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Dear Stuart,

**Cardiff Council – Replacement Local Development Plan (LDP) Preferred Strategy  
Consultation: Welsh Government Response**

Thank you for consulting the Welsh Government on the Cardiff Council Replacement Local Development Plan (LDP) – Preferred Strategy. It is essential the authority is covered by an up-to-date LDP to give certainty to local communities and businesses and provide a robust basis for decision making.

Without prejudice to the Minister's powers, the Welsh Government is committed to assisting Local Planning Authorities (LPAs) minimise the risk of submitting unsound plans by making comments at the earliest stages of plan preparation. The Welsh Government looks for clear evidence that the plan is in general conformity with Future Wales: The National Development Framework, aligns with Planning Policy Wales (PPW) and the tests of soundness, as set out in the LDP Manual.

National planning policies are set out in Planning Policy Wales (PPW) Edition 11 and seek to deliver high quality, sustainable places through a place-making approach (the LDP should ensure it takes into account any further iterations of PPW prior to the examination). The implementation of the core policy areas in PPW, such as adopting a sustainable spatial strategy, appropriate 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(s)' to be followed. Failure to comply with these key requirements may result in unnecessary delays later in the plan making process.** The development planning system in Wales is evidence-led and demonstrating how a plan is shaped by the evidence is a key requirement of the LDP examination.

**After considering the key issues and policies in Future Wales, the Welsh Government is of the opinion that the Preferred Strategy is in general conformity with Future Wales: The National Development Framework.** Specific comments are set out in the Statement of General Conformity (Annex 1 of this letter). **Annex 2 also highlights a range of issues that need to be addressed for the plan to align with PPW and the DPM.** Collectively, our comments highlight a range of issues that need to be addressed for the plan to be considered 'sound' as follows:

## **Annex 1 – General Conformity with Future Wales**

- Regional Collaboration - **Further clarity required**

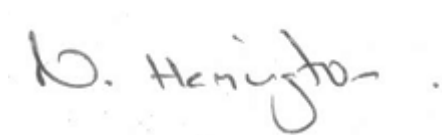
## **Annex 2 – Core matters that need to be addressed (PPW and the DPM)**

- Housing and Economic Growth Levels – Regional Collaboration
- Employment Land Clarity
- Maximising Affordable Housing Provision
- Gypsy and Traveller Provision
- Delivery & Implementation – General
- Best and Most Versatile Agricultural Land (BMV)
- Biodiversity
- Renewable Energy
- Minerals

I 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.

My colleagues and I look forward to meeting you and the team to discuss matters arising from this response.

Yours sincerely,



**Neil Hemington**  
**Chief Planner Welsh Government**

For matters relating to general conformity with Future Wales and planning policy please contact: [PlanningPolicy@gov.wales](mailto:PlanningPolicy@gov.wales) / For matters relating to Local Development Plan procedures and compliance with the Development Plans Manual please contact: [mark.newey@gov.wales](mailto:mark.newey@gov.wales) and [candice.coombs001@gov.wales](mailto:candice.coombs001@gov.wales)

## Annex 1 - Statement of General Conformity

**The Welsh Government is of the opinion that Cardiff's Replacement Local Development Plan (2021-2036) Preferred Strategy is in general conformity with the National Development Framework: Future Wales, as set out in paragraphs 2.16 – 2.18 of the Development Plans Manual (Edition 3).**

This conformity statement is based upon the evidence currently available. Welsh Government reserves its formal position until the full suite of policies, proposals and finalised evidence base is available to scrutinise at Deposit Stage. Currently, there is reference to how Cardiff relates to adjoining Local Authorities (LAs) with regards to the scale of growth. However, further evidence is required to demonstrate how regional collaboration has influenced the scale of growth at Cardiff and the relationship to adjoining LAs.

### Reasons

Future Wales places emphasis on the development of National Growth Areas in a sustainable manner. Growth areas must be sustainably planned, reduce the need to travel by car, encourage walking and cycling (active travel), maximise public transport usage and incorporate green infrastructure. Growth areas must embed these principles within a wider regional consensus, focussing on the opportunities they bring to promote social and economic benefits across a broader geographical area. The WG supports sustainable growth in national growth areas to respond to the climate change and biodiversity emergencies and make the best use of our resources.

