



Torfaen Local Development Plan (LDP)

Review Report - April 2018

Executive Summary

1. Introduction

Background - The LDP was adopted by Torfaen CBC on 3rd December 2013. The LDP sets out the Council's objectives and priorities for the development and use of land within Torfaen and its policies and proposals for implementing them up to 2021. Following adoption the Council has monitored the delivery and implementation of the LDP through three Annual Monitoring Reports produced in 2015, 2016 and 2017; the conclusions of which have informed the review of the LDP.

Annual Monitoring Reports - The 2016 and 2017 AMR's noted that "*whilst the basic strategy remains sound, it is taking too long to deliver and there is evidence to indicate there is a need for a full or partial review of the plan*". The 2016 and 2017 AMR's suggested that certain aspects of the LDP were not being delivered (housing numbers and employment allocations) and thus an early review was needed.

Need for review of the LDP - The Council is required to undertake a review of the LDP, no longer than 4 years from the date of adoption, which for Torfaen was 3rd December 2017.

Purpose of this Report - A plan review should be based upon the findings of the published AMR's, significant contextual changes and updates to the evidence base. The review of the plan starts with the publication of the Review Report. The Review Report sets out clearly what has been considered, and the changes likely to be required to the LDP based on evidence. The Review Report has concluded that a full rather than selective review of the LDP is required.

Draft Review Report Consultation – The Draft Review Report was subject to 6 weeks stakeholder consultation from 31st January to 14th March 2018. 21 representations were received on the Draft Review Report; with more detail provided in the 'Report of Consultation' available on the Council's website:-

<https://www.torfaen.gov.uk/en/PlanningAndDevelopment/Planningpolicy/Local-Development-Plan-Review/Local-Development-Plan-Review.aspx>

2. Contextual Changes

There have been a number of new Acts in Wales, revisions to Planning Policy Wales, Technical Advice Notes and the publication of new or updated Welsh Government guidance that are relevant to the review of the LDP. The most significant of these to inform the review are:-

National Legislation and Policy - includes considering the implications of the Planning (Wales) Act, 2015, Welsh Government National Development Framework, Welsh Government - Future of Local Government Proposals, Well-being of Future Generations Act, 2015, Environment Wales Act, Historic Environment (Wales) Act, 2016, Housing (Wales) Act, 2014, Welsh Government 'Prosperity for All: the national strategy', and the amendments to national planning policy in respect of Planning Policy Wales and new / amended Technical Advice Notes.

Regional Context - includes considering the implications of the Cardiff Capital Region City Deal which is a 20 year / £1.28 billion investment programme which aims to deliver a range of programmes which will increase connectivity, improve physical and digital infrastructure, as well as regional business governance. Similarly, it is likely that Torfaen will be part of the future Cardiff Capital Region Strategic Development Plan (SDP) area. An SDP is expected to cover cross boundary matters of more than local community importance; and would include the strategic elements of LDPs; such as larger housing / employment sites, major transport schemes, etc. Torfaen made a formal resolution to prepare a Cardiff Capital Region SDP on 17th April 2018. It is envisaged work towards an SDP will now commence in 2018.

Local Context - A number of local policy documents, strategies have been prepared or revised since adoption of the LDP. Of particular importance is the South East Wales Local Transport Plan, the Torfaen Active Travel Plan and the emerging Torfaen Health and Well Being Plan. A review of house price data has been undertaken to inform the LDP review. Development proposals, such as the new 6th Form Education Facility and the new regional Grange University Hospital in Cwmbran should also drive economic and housing growth; as well as Torfaen's strategic location just north of the M4 Motorway and other existing strategic transport improvements such as the electrification of the South Wales Mainline. The future plans for the South Wales Metro alongside removal of Severn Bridge tolls by January 2019 could further impact on housing demand and the implications will be considered through the LDP.

3. Findings of the Annual Monitoring Report

The 2017 AMR report concludes "***There is evidence to indicate the need for a review of the plan at this time because progress in delivery of the strategy is slower than expected primarily due to the global recession and its impact on the housing and employment markets.***" It identified the following key policy indicator targets that are not currently being achieved:

- **Housing Delivery against LDP Target** - Housing Delivery is behind LDP target. To date only 2,114 units (44.9% of the total housing requirement) have been delivered, equating to an average of 192 dwellings per annum, which is significantly below the LDP target of 313 per annum.
- **Housing Land Supply** - The Torfaen Joint Housing Land Availability Study 2017 demonstrates the County Borough has a 3.6 years housing land supply. Since adoption of the plan this is the third consecutive year the housing land supply has fallen below the 5 year target.
- **Delivery of Employment Land and land availability** - Delivery of employment land is significantly behind target with only 3.0ha or 7.5% of LDP allocations being delivered. There is an identified lack of readily available sites for new development to meet demand.
- **Delivery of Strategic Housing Sites** - There has been a lack of delivery with regard to a number of Strategic sites which are crucial to delivery of the overall housing target. Whilst work has commenced on some significant delays on key sites has continued to produce a shortfall in delivery of completions to meet the housing target.

