

APPENDIX 2

Executive Summary

- i. The Council is preparing a Replacement Local Development Plan (RLDP) for Monmouthshire (excluding the part of the County that is within the Brecon Beacons National Park). The RLDP will identify where and how much new development will take place during the 'Plan period' (2018-2033). It will allocate land for development, identify areas to be protected, and contain policies to guide decisions on applications for planning permission. We aim to adopt the RLDP in Autumn 2023.
- ii. The RLDP will be accompanied by an Integrated Sustainability Appraisal (ISA) which will consider the environmental, equalities, health and well-being impacts of the Plan. The Integrated Sustainability Appraisal is a working document, updated as the RLDP progresses. The RLDP will include an Infrastructure Plan, setting out what is needed to support the development of the allocated sites, and will sit alongside a Local Transport Plan and Economic Strategy. Together, these Plans will seek to deliver on the Council's economic ambition and its core purpose to build sustainable and resilient communities that support the well-being of current and future generations.
- iii. We originally consulted on a range of growth and spatial options in the summer of 2019, the decision has been made, however, to revisit this stage of the Plan process. The Welsh Government population and household projections form the starting point for the RLDP evidence on growth levels, onto which policy choices can be added as needed, for example to ensure that the County's identified issues are addressed, objectives met and vision achieved. The publication of corrected Welsh Government 2018-based population and household projections in August 2020 comprise important new evidence that requires consideration to ensure that the evidence base for the RLDP is robust and based on the most up to date information. Consequently we need to revisit both the Growth and Spatial Options and Preferred Strategy stages of the plan preparation process.
- iv. This Paper sets out alternative growth and spatial options for the RLDP, together with the implications of each option and the extent to which they will achieve the RLDP and Integrated Sustainability Appraisal (ISA) objectives. The options presented in this Paper provide an indication of the scale of growth (housing and employment) that the RLDP will potentially need to include and broad options of where that growth could be located (spatial option), having regard to the evidence base and policy aspirations.

Growth Options

- v. Section 2 of the Paper presents a range of alternative demographic, dwelling and employment-led growth options for consideration to inform the RLDP (2018-2033).
- vi. In light of the publication of corrected Welsh Government 2018-based projections Monmouthshire has commissioned Edge Analytics to prepare a range of up-dated demographic, dwelling and employment growth scenarios to inform the RLDP growth options.
- vii. A total of fourteen different scenarios have been generated for Monmouthshire, together with further sensitivity testing for all of the demographic and dwelling-led scenarios with regard to household formation and commuting ratios. From these fourteen different scenarios, six growth options have been selected for consultation

(see Table below). These six options have been the subject of further testing to establish the impact on demography, household formation and employment of an affordable-housing policy-led strategy. It should be noted that the growth outcomes of each scenario generated includes that part of Monmouthshire that falls within the Brecon Beacons National Park.

- viii. This Paper considers the population, household, dwelling and employment implications associated with each of the alternative growth options set out below, together with their wider implications for the County and the extent to which they will achieve the RLDP's and ISA objectives. A summary of the implications associated with each option is provided in Table 6.
- ix. Based on the assessment of the growth options our preferred option to address the County's issues/challenges and meet the RLDP and ISA objectives is Growth Option 5, Population-led (with added policy assumptions).¹
- x. To provide an indication of the baseline position, the 2019 Office for National Statistics Mid-Year Estimate gives Monmouthshire a population of 94,590; the 2011 Census recorded 38,233 households in Monmouthshire; and the 2011 Census recorded 40,044 dwellings in Monmouthshire. The preferred Growth Option (5) would result in a population increase 12,443 (13.2%) and an additional 7,605 homes over the Plan period (2,945 new homes once existing commitments and windfall allowances are taken into account).

¹ This is the PG Long Term (adjusted) (5yr) (MR, CR_R), AH) scenario from the Edge Analytics Reports.

