shortcomings of the BCIS figures include how the data is presented as a range of costs, not just a single rate for sites, as well as rates varying between different locations in a plan area.

Welsh Government response

The Welsh Government acknowledges the significant number of concerns raised, as well as the degree of concern, regarding restricting an uplift to 20% above EUV. From the evidence submitted, specifically the severe negative impact such an approach would have on the ability of land to come forward for development, both public and private sector housing, it would not be appropriate to potentially restrict the uplift value of land. To align with other published evidence and to encourage land to come forward for development and deliver both affordable and private housing, the Welsh Government has removed reference to this specific percentage in the published version of the Manual. The Benchmark Land Value (BLV) should be based on individual circumstances and involve discussions with LPAs, developers and landowners to ensure land comes forward for development, with policy and sustainability requirements in up-to-date LDPs being met.

The Welsh Government acknowledges the comments regarding potential limitations that exist in the BCIS figures. This is highlighted in Table 24 of the Manual which states that build costs are informed by small to medium developers and requires authorities, in conjunction with the development industry, to consider any adjustments in the high level and site specific testing which may be pertinent to their locality. The Manual now makes clear that the BCIS is one cost resource, but the best information, where available, would be an open book account of costs recently used on comparable development(s) in an area or sub market area. Where this is not available, build costs can be derived from the BCIS. This key

point is reinforced in the Manual that the viability work to support plans should include all known costs in order that the work is relevant, up to date, robust and locally specific.

Question 10 – Does the Manual clearly differentiate the viability requirements for high level testing and site specific testing? If you do not consider this is sufficiently clear, what do you consider requires amending and why.

Statistical overview

Respondent by type	Agree	Neither agree nor disagree	Disagree	No response
Business	1	0	3	5
Local Planning Authority	2	1	3	3
Government agency / Other public sector	0	1	0	4
Professional body / Interest group	0	1	1	2
Voluntary sector	0	1	0	3
Other (not groups listed above)	1	1	0	2
Total	4	5	7	19
Percentage	12%	14%	20%	54%

Summary analysis

The Welsh Government acknowledges that many respondents (54%) did not answer the question and the highest proportion of respondents (20%) disagreed with the clarity provided on the different viability requirements for high level and site specific testing. Whilst many LPAs supported the principle of differentiating between the viability requirements, they had reservations regarding resource implications to prepare both appraisals, the lack of information received at candidate site stage and the ability of both appraisals to withstand changes in the economic climate. Many of these concerns were replicated by businesses and professional bodies. They cited that the time delay between the appraisal, planning application stage and site delivery would invalidate the currency of the appraisal and requested that reference in the Manual to only undertake a further viability appraisal in exceptional circumstances at the planning application stage is removed.

To help provide a consistent approach to viability across Wales, a small number of responses supported the role of a specialist panel being set-up within the Welsh Government, or build on the viability work in mid and west Wales to roll out a single viability toolkit in Wales.

Welsh Government response

The Welsh Government acknowledges the concern of LPAs, businesses and professional bodies when undertaking viability appraisals for key sites and the validity of these appraisals from inception to planning application stage. The requirements of national planning policy are clear that for sites which are key to delivering the plan's strategy, a site specific viability appraisal must be undertaken (PPW, paragraph 4.2.19). This requirement is repeated and expanded on in the Manual to support frontloading in the plan making process and evidence delivery of the Preferred Strategy and subsequent stages. As no change is proposed to Planning Policy Wales (PPW) in this respect, the Manual will remain in conformity with the requirements of national policy. Giving greater clarity in the Manual that all parties need to engage earlier in the process, with more robust viability evidence, will enable plans to evidence they are deliverable. The Manual expands on the expectations regarding the scope and proportionality of evidence required for different scales of sites. It does not hinder development proposals from coming forward, but provides greater certainty on plan delivery.

The regional viability project was supported (via grant funding) by Welsh Government in the mid and west Wales region and comprises the building of a viability model and production of a high level viability study to not only inform plan preparation and review but also the development management process and decision making. A standardised model will result in cost and resource efficiencies for authorities and a more transparent process for the development industry to engage with that will also improve the plan making and development management process. LPAs across Wales are encouraged to use the model, inputting local data. This should prove a more cost effective and consistent way forward, maximising both resources and adding robustness to the outcomes.

Question 11 – Does the Manual provide sufficient guidance to enable the preparation of an infrastructure plan and how to embed the core elements of the infrastructure plan into the development plan? If you disagree, please specify what you think requires amending and why.

