

Amgylchedd a Datblygu Cynaliadwy
Environment and Sustainable Development



Llywodraeth Cymru
Welsh Government

Nia Davies
Yr Uned Polisi Cynllunio ar y Cyd
Gwynedd a Môn
Neuadd y Dref
Bangor
Gwynedd
LL57 1DT

31 March 2015

Dear Nia,

Welsh Government response to Gwynedd and Ynys Mon's joint Local Development Plan 2011 – 2026 – Deposit Version

Thank you for your recent correspondence of 16th February, including copies of the Deposit Local Development Plan (LDP) and accompanying documentation.

We are pleased to see progress being made in preparing a joint development plan for the area and we acknowledge the amount of work undertaken by the two Local Planning Authorities and the Joint Planning Policy Unit to reach this stage, particularly the collaborative working which we commend. We also recognise the amount of evidence the authorities have collected to support their conclusions in seeking to find solutions within the land-use planning system to housing and cultural issues of significant concern to communities.

Under the LDP system responsibility rests with the local planning authority to ensure that a submitted LDP is sound in procedural terms, and enshrines the principles of early community engagement, transparency, consistency, coherence and compatibility to neighbouring authorities. If these principles have not been addressed adequately at the earliest stages of preparation, then the deposit LDP may be considered unsound and unfit for examination.

The matter of whether a plan is considered 'sound' will be for the appointed Planning Inspector to determine. We have considered the Deposit LDP in accordance with the consistency/coherence and effectiveness tests, and principally in accordance with whether satisfactory regard has been given to national planning policy (test C2). Our representations are separated into **4 categories** which are supported with more detail in the **attached annex**.

A. Objection under soundness tests C2, CE2: Fundamental issues that we consider 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:

No Issues

B. Objections under soundness tests C2, CE1, CE2: 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:

Creating sustainable communities – this heading covers 4 aspects:

1. Provision for Gypsies and Travellers;
2. Housing provision including deliverability of Affordable housing;
3. Provision for Employment sites; and
4. Renewable Energy

C. In relation to soundness tests CE2, CE3, CE4: 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:

- I. Deliverability of sites;
- II. Control of housing developments in villages;
- III. Monitoring and implementation; and

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.

- Specific technical issues

We have raised some of these issues with you on previous occasions and we will be contacting you soon to arrange a meeting to discuss any matters arising from our formal response to your deposit LDP.

Yours sincerely

Mark Newey
Head of Plans Branch
Planning Division
Welsh Government
Annex

Annex to WG letter (31 March 2015) in response to the Gwynedd and Mon Joint deposit LDP

- A. Objection under soundness tests C2, CE2: Fundamental issues that we consider 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:**

No Issues

- B. Objections under soundness tests C2, CE1, and CE2: 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:**

Creating Sustainable communities:

1. Gypsies and Travellers

The evidence doesn't quantify the need for either permanent or transit sites and when, within the plan period they are needed (7.4.90 – 11 residential pitches to replace the existing one near Pentraeth, 10 residential pitches in Gwynedd, 28 transit pitches required across North Wales). The plan has allocated 5 pitches, and clarification is required on how and when the additional 16 will be delivered (permanent pitches) and what the authorities' need are in relation to the 28 transit pitches, and when these are required. The Welsh Government considers that the plan has not made sufficient provision to meet the level of identified need. Para 17 of Welsh Government Circular 30/2007 'Planning for Gypsies & Travellers' states that "where there is an assessment of unmet need for Gypsy and Traveller accommodation in the area, local planning authorities should allocate sufficient sites in LDPs to ensure that the identified pitch requirements for residential and transit use can be met. Section 103 of Housing (Wales) Act 2014, when commenced (anticipated March 2016), will make the provision to meet the need a statutory duty.

The authorities have acknowledged that not every group of Gypsies and Travellers can be accommodated on the same site, and the authorities need to clarify whether this has been taken into consideration when making provisions for Gypsies and Travellers (under the broader definition included in the Housing (Wales) Act).

(For technical points relating to Gypsies and Travellers please see category D.)