4. Assessment of Changes required to current LDP

Vision and Objectives - A review of the current LDP Objectives against the Torfaen's Well Being Goals indicate that they could better reflect tourism, cultural & historic resources, and the opportunities of natural resources (minerals, agriculture, forestry and energy generation). Similarly, the need to promote accessibility and connectivity, the promotion of sustainable communities and the importance of economic development and provision of housing as a key aspect of Well Being. The two processes will be fully engaged as respective plans are prepared.

The assessment of compatibility between the 18 LDP Objectives and the 7 Well Being Goals indicates that the current LDP Objectives contribute to achieving a range of Well Being goals and individual objectives delivering multiple goals. There is no obvious conflict between the LDP Objectives and the Well Being Goals.

Development Strategy Assessment - The development strategy remains fundamentally sound, however, there are challenges in delivering further successful housing led regeneration in the north of the borough due to land availability in this area alongside viability issues associated with delivering market housing. Cwmbran continues to act as a strategic driver for Torfaen and the development strategy should seek to take advantage of the opportunities presented by City Deal, Valleys Task Force and the potential opportunities provided by the abolition of the Severn Bridge tolls.

Spatial Delivery of Growth - This section outlines the spatial delivery in Torfaen's Housing Sub Market Areas (HSMA) and in summary shows that the regeneration aims of the strategy in term of housing led regeneration in North Torfaen has been successful, in Pontypool both housing delivery and planning permissions are behind target, and in Cwmbran delivery has fallen behind target but enough sites have been permitted to achieve the housing target.

Housing Delivery - Housing Delivery is behind target. As of April 1st 2017 only 44.9% of the overall plan requirement delivered over the 11 year period leaving the remaining 55.1% to be delivered in the remaining 4 years or last phase of the plan period. This would equate to a build rate of 664 a year which, based on previous and current build rates, will not be met.

Housing Permissions - Housing permissions are likely to fall short of the 2,658 dwellings left to be delivered by 2021 by only 195 dwellings. However, in terms of delivery some 2,094 housing completions are likely to be delivered by 2021, some 564 dwellings short of the 2,658 dwellings residual target, if forecast further permissions and windfall sites are included. Therefore, the shortfall is not due to the overall supply of planning permissions, but rather it is an issue of timely housing delivery. Based on average delivery since the start of the plan period around 192 dwellings per annum have been completed and this will be considered in light of a revised housing strategy for the LDP.

Site viability is a problem north of Pontypool and a common problem amongst the valleys areas of South East Wales and provides a significant challenge in attracting market housing to this area. Going forward the commencement of the Grange University Hospital, and the implementation of the £1.2 billion Cardiff Capital Region City deal and associated South Wales Metro should provide a boost to the local housing market.

Affordable Housing Delivery - The plan is performing well in terms of Affordable Housing Delivery. To date against the 1,132 affordable homes target in the LDP out of the 4,700 LDP target which equates to 24.1% , 701 or 61% has been delivered and a further 549 dwellings have been permitted until 2021. Whilst the 24.1% target is likely to be delivered by the end of the plan period, it has been met by additional dwellings provided using social housing grant rather than wholly through S106 planning obligations and noting that the overall affordable housing need identified in the plan was 58%.

Affordable Housing Policy - The affordable housing viability reviews in the 2015, 2016 and 2017 AMRs have shown that the % sought in North Torfaen should be reduced from 10% to 5%, mainly due to a lack of house price growth to make up for increases in build costs. Similarly, the Pontypool HSMA needs to be split into Pontypool East and West. The affordable housing viability reviews have shown that the 3 unit threshold is too low, and as a result it was raised to 10 dwellings (0.33ha) in all the HSMA's except for Cwmbran S&E, where viability is more positive for small sites. It is considered that LDP Policy H4 and the associated S106 SPG need to be reviewed in terms of viability and site size threshold alongside the affordable housing strategy, housing sub-market areas and percentages sought.

Employment Growth - Delivery of allocated employment land is below target and a number of small allocated employment sites in Cwmbran have all been sold. Enquiries have shown there is a qualitative lack of larger sites and provision of larger units of circa 100,000sqft (9290sqm). The Council has seen a significant upturn in queries and demand for employment land and consider that sites will start to be come forward for development in the near future. This will be a key issue for the

LDP review; in order for Torfaen to capitalise on the Cardiff Capital Region City Deal, South Wales Metro and Valleys Taskforce Programs (the Taskforce identified Cwmbran as a strategic hub for industrial/office development) and facilitate the delivery of allocated employment sites. Further the completion of the GUH University Hospital, Cwmbran in 2021 and removal of the Severn Bridge Tolls in 2019 is likely to bring significant opportunities and demand in both the employment and housing markets which has implications for the development strategy going forward.

