

**SUBJECT: MONMOUTHSHIRE LOCAL DEVELOPMENT PLAN
ANNUAL MONITORING REPORT**
MEETING: INDIVIDUAL CABINET MEMBER
DATE: 9 October 2019
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 fifth 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 Replacement LDP by reflecting on what is working and what is not.

2. RECOMMENDATION

- 2.1 That the Cabinet Member for Enterprise & Land Use Planning endorses the fifth Local Development Plan Annual Monitoring Report for submission to the Welsh Government by 31 October 2019.
- 2.2 To note comments raised by Economy and Development Select Committee (5th September 2019). The main issues raised included:
- Lesson learned from the current adopted LDP that can inform the Replacement LDP
 - Housing provision and housing land supply, including considering the reasons behind site delivery delays and ways to avoid delay in future allocated sites coming forward
 - Town centres and retail vacancy rates

Comments from the meeting of the Economy and Development Select Committee will be added as soon as the minutes of the meeting are received.

3. KEY ISSUES

Background – Adopted Monmouthshire LDP

- 3.1 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.

The Annual Monitoring Report

- 3.2 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.

- 3.3 This is the fifth AMR to be prepared since the adoption of the Monmouthshire LDP and is based on the period 1 April 2018 – 31 March 2019.
- 3.4 Although the Council has already made the decision to commence work on a new LDP, this monitoring report will help inform and shape the Replacement LDP by reflecting on what is working and what is not.

LDP Monitoring Framework

- 3.5 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.

Key Findings

- 3.6 Section 5 of the AMR provides a detailed assessment of Plan's performance. The results of the monitoring process demonstrate that the majority 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 598 homes over the 2018-19 monitoring period of which 157 (26.3%) are for affordable homes.
- There were 443 dwelling completions which includes 131 Affordable dwellings. This is the highest number of both market and affordable dwelling completions recorded since the adoption of the LDP and represents the progress being made in bringing the strategic sites forward.
- Four LDP allocated housing sites gained planning permission:
 - Land at Crick Road, Portskewett (SAH2) 291 dwellings including 73 affordable homes (25%);
 - Chepstow Road, Raglan (SAH10(iii)) 45 dwellings including 16 affordable homes (35%);
 - Main Village site at Dingestow (SAH11(iii)) 15 dwellings comprising 9 affordable (60%) and 6 general market homes.
 - Main Village site at Llanfair Kilgeddin (SAH11(x)) 5 dwellings comprising 3 affordable (60%) and 2 general market homes.

Progress has also been made in relation to the remaining strategic housing site at Vinegar Hill, Undy (SAH6).

- The target densities of housing permitted on the housing sites was met for the two allocated sites at Crick Road, Portskewett and Chepstow Road, Raglan, albeit these were both outline applications.
- Affordable housing policy targets set out in Policy S4 are generally being met in relation to planning permissions granted in the Main Towns, Rural Secondary Settlements, 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.
- There has been progress in terms of employment permissions within the County, with permissions granted for a range of B use class employment uses on protected employment sites (SAE2) and non-allocated sites (totalling 4.88 hectares). A number of rural diversification and rural enterprise schemes have also been approved (7).
- The Council approved proposals for a total of 22 tourism facilities, all of which related to tourist accommodation ranging from a hotel, holiday lets to glamping accommodation. The Sustainable Tourism Accommodation Supplementary Planning Guidance [SPG] (November 2017) has helped clarify our general support for this important sector of our economy.
- Vacancy rates in all of the County's central shopping areas, with the exception of Chepstow and Usk, remain below the Great Britain high street vacancy rate. It is, however, notable that vacancy rates have increased in the central shopping areas of Caldicot, Chepstow, Usk and Raglan since the last monitoring period.
- 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 8 community and recreation facilities have been granted planning permission.
- 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.

3.7 There are, however, a number of indicator targets and monitoring outcomes relating to housing land supply and brownfield land development that are not progressing as intended:

- The Monmouthshire Joint Housing Land Availability Study (JHLAS) for the 2018-19 period demonstrates that the County had 4.0 years' housing land supply (based on the residual methodology prescribed in TAN1). This is the fourth consecutive year that the land supply has fallen below the 5 year target. However, the land supply has increased since the last monitoring period (3.9 years) which is considered to be a result of the introduction and implementation of the Council's positive policy approach to unallocated sites.
- The remaining allocated strategic housing site at Vinegar Hill, Undy is yet to obtain planning permission. However, there has been further progress with the site during the current monitoring period and it is expected an application will be received for the first phase 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.
- There was a substantial decrease in development permitted on brownfield sites (12.7%/3.7ha) since the previous monitoring period (40.18%/21.58ha). This is

lower than all of the previous AMR monitoring periods which reflects the limited opportunities/scope for further significant brownfield development in the County.