2. Housing provision

Clusters

Further justification is required to explain the number of villages included within this policy. Some of these clusters have scored very low in the sustainability matrix included in topic paper 5 (Developing the Settlement Hierarchy). The lower scores suggest that these are less sustainable, isolated developments, and not well connected to services

and facilities, hence the need to explain why these have been identified. The Welsh Government objects to the identification of so many 'clusters' which lack justification.

Policy PS15 – Settlement strategy

The strategy of the plan is not questioned; however the growth limitation created by policy wording for the main centres has not been justified. It would seem logical to create growth limitations for the lower tiers rather than for the most sustainable areas.

Issues not in accordance with Planning Policy Wales

The authorities have set out evidence in 'Topic Paper 17: Local Market Housing' which demonstrates the issues facing local communities. Paragraph 9.2.4 of Planning Policy Wales (PPW) makes it clear that market housing to meet specific local housing needs would normally have no occupancy condition. Such a departure from national policies need to be justified with robust evidence. Therefore, the evidence should go further and detail why the affordable housing policies, and the provision of intermediate affordable housing, could not assist in meeting the identified need.

Furthermore, paragraph 7.4.39 states that local market housing, allowed under Policy TAI5, will be restricted to those who are eligible by S106 legal agreements. Therefore, it does not comply with PPW, i.e. that the obligation is "necessary to make the development acceptable in planning terms" (PPW 3.7.6).

Development on exception sites - Policy TAI10 states that in exceptional circumstances open market housing may be included to make a proposal viable. However, sites that include a mix of market and affordable housing cannot be classed as 'exception sites' under national policy – TAN 2 explicitly states that such sites are not appropriate for market housing (para. 10.14).

Affordable housing

Supporting evidence

Planning Policy Wales (PPW, paragraph 9.1.4) states the importance of local authorities understanding their whole housing system so they can develop evidence-based market and affordable housing policies. A key component of this evidence base will be a Local Housing Market Assessment (LHMA). Paragraph 9.2.16 (PPW) also states that LDPs should include an authority-wide delivery target for affordable housing, based on an LHMA. The LDP should express the total affordable housing need (including any backlog) over the whole plan period in the reasoned justification to the affordable housing policy.

Deliverability of affordable housing

The plan and supporting documents have identified the need for affordable housing over the first 5 years of the plan (including backlog), and the delivery of the affordable housing is obviously a priority for both authorities. The authorities need to explain the relationship between the target within the LHMA and the level of affordable/ market housing proposed in the plan. It is necessary for the authorities to demonstrate that they are maximising provision through the LDP given the high level of need.

Further clarification is required to explain what delivery rates are expected from current commitments and how allocations will contribute to the affordable housing need target. It remains unclear how 1,400 affordable housing will be delivered and whether the

authorities have explored all options to maximise provision through the LDP given the very high level of needs identified for the first 5 years of the plan alone i.e. relationship to market housing.

Viability of affordable housing

It is noted that an update of the viability work has been prepared. It is important that the viability evidence supporting the plan is up-to-date and takes into account known costs, including the impact of affordable housing and 'other' contributions. When preparing a plan the authorities should have a reasonable understanding of the costs associated with development.

The viability work has clearly taken on board and recent changes to national policy and has provided further clarification in relation to costs. However, further clarification is required to explain what costs, related to the obligations/ contributions have been taken on board. The viability work does include this aspect but the specific costs are unclear. It is for the authorities to demonstrate what other planning obligations/contributions will, or will not cover (see also comments in relation to deliverability). Challenging targets need to be grounded in evidence and applicable to the majority of applications, whilst allowing site specific negotiations to occur, if/ where necessary (on a limited number of sites). All components of the viability evidence need to be justified.

In order to maximise affordable housing delivery and meet the key objective, the viability work has identified hotspots related to specific geographical areas within the plan area. The authorities should consider whether the wording of TAI9 is strong enough to negotiate much higher percentages of contributions from these specific hotspots.

National planning 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. Furthermore, para 8.1 of TAN 2: "Local Housing Market Assessments and the Development Plan", states that it is important that a LPA has 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.