Policy 1 and 33 of Future Wales state that Cardiff, Newport and the Valleys will be the main focus of growth and investment in the region. **Cardiff will remain the primary settlement in the region**, its future strategic growth shaped by its strong housing and employment markets. LDPs will need to consider the interdependence of Cardiff and the wider region through a collaborative approach and understanding of the inter-relationships and implications on growth levels. Cardiff's LDP requires further evidence and clarity to demonstrate how this has influenced/shaped growth levels.

**Annex 2** explains WG's comments in respect of the scale and location of growth. On balance and subject to the comments within Annex 2, WG considers that the Preferred Strategy, including the scale and distribution of growth, is in general conformity with key policies in Future Wales namely (*not exhaustive*):

- Policy 1 – Where will Wales Grow
- Policy 2 – Shaping Urban Growth and Regeneration – Strategic Placemaking
- Policy 6 – Town Centre First
- Policy 12 – Regional Connectivity / Policy 36 – South-East Metro
- Policy 19 – Regional Planning & 33 National Growth Area Cardiff, Newport and the Valleys

**Regional Collaboration – Further clarity/justification:** The limited evidence demonstrating that a regional approach has been followed and the explanation of how the wider region has been involved in shaping and agreeing the choices made is a concern and the consequences the decisions taken by Cardiff may have for other LDPs and/or future SDPs. **The Council alludes to the strategy having no 'negative effects' on neighbouring authorities but there is limited evidence to support this assertion.** Moving forward to Deposit, further work will be required to understand how the Preferred Strategy has been developed within the wider regional context and how it will promote and enhance Cardiff's strategic role in the wider region. **Future Wales brings a new perspective that all LDPs have to embrace on how each LDP sits within the region as a whole and the relationship to other LDPs, in essence, a strategic approach to cross boundary relationships in advance of the formal commencement of an SDP.**

## Annex 2 – Core matters that need to be addressed (PPW and the DPM)

### Spatial Strategy - Location of Growth

The Council has tested 8 spatial options:

Option 1 – Further extension of existing strategic site commitments

**Option 2 – Urban intensification based on brownfield strategy only**

**Option 3 – Renewal and regeneration based on brownfield mixed use sites**

**Option 4 – Growth based around district and local centres in line with the ‘city of villages’ concept**

**Option 5 – Growth based around transport nodes**

Option 6 – Strategic public transit growth corridor

Option 7 – Dispersed greenfield growth areas

Option 8 – Dispersed combination of brownfield and greenfield

The Council has chosen a ‘hybrid’ spatial strategy and is **not proposing to allocate any additional new greenfield allocations**. The Preferred Strategy builds on options 2,3,4 and 5. The spatial strategy is one that builds on the ‘existing land bank’ of greenfield sites, with additional focus on brownfield / renewal sites within the settlement boundary adjacent to local centres and/or transport nodes. The Council considers the spatial strategy will provide a good range and choice of house types across the city with a 50% GF/50% BF split. **The Welsh Government supports the spatial strategy which accords with PPW and is in general conformity with Future Wales.**

### The Level of Growth: Homes and Jobs

The City of Cardiff is in a National Growth Area identified in Future Wales Policy 1 (**See Annex 1**). The Preferred Strategy (Policy SP1) makes provision for 26,400 homes to deliver a housing requirement of 24,000 (1,600 p/a) over the plan period 2021-2036, of which 6,000 homes will be affordable. The flexibility allowance is approximately 10%. The level of new jobs proposed is 32,300 over the plan period.

