

SUBJECT: MONMOUTHSHIRE LOCAL DEVELOPMENT PLAN ANNUAL MONITORING REPORT
MEETING: ECONOMY AND DEVELOPMENT SELECT COMMITTEE
DATE: 19 OCTOBER 2020
DIVISION/WARDS AFFECTED: ALL

1 PURPOSE

- 1.1 The purpose of this report is 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 sixth 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. The Minister for Housing and Local Government in her letter to Chief Executives in July 2020 however stated that due to the requirement for Local Planning Authorities (LPAs) to reflect on the impact of the Covid-19 pandemic on their areas and consequences for replacement LDP preparation, AMR's will not be required to be submitted to Welsh Government this year. The next formal submission will be October 2021. The Minister, however, noted that LPAs can publish an AMR if they wish to do so and that data collection is strongly encouraged. As a consequence, the decision was made internally to complete the Monmouthshire AMR for continuity as this monitoring report provides valuable evidence that will help inform and shape the Replacement LDP by reflecting on what is working and what is not.

2. RECOMMENDATION

- 2.1 That the Economy and Development Select Committee scrutinises the sixth Local Development Plan Annual Monitoring Report and comments accordingly.
- 2.2 That the Economy and Development Select Committee recommends that the Cabinet Member for Enterprise and Land Use Planning endorses the sixth Local Development Plan Annual Monitoring Report for submission to the Welsh Government by 31st October 2020 on an informal basis.

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 sixth AMR to be prepared since the adoption of the Monmouthshire LDP and is based on the period 1 April 2019 – 31 March 2020.
- 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.
 - 356 dwelling completions were recorded including 82 affordable dwellings. Whilst a drop on last year's figure, this remains significantly higher than in previous monitoring periods and reflect the progress being made on bringing the strategic housing sites forward.
 - Six of the seven LDP allocated strategic housing sites now have planning permission, with an application submitted on the seventh at Vinegar Hill, Undy. Two strategic housing sites gained reserved matters approval and two Main Village sites gained planning permission progressing their delivery:
 - Land at Crick Road, Portskewett (SAH2) 269 dwellings including 68 affordable homes (25%);
 - Fairfield Mabey, Chepstow (SAH3) 347 open market dwellings. Land identified for affordable housing or employment land as part of the outline approval (DC/2014/01290), will be the subject of separate applications.
 - Two Main Village sites at Well Lane, Devauden (SAH11(ii)) and Cross Ash Garage (SAH11(i)(b)) gained planning permission over the monitoring period for a combined 21 units in total (12 open market, 9 affordable over both sites).
 - The target densities were exceeded in the reserved matters approved on the Strategic Housing Sites at Crick Road, Portskewett (SAH2) and Fairfield Mabey, Chepstow (SAH3).
 - 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 1.14ha hectares). A number of rural diversification and rural enterprise schemes have also been approved (15), providing employment opportunities throughout the County.
- The Council approved proposals for a total of 17 tourism facilities, all of which related to tourist accommodation ranging from a hotel and 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 the central shopping areas of Caldicot, Chepstow, and Usk have decreased since the previous monitoring period, with Raglan remaining at the same level. However, vacancy rates in the central shopping areas of Abergavenny, Monmouth and Magor have risen. However, the increases do not raise any immediate concerns with the vitality and viability of the centres.
- 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 12 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 is, however, a key policy monitoring outcome that is not progressing as intended relating to housing delivery:

- Housing completion rates represent an under delivery of -1,469 units (36.3%) for the Plan period to date when measured against the newly introduced cumulative average annual requirement (AAR).

3.8 In line with removal of the five-year housing land supply policy and the publication of the revised Development Plans Manual (Edition 3, Welsh Government, March 2020) setting out guidance on how housing delivery is now to be monitored, two new indicators have been included in this year's AMR, which replace the previous indicator which measured the five-year housing land supply. The first of these indicators measures the annual level of housing completions monitored against the Average Annual Requirement (AAR). Whilst the Plan under delivered in the early years of the Plan period in the most recent monitoring periods housing completions have been much closer to the AAR, -7 units (-1.6%) in 2018/19 and - 94 units (-20.9%) in 2019/20. This is due in main to the speed with which the strategic sites have come forward. Of the seven strategic sites, six now have planning permission, whilst all seven are anticipated to contribute to completions during the Plan period as set out in the Housing Trajectory prepared in conjunction with the Housing Stakeholder Group. It is therefore likely that completions will be more in line with the AAR going forward. However, the trigger for Plan review has been met in previous AMRs and work on the Replacement Local Development Plan begun.