- 3.8 It remains evident that the lack of a 5 year housing land supply continues to be a matter of concern. Although the housing land supply has increased to 4.0 years over the monitoring period, predominantly due to the introduction and implementation of the Council's positive policy approach to unallocated sites, it remains below the 5 year target. A fundamental contributing factor to this shortfall is the slower than anticipated progression of allocated strategic housing sites since the Plan's adoption. However, as evidenced in the AMR, progress is being made in bringing these sites forward. An additional four allocated sites gained planning permission over the monitoring period and progress is being made in bringing the remaining strategic site forward (all other strategic sites have obtained planning permission). This demonstrates that the strategic sites are deliverable, however, 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.
- 3.9 This continues the trend identified in the previous three AMRs and Joint Housing Land Availability Studies (JHLAS) which led to the Council's decisions to initiate an early review and subsequent revision of the Plan, and to take a positive policy approach to considering unallocated sites in order to address the shortfall in the housing land supply and facilitate the identification/allocation of additional viable and deliverable housing land.
- 3.10 The low proportion of development permitted on brownfield sites during the current monitoring period reflects the limited opportunities/scope for further significant development on brownfield sites in the County. This is identified as a key issue in the Replacement LDP Issues, Vision and Objectives Paper (Issue 16) and is reflected in Objective 6 which seeks to promote the efficient use of land, including the need to maximise opportunities for development on previously developed land, whilst recognising that brownfield opportunities are limited in Monmouthshire. The potential for further development on brownfield land will be considered as part of the LDP revision process.

Contextual Information

- 3.11 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/Replacement 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.

Supplementary Planning Guidance (SPG)

- 3.12 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.

Sustainability Appraisal (SA) Monitoring

- 3.13 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.

Conclusions and Recommendations

- 3.14 Section Seven sets out the conclusions and recommendations of the fifth AMR. The 2018-19 AMR indicates that good progress continues to be made in implementing many of the Plan's policies and that overall the strategy remains sound. There were fewer 'red' ratings recorded during the current monitoring period, compared to the 2017-18 AMR due to improved performance in relation to dwellings completions (Policies S1/S2/S4), affordable housing permissions (Policy S4) and progress on allocated strategic sites (Policy S3). However, a number of the key policy targets are not being met which indicates that these policies are not functioning as intended. Fundamentally, 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 Monmouthshire's communities are to be met.
- 3.15 In accordance with the findings and recommendations from the previous AMRs, a full review of the LDP commenced in 2017 and culminated with the publication of the Final Review Report in March 2018, which was reported during the last monitoring period. The report concluded that the LDP should be revised and that this should take the form of a full revision procedure, i.e. a replacement LDP.
- 3.16 In May 2018 the Council resolved to commence work on a replacement LDP for the County (excluding the area within the BBNP) which will cover the period 2018-2033. The Replacement LDP is being prepared in accordance with the Delivery Agreement which will see the Replacement LDP being adopted at the end of 2021/early 2022. Work commenced on the Replacement LDP during the current monitoring period which included the initial call for candidate sites and drafting of/engagement on the Issues, Vision and Objectives Paper.
- 3.17 The AMR recommends to continue to progress work on the Replacement LDP. This will ensure continued Plan coverage in the County, thereby avoiding the risks associated with any policy vacuum. The next formal stage of the Replacement LDP involves the preparation of a Preferred Strategy which will be published during the next monitoring period. It is further recommended that the AMR is 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.

Next Steps

- 3.18 Although the decision has already been taken to commence work on a Replacement LDP, there is a statutory requirement to continue to monitor the current LDP's performance. 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.
- 3.19 Work has continued on the Replacement LDP since the 2018-19 reporting period which has included a non-statutory engagement/consultation on the Growth and Spatial Options. The next stage of the process will involve the preparation of the Preferred Strategy which will set out the Council's preferred growth and spatial options for the County over the period 2018-2033. We will undertake statutory engagement and consultation with a wide range of stakeholders, groups and communities on the Preferred Strategy and Integrated Sustainability Assessment. This will subsequently inform the Deposit LDP which will be prepared in 2020.

4 SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS

- 4.1 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

- 4.2 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

- 4.3 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.

5. OPTIONS APPRAISAL

- 5.1 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.

6. EVALUATION CRITERIA

- 6.1 Submission of the AMR to the Welsh Government by 31 October 2019 means the legal requirement has been met.
- 6.2 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 2019-20 AMR will be reported to Individual Cabinet Member in October 2020.

7. REASONS

- 7.1 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 2018-19 Monmouthshire AMR is in accord with these requirements and guidance.

8. RESOURCE IMPLICATIONS

- 8.1 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.

9. CONSULTEES

- Economy and Development Select Committee and Planning Committee, via meeting on 5th September 2019. Comments from this Committee meeting will be added as soon as the minutes of the meeting are received.
- Enterprise DMT

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 10), Welsh Government, December 2018.

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 & 2017-18.

Monmouthshire County Council publications:

- Monmouthshire LDP 'Retail Background Paper', July 2019
- Monmouthshire LDP Draft 'Employment Background Paper', July 2019.
- Monmouthshire 'Joint Housing Land Availability Study', June 2019.

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