Summary of Selected Growth Options

Options (type)		Assumptions	Additional homes by 2033	Additional jobs by 2033
Option 1 (Demographic)	Balanced Migration (with added policy assumptions) (Net Nil Migration (MR, CR_R), AH)	Internal and international migration flows are balanced between in- and out-flows, resulting in zero net migration. Household membership rates for the young adult age-groups (19-24, 25-29, 30-34) have been adjusted to 'return' to their 2001 values between 2018-2033. Commuting ratio reduces from 2011 Census value (1.12) to 2001 Census value (1.10) over the plan period. An average of 53dpa is added to the projected dwelling growth under this scenario between 2018-2033. This will meet a policy-led objective of achieving 10% of the projected need arising from this option, as evidenced by the LHMA, on sites with 50% affordable housing.	-255 homes	-1800 jobs
Option 2 (Demographic)	WG 2018-based Principal Projection (AH)	Replicates the WG 2018-based population projection. Migration assumptions are based on the five-year period prior to 2018 (i.e. 2013/14–2017/18). An average of 71dpa is added to the projected dwelling growth under this scenario between 2018-2033. This will meet a policy-led objective of achieving 10% of the projected need arising from this option, as evidenced by the LHMA, on sites with 50% affordable housing.	+3930 homes	+3,120 jobs
Option 3 (Demographic)	WG 2018-based Principal Projection (with added policy assumptions) (WG 2018-based Principal (MR, CR_R), AH)	Replicates the WG 2018-based population projection. Migration assumptions are based on the five-year period prior to 2018 (i.e. 2013/14–2017/18). Household membership rates for the young adult age-groups (19-24, 25-29, 30-34) have been adjusted to 'return' to their 2001 values between 2018-2033. Commuting ratio reduces from 2011 Census value (1.12) to 2001 Census value (1.10) over the plan period. An average of 76dpa is added to the projected dwelling growth under this scenario between 2018-2033. This will meet a policy-led objective of achieving 10% of the projected need arising from this option, as evidenced by the LHMA, on sites with 50% affordable housing.	+4770 homes	+3975 jobs
Option 4 (Dwelling)	Dwelling-led Average (based on dwelling completion rates) (Dwelling-	Annual dwelling growth is applied from 2020/21 onward, based on the last five years of completions (2015/16–2019/20). This gives an average annual dwelling growth of +310 pa in Monmouthshire. An average of 80dpa is added to the projected dwelling growth under this scenario between 2018-2033. This will meet a policy-led objective of achieving 10% of the	+6030 homes	+5460 jobs

	led 5 year average, AH)	projected need arising from this option, as evidenced by the LHMA, on sites with 50% affordable housing.		
Option 5 (Demographic)	Population-led projection(with added policy assumptions) (PG Long Term (adjusted) (5yr) (MR, CR_R), AH)	Internal in-migration rates are adjusted to reflect higher in-migration (based on the last 5-years) from Bristol and South Gloucestershire, to take account of the removal of the Severn Bridge tolls. All other migration flow assumptions are consistent with the PG Long Term scenario. Household membership rates for the young adult age-groups (19-24, 25-29, 30-34) have been adjusted to 'return' to their 2001 values between 2018-2033. Commuting ratio reduces from 2011 Census value (1.12) to 2001 Census value (1.10) over the plan period. An average of 94dpa is added to the projected dwelling growth under this scenario between 2018-2033. This will meet a policy-led objective of achieving 10% of the projected need arising from this option, as evidenced by the LHMA, on sites with 50% affordable housing.	+7605 homes	+7215 jobs
Option 6 (Employment)	Employment-led projection (with added policy assumptions) (Radical Structural Change Higher (CR_R), AH)	Commuting ratio reduces from 2011 Census value (1.12) to 2001 Census value (1.10) over the plan period. Economic activity rate adjustments in line with the OBR forecast, unemployment rate remains at current value (2019) (2.9%). An average of 124dpa is added to the projected dwelling growth under this scenario between 2018-2033. This will meet a policy-led objective of achieving 10% of the projected need arising from this option, as evidenced by the LHMA, on sites with 50% affordable housing.	+9060 homes	+9630 jobs
*Radical Structural Change' (RSC) scenarios consider the potential impact of substantial economic changes in Monmouthshire's economy, resulting in a significantly higher employment growth range than under the 'Baseline' and UK Growth equivalent. Under these scenarios, employment growth ranges from +3,866 to +8,273 jobs over the plan period, averaging +258 and +552 pa respectively.				

