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MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Economy and Development Select Committee held at The Council Chamber, County Hall, The Rhadyr, Usk, NP15 1GA on Tuesday, 27th September, 2016 at 1.00 pm

PRESENT: County Councillor S. Jones (Chairman)

County Councillors: D. Dovey, D. Evans, R. Hayward, D. Edwards, J. Prosser, A. Watts and S. White.

Planning Committee: R. Edwards, R. Harris, R.J. Higginson, P. Murphy and M. Powell.

County Councillor R.J.W. Greenland - Cabinet Member
County Councillor V. Smith - observing

OFFICERS IN ATTENDANCE:

Mark Hand	Head of Planning, Housing and Place-Shaping
Martin Davies	Planning Policy Manager
Rachel Lewis	Principal Planning Policy Officer
Shirley Wiggam	Senior Strategy & Policy Officer
Philip Thomas	Development Services Manager
Mark Howcroft	Assistant Head of Finance
Hazel Ilett	Scrutiny Manager
Richard Williams	Democratic Services Officer

APOLOGIES:

County Councillors: A. Wintle and P. Clarke

1. Declarations of Interest

There were no declarations of interest made by Members.

2. Confirmation of the following minutes:

2.1. Economy and Development Select Committee - 9th June 2016

The minutes of the Economy and Development Select Committee held on 9th June 2016 were confirmed and signed by the Chair. In doing so, the following points were noted:

- An update regarding Skutrade will be presented to the November 2016 Economy and Development Select Committee meeting.
- A Seminar regarding Superfast Broadband roll out will be held on 3rd October 2016 at 2.00pm.

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2.2. Economy and Development Select Committee - 14th July 2016

The minutes of the Economy and Development Select Committee held on 14th July 2016 were confirmed and signed by the Chair. In doing so, the following points were noted:

- The Tourism focus will be received at the October 2016 Economy and Development Select Committee meeting which will include scrutiny of STEAM data and discussion on brown signage.
- An update on Whole Place planning will be brought to a future meeting of the Select Committee.

3. Monmouthshire Local Development Plan Annual Monitoring Report 2015-16

Context:

To outline the purpose, key findings and conclusions of the Local Development Plan (LDP) second Annual Monitoring Report (AMR).

The Planning Committee was invited to attend the meeting alongside the Select Committee to scrutinise the report.

Key Issues:

The Monmouthshire LDP 2011-2021 was formally adopted by the Council on 27 February 2014. As part of the statutory development plan process the Council is required to prepare an Annual Monitoring Report (AMR).

The Annual Monitoring Report

The AMR provides the basis for monitoring the effectiveness of the LDP and ultimately determines whether any revisions to the Plan are necessary. It aims to demonstrate the extent to which the LDP strategy and objectives are being achieved and whether the Plan's policies are functioning effectively. It also allows the Council to assess the impact the LDP is having on the social, economic and environmental well-being of the County and identifies any significant contextual changes that may influence plan implementation or review.

This is the second AMR to be prepared since the adoption of the Monmouthshire LDP and is based on the period 1 April 2015 – 31 March 2016.

LDP Monitoring Framework

The LDP policy and sustainability appraisal (SA) monitoring frameworks form the basis for the AMR, assessing how the Plan's strategic policies, and associated supporting policies, are performing against the identified key monitoring targets and outcomes and whether the LDP strategy and objectives are being delivered. This has enabled the

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Council to make an informed judgement of the Plan's progress in delivering the targets / monitoring outcomes and policies during this monitoring period.

