

**PUBLICATION** 

## Torfaen County Borough Council Preferred Strategy First Review: Regulation 15 Consultation: Welsh Government Response

Our response to the Replacement Local Development Plan (LDP): Preferred Strategy consultation.

First published: 17 September 2021

Last updated: 17 September 2021

#### **Contents**

#### **Annex**

Adrian Wilcock
Neighbourhoods, Planning & Public Protection
Torfaen County Borough Council
Tŷ Blaen Torfaen
Panteg Way
New Inn
Pontypool
Torfaen
NP4 0LS

30 March 2021

Dear Adrian.

# Torfaen County Borough Council – Replacement Local Development Plan (LDP) – Preferred Strategy Consultation: Welsh Government Response

Thank you for consulting the Welsh Government on the Torfaen County Borough Council Replacement Local Development Plan (LDP) – Preferred Strategy consultation. It is essential the authority is covered by an up-to-date LDP to give certainty to local communities and investors.

Without prejudice to the Minsters' powers, the Welsh Government is committed to helping Local Planning Authorities (LPAs) minimise the risk of submitting unsound plans by making appropriate comments at the earliest stages of plan preparation. The Welsh Government looks for clear evidence that the tests of soundness (as set out in the 'LDP Manual') are addressed.

Future Wales - the National Plan 2040 (published 24 February 2021) is the national development framework for Wales. The planning system in Wales is plan-led and Future Wales, at the national tier, is the highest level of development plan. All LDPs, must be in 'general conformity' with Future Wales, a definition of which is set out in the LDP Manual (para 2.16 – 2.21). Future Wales identifies Torfaen as being in the Cardiff, Newport and the Valleys National Growth Area, where there is a focus on strategic housing and employment growth, with investment in infrastructure.

After considering the key issues and policies in Future Wales, with more detailed comments set out in the supporting annex, the Welsh Government considers that the Preferred Strategy broadly supports and upholds key national priorities and outcomes in Future Wales and is in general conformity with the plan at this stage in the process.

National planning policies are set out in Planning Policy Wales (PPW) Edition 11, which seeks to deliver high quality, sustainable places through a place-making approach. The implementation of the core policy areas in PPW, such as adopting a sustainable spatial strategy, housing and economic growth levels, infrastructure delivery and place-making, are articulated in more detail in the LDP Manual (Edition 3). We expect the core elements of the Manual, in particular Chapter 5 and the 'De-risking Checklist', to be followed when preparing the plans evidence base.

The Welsh Government is broadly supportive of the plans spatial strategy, but requires further clarification on the scale of housing growth proposed in light of the national growth area identified in Future Wales and the relationship between homes and jobs. Whilst we acknowledge there is no direct mathematical relationship between the two, the level of economic and housing growth should broadly align, to support each other and assist in reducing commuting. At present the level of housing growth is significantly lower than the proposed growth in jobs.

It is disappointing that some key background documents on issues including, Strategic Site delivery, a high-level viability appraisal, a Renewable Energy assessment and Gypsy and Traveller Assessment have not been completed to help 'front load' the process and inform findings in the Preferred Strategy. A

robust evidence base is critical to fully understand the plan. Whilst the plan states that further work will be undertaken to inform Deposit stage, it has been difficult to provide meaningful comments on some topic areas without the supporting evidence in place.

The Council has strong relationships with neighbouring authorities, particularly Monmouthshire and Blaenau Gwent and it is pleasing to see that joint work has been undertaken with these authorities on housing and economic growth. We note that the Council's Sustainable Settlement Assessment Paper (March 2020) is based on a common methodology agreed by SEWSPG. Evidence of how this work has informed decisions on the scale and location of growth should be provided by the deposit plan. This is particularly the case where neighbouring housing markets and travel to work areas allows future growth to be focussed in the most sustainable locations in need of regeneration.

