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22 April 2016

Dear Mrs Kyte,

**Caerphilly County Borough Council Local Development Plan (LDP) – Deposit LDP 1st Review
– Regulation 17 Consultation: Welsh Government Representation**

Thank you for consulting the Welsh Government regarding the Caerphilly Local Development Plan (LDP) – 1st Review Deposit documents. We acknowledge that the preparation of a LDP and the supporting evidence is a significant undertaking and recognise the amount of work your authority has undertaken as the first to deposit your replacement LDP for public consultation in Wales.

The Welsh Government is broadly supportive of the LDP strategy which seeks to locate development in sustainable locations, linked to the role and function of places and infrastructure provision. Planning Policy Wales (para 9.2.2) requires LPAs to consider the latest Welsh Government (WG) household projections and local factors when assessing the housing requirement in a plan. The LPA should set a level of housing provision that is appropriate for the area, linked to the key issues the plan is seeking to address and have regard to PPW. The latest Welsh Government 2011-based principal projection indicates that approximately 5650 dwellings are required over the plan period (2011-2031). The Council has concluded that the SE Wales 10 year migration trend (including a household size adjustment) is most appropriate to deliver the strategy and key issues. The LDP makes provision for 13,640 dwellings in order to deliver 12,400 units over the plan period 2011-2031. This is a deviation of approximately 6,750 dwellings above the WG principal projection.

The development planning system in Wales is evidence led and demonstrating how a plan is shaped by the evidence is a key requirement of an LDP examination. The demonstration of delivery and viability of all sites in the LDP is key, in particular those sites that are integral to the delivery of the strategy and objectives.

After reviewing your Deposit LDP and its evidence, **the Welsh Government has fundamental concerns in respect of the lack of evidence to demonstrate the delivery of the LDP strategy in relation to key sites in the plan.**

The issues raised in our Preferred Strategy consultation response (24th March 2015) and in the follow-up meeting of 25th September 2015, do not appear to have been adequately addressed. The Welsh Government remains concerned that key elements of your LDP are not supported by evidence in respect of viability, funding and timescales for delivery. Whilst it will be for the Planning Inspectorate to determine the soundness of the plan, **we are of the view that there is a significant risk the LDP may be found unsound if these issues are not addressed.**

Without prejudice to the Minister's discretion to intervene later in the process and to the independent examination, the Welsh Government is committed to helping local planning authorities throughout the LDP process. I have considered the Deposit LDP in accordance with the tests of soundness as set out in PPW/ LDP Manual. **The Welsh Government's representations are separated into four categories which are set out in some detail in the attached annex.**

Category A: Fundamental issues that are considered to present a significant degree of risk for the authority if not addressed prior to submission stage, and may have implications for the plan's strategy:

- **Deliverability of the Strategy – Strategic Sites**

Category B: Matters where it appears that the deposit plan has not satisfactorily translated national policy down to the local level and there may be tensions within the plan, namely:

- **Clarity of housing provision; justification of components; flexibility; and affordable housing viability**
- **Strategic sites & infrastructure delivery**
- **Employment – safeguarding and delivery**
- **Flood Risk**
- **Minerals**
- **Renewable Energy**

Category C: Whilst not considered to be fundamental to the soundness of the LDP, we consider there to be a lack of certainty or clarity on the following matters which we consider we can usefully draw to your attention to enable you to consider how they might be better demonstrated:

- **Affordable housing – tenure mix, exception sites**
- **Employment – level of need**
- **Waste**
- **Welsh Language**
- **BMV; biodiversity; and open space**
- **Monitoring Framework**

Category D: Matters relating to clarity of the plan generally which we consider may be of assistance to your authority and to the Inspector in considering suitable changes:

- **Various - technical issues and clarity**

It is for your authority to ensure that the LDP is 'sound' when submitted for examination and it will be for the Inspector to determine how the examination proceeds once submitted. You should consider how you could maximise the potential of your LDP being considered 'sound' through the examination process. **I would be happy to meet to discuss matters arising from this formal response to your Deposit LDP** and I would encourage you to contact me to arrange a mutually

convenient time.