- 3.9 The second of these indicators measures the total cumulative completions monitored against the cumulative requirement (Cumulative AAR). There has been under delivery of cumulative completions since the beginning of the Plan period and so the trigger has been met. However, in more recent AMRs the percentage of under delivery has steadily declined as the strategic sites have come forward.

Contextual Information

- 3.10 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. At the time of this AMR it is still unknown what impact, if any, the Covid-19 pandemic will have for the Adopted LDP. Any implications will be reported in future AMRs. 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)

- 3.11 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

- 3.12 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

- 3.13 Section Seven sets out the conclusions and recommendations of the sixth AMR. The 2019-20 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 2018-19 AMR due to improved performance in relation to developments permitted on previously developed land. However, while progress has been made in relation to the Plan's Strategic Housing Sites, cumulative completion rates for the Plan period are lower than the Plan requirement and remain a matter of concern if the housing needs of Monmouthshire's communities are to be met.
- 3.14 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. Based on the evidence contained within the Review Report it was concluded that the LDP should be revised and that this should take the form of a full revision procedure, i.e. a replacement LDP. The Council resolved in May 2018 to commence work on a Replacement LDP for the County (excluding the area within the BBNP) which will cover the period 2018-2033.

Next Steps

- 3.15 Although the decision has already been taken to prepare a Replacement LDP, there is a statutory requirement to continue to monitor the current LDP's performance, albeit that this has been relaxed this year¹. 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.
- 3.16 The Replacement Local Development Plan (RLDP) is being prepared in accordance with the Delivery Agreement. The Monmouthshire RLDP Delivery Agreement was first approved by Welsh Government on 14th May 2018, with a revision approved in March 2020. The unavoidable delays to Plan preparation as a consequence of the current pandemic and recent publication of the Welsh Government 2018-based population and household projections, has necessitated a further revision to the RLDP Delivery Agreement. A Revised Delivery Agreement has therefore been prepared which sets out a revised Plan timetable, including the dates for the revisiting the Growth and Spatial Options, Preferred Strategy and second call for candidate sites. The Community Involvement Scheme (CIS) has also been reviewed and adjusted in line with the Coronavirus Regulations (2020) and recent Ministerial advice to reflect social distancing measures and other measures. This is scheduled to be reported to Council in October 2020.
- 3.17 The Revised Delivery Agreement timetable will result in a significant delay to the preparation and subsequent adoption of the RLDP, with consultation and engagement on the revised Preferred Strategy anticipated Spring 2021 and adoption of the RLDP anticipated in autumn 2023. While it is too soon to fully understand the impacts of Covid-19 it is clear that the planning system has a fundamental role in supporting sustained recovery post Covid-19, as reflected in the Minister's recent letter which recognises that "up to date agile development plans are the cornerstone of our planning system" and that Welsh Government's commitment to a plan-led system has been reinforced by the current pandemic. Welsh Government's 'Building Better Places – Placemaking and the Covid-19 Recovery' (July 2020) document further highlights the importance of planning in supporting Covid-19 recovery. It identifies numerous planning priorities as being fundamental in the response to Covid-19 including place-making, Green Infrastructure, de-carbonisation and town centres.

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

¹ Minister for Housing and Local Government Letter to Local Authority Leaders and Chief Executives National Park Authority Chief Executives – Planning System and Covid-19, 7th July 2020 clarifies that the Minister does not require Annual Monitoring Reports to be submitted this October.

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.

- 4.3 A Future Generations Evaluation (including equalities and sustainability impact assessment) is attached to this report at **Appendix 2**.

Safeguarding and Corporate Parenting

- 4.4 There are no safeguarding or corporate parenting implications arising directly from this report.

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, even though this requirement has been relaxed this year.

6. RESOURCE IMPLICATIONS

- 6.1 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.

7. CONSULTEES

- Economy and Development Select Committee, via meeting on 19th October 2020.

8. 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 Government, Edition 3 March 2020.
- 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 & 2018-19.

Monmouthshire County Council publications:

- Monmouthshire LDP 'Retail Background Paper', March 2020
- Monmouthshire LDP Draft 'Employment Background Paper', September 2020.

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