Our representation includes more detailed issues set out in the annex to this letter. Collectively, our comments highlight a range of issues that in our opinion need to be addressed for the plan to be found 'sound'. The key areas include:

- Housing and economic growth levels
- Housing supply components
- · Site delivery/implementation, including financial viability
- Gypsy and Travellers
- Loss of BMV land
- Minerals

As always, we would urge you to seek your own legal advice to ensure you have met all the procedural requirements, including the Sustainability Appraisal (SA), Strategic Environmental Assessment (SEA) and Habitats Regulation Assessment (HRA), as responsibility for these matters rests with your authority. A requirement to undertake a Health Impact Assessment (HIA) arising from the Public Health (Wales) Act 2017, if appropriate, should be carried out to assess the likely effect of the proposed development plan on health, mental well-being and inequality.

I trust this representation will assist you in preparing your Deposit plan and to ensure your LDP can be found 'sound' and adopted following independent examination. My colleagues and I look forward to meeting with you and your team to discuss matters arising from this formal response.

Yours sincerely,

**Mark Newey** 

**Head of Plans Branch** 

**Planning Directorate** 

#### **Annex**

Annex to Welsh Government Letter 30 March 2021 in response to Torfaen County Borough Council's Replacement LDP – Preferred Strategy

**Growth Levels: Homes and Jobs** 

The plan makes provision for 5,600 dwellings to deliver a requirement of 4,800 units (320dpa) with 17% flexibility, along with provision for 50ha of employment land to deliver 5,205 jobs. The level of housing in the plan is 1,720 units above the Welsh Government 2018-based principal projection.

Edge Analytics (June 2019) tested 9 demographic and dwelling-led scenarios, updated in November 2019 to include 2 new dwelling-led projections of 300 and 320 dwellings per annum. To take account of the 2018-based Welsh Government projections and 2019 mid-year estimates, Edge Analytics run another update in September 2020. From the 11 scenarios tested, the Council immediately discounted 9 scenarios as the 'existing housing supply' exceeded the growth levels tested. This means that in order to align with the demographic trends tested no new allocations would be required. This approach was not considered appropriate by the Council to deliver on the issues it is seeking to address.

The Councils preferred growth option is a dwelling-led scenario of 320 units per annum, based upon the 'better performing residential Candidate and Preferred Strategy Strategic sites' and 50ha of employment land coming forward within the plan period.

This level of homes is above the 2018-based projections, past completion rates for the period 2009-2019 (222 dpa) and higher than the previous 5-year average of 2015-2019 of 256 dph. However, we also note that completions in the plan period to date 2018-2020 are 818 units (409 dpa) which is a significant increase on past trends.

In the Edge Analytics study (November 2019) the 320 dpa level of housing growth originally equated to 2,685 new jobs over the plan period. The September 2020 update incorporated the latest 2018-based Welsh Government projections, almost doubling job growth to 5,205, but maintained exactly the same level of housing growth (320 dpa). The plan cites that the increase in jobs is supported by higher levels of net internal migration, particularly people of working age. The Welsh Government would welcome further clarification on the relationship between homes and jobs as it is unclear why job numbers have almost doubled and the level of housing growth has remained exactly the same.

As the strategy is underpinned by the creation of new employment opportunities, the authority should explain the growth sectors where new jobs will be created and how this aligns with a predicted decline in employment across the region, especially in manufacturing, which is the largest employment sector in Torfaen.

In summary, it is unclear why the Council has not tested higher growth levels for homes in order to explore what implications this could have for the level of homes and jobs in the plan. During the more recent period of higher housing growth (2018-20), Torfaen experienced a step-change in its population driven by higher rates of internal migration, with more young people and families moving into the area. The Council should explain the proposed housing growth in light of the authority's role as part of a national growth area, as set out in Future Wales. The relationship to other local authorities in the region, especially neighbouring authorities should be explained,

including the potential to accept or transfer housing and economic growth where more sustainable outcomes can be achieved. This additional work should be undertaken and explained in the context of what can realistically be delivered in the plan period.

The DPM (Edition 3) is clear that the evidence base should contain a variety of growth options with a clear explanation of the rationale and implications the different scenarios have on the key issues the plan is seeking to address.