Yours sincerely,

Mark Newey
Head of Plans Branch
Planning Directorate

Annex to WG Letter (22nd April 2016) in response to the Caerphilly County Borough Council 1st Replacement Deposit LDP 2011-2031

Category A: Objections under soundness tests; fundamental issues that are considered to present a significant degree of risk for the authority if not addressed prior to submission, and may have implications for the plan's strategy.

Delivery of the Strategy - Strategic Sites

The delivery of the LDP is reliant on the delivery of strategic sites. Strategic sites are by definition strategic in nature and integral to the delivery of the strategy and objectives of the LDP. **There is no evidence to support the delivery of strategic sites. The Welsh Government considers this a fundamental gap in the evidence base.** The authority alludes that work will be completed in respect of strategic sites viability; however this work should be available now in order to demonstrate delivery of the plan. Demonstrating the infrastructure to support delivery is fundamental to the strategy. All the points raised in this annex in relation to infrastructure delivery, viability, funding mechanisms, and phasing apply to each strategic site individually and should be addressed before the plan is submitted for examination.

Category B: Objections under soundness tests; matters where it appears that the Deposit Plan has not satisfactorily translated national policy down to the local level and there may be tensions within the plan, namely:

Clarity of Housing Provision

The Welsh Government does not object to the level of housing provision in the plan. This is for the authority to justify. However, **the Welsh Government considers there is a fundamental lack of clarity as to how the level of provision has been calculated in relation to the components of supply that underpin it.** It is also unclear as to how the level of provision relates to the spatial distribution of housing and phasing tranches set out in the plan.

Policy SP22 and its reasoned justification set out the level of provision, but the plan is silent as to the numerical assumptions that comprise the figure. The only figures specifically referred to in the plan are those set out Policy H1 and Appendix 20 - 9,238 dwellings. The detail in respect of housing components are decanted to the Housing Supply Paper (BR15) which sets out and explains all components of housing supply. However the various tables within it refer to different components at different base dates (2013 and 2015). Table I appears to summarise all components; however, the table is a mismatch of data from different base dates. Completion data is only included up to 2013, yet some supply components are included up to 2015. It is also difficult to understand how some components are labelled with different titles from that in BR15 and the plan. For example, the sites in Appendix 1-6 (BR15) all appear to feature in Policy SP22 and are labelled as allocations. Yet when totalled, these components do not correlate with that in the plan. The Welsh Government assessment arrives at a housing provision range of between 12,031 – 14,245 dwellings depending on which base date and what components from the Council's own evidence. On this basis the Welsh Government considers there is a fundamental lack of clarity between the housing supply components and the provision in the plan, and considers the following amendments are necessary to ensure soundness and provide clarity to plan users:

- The plan needs to make clear how the components of housing supply relate to the spatial distribution of housing growth, strategy and settlement hierarchy. Policy SP22 should be supported by evidence, summarised by a table in the plan that clearly sets out from one base date, the completions to date, land bank (u/c, permissions and S106 sites, if appropriate) new allocations and windfall assumptions (small and large). In doing so, the Council should be clear that there is no overlap between components and base dates. In essence the Council needs to ensure there is no double counting.

- Policy H1 should clearly differentiate between commitments and allocations. The rationale of labelling all sites as allocations is unclear given the Council's approach to settlement boundaries.

Justification of components of housing supply

Windfall Assumptions - The LPA assumes a windfall rate of 3,960 dwellings over the remaining 18 years over the plan period (1620 small, 2340 large). The rates are based on past trends, with a discounting adjustment for large sites that have the potential to distort the figures when projected forward. On this basis the Council's evidence suggests that 97 units per annum are appropriate. The Welsh Government does not object to the principle of the approach.

However, the Council then goes on to apply an uplift on large windfall development rates from 97 p/a to 130 p/a. This represents an increase of nearly 600 units over the plan period. **The Welsh Government does not consider that the Council has provided a sufficient justification to demonstrate an uplift of this scale.** For example, part of the Council's rationale is that sites that are currently in C2 may come forward due to future flood defence works at Risca. The Council states that when completed this has the potential to yield 200 windfall units. This approach is not in line with national policy. The aforementioned sites are currently in C2 as per the DAM maps. In addition the Council also states that 600 units have been de-allocated from the current LDP in the NCC, but some have the potential to come forward as windfall sites as they are within a settlement boundary? Such an approach is at odds with the reason for de-allocation, in essence they are undeliverable. The Council also makes reference to Bedwas Colliery having the potential to come forward over the plan period. The Council has de-allocated the site on the basis that it is undeliverable. **The Welsh Government has significant concerns in respect of the Council's approach to large windfall sites.** It is not appropriate to decant what the Council considers as de-allocated unviable/ undeliverable sites back into the windfall assumption. Given that 30% of the total housing provision is windfall development, the authority will need to justify that the assumptions are robust, and linked to the capacity of places to deliver the anticipated rates over the plan period.