**Homes:** The 2018 WG Principal projections are the latest projections for this Preferred Strategy. **Any future population and household projections based on the latest 2021 Census will need to be considered by the Council if they are published before the plan is examined.** The 2018 principal projection would result in a requirement of 898 units per annum or 13,470 dwellings over the plan period (*using a 3.7% vacancy/conversion rate*). The level of housing proposed in the plan is around 10,500 units above the WG-2018 projection. The Council has concluded that these figures are underpinned by ‘negative trends’ and when compared with the existing ‘land bank’ would effectively be a zero-growth strategy for the Cardiff. The Council consider that such a low level of growth would mean that Cardiff would not be able to meet its housing need/demand and economic ambitions, particularly as expressed through the Cardiff Capital Region (CCR) and would not be in conformity with Future Wales. **The Welsh Government does not object to this approach.**

The demographic evidence (LDP Demographics Update Oct 21 – Edge Analytics) tested 14 growth scenarios that comprise: demographic led, dwelling led, and jobs led scenarios. The chosen housing requirement is based on a dwelling led scenario which would result in a population growth of 10% over the plan period with an annual net migration of 1,390 persons. The Council considers that this level of housing growth represents the most realistic and sustainable growth scenario, which is sufficiently aspirational to assist post pandemic recovery and ensure the delivery of much needed affordable housing. The Council considers the level of homes and jobs proposed is appropriate to contribute to the delivery of the economic growth aspirations of the city region and

aligns with Future Wales. The Council also considers that the level of growth proposed is not 'too high' in that it would not negatively impact on the growth strategies of neighbouring LPAs. However, as explained in Annex 1, it is the view of **Welsh Government that limited evidence has been submitted to justify this assertion and further work is essential in respect of regional collaboration to demonstrate this conclusion.**

WG notes that historic completions rates in Cardiff have fluctuated considerably over various time periods. Average completions rates of 1,250 dpa were achieved over the twenty-year period 2001-2021 and completions over the 10-year period 2011-2021 were 835 dpa. WG note that higher rates have been achieved well in excess of 1,500 dpa prior to 2007. The Council considers that achieving 1,600 dpa is aspirational, but deliverable over this plan period. **Demonstrating delivery of the level of homes (and proposed sites) in the plan will be essential moving forward to Deposit stage as per the requirements of PPW and the DPM** (see comments relating to delivery).

Before considering whether new allocations are required, PPW and the DPM explain that LPAs must first look at the existing supply and maximise brownfield land. The Urban Capacity Technical Paper (June 2023) sets out the Councils 'land bank' as of 01<sup>st</sup> April 2023. We note that the Council has included a 20% non-delivery allowance on the land bank, and a 25% non-delivery allowance to the large and small windfall components. This approach is supported and is in line with the requirements of the DPM. We note that when considering completions to date, sites with planning permission, small and large windfall rates the Council has an **existing land bank of 21,400 homes**. In addition to this, the Council is proposing 5 strategic allocations (5,040 units) and 2 non-strategic allocations (240 units) **totalling 5,280 units**. We note that all new allocations proposed are currently allocated within the currently adopted LDP (effectively rolled forward) and the majority of the strategic allocation's are subject to existing outline or full planning permissions. **The total housing provision inclusive of land bank and allocations is 26,690 homes (representing a 10% flexibility allowance)**. In essence, with the exception of windfall sites, this is a 'rolled over' LDP with no new allocations.

The Urban Capacity Technical Paper (paras 5.20 and 5.21) alludes to additional potential 'reserve sites' on brownfield land / within the settlement boundary that may be progressed further. If such sites are appropriate and deliverable, their status should be made clear in the Deposit Plan to ensure transparency and to enable comprehensive development. This will also ensure that the delivery of affordable housing is maximised and will ensure good urban design and placemaking is achieved by site specific policies. It is essential to ensure that necessary infrastructure / placemaking elements can be secured, where applicable, and in particular if the sites in question are substantial in size.

**Jobs:** There is a relationship between homes and jobs. The Council's dwelling led growth option results in a requirement for 32,300 new jobs (2,153 p/a) over the plan period. This level of employment and job growth has been estimated based on the Council's preferred Dwelling-led growth scenario of 1,600 units per annum (Edge Analytics, Figure 32) and is almost the mid-point between the two econometric forecasting companies of Experian and Oxford Economics as set out in the Council's Employment Land Study (Figure 8.1).