Key Findings

Section 5 of the AMR provides a detailed assessment of the Plan's performance. The results of the monitoring process demonstrate that many of the indicator targets and monitoring outcomes are being achieved. Some of the most significant findings in relation to these are:

- Progress continues to be made towards the implementation of the spatial strategy.
- Affordable housing policy targets set out in Policy S4 are generally being met in relation to planning permissions granted in the main towns and main villages.
- The County has a total of 41.8ha of employment land available, indicating that sufficient employment land is maintained to meet the identified take up rate.
- There has been progress in terms of employment permissions within the County, with permissions granted for a range of employment uses on identified business and industrial sites (SAE1), protected employment sites (SAE2) and non-allocated sites (totalling 4.48 hectares). These were predominantly in Severnside. Permission was also granted for 3.72 hectares of land at the LDP strategic mixed-use site at Wonastow Road Monmouth.
- A number of rural diversification and rural enterprise schemes have been approved (10).
- The Council approved proposals for a total of 10 tourism facilities, 8 of which related to tourist accommodation. There were no applications permitted involving the loss of tourism facilities.
- Vacancy rates in the central shopping areas in all of the County's town and local centres remain below the national average.
- The proportion of A1 retail uses within the towns' Primary Shopping Frontages generally accord with the thresholds identified in the Primary Shopping Frontages SPG.
- A total of 5 community and recreation facilities have been granted planning permission and no applications were permitted involving the loss of community / recreation facilities.
- There has been no loss of listed buildings or historic sites and no development permitted which would have an adverse impact on the historic environment.

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- Progress is being made towards the total waste management capacity for the LDP period and there has been no reduction in the minerals land bank.
- A total of 8 schemes incorporating on-site renewable energy generation were permitted (excluding householder, change of use and agricultural use).
- There were no developments permitted in C1 / C2 floodplain areas which did not meet TAN15 tests.

There are, however, several key policy indicator targets and monitoring outcomes relating to housing provision that are not currently being achieved. The most significant findings in relation to these are:

- A total of 234 new dwelling completions (general market and affordable) were recorded during the current monitoring period. This, coupled with the 205 completions recorded during the last monitoring period, equates to a total of 439 completions since the Plan's adoption. This is significantly below the identified LDP target of 488 completions per annum.
- A total of 63 affordable dwelling completions were recorded during the current monitoring period. This, together with the 17 affordable dwelling completions recorded during the previous monitoring period, amounts to a total of 80 affordable dwelling completions since the Plan's adoption. This is significantly below the identified LDP target of 96 affordable dwelling completions per annum.
- The Monmouthshire Joint Housing Land Availability Study (JHLAS) for the 2015-16 period demonstrates that the County had 4.1 years housing land supply (based on the residual methodology prescribed in TAN1).
- There has been limited progress with the delivery of allocated strategic housing sites. With the exception of the Wonastow Road site, none of the strategic sites have obtained planning permission since the Plan's adoption. Progress on the delivery of the LDP strategic housing sites is provided in the policy analysis section for Policy S3.
- Permissions and completions in Severnside settlements were considerably below the identified LDP targets.

This indicates that the LDP's key housing provision policies are not being delivered as anticipated and the subsequent lack of a 5 year housing land supply is a matter of concern. The fundamental contributing factor to this shortfall is the slower than anticipated progression of allocated strategic housing sites, albeit that progress is being made in bringing these sites forward and there is no evidence to suggest that the allocations are not deliverable (as detailed in Section 5 of the AMR). Nevertheless, the slower than anticipated delivery rate does suggest that there is a need for additional site allocations.

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Contextual Information

Section Three of the AMR provides an analysis of the relevant contextual material that has been published since the adoption of the Plan at a national, regional and local level, along with general economic trends. This concludes that the changes identified to date do not suggest the need for an early review of the Plan.

Supplementary Planning Guidance (SPG)

Progress has been made in the preparation and adoption of SPG to help to facilitate the interpretation and implementation of LDP policy. This is detailed in Section Three of the AMR. SPG preparation and adoption will continue in the next monitoring period.

Sustainability Appraisal (SA) Monitoring

Section Six of the AMR expands on the assessment of LDP performance against the SA Monitoring Objectives, providing a short term position statement on the performance of the Plan against a number of sustainability indicators. There is an overlap between some of the LDP and SA indicators helping to demonstrate how the two monitoring processes are interlinked.