Sites subject to planning applications (01st April 2015, 741 units) – BR15, Appendix 4 -

It appears from BR15 that the Council has included an allowance for 741 units on sites that are subject to non determined planning applications at 01st July 2015. BR15 (page 8) states that these sites are contrary to national policy and adopted LDP strategy. The authority goes on to state that it is unclear whether they will gain planning permission? It is therefore unclear as to how these sites relate to the Deposit LDP given that all 741 units appear to have been allocated in Policy H1? The Council need to justify firstly why are these sites allocated in Policy H1, how do they relate to the Deposit LDP strategy, and thirdly, given that they do not have permission, is there double counting with the windfall assumption.

Site Capacity & Density (35dph) - Paragraph 3.33 of the LDP states that the figures in table H1 are indicative; the Council should evidence that the capacity of sites identified in the plan will be delivered.

Deliverability and Flexibility - Housing

In light of the issues raised in this Annex in respect of the viability and deliverability of key allocations, the Council will need to evidence that there is sufficient flexibility to account for non delivery and unforeseen issues. We support the inclusion of a flexibility allowance within the plan; however, it will be for the local planning authority to evidence that a 10% flexibility allowance is a sufficient buffer to demonstrate that the plan can respond to economic challenges and unforeseen circumstances associated with delivery.

In addition to the viability work that will need to be undertaken, a housing trajectory would assist all parties to understand and consider the ability of all sites contained in the plan to be delivered. This work should be supported by an analysis of lead in times for large and strategic sites, the interrelationship between such sites, potential constraints and costs, infrastructure requirements,

funding streams and robust assumptions for small and windfall sites. **The authority will need to demonstrate a five year housing land supply from the adoption of the plan to ensure the plan can be found sound.**

Affordable Housing Viability Study (BR13) / Policy CW13 – Affordable Housing Planning Obligations

The target and thresholds in the policy are supported by an Affordable Housing Viability Study (AHVS) BR13. The Welsh Government supports a local authority maximising affordable housing delivery, provided it is supported by robust evidence. It is important that the viability evidence (BR13) supporting the plan is up-to-date and takes into account known costs. All associated known build costs should be factored into any assessments, including the cumulative impacts of various policy requirements. The authority and the development industry are best placed to comment on the validity and robustness of the various assumptions underpinning the AHVS such as benchmark land and sale values, developer profit, build costs, abnormal costs/buffer, and building regulation requirements, including sprinklers.

Affordable Housing Planning Obligations – CW13 - The reference to viability negotiations in the reasoned justification (para 2.31) is supported however, this **should be elevated to the policy text.**

Thresholds - Small Site Viability/Commuted Sums – It is unclear why a threshold of 5 units has been deemed appropriate for the plan. The evidence suggests that a lower threshold would increase the supply of affordable housing as small sites are no less viable. The rationale for not adopting a lower threshold to maximise affordable housing is purely an administrative one, and not linked to the evidence. **The Welsh Government considers there is an opportunity to reduce thresholds in order to maximise delivery of this key plan objective.** It is also unclear why the Council has not considered the use of commuted sums, particularly to address the issue of part delivery. The use of commuted sums should not be considered as exceptional within Caerphilly.

