

**SUBJECT: MONMOUTHSHIRE LOCAL DEVELOPMENT PLAN
ANNUAL MONITORING REPORT**
MEETING: ECONOMY AND DEVELOPMENT SELECT COMMITTEE
DATE: 19 OCTOBER 2018
DIVISION/WARDS AFFECTED: ALL

1 PURPOSE:

- 1.1 To consider the extent to which the current Local Development Plan (LDP) is delivering against its objectives and monitoring indicators, as set out in the fourth Annual Monitoring Report (AMR), attached at **Appendix 1**. Although the decision has already been taken to commence work on a new LDP, there is a statutory requirement to continue to monitor the current LDP's performance. In addition, this monitoring report will help inform and shape the new LDP by reflecting on what is working and what is not.

2. RECOMMENDATION:

- 2.1 That the fourth Local Development Plan Annual Monitoring Report be endorsed for submission to the Welsh Government by 31 October 2018.

3. KEY ISSUES:

3.1 Background – Adopted Monmouthshire LDP

- 3.1.1 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.

3.2 The Annual Monitoring Report

- 3.2.1 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/revision.

- 3.2.2 This is the fourth AMR to be prepared since the adoption of the Monmouthshire LDP and is based on the period 1 April 2017 – 31 March 2018.

- 3.2.3 Although the Council has already made the decision to commence work on a new LDP, this monitoring report will help inform and shape the new LDP by reflecting on what is working and what is not.

3.3 LDP Monitoring Framework

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

3.4 Key Findings

3.4.1 Section 5 of the AMR provides a detailed assessment of 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.
- The Council approved proposals for a total of 1,238 dwelling units over the 2017-18 monitoring period, of which 246 (20%) are for affordable homes.
- Four LDP allocated housing sites gained planning permission during the year:
 - Land at Deri Farm, Abergavenny (SAH1) 250 dwellings including 49 affordable units;
 - Former Fairfield Mabey site (SAH3) 450 dwellings including approximately 20 affordable units (with a viability review clause at a later stage);
 - Rockfield Farm, Undy (SAH5) 265¹ dwellings including 67 affordable units;
 - Main Village site at Llanishen (SAH11(ix)(b)) 8 dwellings comprising 5 affordable and 3 general market dwellings.

Progress has also been made in relation to the remaining two strategic housing sites (SAH2 Crick Road, Portskewett and SAH6 Vinegar Hill, Undy). These have both gained planning permission after the close of this reporting period.

- The target densities of housing permitted on the Strategic Housing Sites was met for all three allocated sites.
- Affordable housing policy targets set out in Policy S4 are generally being met in relation to planning permissions granted in the Severnside settlements and main villages.
- The County has a total of 40.16 hectares of employment land available, indicating that sufficient employment land is maintained to meet the identified take up rate. The take-up of employment land stood at 5.0 hectares which is attributable to development on the Strategic Mixed Use allocation at Wonastow Road, Monmouth, identified business and employment (SAE1) sites (Westgate Business Park Llanfoist & Beaufort Park, Chepstow) and protected employment (SAE2) sites (Severn Bridge Industrial Estate, Caldicot, Newhouse Farm, Chepstow and Tri-Wall, Monmouth).
- There has been significant progress in terms of employment permissions within the County, with permissions granted for a range of B use class employment on identified business and industrial sites (SAE1), protected employment sites (SAE2) and non-allocated sites (totalling 3.48 hectares). Eight rural diversification and rural enterprise schemes have also been approved.
- The Council approved proposals for a total of 16 tourism facilities, all of which related to tourist accommodation ranging from holiday lets to glamping accommodation. The new Sustainable Tourism Accommodation Supplementary Planning Guidance [SPG] (November 2017) has helped clarify our general support for this important sector of our economy.

¹ Planning application DC/2016/00883 approved for 266 units, for the purposes of the AMR 265 units are recorded as a net gain (existing farmhouse has a residential use and is being demolished)

- Vacancy rates in the central shopping areas in all of the County's town and local centres remain below the Wales rate. However, vacancy rates have increased significantly in Monmouth and anecdotal evidence links this to business rate changes and changing shopping habits.
- 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 10 community and recreation facilities have been granted planning permission.
- No applications were permitted on areas of open space not allocated for development in the LDP.
- Two applications were permitted with the specific aim of delivering habitat creation.
- Ample land remains available for potential waste management sites and there has been no reduction in the minerals land bank.
- There were no applications that resulted in the loss of listed buildings or historic sites and no development permitted which would have an adverse impact on the historic environment.