Retail - The review of LDP retail policies found that in general the policies are functioning effectively in enabling appropriate retail development in the County. However, the allocated comparison retail capacity for Cwmbran has not been delivered. As part of the review process the Retail Study will take account of the need for any retail allocations in terms of sites to be allocated, any changes in town, local and neighbourhood centres and/or updated retail requirements over the revised plan period. Similarly, consideration will also be given to the appropriateness of the existing boundaries of the centres' primary shopping frontages based on consideration of any changes to their role/function. In terms of vacancy rates, Cwmbran town centre continues to perform exceptionally well as a sub-regional shopping centre with vacancy rates well below the national average. Vacancy rates in Pontypool town centre have increased over the last year, but decreased over the plan period; but remain slightly above the national average. For Blaenavon town centre, vacancies have reduced over the plan period as a whole, but are still above the national average.

Review of Policies

This section details the initial findings of the review of the LDP Policies in order to identify if they are functioning effectively, whether any changes are likely to be required and if relevant should be considered for removal as part of the plan review process. The details are contained in a table in Section 4.3 of the main Review Report

Other policy Considerations

Renewable Energy - In 2013 Torfaen produced a Joint Renewable and low Carbon Energy Study with Newport which provided an evidence base for the potential development of renewable and low carbon energy within the two local authorities, to examine the low carbon potential for strategic development sites and explore strategic leadership opportunities. This study will need to be reviewed. Further as part of the LDP Council's should use their Renewable Energy Assessments to inform policies, areas of search and allocations for local authority scale renewable energy schemes or other low carbon technologies.

Minerals - The latest Regional Technical Statement on Aggregates 1st Review makes a zero aggregate apportionment for Torfaen. This compared to an annual requirement of 400,000 tonnes per annum in the previous 2008 RTS, upon which the LDP (Policy M3) made a 7.2Mt aggregate allocation in the Tir Pentwys Preferred Area for Aggregates. This site which has been subject to a planning application was recently refused and is now subject to an appeal. This appeal and the RTS 2nd Review which is being prepared in 2018 will be considered as part of the plan review.

Waste - The Regional Waste Plan 1st Review recognises that there was sufficient landfill capacity in South East Wales to meet the region's requirements during the Plan Period. Therefore, no new landfill sites were required to be identified in the LDP. The LDP does not contain any site based allocations for waste and therefore based on the findings of the 2016 Monitoring Report there is no need for further site allocations for residual waste facilities at this time. The current LDP Policy W1 will need to be revised to take account of the changes to national policy on waste within PPW and TAN21.

Open Space - It is considered that in general the Plan's recreation and open space policies are functioning effectively (but do require minor amending) in safeguarding existing recreation facilities and public open space and in securing provision of new facilities in connection with new residential development in accordance with the adopted standards. However, considerable development pressure has been placed on open space and recreation sites across the County Borough for their redevelopment for higher value land uses. The LDP revision process will need to give further consideration to the Important Urban Open Spaces designated under Policy CF4. A full survey of all open space within the County Borough will be undertaken as part of the revision process based on a revised green infrastructure methodology.

Supplementary Planning Guidance - On adoption of the plan in December 2013, a number of existing SPG were readopted as SPG to the new LDP. A review of the existing SPG including ones recently amended and adopted will be undertaken as part of the LDP Revision process with amendments to a number of these likely to be required.

Proposals Map and Constraints Map - The form and content of the LDP Proposals Map will require changes as part of the LDP Review to reflect any changes to the plan which may include for example changes to settlement boundaries, housing allocations, retail boundaries, employment sites, important urban open spaces, green wedges and Special Landscape Areas.

The LDP Constraints Map contains designations that are not directly proposals of the LDP but are constraints to development created by legislation or other mechanisms outside of the LDP process will need updating and will likely be produced in an electronic form with public access in the future that will allow for it be updated as necessary.

5. Future LDP Evidence Base Requirements

To inform the review of the LDP there will be a need to update various elements of the evidence base that informed the current LDP which expires in 2021 as well as taking into account any contextual or policy changes that have occurred since adoption of the plan.

Topic Based Studies - The LDP plan period will need to be extended to ensure that the revised LDP has an operational life of at least 10 years after adoption. Considering a commencement date of 2018 and the likely timescale of preparing a plan and a 15 year lifespan of the plan then the plan

period would run to 2033. Based on this a number of existing topic based evidence studies which are now time expired will need to be reviewed and updated as set out in Section 5 of the Review Report.