Sprinklers / Viability Buffer - It is unclear as to whether the AHVS has sufficiently tested the impact of sprinklers. We note from the AHVS (2.9) that the Council disagrees with the stated costs of Welsh Government and consider that they are too high. The cost of sprinklers has been factored into sensitivity testing, not upfront. This is inappropriate. The costs of sprinklers are known and should be factored into the model as a known cost. We note from the evidence that the full cost of sprinklers would have a negative effect on residual values (-£56,000-£108,000). While we note the Council has allowed a 15% uplift on BCIS costs to allow for sprinklers, it is unclear what the 15% encompasses and whether this is sufficient. While we note the AHVS alludes to a 'viability buffer' nowhere in the model is this quantified or explained as to whether this is sufficient to deal with these issues. The Welsh Government considers the Council need to explain the impacts of 'sprinklers' on viability, explain what the buffer is, and how it would relate to the types of sites in the plan. **All affordable housing thresholds and targets, should be robust, reflective of known costs, and supported by evidence.**

S106 & CIL - The AHVS makes no assumption for S106 costs in the testing. How and where are these costs accounted for? The Welsh Government considers the following need addressing:

- Where is the evidence to suggest that the Council are not asking for S106 contributions in the Borough to justify not including them in the model?
- How have education contributions been factored in to the model if exempt from CIL?
- How will infrastructure contributions be sought in areas without a CIL charge if not through S106, especially in light of pooling restrictions?
- Policy CW12 requires provision of open space. Policy SP11 sets out a list of infrastructure requirements that the Council will be seeking through S106. How/where are these contributions accounted for in the model?

Strategic Sites – Delivery - The Welsh Government considers that the Council has not satisfactorily or robustly demonstrated the delivery of strategic sites within the AHVS or elsewhere in

the evidence base. The current viability evidence inputs the costs from the adopted CIL charge. Yet, the Council has alluded to the fact that this will be updated and changed in the near future. The rationale of lowering the affordable housing target in the Caerphilly Basin from 40 to 30% is to deliver more CIL in the future to pay for key infrastructure. Yet, the Council states that key/strategic sites, and by default the infrastructure required to deliver them will either have their own CIL charge or be exempt from CIL? These conflicting statements (*LDP para, 1.108 LDP, AHVS paras 6.4.10, 4.10.1*) are confusing and create uncertainty on how key sites will be delivered. It is unclear how and through what mechanism the Council is going to deliver infrastructure. The following points need addressing:

- There is no site specific deliverability work undertaken to date in relation to key strategic sites. The Council alludes to this being done in the future. This is not appropriate. This work should be completed now to justify key allocations in the Deposit Plan. This omission is a matter of soundness in that failure of these sites to come forward will impact on delivering the LDP strategy.
- There is no viability evidence that quantifies the infrastructure requirements and costs necessary to deliver strategic sites, the mechanism for their delivery (S106 or CIL) or their contribution/relationship to the affordable housing target.
- There are many assumptions about what might happen to future CIL rates. What evidence is there to support lowering the affordable housing target on this basis? It is not appropriate to decant viability work on key strategic sites to a future CIL examination. This work should be completed now to demonstrate delivery of the plan.

Infrastructure Delivery

Strategic Site Delivery and Developer Contributions - The plan has two strategic allocations at Site 1: Parc Gwernau and Site 2: South East Caerphilly, which will deliver 2,500 new homes. Paper BR7a Transport identifies that without the Maesycwmmmer Link Road and South Eastern Bypass, neither site is deliverable and clarification is sought that with pooling restrictions on S106 agreements (up to 5) and the Council's exemption of both sites from CIL (see also WG comments in respect of the AHVS) that key transport infrastructure can be delivered on the strategic sites. While there is some reference to the required infrastructure in Appendix 20, the level of work is not sufficient to demonstrate that the infrastructure necessary to delivery these sites in deliverable.

Transport Infrastructure and Site Delivery - Many of the plans aims and objectives are dependent on development being integrated with the provision of key transport infrastructure, such as the reinstatement of passenger rail services and new rail stations. Greater explanation is required on whether all transport schemes are necessary to deliver allocations and achieve the plans sustainable growth strategy. For example, the new passenger service TR2.1 Cwmbargoed rail line.

Employment

Safeguarding of Employment Sites - Policy SP24, the protection of existing employment land would appear to total in excess of 490ha. The Council should **explain why the majority of existing employment sites have been safeguarded and how/if vacancy rates have been considered on these sites in designating them.** TAN 23 highlights the harm caused by a persistent over-supply of employment land and the authority has evidenced a surplus of B-Class land in the south-east Wales region and the plan itself. Paper BR4 Employment has undertaken an assessment of existing employment sites and graded those with a 'D/E' and 'E' as no longer suitable for employment purposes. The Council should explain why land at North Celynen that was graded 'D/E' and has been described as "difficult to develop with little demand for employment use" (BR4, section 7.2) has been safeguarded by the Council in Policy E2. It is crucial that employment land supply does not frustrate development for other uses over the plan period.