3.4.2 There are, however, several key policy indicator targets and monitoring outcomes relating to housing provision that are not progressing as intended. Further investigation has determined that there are concerns with the implementation of these aspects of the policy framework. The most significant findings in relation to these are:

- Residential completions in the Main Towns were significantly higher as a proportion of all completions than the identified LDP target (71% against a target of 41%). However, this is mainly attributable to greater progress in some Main Towns and delays in Severnside. Specifically, there were completions recorded on three windfall sites in Abergavenny and the allocated site at Wonastow Road, Monmouth. In contrast completions in Severnside remain well below the identified LDP target due to progress with those allocations. However, completions are likely to increase in this area over the next monitoring period due to the development taking place at Sudbrook Paper Mill.
- A total of 279 new dwelling completions (general market and affordable) were recorded during the current monitoring period. This, coupled with the 677 completions recorded during the last three monitoring periods, equates to a total of 956 completions since the Plan's adoption. This is significantly below the identified LDP target of 488 completions per annum (shortfall of 996 dwelling completions since the Plan's adoption). Annual completions recorded during this monitoring period are, however, higher than the previous monitoring period (238 new dwelling completions).
- A total of 84 affordable dwelling completions were recorded during the current monitoring period. This, together with the 127 affordable dwelling completions recorded during the previous three monitoring periods, amounts to a total of 211 affordable dwelling completions since the Plan's adoption. This is significantly below the identified LDP target of 96 affordable dwelling completions per annum (shortfall of 173 affordable dwelling completions since the Plan's adoption). This relates directly to the construction progress of housing sites, but also to viability

issues. Annual completions recorded during this monitoring period are, however, significantly higher than the previous monitoring period where 47 affordable dwelling completions were recorded.

- The Monmouthshire Joint Housing Land Availability Study (JHLAS) for the 2017-18 period demonstrates that the County had 3.9 years' housing land supply (based on the residual methodology prescribed in TAN1). This is the third consecutive year that the land supply has fallen below the 5 year target. Decisions have already been made in response to this issue, namely the decision to commence work on a new LDP, and Council's decision on 20th September 2018 (after this reporting period) to give appropriate weight, subject to ground rules, to our housing land supply shortfall.
- There has been limited progress with the delivery of two of the allocated strategic housing sites during this reporting period. The Crick Road, Portskewett and Vinegar Hill, Undy strategic sites are yet to obtain planning permission, however, further progress is expected on both of these sites during the next monitoring period. Progress on the delivery of the LDP strategic housing sites is provided in the policy analysis section for Policy S3.

3.4.3 It remains evident that the LDP's key housing provision policies are not being delivered as quickly as anticipated and the lack of a 5 year housing land supply continues to be a matter of concern. A 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. An additional three Strategic Sites gained planning permission over the monitoring period and progress is being made in bringing the remaining two strategic sites forward. This demonstrates that the strategic sites are deliverable, albeit at a slower rate than anticipated. Nevertheless, their slower than anticipated delivery rate has obvious implications for the housing land supply and continues to suggest that there is a need for additional site allocations to increase the supply of housing land.

3.4.4 This continues the trend identified in the previous two AMRs and Joint Housing Land Availability Studies (JHLAS) which led to the Council's decision to initiate an early review of the Plan as a result of the need to address the shortfall in the housing land supply and facilitate the identification and allocation of additional viable and deliverable housing land.

3.5 Contextual Information

3.5.1 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. While some of these identified changes may have implications for the future implementation of the LDP/revised LDP, none of the changes identified over the monitoring period are considered to be significant and can be considered as part of the LDP revision process.

3.6 Supplementary Planning Guidance (SPG)

3.6.1 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 as appropriate. Where essential, however, resources will be focused on Plan revision.

3.7 Sustainability Appraisal (SA) Monitoring

3.7.1 Section Six of the AMR expands on the assessment of LDP performance against the SA Monitoring Objectives, setting out 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.