The level of employment growth proposed (2,153 p/a) over the plan period exceeds the target in the currently adopted plan (of 2,000 jobs p/a) but is below recent trends where 2,500 jobs p/a have been achieved. We note the Council consider that those trends may not continue 'post pandemic' with more recent, lower demand and uncertainty for future office space and working from home patterns. The level of jobs proposed is realistic and is considered by the Council to be sufficiently aspirational to continue to meet the growing ambitions of the City's economy and drive prosperity in the wider city-region. The Welsh Government has **no significant concerns on the level of job growth proposed in the plan.**

The plan alludes to a range and choice of employment sites across the city. Moving forward to Deposit the Council **must ensure that employment sites align with PPW (Town Centre first), are deliverable and explain how they are sustainably located and relate to proposed housing allocations.**

**In summary, and subject to the above clarifications, the Welsh Government has no substantial concerns with the level of homes and jobs proposed in the plan, which are considered to be in general conformity with Future Wales.**

### **Employment Land**

The Council's Employment Land Study identifies a total requirement for 600,000sqm of employment land over the plan period, which includes a 15% uplift for range and choice of sites. **For clarity, the floorspace requirements should be set out in hectares in land-use terms.** This requirement is divided equally with a need for 300,000sqm of B1 floorspace and 300,000sqm of B2 and B8 floorspace. Office supply in the city exceeds future requirements by +99,500sqm but demand for industrial and warehouse floorspace outstrips supply with a deficit of -142,200 sqm, which has been hampered by an historically low supply rate in the city and buoyancy in the markets post Covid-19.

The Deposit plan should:

- Identify sustainable and deliverable employment allocations, that will contribute towards the job target and meet the need identified in the Employment Land Study.
- Identify Cardiff Central Enterprise Zone as a key business district in the plan.
- Safeguard key existing employment sites for retention for employment use, and
- Control the loss of existing employment land for alternative or ancillary uses.

Future Wales states that significant new commercial, retail, education, health, leisure and public service facilities should be located within town and city centres (town centre first policy) with good access by public transport to and from the city and, where appropriate, the wider region. The implementation of this policy requires a sequential approach to large scale development and supports a sustainable pattern of growth where the reuse of brownfield land and importance of safeguarding valued landscapes and biodiversity are key. Large-scale development needs to reflect these principles.

### **Maximising Affordable Housing Provision**

The Preferred Strategy (Section 6.1) states that the City of Cardiff is the second least affordable local authority in Wales (just behind the Vale of Glamorgan) with over 7,600 households on the combined waiting list. The Draft LHMA shows that under the 1,600 dpa 'policy led' growth level chosen by the LPA, there is a net additional affordable need of 1,090 p/a, or 16,350 homes over the 15-year plan period and a broad tenure split of 75% social rented and 25 % intermediate. Under the WG 2018 projection led scenario, the level of need is 737 units p/a, or 11,055 homes over the plan period and a tenure split of around 70% social rented and 30 intermediate. **It is unclear how the findings of the draft LHMA have influenced the scale growth.**

As previously stated, this is a plan where most of the proposed development is already committed, and most sites are already subject to agreed s106 agreements. **The LPA need to demonstrate how the delivery of much needed affordable homes has been maximised by the growth strategy chosen.** See our previous comment in relation to potential additional brownfield 'reserve sites'.

**To maximise the supply of affordable homes the Council should consider whether it would be appropriate to allocate sites for affordable housing led developments where at least 50% of the homes will be affordable.**

### **Gypsy and Travellers**

The Gypsy and Traveller Accommodation Assessment (November 2021) identifies a total need for 115 pitches over the plan period up to 2036, of which 73 pitches are 'immediate' by 2026. It is noted that the level of need could increase further (+21 pitches) if the existing Rover Way site is found to be unviable by the Council. In addition, there is also an identified need for a 10-pitch transit site.