To align with TAN 23 and other adopted LDP's in Wales, **the Council should include a new policy on the release of employment land for alternative uses.** As currently worded, Policy CW16 does not permit alternative uses outside of designated employment sites and approves the loss of

employment allocations to unrelated B-Class uses. The authority should explain this approach. The retention and release of existing employment sites should not compromise the integrity of remaining employment land and should only be considered for alternative uses in accordance with paragraph 4.6.9 of TAN 23.

Delivery of Employment Allocations - Over 65% of the employment allocations listed in Policy E1 have been rolled forward from the extant LDP. **The Council should justify rolling forward the employment sites and evidence market demand and the delivery of employment allocations over the plan period.** Appendix 9 of the LDP identifies that employment allocation E1.2 Land at the Lawn, is suitable for development as a food store. The Council should explain why the employment allocation is considered suitable for a non B-Class use and provide reassurance that the remaining employment allocations will not be lost to alternative uses over the plan period. Mixed-use allocations E1.11 Land at Rudry Road and E1.12 Ness Tar are allocated for 11ha of employment land. The Welsh Government requires clarification on the relationship between the take-up of employment and residential land on mixed-use allocations and whether the two can come forward independently.

Flood Risk

The Welsh Government considers that the LDP policy framework should be strengthened to better reflect national planning policy in respect of flood risk, as set out in PPW (section 13.3) and TAN 15 'Development and Flood Risk'. This is particularly pertinent in TAN 15 (paragraph 10.8) which states that sites in zone C2 should not be allocated for highly vulnerable development; the thrust of national policy is to avoid such areas, rather than mitigate and then continue; this should be clearly articulated within a policy. The policy and supporting text should also align with the requirements of section 13.3 in PPW and reflect the acceptability and justification tests of TAN 15.

There are 12 housing sites with whole or partial areas within flood zone C2 and C1 (H1.20, H1.41, H1.64, H1.44, H1.46, H1.67, H1.30, H1.45, H1.051, H1.52, H1.55, H1.69) and 3 employment sites (E1.2, E1.7 and E1.11) and a number of retail and leisure sites. **The LPA should demonstrate that it has complied with national policy in respect of flood risk** and that all sites / allocations can accommodate the scale of growth proposed, and that the C3 development proposed can be accommodated on these sites outside of C2 flood zones, and are deliverable within the plan period.

Minerals

Policy SP16: Minerals - To accord with national policy (PPW, paragraph 14.6.2 and MTAN 1, paragraph 34), the strategic policy SP16 should include criteria to promote and support the efficient use of minerals and use alternatives to naturally occurring minerals including the re-use of recycled, secondary aggregate or waste materials to reduce primary resources extracted.

Policy CW26 – Safeguarding - The minerals safeguarding policy CW26 is supported. The authority should safeguard the following on the proposals map (not the constraints map as indicated in BR8, paragraph 6.29 and 8.5);

- aggregates inline with the BGS Aggregates Safeguarding Map of Wales;
- primary and secondary areas of coal resources (MTAN 2, paragraphs 34-43);

The authority should clarify whether Policy CW26 is to have a reasoned justification as shown in the background paper (paragraph 10.4). We suggest that for clarity Policies CW26 and MN2 should cross refer to each other.

Policy CW 27 – Minerals buffer zones - The authority states; “the extent of the buffer zone reflects the known effects of mineral working at the site and may exceed the minimum distances set out in MPPW, MTAN 1 and MTAN 2” (paragraph 2.67). Whilst national policy enables authorities to set buffer zone sizes appropriate to the site, the distances set must be clearly defined in the LDP and supported by clear and justifiable reasons (PPW, paragraph 14.7.16 and MTAN 1, paragraph 71).

The proposals map shows instances where the buffer zones overlap the settlement boundaries (e.g. MN1.3, MN 1.2). The authority should identify buffer zones around permitted and proposed mineral working up to the edge of the settlement boundaries. PPW states that “within the buffer zone, there should be no new mineral extraction or new sensitive development, except where the site of the new development in relation to the mineral operation would be located within or on the far side of an existing built up area which already encroaches into the buffer zone” (PPW, para 14.4.1). **The application of buffer zones within settlement boundaries creates contradictory policy stances** as there is a presumption in favour of development within settlement boundaries and the application of buffer zones within settlement boundaries sets a presumption against development. It is inappropriate to have opposing policies in the plan. We suggest that for clarity Policies CW27 and MN1 should cross refer to each other.