Conclusions and Recommendations

Section Seven sets out the conclusions and recommendations of this second AMR. The 2015-16 AMR concludes that while good progress has been made in implementing many of the Plan's policies and that overall the strategy remains sound, a number of key housing provision policy targets are not being met which indicates that these policies are not functioning as intended. The lack of a 5 year housing land supply is a matter of concern that needs to be addressed if the Plan's housing requirements are to be met.

An early review of the LDP is therefore considered necessary because of the housing land supply shortfall. As there are no concerns with other Plan policies at this stage the AMR concludes that it is not considered necessary to review other aspects of the Plan at this time. Accordingly, the AMR recommends an early review of the Monmouthshire LDP as a result of the need to address the shortfall in the housing land supply and facilitate the identification and allocation of additional housing land. This will involve the production of a Review Report which will set out and explain the scope of the Plan revision required. The Plan revision is likely to involve the identification / allocation of additional viable and easily deliverable sites to boost the land supply.

It is further recommended that this AMR be submitted to the Welsh Government in accord with statutory requirements. The AMR will be published on the Council's web site and publicised via the Planning Department's Twitter account.

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Next Steps

The Plan will continue to be monitored on an annual basis through the preparation of successive AMRs, with the broad structure of the AMR remaining the same from year to year in order to provide ease of analysis between successive reports.

Given the importance attached to the land supply issue an early review is considered necessary, as set out in the AMR. This would also assist in seeking to avoid 'planning by appeal' and ad hoc development coming forward outside the development plan system and not in accordance with the Plan's strategy. However, it is also recognised that adopting a pragmatic approach to the determination of departure applications for residential development sites will assist in this context.

The Regulations allow for a 'selective review' of part (or parts) of an LDP. Such a provision would allow for a partial review of the LDP to cover issues associated with the housing land supply and site selection, in accordance with the recommendation of the AMR. The Council, however, is required to commence a full review of the LDP every four years. This would mean that a full review to meet statutory requirements would have to commence in February, 2018. It is considered, therefore, that it would be more appropriate for a review to be commenced to consider all aspects of the LDP at this stage in order to fully assess the nature and scale of revisions that might be required. An early full review will also assist in meeting the 2021 deadline for having an adopted revised LDP in place to avoid the local policy vacuum that the new Regulations threaten to create.

The commencement of a Plan review will require the preparation of a Review Report. This should set out clearly what has been considered, which key stakeholders have been engaged and, where changes are required, what needs to change and why, based on evidence; including issues, objectives, strategy, policies and the SA, as well as the implications of anticipated revisions on any parts of the Plan that are not proposed to be revised. It must also make a conclusion on the revision procedure to be followed, i.e. full or short form. The LDP Review Report may conclude that the issues involved are of sufficient significance to justify undertaking the full revision procedure. Alternatively, a short form revision procedure is available for circumstances where the issues involved are not of sufficient significance to justify undertaking the full revision procedure. The latter procedure may be the most appropriate in this case, given that the main issue is the shortfall in the land supply but this will be determined through the analysis to be carried out for the Review.

A report will be made to Cabinet seeking a formal resolution to commence a review of the LDP. Any comments from the Economy and Development Select Committee will be reported to Cabinet. Should Cabinet agree the recommendation to commence Plan review, a LDP Review Report would be produced for future political reporting, setting out a recommendation for the type of Plan revision (full or short). That decision would need to consider timescales, fit and the relationship with the emerging Future Monmouthshire work, Cardiff Capital Region City Deal work and a South East Wales Strategic Development Plan.