Sustainability Appraisal including Strategic Environment Assessment - A requirement of the LDP process is that Sustainability Appraisal (SA) incorporating Strategic Environmental Assessment (SEA) informs preparation of the LDP. The SA/SEA process is integral to the development of the LDP to ensure the policies in the LDP promote Sustainable Development through integration of the key economic, environmental, social and cultural objectives in the development of the LDP policies and proposals. The Council will also consider the likely effects of the plan on the use of the Welsh language in the SA. To inform the review of the LDP it will be necessary to revisit and update the environmental, social and economic baseline information, along with the review of relevant plans policies and programs. The SA Monitoring Framework (Appendix 8 of the LDP) including the SA Objectives will need to be reviewed to ensure this remains up to date.

Habitats Regulations Assessment - The LDP was informed by Habitats Regulations Assessment (HRA), the purpose of which is to assess the impacts of a land use plan, in combination with the effects of other plans and projects, against the conservation objectives of internationally important European sites of nature conservation importance. In summary the HRA report concluded that with the mitigation and monitoring measures in the LDP, the LDP would not result in a likely significant effect on any European site either alone or in combination with other plans and projects. As part of the review of the LDP the HRA will need to be reviewed.

Opportunities for Collaboration - Consideration will be given to opportunities to work collaboratively with neighbouring authorities on updating key areas of the evidence base. The regional planning group SEWSPG is already facilitating joint work to develop a regional evidence base in the form of Task and Finish Groups. This includes to date Retail, Housing and population, Sustainable settlement appraisals, Employment and Candidate Sites Assessment being the focus of the current work.

6. LDP Review Options

Cardiff Capital Region SDP and Torfaen LDP Lite (LDPL) - The Cardiff Capital Region is committed to regional working across the ten South East Wales authorities; and as part of the City Deal offer, gave a commitment to prepare an SDP for the region. Torfaen Council on 17th April 2018 formally resolved to be part of the production of the Cardiff Capital Region Strategic Development Plan. It is envisaged that work towards an SDP will now commence in 2018, with the SDP being adopted in at the end of 2022 at the earliest. It would then take a further estimated 2 years to produce a Torfaen LDPL (or Joint LDPL); therefore, not achieving full development plan coverage until the end of 2024 at the earliest, significantly beyond the Torfaen LDP expiry date in

2021. Therefore, Torfaen will be at risk from no or partial plan led development during this estimated 3½ year period.

Torfaen LDP Full Review - However, consideration of the three remaining review options were overtaken by the recent Cabinet Secretary's letter (March 2018) who expects the Council to undertake an individual Full Review of the Torfaen LDP. Notwithstanding this, the Cabinet Secretary's letter is generally in line with the views of those stakeholders who commented; noting that a key stakeholder view was to review the LDP as quickly as possible to ensure the minimum period without plan coverage. However, it is noted that the Draft Review Report, as supported by the majority of stakeholders who expressed an opinion, had rejected a 'Short Form' Review in any event; and 'Joint LDPs' had unanimously been rejected by the regional Local Planning Authorities for a variety of reasons, but they all clearly expressed a willingness to undertake collaboration and joint working (see below).

Joint Working / Collaboration

Further to regional discussions to progress a Strategic Development Plan for South East Wales consideration has been given to joint working on LDP's and meetings have been held with Monmouthshire and Blaenau Gwent officers to explore such opportunities. There are opportunities for joint working on areas of evidence base and shared workloads on policy development. The regional South East Wales Strategic Planning Group SEWSPG has already agreed the data collection and analysis methodologies for the employment and retail topic areas.

Conclusion

The current Torfaen LDP will cease to exist be a local development plan after 31st March 2021, therefore, the need to ensure a replacement development plan as soon as possible to reduce the impact of the policy vacuum after that time is critical to ensure a plan led development management system and stakeholder certainty, especially for local communities and developers. Torfaen County Borough Council has resolved (17th April 2018) that in addition to preparing a Cardiff Capital Region Strategic Development Plan (SDP), a Full Review of the Torfaen LDP is required rather a 'short form review' or Joint Full LDP review with neighbouring Local Planning Authorities (LPAs). This takes into consideration the key issues raised as part of the Annual Monitoring Reports liaison with regional LPAs and the Welsh Government (WG); the results of the stakeholder engagements on the Draft Review Report; and the Cabinet Secretary's letter of 29th March 2018 which expects the Council to undertake an individual Full Review of the Torfaen LDP. In conclusion, a Full LDP Review for Torfaen is the most expedient way to ensure development plan coverage in Torfaen after the plan expiry date, and is wholly within the control of the County Borough