#### **Employment Land Provision**

BE Group (September 2020) assessed the potential impact of the Covid-19 pandemic on employment land and premises in Torfaen and revised their resident workforce model to take account of labour supply increasing from 2,685 to 5,205 workers, generating a requirement for 30.03ha of employment land. This land-take figure relates specifically to new jobs, where the majority of employment opportunities are intended for the resident population, but is not representative of the Torfaen economy as a whole. The update by BE Group also acknowledges recommendations in the Council's Employment Land Review (March 2020) remain valid, a need for 14.12ha of employment land, plus an additional 20ha to 30ha for businesses already in Torfaen. The Welsh Government would welcome clarification on the preferred methodology to forecast employment growth and the total amount (ha) of employment land required. It is unclear from the BE Group update (September 2020) as the methodology and land requirement (ha) for the resident workforce model has been used interchangeably with findings in the ELR.

# Spatial Strategy: Scale and Location of Growth (including Clarity of Components of Housing Supply)

The Councils preferred spatial option is a hybrid of Option 2: Eastern Expansion of Cwmbran and Option 5: Continuation of Existing Strategy, which is for a network of integrated communities. The plan identifies that the focus for growth will be at the key settlements of Cwmbran and Pontypool, with Blaenavon a

main settlement. The majority of housing growth (58%) is directed to Cwmbran. The settlement hierarchy has been informed by the Council's Sustainable Settlement Assessment (March 2020), which assessed the role and function of places based on the level of sustainable transport, availability of services and facilities and employment opportunities as well as population size. **The Welsh Government broadly supports the Council's methodology in their Settlement Assessment, which is largely in line with the DPM Edition 3**. The Deposit plan must clearly articulate the level of housing and employment growth to be attributed to all tiers in the settlement hierarchy. The following points require clarification:

- Policy S8 highlights three settlements as the focus for growth/requirement at Cwmbran, North Torfaen and Pontypool. The figures within this policy total 4800 units, not the provision of 5600 units which is unclear. All components of supply should add up to the housing provision not the requirement.
- Will all units be directed to the three areas in Policy S8 only, including small and windfall development? Is this the full extent of the settlement hierarchy? Are other areas/places in the plan earmarked for zero growth? For example, the assessment identifies Ponthir and Varteg as Minor Settlements, although it is unclear why these do not form part of the settlement hierarchy in Policies S2 and S8?
- What is a net demolition? What is the scale of this numerically and why is it included?

The table below is our understanding of the housing supply components as at 01st April 2020, derived from information in the plan and the Updated Housing Background Paper (Sept 2020).

Components of Supply	Number of Units (at 01st April 2020)
Total Completions	818
Units with Planning Permission	1,634

Components of Supply  Strategic Site Allocations  Current adopted LDP Allocations - 'rolled over allocations from current LDP expected to gain planning permission before Deposit'  Large Windfalls  Small Sites  Total Housing Provision		
Current adopted LDP Allocations - 'rolled over allocations from current LDP expected to gain planning permission before Deposit'  Large Windfalls  Small Sites	Number of 01st April 2	•
current LDP expected to gain planning permission before Deposit'  Large Windfalls  Small Sites	1,220 (deliv plan period 2018-2033)	
Small Sites	1,040	
	550	
Total Housing Provision	338	
Total Housing From Science	5,604 units	

There is no information in the plan that draws together the spatial distribution of housing and the development/components of housing supply in one place. There are also inconsistencies with some of the figures and policies which make this difficult. To deliver on the requirements of PPW and the DPM the following tables must be included in the Deposit LDP to ensure clarity and effective monitoring of the plan:

- Table 12 Distribution of Housing and Employment
- Table 16 Summary of Spatial Distribution of Housing
- Table 17 Site Allocations Policy Table
- Table 19 The Timing & Phasing of New Allocations
- Table 20 The Timing & Phasing of Sites with Planning Permission
- Table 21 Calculating the Anticipated Annual Build Rate (AABR method)
- Diagram 16 Housing trajectory graph

## **Delivery and Implementation**

Delivery of the plans strategy is underpinned by the four Strategic Sites

identified in Policy S3. The sites are located in the Key Settlements of Pontypool and Cwmbran and are anticipated to come forward for a mix of uses, for approximately 1,220 dwellings and 10ha of employment land. The DPM (Chapter 5) sets out in detail the core issues that must be addressed during plan preparation, reflecting policies stated in PPW11, with particular attention should be paid to the De-risking Checklist. Whilst we note that Appendix 1 of the plan provides information on the development proposals for each strategic site, as well as broad timings and phasing, the Deposit Plan must be underpinned by high level and site specific viability appraisals, an infrastructure plan and a robust housing trajectory.