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Member scrutiny:

Having scrutinised the report, the following points were noted:

- In response to a question raised regarding land not coming forward and lack of supply, it was noted that there was a series of factors involved. Sites have been allocated in the LDP. However, the reasons are as follows:
 - External market issues.
 - How housing land supply is calculated.
 - Some of the Strategic Sites are at various stages with regard to planning permission. Some robust debate has been undertaken with applicants regarding viability issues.
 - Therefore, there a number of reasons, many of which are not within the control of the Planning Department.
- The review will look at the policies and identify whether they are working and look at how policies relate to each other. The review then recommends whether or not a revision takes place.
- In response to a Member's question regarding judicial reviews on the English sites close to the border with Monmouthshire, it was noted that these are not considered by the Planning Authority. The housing need there is not within the housing need for Monmouthshire's market area or a part of Monmouthshire's LDP housing need. Judicial reviews are a risk that the Planning Authority considers, in particular with regard to the bigger schemes.
- The Housing needs review is assessed which looks at the need for affordable housing. The next review will commence in April 2017. Any outcomes will feed into the LDP.
- The wider housing need is a challenge so there is a need to look at extending the plan. The Welsh Government is making more grant funding available and the Authority will be looking to capitalise on this.
- Concern was expressed by a Member of the Committee that there were problems with regard to achieving building land and development land for businesses. Less than 50% of houses have been completed and also less than 50% of affordable houses have been completed. No houses have been built on a strategic site and only one business has gone onto a strategic site. The proposal to provide additional sites could have a detrimental effect in certain areas such as Monmouth as the existing infrastructure and traffic issues would be exacerbated. The Head of Planning, Housing and Place-Shaping stated that there will always be a time lag on the bigger sites coming forward.

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- A full review could take in the region of two years to complete.

Committee's Conclusion:

The Committee discussed the Local Development Plan (LDP) and Annual Monitoring Report (AMR) in depth and agreed that the report should be submitted to the Welsh Government. Members furthermore supported the recommendation to commence the review of the LDP, particularly given the concerns that were raised over our 5 year land supply and the number of completions in the last reporting period.

The Committee accepted that the review would determine whether there is a need for revisions of the LDP and agreed to await the conclusions of the review which would be reported back to the select committee. The Committee requested that an update report be brought to them in due course on the Community Infrastructure Levy, together with a list of applicable areas. Members also requested that supplementary planning guidance on affordable housing be brought to a joint scrutiny meeting with Strong Communities and Adults Select Committees at the appropriate time.

4. Monmouthshire Planning Service Annual Performance Report 2015-16

Context:

To provide report on the performance of the Planning Service for the period 2015-16.

The Planning Committee was invited to attend the meeting alongside the Select Committee to scrutinise the report.

Key Issues:

The planning service's work links directly with Monmouthshire County Council's objective of delivering sustainable, resilient communities. The service is directly involved with wider corporate projects such as 21st Century Schools, rationalising our estates portfolio and forms an integral part of the emerging work on Future Monmouthshire.

Key areas of work for the Planning Service include:

- Providing pre-application advice to customers.
- Determining planning applications in accordance with adopted policy and material planning considerations, taking into account stakeholder comments and corporate objectives.

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- Securing financial contributions from developers to offset the infrastructure demands of new development and meet the need for affordable housing.
- Safeguarding the County's 2400 Listed Buildings and 31 Conservation Areas, areas of archaeological sensitivity, the Wye Valley AONB, the Brecon Beacons National Park and the European designated Special Protection Areas and Special Areas of Conservation.
- Taking robust enforcement action against unauthorised development that is unacceptable.
- Raising awareness of the statutory role and importance of the land use planning framework, building on the high levels of engagement underpinning the Local Development Plan (LDP) process.
- Preparing supplementary planning guidance (SPG) to assist with the implementation and interpretation of LDP policy.
- Implementing the Council's LDP through engaging and working with communities, and partnership working with internal and external partners to foster the co-creation and growth of enterprise, community and environmental well-being. This will include involvement with the Whole Place work and Local Well-being Plan.
- Monitoring and evaluating Plan policies and the process of Plan preparation.

Customer service feedback

Between 2010 and 2012 the Council's planning service underwent a Systems Thinking review. This review sought to strip the function back to first principles: what is important to our customers, and how can waste (actions or procedures that do not add value to the outcome) be eliminated. This evidence-based review has been fully implemented, although part of the Systems Thinking approach requires services to be kept under review and closely monitored.