Policy MN1 - In the list of mineral sites in Policy MN1, the authority should confirm the classification of Machen quarry. The RTS 1st Review lists Machen quarry as being inactive and stated that further information on the future of the quarry was required. **Evidence provided by the authority is contradictory**; background paper BR8 states “Machen quarry is the only recently active limestone quarry in the county borough...and is currently mothballed” (paragraph 6.4); however, Policy MN1 identifies the status of the quarry as ‘active’. The RTS 1st Review states that if Machen Quarry were to remain inactive over the plan period a further allocation would be needed in the LDP (Appendix B, p23). The status of Hafod quarry also requires clarification. This sandstone quarry is identified in the background paper (BR8) as being mothballed (paragraph 6.11), yet it is identified as ‘active’ in Policy MN1.

Dormant sites and prohibition orders - The list of quarries in Policy MN1 identifies four sites as being dormant. To comply with national policy the authority should consider if working is unlikely to recommence so that a suitable strategy and Prohibition Orders can be made (PPW, paragraph 14.4.14, MTAN 1, para 48).

Areas where coal will not be worked - Whilst the LDP states “coal resources remain particularly in the HOVRA that are capable of future extraction” (paragraph 1.76), the plan should give certainty to communities by identifying areas where coal will not be worked, supported by a policy framework (PPW, paragraph 14.7.11).

Minerals working policy - The plan must ensure it has a suitable policy framework to assess any future applications for mineral working in the authority.

Renewable Energy

Renewable Energy Assessment - We note the authority has published BR21: Renewable Energy Baseline Assessment 2015 update, however, there are some omissions in evidence relating to wind energy (project sheet B) as the results of the 2015 assessment are not appropriately detailed, or spatial areas identified. The authority should publish the 2015 Renewable Energy Assessment as it forms part of their evidence base. In order **to comply with national policy and the Ministerial letter (December 2015) we expect local authorities to translate the findings of the assessment into the LDP and identify spatial areas as allocations, or areas of search on the proposals map**, supported by a robust policy framework.

Policy CW 2 - Renewable and low carbon energy in new development - The requirement for large scale developments to submit energy assessments at planning application stage is not in accordance with national guidance. Planning Policy Wales states “local planning authorities should assess strategic sites to identify opportunities to require higher sustainable building standards (including zero carbon) to be required. In bringing forward standards higher than the national minimum, set out in building regulations, local planning authorities should ensure that what is proposed is evidence-based and viable” (paragraph 4.12.5).

Category C: Objections under soundness tests; whilst not considered to be fundamental to the soundness of the LDP, there is considered to be a lack of certainty or clarity on the following matters which can usefully be drawn to your attention to enable you to consider how they might be addressed.

Affordable Housing

Target, Tenure Mix and Need - Policy SP23 – Affordable Housing sets out a target of 1930 dwellings to be delivered over the plan period. The Council states that the affordable housing shortfall is a significant issue, and that the shortfall is borough wide. This is evidenced by the LHMA and the significant level of need identified. However, Policy CW13 – Affordable Housing Planning Obligation goes on to state that applicants will only have to meet the threshold and percentage target ‘where there is evidence of need’. **This is inappropriate, not justified by evidence, contrary to plan objectives and should be deleted from the policy.**

Para 9.2.15 of PPW states that it is desirable that new housing development incorporates a reasonable range and mix and balance of house types and sizes so as to cater for a range of housing needs and contribute to the development of sustainable communities. Para 8.1 of TAN 2: Local Housing Market Assessments and the Development Plan, states that it is important that LPA’s have an appreciation of the demand for the different dwelling sizes and types of housing (i.e. intermediate and social rented) in relation to the supply so that the LPA can negotiate the appropriate mix on new sites. The Welsh Government has previously stated that LDP affordable housing policies should not include the range/type/mix of housing, specifically as matters could change over the lifespan of the plan and potentially inhibit the appropriate mix of development. LDPs should however include reference to the latest information within the reasoned justification to enable effective negotiation. Dependent on the mix, which may have financial implications, the delivery of affordable housing (percentage sought on site) could also be impacted. **The LPA should confirm that the tenure split tested with the AHVS is reflective of the tenure mix identified in the LHMA.** The reasoned justification refers to annual need of 526 dwellings per annum. However it is unclear what the base date of the need is, whether it includes any backlog and what the total need over the plan period is, or indeed what tenure mix of housing is required, as set out in the LHMA. The reasoned justification should be amended to include a reference to the total level of need, and the tenure mix of housing.