LDP affordable housing policies should not include the range/type/mix of housing as matters could change over the lifespan of the plan and potentially inhibit the delivery. However, LDPs should 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 LMHA does assess the full range of housing requirements, but this is not referenced specifically in the LDP. The plan would benefit from including such information which could be factored into the viability calculations to demonstrate consistency with the evidence and no adverse implications.

3. Employment

Welsh Government supports economic growth however, it is crucial that this economic growth meet the authorities' objectives. The authorities should clarify that oversupplying the market to this extent (approximately by 300ha) will not have negative implications for

land values; nor hinder development from coming forward or jeopardise growth aspirations.

Spatial distribution of employment land

Further clarification is required on how the distribution of employment sites relate to the provision for housing. The housing commitments/ allocations are based on a hierarchy of settlements and it would be helpful if the employment sites could be presented in a similar manner. It would also be helpful if further information could be provided on how the authorities have considered the inter-linkages between the three main strategic employment sites along the A55 corridor, and that these are not in competition with each other and therefore creating problems of deliverability.

Employment provision

Further clarification is required on how the level of employment provision inter-relates with the strategic approach on the housing provision.

Policy CYF1 “Safeguarding and Allocating Land and Units for Employment Use” - Further clarification is required to explain why it is considered that over 800ha (excluding Wylfa) of land is required to be safeguarded for the plan period. Paragraph 7.3.23, states that the employment land review estimated a need of approximately 12 ha for the authorities over the plan period. This would equate to a need of approximately 180ha of employment land over the whole plan period. It is therefore unclear why the plan makes provision for approximately 478has (the proposed and existing undeveloped allocations of the identified need). How has the plan considered the implications of this over-allocation with the housing provision and the deliverability of the sites? The authorities also need to clarify whether the employment assessment (carried out in accordance with DCLG guidance 2004) is in accordance with Welsh Government’s “TAN 23: Economic Development (2014)”.

The authority should clarify what the implications would be on types of jobs (skills and salaries) and homes if landtake were to exceed the 180hqa over the plan period. Further clarification is necessary to explain how the supporting assessment work, especially the Welsh Language Impact Assessment (WLIA) has taken account of this over-allocation. Some background information has been included on upskilling residents in both authorities (especially in relation to the new Wylfa proposed development) but what kind of jobs are the authorities expecting for these allocated sites? Are the required skills available locally, or would this encourage job migration into the area and increase pressure on housing/ Welsh language?

Best and Most Versatile Agricultural land

The potential loss of BMV land could result in the permanent loss of approximately 40 hectares. The majority of the land is included in allocations TRA1, C14 and C15 and the plan has limited evidence to demonstrate that paragraph 4.10 has been considered at all in allocating these sites for development.

4. Renewable Energy

A Renewable Energy Assessment has been undertaken for both areas, however the Deposit Plan fails to take the opportunity to take into account the contribution the area can make towards developing and facilitating renewable and low carbon energy and plan positively for appropriate development. Further consideration needs to be given to how to translate the evidence base into a set of policies which guide appropriate development. For example, could the assessment work provide evidence to provide

opportunities for higher sustainable building standards on strategic sites or can the co-location of developments optimise opportunities for renewable energy? The energy assessment could also be used to improve the policy wording for PS6 and PCYFF4, as these stand they lack clarity. The energy assessment could make it clear what is expected and to what scale/ type of development the policies apply.

Policy ADN2 seeks to constrain non-renewable energy technologies to within development boundaries. This is overly restrictive and contrary to national planning policy. The energy assessment should provide the evidence to plan positively for all forms of renewable and low energy development.

C. In relation to soundness tests CE2, CE3, CE4: 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:

I. Deliverability

Whilst the authority has considered deliverability to some degree, Topic paper 13, 'Community Infrastructure' provides a helpful context illustrating the types of infrastructure requirements in the area. However, this has not been transposed to a site by site assessment. The authorities need to clarify what infrastructure is required to deliver the allocated sites and how and when this will be delivered within the plan period, and whether any phasing of development will be required. It should not limit change within the plan but it should ensure the strategy is delivered. The authorities should secure the infrastructure required and how this will be implemented within the limitations (as identified in the plan) coming into force on Section 106 agreements in April 2015, particularly having regard to the pooling limitations as set out in the regulations.