This review identified that the following things are important to customers:

- Customers value pre-application advice and advice during the consideration of the application.
- They want officers to be accessible and for there to be open and honest communication.
- They want consistency of pre-application advice and in validation of applications.
- They want Planning Committee to follow the officer's recommendation and value being able to have a dialogue with Members prior to determination.

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- They don't want too many conditions being attached to decisions, and when conditions are imposed they should be relevant and easy to discharge.
- They value being able to submit an application online and to search for applications and information online.
- Third parties value being listened to during the application process.

The service therefore operates with these priorities as guiding principles, shaping behaviour and procedures. The service is committed to having an outcome focus rather than chasing arbitrary performance targets that are not a priority to the Department's customers.

Member scrutiny:

The following points were noted:

- An additional performance indicator could be added to the report, namely, the percentage of applications which are delegated to officers for decision. The Head of Planning, Housing and Place-Shaping informed the Committee that he would provide Members with details of this information.
- In response to a Select Committee Member's question, the Head of Planning, Housing and Place-Shaping valued the Planning Committee as being a 'critical friend' with officers having a good working relationship with that committee.
- All Planning Committee Members receive compulsory training before they serve on the committee, as stated in the Members' Code of Conduct. The annual design tour is held whereby, the Planning Committee, with officers, visits completed developments where the planning applications have been approved by the Committee. The Committee can also learn from appeal decisions.

Committee's Conclusion:

The Committee discussed the performance of the planning service in line with the annual report and recognised that the function is performing well and is exceeding Welsh Government targets. The committee welcomed the positive progress that was being made and noted that on the vast majority of indicators Monmouthshire is performing above the Wales average. Members noted by way of example that national performance on areas such as customer satisfaction is relatively low and as such, there is a need to continually improve beyond the average Welsh benchmark figure. The Committee recognises the limitations of the customer survey feedback and that the applicability of some of the performance indicators does not enable a full picture of the performance made in some areas of the service and acknowledging that some indicators are statutory

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indicators, they supported any enhancements that could be made to measuring and recording performance. Members supported the three actions contained in the report and requested future reports be brought for scrutiny by the Committee.

5. Revenue & Capital Monitoring 2016/17 Period 1 Outturn Forecast Statement

Context:

To provide information on the forecast revenue outturn position of the Authority at the end of period 1 which represents month 2 financial information for the 2016/17 financial year. Revenue and Capital forecasting was brought forward by a month against the usual timescale to provide Members with relevant financial information before the summer recess.

Recommendations proposed to Cabinet

- (i) That Cabinet notes the extent of forecast revenue overspend at period 1 of £1.37 million.
- (ii) That Cabinet requires Chief Officers to provide information on how the overspend position will be brought back within budget, including alternative plans to deliver the £301,000 mandated savings reported as not achievable in the next monitoring report.
- (iii) That Cabinet requires Directors to review levels of over and underspends and reallocate budgets to reduce the extent of compensatory positions needing to be reported prior to month 6 reporting.
- (iv) That Cabinet appreciates the extent of predicted schools reserve usage and the anticipation that 13 schools will be in a deficit position by end of 2016-17.
- (v) That Cabinet considers the capital monitoring which exhibits only a small variance to budget as a result of recent Cabinet and Council approval on Caerwent House.
- (vi) That Cabinet recognises the risk associated with having to rely on a use of capital receipts in the year anticipated and the potential for this to have significant revenue pressures should receipts be delayed and temporary borrowing be required.

Member scrutiny:

Having considered the report, the Select Committee expressed its support for the recommendations outlined in the report to be presented to Cabinet.

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Committee's Conclusion

That the recommendations outlined in the report be presented to Cabinet.

6. Economy and Development Select Committee Forward Work Programme

We scrutinised the Economy and Development Select Committee Forward Work Programme. In doing so, the following items would be added to the work programme.

- Update regarding the City Deal.
- Skutrade Update.
- Update regarding CMC2 – Select Committee meeting on 24th November 2016.

7. Next meeting

The next meeting of the Economy and Development Select Committee will be held on Thursday 13th October 2016 at 10.00am.

The meeting ended at 3.30 pm