By Deposit stage, the authority must meet its statutory duty and comply with requirements in Planning Policy Wales (4.2.35), Circular 005/2018 (paragraph 35) and the Development Plans Manual (5.80-5.85) to allocate sufficient and deliverable sites in the plan for unmet gypsy and traveller need. There have been significant delays to date in identifying a permanent site(s) *(as explained in the Council's Annual Monitoring Reports)*. **This is a key issue for the authority and the continued failure to allocate a site(s) is a high-risk strategy with potential adverse implications on 'soundness'.**

By Deposit stage the **Council will need to ensure that any sites are supported by a transparent and robust site selection process that aligns with the requirements of Circular 005/2018 and any relevant guidance.** The views of the relevant statutory bodies, including Natural Resources Wales (NRW) if the allocation(s) are subject to flood risk, must be agreed before the Deposit stage with no outstanding objections to evidence delivery of the sites.

### **Delivery & Implementation – General**

In line with the key requirements of PPW, Chapter 5 of the DPM contains guidance on the key requirements in respect of the delivery and implementation of LDPs. The Deposit Plan should set out site-specific details for key allocations that includes general phasing timescales, key infrastructure and placemaking principles (including concept/schematic masterplan frameworks), constraints and developer and infrastructure requirements, where appropriate.

The phasing, timing, funding and delivery of sites will be critical to ensure the plan delivers the scale of growth required over the plan period. The Council will also need to demonstrate that both individual sites and sites in combination (including windfall assumptions) are deliverable through a housing trajectory prepared in conjunction with the Housing Stakeholder Group. Statements of Common Ground for key allocations, especially those that have been 'rolled over' from the adopted plan would be advantageous to demonstrate sites will come forward in the identified timescales.

The Deposit plan should be supported by a high-level affordable housing study and site-specific viability appraisals for key sites, where appropriate. All viability work and its inputs must be prepared in conjunction with the Viability Steering Group and site-specific promoters.

### **Agricultural Land**

**From the documentation available to support the Preferred Strategy it is difficult to fully assess the implications on BMV land.** The Deposit plan should evidence any proposed allocations and demonstrate that considerable weight has been given to protecting BMV land and any loss minimised, in accordance with (TAN6 Annex B, PPW 3.58 & 3.58, FW Policy 9).

The SA reports are confusing and at times inconsistent as to how the preferred spatial and growth strategy is explained and the effects on BMV. We note that Background Technical Paper 1, Initial Sustainability Appraisal, Appendix A, Updated Scoping Report (Page 54) shows the distribution of

Agricultural Land Classification (ALC) grades throughout the authority. However, it is unclear whether the authority is using the most up to date evidence available, the LPA appear to be referencing version 1 (2017) of the Predictive ALC Map, **Version 2 was published in 2019** which represents the latest and most up to date picture of agricultural land quality across the authority area.

It is **advised that BMV policy application is covered in the plan through a specific topic paper** demonstrating how the policy has been considered, evidenced and actioned. We would advise the Council to contact our colleagues in Land, Nature and Forestry Division in relation to all comments made on BMV land.

### **Biodiversity**

The Welsh Government consulted on proposed changes to policy on net benefit for biodiversity, the resilience of ecosystems, Sites of Special Scientific Interest (SSSI) and trees and woodlands earlier in the year which shows the direction of travel. In light of this the policy in general on biodiversity should be strengthened. Being more specific, SP19 states *...and ensure the resilience of ecosystems can be maintained* – which should be changed to include *...and enhanced*.

### **Renewable Energy**

Future Wales: The National Plan 2040 identifies Cardiff as a Priority Area for District Heat Networks; authorities should explore and identify opportunities for District Heat Networks. Whilst the Welsh Government supports the Objective of the Preferred Strategy to deliver a Local Heat Network for Cardiff Bay and the City Centre (Objective 4) the plan is not currently supported by a Renewable Energy Assessment (REA).

### **Minerals**

The Regional Technical Statement (RTS 2<sup>nd</sup> Review) identifies a nil apportionment for land-won sand and gravel provision in Cardiff. (There is no mention of a Statement of Sub-Regional Collaboration which should be undertaken.) There's a shortfall in crushed rock requiring new allocations totalling at least 6.778mt. The Deposit plan should explain how the shortfall of crushed rock in the reasoned justification to Policy SP10 (-7.475mt) aligns with findings in the RTS (2<sup>nd</sup> Review).

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