Statistical overview

Respondent by type	Agree	Neither agree nor disagree	Disagree	No response
Business	3	1	0	5
Local Planning Authority	2	1	3	3
Government agency / Other public sector	0	1	0	4
Professional body / Interest group	0	0	0	4
Voluntary sector	0	0	2	2

Other (not groups listed above)	1	0	0	3
Total	6	3	5	21
Percentage	17%	9%	14%	60%

Summary analysis

With only 14% of respondents disagreeing with guidance on the implementation plan, it is recognised there is general support across most groups for LDPs to prepare and embed core elements of the infrastructure plan into the LDP. Whilst some responses support the requirement to regularly update the infrastructure plan and the certainty this provides on development timescales, a small number of respondents raised concern in obtaining advice, agreement and evidence from utility companies.

Welsh Government response

The Welsh Government acknowledges the concern in some responses, in particular specific consultation bodies, such as utility providers, during the development plan process. To highlight the importance of consultation bodies engaging early in the process to demonstrate delivery of the plan, the Manual has clearly set out examples of the specific consultation bodies that should be engaged, how and by when and on using this information to evidence the timing of infrastructure necessary to support the plan. Additional commentary is included to assist the filtering of proposed sites where information is being sought, focussing on those where there is a high degree of certainty about inclusion within the plan, thus minimising the burden on infrastructure providers.

Question 12 – Do you agree with the list of indicators to be included in the monitoring framework (table 29)? If you disagree, please specify what changes should be made and why you consider them necessary.

Statistical overview

Respondent by type	Agree	Neither agree nor disagree	Disagree	No response
Business	2	1	0	6
Local Planning Authority	3	1	2	3
Government agency / Other public sector	0	1	0	4
Professional body / Interest group	1	1	0	2
Voluntary sector	1	0	1	2
Other (not groups listed above)	0	0	1	3
Total	7	4	4	20
Percentage	20%	11%	11%	58%

Summary analysis

Almost a quarter of all respondents (20%) agreed with the list of monitoring indicators in Table 29 of the Manual with only 11% disagreeing. The Manual emphasises the importance of the Annual Monitoring Reports (AMRs) to provide an update on LDP performance and also advocates consultation with key stakeholders, the community and interested parties on the published report. Further clarity was required in some responses by authorities and professional bodies on the timing of any consultation on the AMR and its publication and availability.

Welsh Government response

The Welsh Government acknowledges the Manual could benefit from further clarity around consultation on the AMR. The consultation 'Delivery of housing through the planning system' commenced in October 2019 and proposed to make changes to the guidance on monitoring and AMRs, thus superseding this consultation on those elements. Changes to the DPM in respect of AMRs are explained and set out in the Consultation Report – Delivery of Housing through the Planning System which has been published alongside this document. The DPM sets out new housing indicators which must be included in the AMR to effectively monitor housing completions against the trajectory.

Question 13 – Is the guidance on the short form revision procedure sufficiently clear and helpful? If you disagree, please specify what could be amended and why?

Statistical overview

Respondent by type	Agree	Neither agree nor disagree	Disagree	No response
Business	4	0	1	4
Local Planning Authority	2	4	0	3
Government agency / Other public sector	0	1	0	4
Professional body / Interest group	0	1	1	2
Voluntary sector	1	0	0	3
Other (not groups listed above)	1	0	0	3
Total	8	6	2	19
Percentage	23%	17%	6%	54%

Summary analysis

From the 23% of respondents that agreed with the question, many considered the guidance to be sufficiently clear and helpful. Of the 6% that disagreed, the only theme to emerge was around the 1-year plan preparation timeframe set out in Table 34 of the Manual. The table identifies a timescale of 6 months for pre-deposit and a further 6 months for deposit stage

before submission of the LDP for examination. This timescale was considered too short and unrealistic by a small number of authorities.

Welsh Government response

Whilst the Welsh Government acknowledges that the LDP preparation timetable for the short form revision (SFR) is significantly less than a replacement plan; the SFR procedure does not require pre-deposit public consultation or preparation of a Preferred Strategy. This is clearly set out in the Manual and Part 4A of the LDP Regulations with the guidance being written based on the lessons learned from the Welsh Government working closely with an authority which has undertaken the SFR. The Welsh Government is not minded to make any changes in this respect.

Q14 - Do you agree with the scale and content of issues to be covered in a Strategic Development Plan (SDP)? If not, what do you disagree with and why.

Statistical overview

Respondent by type	Agree	Neither agree nor disagree	Disagree	No response
Business	1	0	3	5
Local Planning Authority	0	5	1	3
Government agency / Other public sector	0	2	0	3
Professional body / Interest group	1	0	0	3
Voluntary sector	1	0	0	3
Other (not groups listed above)	0	1	1	2
Total	3	8	5	19
Percentage	9%	23%	14%	54%

Summary analysis

In summary, the respondents welcomed the guidance and agreed that the chapter covered the main issues relevant to the preparation of a Strategic Development Plan (SDP). One LPA highlighted there was some repetition of SDP content in paragraphs 2.9 and 10.6 and highlighted some inconsistencies and omissions.