The Deposit Plan must also address the following:

- Demonstrate the Strategic Sites are financially viable and deliverable over the plan period. The Strategic Sites must be supported by Concept Plans/ Masterplans, with information on viability, costs, timing and phasing, key infrastructure requirements, along with an Infrastructure Plan and Statements of Common Ground (SoCG). The specific requirements considered essential to deliver the sites must be elevated from the background evidence into policies. An explanation of the difference between Strategic Sites and Strategic Action Areas in Policy S3 would be beneficial.
- Evidence the delivery of all allocated sites, including land 'rolled forward' from the extant plan, such as Mamhilad, particularly given its scale (825 units). To align PPW11 and the DPM the Council should robustly explain the change in circumstances to demonstrate sites are deliverable and justify their re-allocation in the plan.
- The high-level viability appraisal must inform the plans affordable housing targets and site-specific viability work, where appropriate. In line with the requirements in PPW and the Ministerial letter (July 2019), the viability appraisals must test the delivery of affordable housing led sites, where at least 50% of the units are affordable to make best use of public land, in the first instance. The viability appraisals must be consistent with the tenure split in the LHMA and the aspiration in Future Wales for new developments in well-connected and serviced urban areas to have densities of at least 50 dwellings per hectare (net) (Future Wales, Policy 2, page 66), where

appropriate.

- The viability work must also inform the requirement in LDP Policy S15 for "all development proposals for new residential, commercial and community facilities" to incorporate low carbon heating systems and Building Integrated Renewable (BIR) technologies. The practicalities and implications of this requirement on new development, particularly residential units, should be fully explained and inform the findings of the viability work.
- The importance of the housing trajectory, as set out in PPW, must be prepared and supported by an analysis and understanding of lead-in times, the relationship between sites, constraints, costs, infrastructure requirements, density and funding streams, with robust assumptions on windfall sites.
- The housing trajectory will also need to demonstrate there is sufficient flexibility at key points over the plan period. The Council's flexibility allowance of 17% should have been set for a reason to account for the nondelivery of sites. The level of flexibility in the plan should be maintained as it progresses to deposit with any numerical losses being replaced. For example, the approach of adding net demolitions to the housing requirement is unclear as these replace existing units.

#### **Affordable Housing**

We note that no high level or site-specific viability assessment has been included as part of the Council's evidence base to set the affordable housing targets and thresholds in the plan. The LHMA (2017) identifies a need for 223 affordable units per annum or 3,345 units over the plan period, of which 88% is for social rented properties and 12% intermediate. The greatest need is for smaller 1 and 2 bed properties in the south of the County Borough.

We note in the Housing Background Paper (September 2020) that the Council has used a broad range of assumptions to calculate the plans potential affordable housing target of 1,231+ units. This supply is forecast to be higher in Cwmbran and aligns with findings in the LHMA that identifies this area as being of greatest need in Torfaen. Subject to more accurate findings in the viability work the Deposit Plan should:

- Follow the requirements set out in the 'Affordable Housing Policy Framework

   Checklist' in the DPM. Specifically, the plan policies will need to identify the
   total number of affordable units that will be delivered, supported by site
   specific targets and thresholds. The targets should clearly relate to spatial
   areas tested in the viability assessment, with a clear alignment to the plans
   settlement strategy and sub-market areas in the LHMA.
- Explain if Low Cost Home Ownership, which largely makes up the demand for intermediate properties, falls within the TAN 2 definition of affordable housing.

## **Gypsy and Traveller Provision**

We note that no Gypsy and Traveller Assessment (GTAA) has been included as part of the Council's evidence base. A draft assessment has been submitted by the Council to WG Communities Division in February 2020.

To comply with legislation and planning policy, a GTAA must be agreed by Welsh Ministers by the deposit stage and cover the full plan period (2018-2033). Provision must be made in the Deposit Plan for appropriate and deliverable site allocations to meet the identified need in the timescales set out, where appropriate. Any failure to agree the GTAA and meet the identified need, specifically in the short to medium term, is likely to result in the plan being unable to be found 'sound'. We would therefore encourage your authority to work with our Communities Division to ensure an agreed GTAA is in place by Deposit. The plan should also include an appropriate criteria-based policy to assess proposals for new sites.