Housing for Older People - Policy CW15 - It is unclear how the policy approach is justified by evidence or indeed how it will be implemented in practice. The Welsh Government requires justification as to whether the requirement for all new housing sites over 25 dwellings to provide 10% of housing for older people has been factored in to the viability evidence, and how this requirement is appropriate in light of the conclusions of the LHMA and density assumptions. The Council has made clear that this requirement would be in addition to affordable housing sought by the affordable housing policy. The industry may be best placed to comment on the appropriateness and whether this policy can be implemented in practice.

Affordable Housing Exception Sites – Policy CW14 - The Welsh Government supports the principle of the policy; however, national policy (PPW 9.2.23) does not differentiate between rural and urban exception sites. It is unclear why the Council is referring to only a few specific rural areas as suitable for affordable housing, especially in light of affordable housing being a key issue over the whole plan area. The Welsh Government considers the policy is overly restrictive and contrary to national policy. The Councils approach in this respect would benefit from clarification and justification.

Employment

Employment Need and Plan Provision - The authority has calculated employment need up to 2031 using historic land-take for the period 2000-2013. **The authority should explain why they have included the first 2-years of the plan period (2011-2013) when calculating employment**

land provision for a 20-year plan. To deliver the key aim of economic growth, it is crucial the level of employment need is accurate and robust for monitoring purposes.

As currently worded, the employment need in Policy SP24 of 29ha does not align with the need identified in paper BR4 Employment for 36.74ha of employment land. The Council should confirm the level of employment need and provision over the plan period. Whilst the Welsh Government supports the principle of a land provision target that is higher than anticipated demand we require clarification to why Policy SP24 allocates 77.3ha of employment land to meet an evidenced need of 36.74ha, which already includes an allowance (8.35ha) for flexibility and choice. **The Council should explain how the continued over-supply of employment land from the extant LDP will not cause harm by frustrating the development of employment land for other uses.**

Waste

Identification of Waste Sites - Plans should indicate where suitable and appropriate sites exist for the provision of all types of waste management facilities to provide certainty for waste operators fulfilling demand in an area. Document R2 Employment Sites Supply and Market Appraisal identifies employment allocations and safeguarded sites considered most suitable for waste related uses at E1.1 Land at Heads of the Valleys, E1.10 Land at Trecenydd and E2.5 Capital Valley, Rhymney. **The Council should highlight the suitability of these sites for waste uses in Policy E1 and Policy E2.**

Welsh Language

The Sustainability Appraisal contains assessment criteria to promote the use of the Welsh language (objective 31), which accords with the requirements of section 11 of the Planning (Wales) Act. The authority's conclusion that no specific policy or intervention is required may be reasonable, but the **LDP is required to include a statement on how the SA has taken the needs and interests of the Welsh language into account and assisted the authority in reaching this position.** The authority should ensure that evidence relating to the population that can speak, read and write Welsh is consistent (see LDP paragraph 0.87 and SA Scoping Report page 17).

Best and Most Versatile (BMV) Agricultural Land

The Welsh Government considers that the **LPA should thoroughly evidence the selection of sites and demonstrate that any loss of BMV agricultural land is minimised, only used when fully justified, as set out in PPW, paragraph 4.10.1.** The authority should explain the rationale for allocating the following sites, H1.62 Gwern y Domen, H1.64 Land south of Rudry road E1.11 Land at Rudry Road in light of the requirements of national policy and the key issues the plan is seeking to address.

Biodiversity

TAN 5 Nature Conservation and Planning section 3.3.2 states that 'Local Development Plans should include policies that safeguard nationally and locally designated sites whilst making clear the relative weight to be attached to the different designations'. **Policy SP13 Conservation of natural heritage is not reflective of the hierarchy of biodiversity sites.** In addition, in order for the authority to secure mitigation, it is unclear why Policy SP11 Planning Obligations does not cover natural heritage.