There was some confusion expressed regarding the identification of housing sites in an SDP and the relationship between an SDP's 'area of search' and how allocations will be made through the LDP Lite (LDPL). One respondent also sought clarity regarding how the SDP could prepare a delivery trajectory for homes and jobs if sites are not identified in the SDP. A few respondents found it unclear whether the Welsh Government had set the site size threshold for a strategic site at 1,000 dwellings or whether it was illustrative.

One business questioned the appropriateness for an Urban Capacity Study to be undertaken for the SDP as they argued they traditionally concentrate on smaller non-strategic sources of supply.

Welsh Government response

The Welsh Government has made amendments to the content of SDP in paragraphs 2.9 and 10.6 to ensure they are consistent with additional topic areas included where it was considered helpful.

Further clarity has been made in the Manual to explain the relationship between SDP ‘areas of search’ and how allocations are made through the LDP. The size threshold for sites in an SDP is set out as an example of 1,000 dwellings. An amendment has been made in the Manual to ensure this is clear. It is a matter for each Strategic Planning Panel to evidence and set an appropriate threshold for their plan.

The Welsh Government intends to prepare further guidance on the SDP and development plan hierarchy as the SDP and hierarchy evolves. It is considered there is sufficient guidance at this point in time to enable an SDP to be commenced. The content of an SDP will be similar to an existing LDP in scope, albeit more strategic in nature and scale. This would also apply to the formulation of a housing trajectory in an SDP as in an LDP. Officials will continue to work with LPAs/Strategic Planning Panels (SPPs) to ensure the appropriate plan content is reflected in plans.

Question 15 – Is there sufficient and clear guidance to enable the preparation of a Strategic Development Plan (SDP)? If you disagree, what do you think should be amended and why.

Statistical overview

Respondent by type	Agree	Neither agree nor disagree	Disagree	No response
Business	2	1	1	5
Local Planning Authority	1	4	1	3
Government agency / Other public sector	0	1	1	3
Professional body / Interest group	1	0	0	3
Voluntary sector	1	0	0	3
Other (not groups listed above)	0	1	1	2
Total	5	7	4	19
Percentage	14%	20%	11%	54%

Summary analysis

There was general support for the content of the guidance on Strategic Development Plans (SDPs). A number of respondents sought further clarity on the timescale of preparing an SDP, the implications for the current LDP review process and when to commence preparation of an LDP Lite (LDPL). One LPA would welcome a timeline to show how the plans can be prepared alongside each other.

One respondent sought further clarity on the specific content of an LDP Lite, together with a list or table of evidence base requirements for an SDP. The LPA would welcome clarification on which evidence base documents to commission regionally or locally and what evidence can be applied from SDPs to LDPs.

Welsh Government response

The legal framework to enable work to commence on an SDP was established in the Planning (Wales) Act 2015. It is a matter for LPAs to collectively agree whether to submit a proposal for a group of LPAs to prepare an SDP. The Welsh Government has published guidance explaining the practical process to establish a Strategic Planning Panel.

The Manual states that the LDPL will be progressed at a later date, not until an SDP is nearing adoption (para 10.6). The statutory requirement to prepare and keep an up to date LDP remains unchanged until there is adopted SDP coverage across Wales. Commencing work on an SDP does not affect the statutory requirement to prepare an LDP and must not prevent LDP review and subsequent revision. When SDPs are adopted LDPLs will require preparation.

When SDPs near adoption there will no longer be the option to prepare an LDP so the Manual will be redrafted to reflect this legislative position and clarify the differences between an SDP and LDPL in more detail. It is anticipated this position may be reached in 2 to 3 years, hence the need to retain the current structure until that point in time. Officials will continue to work with LPAs/SPPs to ensure the appropriate plan content is reflected in plans.

Question 16 - Any other comments. We have asked a number of specific questions. If you have any related issues which we have not specifically addressed, please use this opportunity to report them.

Summary of issues raised and Welsh Government response

A number of additional comments were made in relation to the DPM, relating to changes or additions. These are summarised below.