If there is no mechanism in place to capture the financial benefits arising from development which can be used to assist the provision of appropriate infrastructure, this could cause difficulties. It is not clear whether Policy ISA1 prioritises the infrastructure requirement or whether this is merely a list. The viability work relating to the site deliverability is also weak.

It is for the authorities to demonstrate what other planning obligations/contributions will, or will not cover, how this relates to Regulation 122 of the Community Infrastructure Levy (CIL) Regulations 2010, i.e. direct mitigation for development, how other obligations sought by Circular 13/97 can be achieved, known changes to legislation, i.e. Part L & sprinklers, as well as infrastructure costs. The authority should also be able to indicate a priority list, in the generality, of what obligations it will seek from development and the financial magnitude of such obligations and the impact of viability.

If a CIL is not in place, there could be a policy vacuum in the plans ability to capture financial receipts to support development. This should not be left to an early review of the plan. It is not in the interest of the plan to create a policy void. Further explanation is required to demonstrate how this is not an issue or, if it is, how it is to be resolved. The

implications of infrastructure delivery on the housing provision and employment allocations in terms of phasing should be clarified.

II. Housing provision

Control of housing developments in villages

The total of allocations and windfalls appear to fall short of the figure included in the plan at table 17 (1,502 – page 153). The authority needs to ensure the total of allocation and windfall in villages tally to the figure in the plan and ensure this is delivered and that a large number of housing will not be able to be developed in one or a few small villages, as set out in the plan's housing strategy.

5 year-land supply

Further clarity is required to illustrate how the identified targets will be used to maintain a 5 year land supply of housing land. The LPAs should demonstrate that they can provide a 5 year housing supply from the plans adoption, in accordance with Planning Policy Wales, paragraph 9.2.3.

Delivery of housing

It is unclear how the proposed phasing of housing development has been derived and how it will be delivered over the plan period. It is noted that the plan has linked its phasing to the development of Wylfa B, however further clarification in relation to specific sites, and deliverability of those sites is required. The authorities will need to control and monitor the housing provision to ensure they achieve the proposed build rates and overall housing requirements (see also monitoring framework)

III. Monitoring Framework

The monitoring framework (MF) needs to be appropriate in enabling progress of the Plan's implementation to be measured, early alert to avoid non-delivery and providing the basis for consideration of review. It is unclear why the authority has decided to have two separate monitoring frameworks (para 8.5).

Further consideration should be given to the following areas of the framework:

- ≠ The phasing of the development sites, their delivery, relevant triggers and associated action points. This would apply for example to housing, employment, Gypsy and Travellers, renewable energy, affordable housing.
- ≠ Targets and triggers should be included to ensure that key factors are delivered e.g. planning obligations; this will identify the shortfalls for the authorities.
- ≠ The arrangement of the chart is such that the WG core output indicators don't always relate to the local output indicator and therefore the related targets/triggers/policies contained in the same row. It would also be preferable, where appropriate, to amend core indicators to reflect local circumstances.

≠ In the context of LDP manual guidance (section 9.5) the implications of the recently published Sustainable Development Indicators to be collected from April 2013 onwards and the ongoing LDP Process Refinement Exercise should be considered in finalising the MF; see at following links: new SD indicators link: <http://gov.wales/topics/planning/policy/dear-cpo-letters/strategic-monitoring-framework/?skip=1&lang=en>;
and
PRE Report link:
<http://gov.wales/topics/planning/policy/guidanceandleaflets/ldp-process-refinement-report/?lang=en>

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.

Specific technical issues:

Table 13 – Two of the supplementary criteria are very similar ‘large/ very large’, clarity required on the difference between these two.

Different hierarchy to retail and housing – what is the rational for the difference?

Policy PS12 – it is unclear where the provision of retail space will be located.

SA Methodology - For this assessment to be effective, the authorities will need to clarify exactly how much of the site is BMV and how it has influenced decisions regarding uses on such lands.