3.8 Conclusions and Recommendations

3.8.1 Section Seven sets out the conclusions and recommendations of the fourth AMR. The 2017-18 AMR maintains the trends identified in last year's AMR, that is while good progress continues to be 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 continued lack of a 5 year housing land supply remains a matter of concern that needs to be addressed if the Plan's housing requirements and the needs of our communities are to be met.

3.8.2 In accordance with the findings and recommendations from the previous two AMRs an early review of the LDP has been undertaken during the current monitoring period predominately due to the housing land supply shortfall. Based on the evidence contained within the Review Report it was concluded that work should commence on a replacement LDP for the period to 2033. Accordingly, the AMR recommends that we should continue to progress a full revision of the Monmouthshire LDP in accordance with the findings and recommendations of the LDP Review Report. This will ensure continued Plan coverage in the County, thereby avoiding the risks associated with any policy vacuum.

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

3.9 Next Steps

3.9.1 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.

3.9.2 Work has commenced on the new LDP since the 2017-18 reporting period. The Delivery Agreement (DA) provides details of the various stages involved in the Plan-making process and the time each part of the process is likely to take. It also sets out the way in which the Council proposes to involve the local community and other stakeholders in the preparation of the revised plan. The DA has been agreed by Council and agreed by the Welsh Government, formally commencing the start of the new Plan preparation. A call for candidate sites is open until 19th November 2018. The next stages are setting out the framework for Strategic Environmental Assessment and Sustainability Appraisal, which will be ways of assessing the allocations and policies in the Plan as work progresses, with targeted consultation to key advisors on these matters. We will also be carrying out a targeted consultation (via Area Clusters and the Bryn Y Cwm Area Committee) on the issues, objectives and purpose for the new LDP. We envisage that these will primarily reflect the Local Well-being Plan and Corporate Business Plan, which has only recently captured the issues facing our communities via extensive community engagement.

4. **REASONS:**

4.1 Under the Planning and Compulsory Purchase Act (2004) and associated Regulations, all local planning authorities are required to produce a LDP. The Monmouthshire LDP was adopted in February 2014 and provides the land use framework which forms the basis on which decisions about future development in the County are based. The Council has a statutory obligation, under section 61 of the 2004 Act, to keep all matters under review that are expected to affect the development of its area. In addition, section 76 of the Act requires the Council to produce information on these matters in the form of an AMR for submission to the Welsh

Government at the end of October each year following plan adoption. The preparation of an AMR is therefore an integral part of the statutory development plan process. The Welsh Government has issued regulations and guidance on the required contents of AMRs. The completion of the 2018 Monmouthshire AMR is in accord with these requirements and guidance.

5. RESOURCE IMPLICATIONS:

- 5.1 Officer time and costs associated with the data collection and analysis of the monitoring indicators and preparation of the AMR. These costs will be met from the Planning Policy budget and carried out by existing staff.

6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:

- 6.1 The Council must comply with European Directives and Regulations to monitor the state of the environment and this forms an integral part of the AMR. The adopted LDP and completion of the AMR accord with these requirements.

Sustainable Development

- 6.1.1 Under the 2004 Act the LDP is required to be subject to a Sustainability Appraisal (SA). The role of the SA is to assess the extent to which planning policies would help to achieve the wider environmental, economic and social objectives of the LDP. In addition, the European Strategic Environmental Assessment (SEA) Directive requires the '*environmental assessment*' of certain plans and programmes prepared by local authorities, including LDP's. All stages of the LDP were subject to a SA, whose findings were used to inform the development of LDP policies and site allocations in order to ensure that the LDP would be promoting sustainable development. The SEA Directive also requires that the Council monitor the state of the environment through monitoring the sustainability objectives set out in the SA Report. This forms an integral part of the AMR. A Future Generations Evaluation (including equalities and sustainability impact assessment) is attached to this report at **Appendix 2**.

Equality

- 6.2.1 The LDP was also subjected to an Equality Challenge process and due consideration given to the issues raised. The AMR provides an analysis of existing LDP policies, which were prepared within this framework. Assessments of Equality Impact will be required throughout the Plan's implementation wherever there is likely to be significant impact. Future revision of LDP policies and proposals will require an Equalities and Well-being of Future Generations Impact Assessment to be carried out.