Theme	Issue raised	Welsh Government's response
Resources and timeframe for preparing a development plan	A professional body questioned whether any additional resources were required for LPAs to implement the requirements of the DPM. A number of LPAs expressed concern regarding the requirement for LPAs to prepare a development plan within 3.5 years.	The preparation of an LDP is a statutory requirement and LAs should ensure sufficient resources are available to support plan preparation. The Welsh Government acknowledges the concern expressed by some LPAs on the 3.5 year preparation timescale. However, it is considered realistic and this is being achieved by LPAs.
Stakeholder involvement	A number of organisations would welcome the inclusion of a specific stakeholder list.	The LDP Regulations refer to 'general consultation bodies' and 'specific consultation bodies'. This list is not specific as it is a matter for each LPA to identify their stakeholders based on their own local knowledge.
Guidance not exhaustive	Some respondents commented that certain topic areas (e.g. renewable energy, minerals, waste etc) were not specifically covered in the DPM. One authority also questioned why the Manual is silent on the special considerations of development planning in National Parks.	The purpose of the Manual is to provide guidance to practitioners on the preparation of their development plan. It focusses on how to deliver national policy, in particular those aspects of plan preparation that have been the focus for numerous examinations, e.g. housing delivery. It is intended to sit alongside national policy in Planning Policy Wales and Technical Advice Notes and not unnecessarily repeat policy. Topics such as renewable energy, minerals, waste etc. and the status of national parks are adequately covered by national policy.

Theme	Issue raised	Welsh Government's response
Standardised representation forms etc	One LPA advocated the inclusion of model consultation and representation forms and a candidate site register layout.	It is considered more appropriate if the LPAs share information and devise model examples collectively. LDP Wales previously included model forms and notices which LPAs considered to be too inflexible. It was therefore decided to not include any standard forms. LPAs are encouraged to work together and share best practice.
Sustainable Drainage Systems	A number of references to Sustainable Drainage Systems (SuDS) and changes were suggested by a government agency.	References have been added to Sustainable Drainage Systems (SuDS) where appropriate.
Design Commission for Wales Design Review Service	The Design Commission for Wales stated they would welcome a reference to their Design Review Service.	Reference has been added to the Design Review Service in chapter 5 to support good quality design which takes account of the placemaking principles.
Place Plans	There is a useful clarification of the status and scope of Place Plans, however, further discussion is needed about timing and the observation that they be produced in parallel (or early on) in the LDP process. The reference to "linkages" should be identified and agreed at the CIS formulation Stage, not an after-thought. Generally the prospect of Place Plans should be jointly considered (whether it would be worthwhile etc.) between the LPA and the Community Council or group where none exists-as a matter of course.	The Welsh Government considers the guidance is clear in this respect. Additional consideration will be given to Place Plans within the Community Guide which will be updated this year.

Theme	Issue raised	Welsh Government's response
Tone and language used	One LPA found the tone of the Manual to be one of compliance rather than of guidance.	The status of the Manual is clarified in Chapter 1. LPAs must 'have regard' to the Manual. The tone used throughout is considered appropriate and differentiation is made between policy requirements and guidance.

5. Summary of amendments

5.1 The consultation responses have shown that the broad content of the DPM is helpful and supported by the stakeholders. There were, however, some areas where additional clarity and guidance was required. The main areas which have changed in the Manual are:

- The section on candidate sites has been restructured to add further clarity on the candidate site register and the process for assessing sites. A diagram to summarise the process has also been included.
- Further guidance included on the proportionality of financial viability information requested at different stages of plan preparation.
- The deletion of references to 20% uplift in land value from existing use value (EUUV) in favour of a meaningful land value sufficient to encourage a land owner to sell and maintain sites coming forward for development, particularly for housing
- Amendments to the chapter on sustainability appraisal (SA) and Habitats Regulations Assessment (HRA) to ensure accuracy with the legal framework.
- Reorganised checklists to ensure a priority order is reflected and minimise duplication.
- Amendments to the Manual in respect of preparing the housing trajectory, associated monitoring arrangements and the content and engagement within AMRs is set out within the Consultation Report – Delivery of Housing through the Planning System which has been published alongside this document.
- Further clarity on areas of search in SDPs and thresholds for sites.

5.2 The DPM (Edition 3) will also include minor typographical and grammatical changes, to ensure clarity and accuracy.

6. Next steps

6.1 The Welsh Government will publish the Development Plans Manual (Edition 3) early in 2020.

Appendix – list of organisations and individuals that submitted representations

Businesses

Dwr Cymru Welsh Water
National Grid
Barratt Homes
Redrow Homes
LRM Planning
Savills
NJL Consulting
Lichfields
Burrows-Hutchinson Ltd

Local planning authorities

Newport City Council
Cardiff City Council
Monmouthshire County Council
Brecon Beacons National Park Authority
Bridgend County Borough Council
Rhondda Cynon Taff County Borough Council
Caerphilly County Borough Council
Gwynedd and Anglesey County Councils
Mid and South Wales authorities – Carmarthenshire County Council, Neath Port Talbot County Borough Council, Powys County Council and the City and Council of Swansea

Government agency / other public sector

Design Commission for Wales
Public Health Wales
Natural Resources Wales
Welsh Language Commissioner
Anonymous

Voluntary Sector

Royal Society for the Protection of Birds
Age Cymru
Canal and River Trust
Theatre's Trust

Other

Country Landowners Association
Rossett Focus Group
One Voice Wales
Dr Christine Hugh-Jones