Open Space and Recreation – CW12

PPW section 11.2.2 states that development plans should set clear policies for the provision, protection and enhancement of facilities. The Welsh Government considers that the Council requires a policy framework which sets out the standards for open space, including the approach to considering applications in areas of over/under provision. It is not appropriate to refer to standards in

the reasoned justification. This should be elevated to the policy wording. The Council would benefit from looking at other adopted plans in this respect.

Monitoring Framework

It is vital that the monitoring framework includes triggers and action points so that appropriate action can be in place in advance to avoid a situation of non delivery. The Welsh Government considers that the monitoring framework has some shortcomings in this respect. The authority should look at recently adopted plans which could provide good practice examples which the authority could benefit from, building on experiences and effectiveness of the current framework.

Category D: Matters relating to the clarity of the plan which may be assistance to your authority and to the Inspector in considering suitable changes.

Employment (numerical clarity)

Policy E1 allocates 77.3ha of employment land for development. The Council should ensure the size of each allocation aligns with Appendix 9 of the plan. Allocation E1.11 Land at Rudry Road is allocated for 8ha of employment land, yet Appendix 9 highlights that just over 3ha of land is available for employment purposes. The Council should update the table in Policy E1 and reconsider the plans employment provision.

Minerals - General observations

- Factual changes required throughout the plan to replace reference to MPPW to PPW (edition 8, January 2016) which now incorporates minerals planning policy.
- References to Assembly Government should also be amended to Welsh Government.
- The authority must ensure their evidence base consistent with the plan; for example, policy numbers in background paper BR8 do not correspond with the deposit plan.

Heritage

- It is unclear how the impact in respect of the physical remains/ and or the setting of scheduled monuments, registered historic parks and gardens has been considered and addressed through the policy framework with regards to the following: H1.14 – Cwm Gelli Farm, H1.62 – Gwern y Domen, H1.64 – Land South of Rudry Road, TR1.12 – Caerphilly Basin Radial Routes, E2.7 – Penyfan, E2.4 – Heads of the Valleys.
- Policy SP10 Built Heritage (criteria e) is a generic statement that would benefit from clarity in terms of what it encompasses and whether it requires or aligns with designation(s) on the proposals and constraints map. (PPW 6.4.2).
- As outlined in PPW section 2.2.6 ‘a proposals map on a geographical Ordnance Survey base must delineate those policies and proposals with a spatial component including all allocations; although where spatial delineations are determined by other mechanisms they do not need to be shown’. It is noted that historic parks and gardens and landscapes are identified on the proposals map these are not designated by the LPA but by other mechanisms and should therefore be on the constraints map.
- Clarity whether the policy would incorporate proposals for re-use or new development affecting historic areas and buildings and include locally specific policies for works of demolition, alternation, extension or reuse of listed buildings and their curtilages. It is not clear in Policy SP10 Built Heritage or its reasoned justification how proposals for re-use or alternations to historic buildings are to be dealt with.
- The proposals map identifies an essential setting for the historic environment through the use of a dotted symbol it is however unclear how this is implemented in practice as the extent of the designation is not clear and there is no reference to this in the policy framework.

Contaminated land and Pollution

- Clarity is required for policy CW19 General Locational Constraints as this only applies to development outside of settlement boundaries the policy framework does not address contamination and pollution etc. (including noise, light, air and water) within the urban edge.

There is no detailed policy for restoration and development of existing polluted land and derelict sites (PPW 13.6.3); Appendix 7 of the Written Statement outlines this as an issue for the area through the requirement for detailed assessments to support allocations such as air quality, noise, ground investigation.

Land stability

- It is unclear if land instability is an issue for the area and clarity should be provided. PPW section 13.8.

Retail

- The terminology used to defined centres in the retail hierarchy between the strategic policy SP8 and the CW policies is inconsistent and requires clarification. For example, the application of the sequential test.
- The designations for the retail hierarchy in respect of Retail Warehouse Parks/ Primary Retail Areas (Policy C3/ C2) is unclear in terms of how they are named and spatially expressed on proposals map. In addition, it is unclear as to Retail Warehouse Parks have special designation within the hierarchy. This would benefit from clarification.