Spatial Strategy Options

- xi. Section 3 of the Paper sets out four spatial strategy options for accommodating the proposed level of housing and employment growth:
- **Option 1: Continuation of the Existing LDP Strategy** – Growth would be distributed around the County with a particular focus on Main Towns², with some development in Severnside³ and some development in the most sustainable rural areas to enable provision of affordable housing throughout the County. New residential development to be accompanied by new employment opportunities, where possible.
 - **Option 2: Distribute Growth Proportionately across the County's most Sustainable Settlements⁴** – Growth, including jobs and affordable housing, would be distributed across the County's most sustainable settlements, with the level of growth proportionate to that settlement's size and amenities, affordable housing need as identified in the LHMA, the capacity for growth and/or the need for development to sustain the community.
 - **Option 3: Focus Growth on the M4 corridor** – Growth would be predominantly located in the South of the County in the Severnside area close to the M4/M48, to capitalise on its strategic links to the Cardiff Capital Region and South West England, existing economic opportunities and regional infrastructure connections, including via the South Wales Main rail line at Severn Tunnel Junction. Affordable Housing would be directed to those sustainable areas in the South of the County identified in the LHMA as having the greatest housing need.
 - **Option 4: Focus Growth in the North of the County** – Growth would be predominantly located in the most sustainable settlements within the North of the County to capitalise on its strategic links to the Heads of the Valleys and wider Cardiff Capital Region via the A465, and towards Herefordshire via the A449 and A40, along with rail links to Newport, Cardiff and the North via the Welsh Marches line. Affordable Housing would be directed to those sustainable areas in the North of the County identified in the LHMA as having the greatest housing need.
- xii. The advantages and disadvantages of each spatial option and the extent to which they will achieve the RLDP and ISA objectives are set out in Section 3, together with an indicative map of each option. Based on the assessment of the spatial options our preferred option to address the County's issues/challenges and meet the RLDP and ISA

² As identified in Policy S1 of the Adopted Local Development Plan (2014), now renamed to Primary Settlements and includes the addition of Llanfoist.

³ As identified in Policy S1 of the Adopted Local Development Plan (2014), with the addition of Crick.

⁴ A Sustainable Settlement Appraisal will be published to inform the Preferred Strategy to identify these settlements. This will consider settlements in terms of their location, level of service provision, capacity and their role and function within the area.

objectives is Spatial Option 2 to Distribute Growth Proportionately across the County's most Sustainable Settlements⁵.

Engagement/Consultation

- xiii. There is no statutory requirement for consultation on the Growth and Spatial Options. However, in accordance with the RLDP Revised Delivery Agreement (October 2020) and as with the original growth and spatial options, it is considered appropriate to continue to engage with stakeholders/our communities at this key stage of the process to help build consensus on the growth levels and spatial strategy of the RLDP and to fully understand the implications of the options.
- xiv. Non-statutory engagement and consultation on the Growth and Spatial Options Paper will take place for a four-week period from 4th January 2021 to 1st February 2021, whereby comments will be invited on the consultation questions set out in Sections 2 and 3. An Easy Read version of this document has also been prepared which is available to view via the Planning Policy pages of the Council's website.
- xv. Feedback from the consultation/engagement on the Growth and Spatial Options Paper will be considered and, where appropriate, will inform the preferred growth and spatial strategy options which will be set out in the Preferred Strategy. The RLDP Preferred Strategy will be the subject of engagement/consultation in May/June 2021.

⁵ A Sustainable Settlement Appraisal will be published to inform the Preferred Strategy to identify these settlements. This will consider settlements in terms of their location, level of service provision, capacity and their role and function within the area.