#### Renewable Energy

We note that no Renewable Energy Assessment (REA) has been included as part of the Council's evidence base. The plan is clear than an assessment will be undertaken to identify Local Search Areas and promote opportunities on the Strategic Sites, including District Heat Networks and zero carbon buildings, especially as the authority declared a 'Climate Emergency' in June 2019.

#### The Deposit Plan should:

- Pontypool and Cwmbran are identified as Priority Areas for District Heat Networks (DHNs) in Future Wales (Policy 16). The plan should explore the suitability and viability of DHNs in these areas and on the Strategic Sites, where development exceeds the threshold of 100 dwellings or 10,000sqm, as potential for a heat network.
- The REA should identify scope for all types of renewable technology across
  the authority's area. The plan will need to have a policy/ies to deal with
  renewable proposals of less than 10MW, both outside and inside the Priority
  Areas.
- Your REA should explain how your policy approach has been developed, in line with requirements in national planning policy, Future Wales and the Welsh Governments Toolkit or Local Area Energy Plan (LAEP). The LDP and its supporting evidence, should take account of all relevant issues, and, where appropriate, make evidence-based decisions, where the Toolkit facilitates this approach.
- Demonstrate how the REA has been embedded into the Candidate Site process and explain how renewable energy and low carbon opportunities have informed the scale and location of growth, particularly on the Strategic Sites.
- Include in policy and as part of the monitoring framework, the contribution of the plan area in reducing carbon emissions and increasing renewable production.

#### **Minerals**

The Regional Technical Statement – 2nd Review (September 2020), identifies an annual apportionment of 258,000 tonnes of crushed rock for Torfaen. The requirement in MTAN 1 to maintain a minimum 10-year landbank of crushed rock throughout the entire plan period, resulting in a total need for approximately 5.93 million tonnes of crushed rock for Torfaen. As the authority has not previously supplied or exported crushed rock over the last 10 years, the feasibility of being able to make this provision should be considered. If, in exceptional circumstances, the supply figure needs to be amended, this will

have to be agreed by all four authorities in the sub-region through a Statement of Sub-Regional Collaboration agreed by the Regional Aggregates Working Party (RAWP) to inform the Deposit Plan.

#### **Best and Most Versatile Agricultural Land**

Agricultural land of grades 1, 2 and 3a are the best and most versatile (BMV) and should be protected from development. Whilst the plan identifies that Torfaen has a limited amount of agricultural land of grade 3a and above, the Deposit Plan will need to clearly explain the impact of development on BMV land, including the Strategic Site at Llanfrechfa. This approach is supported by findings in the Integrated Sustainability Appraisal (ISA), where the impact of the plan on natural resources is considered 'uncertain' because more detailed survey work is required on the Strategic Site at Llanfrechfa. If development is proposed on BMV land, the authority, in keeping with the requirements in PPW, should evidence development through the search sequence approach to site selection and explain the overriding need for the development, linked to the plans strategy, aims and objectives. We would advise you to liaise with our colleagues in Land, Nature and Forestry Division on this and BMV policy more generally.

#### **Flooding**

The Council should ensure that no highly vulnerable development is allocated in Zone C2. The plan identifies there are no Zone C1 floodplains in Torfaen and that the majority of land falls within Zone A, where there is considered to be little or no flood risk. The Council will prepare a Strategic Flood Consequences Assessment (SFCA) to inform allocations and policies in the Deposit Plan. We would advise the authority keep up-to-date with the TAN 15 update which is anticipated for publication in the new Senedd term.

## **About this document**

This document is a copy of the web page Torfaen County Borough Council Preferred Strategy First Review: Regulation 15 Consultation: Welsh Government Response downloaded.

Go to https://gov.wales/torfaen-county-borough-council-preferredstrategy-first-review-regulation-15-consultation-welsh for the latest version.

This document may not be fully accessible, for more information refer to our accessibility statement.

Get information on copyright.