Paragraph 7.2.34 - While the Welsh Government supports the principle of securing sustainable community benefits for communities through voluntary arrangements, they must not impact on the decision making process and should not be treated as a material consideration unless it meets the tests set out in Circular 13/97.

ARNA 1 - The Policy is supported in principle but would benefit from minor editing to ensure clarity. Clause 1 - suggest insertion of "predicted to be" immediately before "threatened", to ensure link to SMP. Clause 2 - clarify whether proposals must meet both sub-clauses (i) and (ii), or either one of the sub-clauses. Clause 6 - it is not clear why the requirement for NRW consent is specific and unique to this clause. Clause 8 - The text within brackets is unclear, as it appears to suggest that after the first policy epoch (2025) certain developments would be acceptable. It is not clear how that fits with a plan with an end date of 2026.

Policy TRA2 - It should be noted that PPW sets out that local authorities should ensure that new developments provide lower levels of parking than have generally been achieved in the past. TAN 18 states that maximum car parking standards should be used as a form of demand management.

'surplus provision' or 'over provision' - It is not clear how the Councils will demonstrate surplus/ over provision of open space, as described at clause 1 and in Para 7.1.21.

Policy TWR2 – Holiday Accommodation - The policy would be strengthened with an explanation of where the Councils consider 'over-concentration' (Clause 8) of certain accommodation might be a risk.

Policy AMG 4 (Local Biodiversity Conservation) requires further re-drafting. As drafted the policy seems overly onerous for the consideration of development proposals on local non-statutory nature conservation designations.

Technical issues relating to information on Gypsies and Travellers

- ≠ Paragraph 7.4.97 - further clarification is required in relation to step 4 (relating to the 'detailed site assessment') and policy should also reflect that the process is in relation to finding public Gypsy and Traveller sites, as opposed to private sites.
- ≠ Paragraph 7.4.99 -by including 'up to 5 days at a time' restricts the Local Authorities in future if they found this time limit was counter-productive. It also states that a transit site of 15 pitches could be required to accommodate 15 caravans.). However, the Welsh Government's Designing Gypsy and Traveller Sites guidance states each transit pitch should be capable of accommodating two tourer caravans. Therefore, a site of 8 pitches should suffice.
- ≠ Policy TAI11 - relates to the safeguarding of existing sites, the phrase should be widened to: "safeguarded as a permanent residential site to be solely used by Gypsies and Travellers".
- ≠ Policy TAI13 - constitutes the criteria-based policy for future Gypsy and Traveller sites, these criteria relate specifically to residential sites and does not allow for future transit site needs. Criterion 2 is not clear that public transport links are not always available, particularly where sites are allocated in accordance with paragraph 7.4.102. Criterion 4 is extremely flexible due to the use of the word "including." The authorities should consider limiting these factors to those already mentioned and add "unless mitigation is possible and proportionate." Criterion 6 is unreasonable as the Welsh Government Designing Gypsy and Traveller Sites guidance applies to Local Authority sites and not private sites. The Local Authority could clarify that public sites should have regard to that guidance whilst private sites would be regulated under the Mobile Homes (Wales) Act 2013. Criterion 9 is already covered by policy TAI11.
- ≠ Paragraph 7.4.104 could be reasonable in relation to permanent residential sites but not in relation to transit occupants.
- ≠ Paragraph 7.4.105 should clarify that private site developers should not be required to live in the area before submitting a site planning application as this could otherwise have the effect of limiting freedom of movement. Welsh Government planning circular 30/2007 makes clear that such a requirement would be unacceptable and contrary to national policy.
- ≠ Paragraph 2.11 states that all sites included within a range of listed criteria will be discarded. However, the designation of C1 flood zone should not be automatically discarded. Such sites should be subject to a justification test instead of further limiting potentially suitable options.

References to current guidance:

Paragraph 7.2.23 - refers to the Welsh Government's Energy Policy Statement (2010). This has been superseded by Energy Wales: A Low Carbon Transition (2012).

Table 5 - refers to priorities of the Taith and TraCC Regional Transport Plans. These Plans are to be replaced by the North Wales Joint Local Transport Plan and the Mid Wales Joint Local Transport Plan. The plans should make reference to any committed highway improvements wher relevant