7. OPTIONS CONSIDERED

- 7.1 It is a requirement of the Regulations to monitor the LDP and to submit an AMR to the Welsh Government, so no other options were considered.

8. HOW WILL SUCCESS BE MEASURED

- 8.1 Submission of the AMR to the Welsh Government by 31 October 2018 means the legal requirement has been met.
- 8.2 In the wider sense, the purpose of the AMR is to measure the extent to which the LDP's objectives are being met. The report sets out the way this has been measured and the successes and challenges experienced. The 2018-19 AMR will be reported to this Select Committee in September/October 2019.

9. CONSULTEES:

- Economy and Development Select Committee and Planning Committee, via meeting on 19th October 2018
- Cabinet Member
- SLT

10. BACKGROUND PAPERS:

European Legislation:

- European Strategic Environment Assessment Directive 2001/42/EC.
- Strategic Environmental Assessment Regulations 2004.
- The Conservation of Habitats and Species Regulations 2010 (as amended 2011).

National Legislation and Guidance:

- Planning (Wales) Act 2015
- Planning and Compulsory Purchase Act 2004.
- Town and Country Planning (Local Development Plan) (Wales) Regulations 2005
- Town and Country Planning (Local Development Plan) (Wales) (Amendment) Regulations 2015
- Local Development Plan Manual, Welsh Assembly Government, Edition 2, 2015.
- Planning Policy Wales (Edition 9), Welsh Government, November 2016.

Monmouthshire LDP:

- Monmouthshire Adopted LDP, Monmouthshire County Council, February 2014.
- Monmouthshire LDP 'Sustainability Appraisal/Strategic Environmental Assessment Report Addendum', February 2014.
- Monmouthshire Local Development Plan Annual Monitoring Reports, 2014-15, 2015-16 & 2016-17.

Monmouthshire County Council publications:

- Monmouthshire LDP Draft 'Retail Background Paper', September 2018.
- Monmouthshire LDP Draft 'Employment Background Paper', September 2018.
- Monmouthshire 'Joint Housing Land Availability Study', June 2018.

11. AUTHORS & CONTACT DETAILS:

Mark Hand (Head of Planning, Housing and Place-Shaping)

Tel: 01633 644803.

E Mail: markhand@monmouthshire.gov.uk

Rachel Lewis (Planning Policy Manager)

Tel: 01633 644827

E Mail: rachellewis@monmouthshire.gov.uk

Evaluation Criteria – Cabinet, Individual Cabinet Member Decisions & Council

Title of Report:	Monmouthshire Local Development Plan – Annual Monitoring Report
Date decision was made:	19th October 2018
Report Author:	Mark Hand / Rachel Lewis

What will happen as a result of this decision being approved by Cabinet or Council?

What is the desired outcome of the decision?

What effect will the decision have on the public/officers?

Once the contents of the fourth Local Development Plan Annual Monitoring Report are agreed, submission to the Welsh Government by 31 October 2018.

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. The desired outcome is 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 implantation or revision.

The AMR is monitored on an annual basis to identify if the desired outcomes are being achieved.

What benchmarks and/or criteria will you use to determine whether the decision has been successfully implemented?

Think about what you will use to assess whether the decision has had a positive or negative effect:

Has there been an increase/decrease in the number of users

Has the level of service to the customer changed and how will you know

If decision is to restructure departments, has there been any effect on the team (e.g. increase in sick leave)

A detailed assessment of the Plan's performance is measured within the annual monitoring report. While many of the indicator targets and monitoring outcomes are being achieved, several key policy indicator targets and monitoring outcomes relating to housing provision are not progressing as intended. Measures have been put in place by Council to address issues relating to housing provision in the decision to embark on a full revision of the LDP.

What is the estimate cost of implementing this decision or, if the decision is designed to save money, what is the proposed saving that the decision will achieve?

Give an overview of the planned costs associated with the project, which should already be included in the report, so that once the evaluation is completed there is a quick overview of whether it was delivered on budget or if the desired level of savings was achieved.

Officer time and costs associated with the data collection and analysis of the monitoring indicators and preparation of the AMR. These costs are met from the Planning Policy budget and carried out by existing staff.

