

<p>SUBJECT: MONMOUTHSHIRE REPLACEMENT LOCAL DEVELOPMENT PLAN PREFERRED STRATEGY</p> <p>MEETING: COUNCIL</p> <p>DATE: 24 June 2021</p> <p>DIVISION/WARDS AFFECTED: ALL</p>

1. PURPOSE:

- 1.1 The purpose of this report is to inform Council of the preparation of the Replacement Local Development Plan (RLDP) Preferred Strategy and to seek Council's endorsement of the Preferred Strategy to be issued for statutory consultation/engagement and stakeholder involvement.
- 1.2 Following the stakeholder involvement, engagement and consultation on the Preferred Strategy, responses will be collated and carefully considered. A consultation report will be prepared and published containing details of the representations and the Council's response to them. This consultation report and the Preferred Strategy with any necessary amendments will be reported to Council in approximately November 2021 to seek approval of the Preferred Strategy. The Deposit Plan will then be prepared and considered by Council prior to a statutory six-week consultation and engagement period in Summer 2022.

2. RECOMMENDATIONS:

- 2.1 That Council endorses the RLDP Preferred Strategy for statutory consultation/engagement and stakeholder involvement for a six-week period.

3. KEY ISSUES:

Background

- 3.1 The Council is preparing a RLDP for the County (excluding the area within the Brecon Beacons National Park) to cover the period 2018-2033. The RLDP will set out land use development proposals for the County and will identify where and how much new, sustainable development will take place over the Replacement Plan period. It will also identify areas to be protected from development and contain policies against which future planning applications will be assessed. The RLDP will be adopted in Autumn 2023.
- 3.2 Members will be aware that the Plan had commenced consultation on the Preferred Strategy stage in March 2020 alongside the second Call for Candidate Sites, with non-statutory consultation on the Growth and Spatial Options having taken place between July and August 2019.
- 3.3 Progress on the RLDP was subsequently paused in March 2020 because the Covid-19 pandemic meant we could not continue with the Preferred Strategy public engagement events in the format prescribed in the Delivery Agreement. Following

advice from the Minister for Housing and Local Government¹, the decision was made to cease the Preferred Strategy consultation and second Call for Candidate Sites on 20th July 2020. This enabled the Council to undertake a review of the RLDP issues, vision, objectives and evidence base² in terms of sensitivity to the consequences the Coronavirus pandemic before progressing with Plan preparation. This concluded that the Plan's Issues, Vision and Objectives and evidence base remain relevant to Monmouthshire, with a number of issues and objectives considered to have increased emphasis and importance consistent with the priorities identified in the Welsh Government *Building Better Places Covid-19* recovery document published in July 2020.

- 3.4 In August 2020 the Welsh Government published a correction to the 2018-based population and household projections. These projections form the starting point for the Plan's evidence base on growth levels. In order to ensure that the evidence base for the RLDP is robust and based on the most up to date information, the decision was made to revisit both the Growth and Spatial Options and Preferred Strategy stages of the RLDP process.
- 3.5 These unavoidable delays necessitated a further revision to the RLDP Delivery Agreement timetable and community involvement scheme. The Revised Delivery Agreement, together with the RLDP Review of Issues, Vision and Objectives and evidence base were reported to, and endorsed by, Council on 22nd October 2020. The Welsh Government approved the Delivery Agreement on 30th October 2020. The revised Growth and Spatial Options Paper was endorsed by Council in December 2020 for non-statutory consultation for a four-week period in January-February 2021. Work on the RLDP is progressing in accordance with the revised timetable, the next key stage being the Preferred Strategy.

Pre-Deposit Plan Preparation

- 3.6 The Preferred Strategy represents the culmination of a period of pre-Deposit Plan preparation which has involved engagement and consultation from the outset in order to gather opinions and build consensus. Key previous stages are summarised in the footnote below³. Engagement and consultation at this early stage of the process will also ensure that the Council accords with the five ways of working as set out in the Well-being of Future Generations Act (in particular involvement and collaboration).
- 3.7 A revised Growth and Spatial Options Paper (December 2020) was prepared and endorsed by Cabinet (16th December 2020) to be issued for non-statutory consultation for a four-week period in January and February 2021. This Paper set out a number of alternative options for how much growth is needed over the RLDP period and broadly where this growth should take place, together with the implications of each option and

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

² Monmouthshire RLDP Review of Issues, Vision and Objectives and Evidence Base in Light of Covid-19 (September 2020)

³ Pre-deposit plan preparation stages:

- Issues, Vision and Objectives Paper was subject to non-statutory consultation in January-February 2019. This Paper has since been updated to reflect the Council's declaration of a climate emergency (this was agreed by Cabinet in July 2019) and the continued development of the RLDP evidence base and the spatial element of the Vision. The Issues, Vision and Objectives have also recently been reviewed in light of the Covid-19 pandemic which was endorsed by Council in October 2020, as noted above.
- Growth and Spatial Options Paper was subject to non-statutory consultation/engagement for a six-week period in July and August 2019. However, given the delays incurred to the Plan preparation process as a result of the Covid-19 pandemic and the publication of the Welsh Government 2018-based population and household projections, the Growth and Spatial Options stage has been revisited. As noted above, the revised Growth and Spatial Options Paper was subject to non-statutory consultation for a four-week period in January-February 2021.

the extent to which they will achieve the RLDP objectives. It also identified the Council's preferred growth and spatial options that are considered to best address the County's key issues/challenges and meet the RLDP objectives.

- 3.8 Notification of the consultation, inviting comments, was sent to statutory and other consultees, agents and individuals on the RLDP consultation database (793 notifications were sent). Given the Covid-19 restrictions in place at the time, a range of virtual consultation and engagement took place including a Joint Area Cluster meeting (21st January 2021), a Members' Workshop (8th December 2020), scrutiny by Economy & Development and Adult Select Joint Committee (10th December 2020) and internal discussions within the Council through DMT/SLT, as well as virtual engagement events which were open for all to attend (14th and 20th January 2021). The consultation responses received to this Paper have been considered and reported in the Growth and Spatial Options Report of Consultation and helped to inform the preparation of the Preferred Strategy. The Growth and Spatial Options Background Paper (June 2021) complements the Report of Consultation and adds further analysis of the options considered.

RLDP Preferred Strategy

- 3.9 The Preferred Strategy is the first formal publication and statutory consultation stage in the RLDP preparation process. It provides the strategic direction for the development and use of land in Monmouthshire (excluding the area within the Brecon Beacons National Park) over the Plan period 2018 to 2033 and identifies how much sustainable growth is needed and where this growth will broadly be located. Its preparation has been guided by a framework of key inputs that includes national legislation/policy, local and regional policies/strategies and an evidence base relating to key issues for the Plan to address.
- 3.10 The overall purpose of the Preferred Strategy is to:
- Identify key issues, challenges and opportunities for the County.
 - Develop a vision and set of objectives for the RLDP that respond to the key issues, challenges and opportunities.
 - Set out the Preferred Strategy including the scale of future population, housing and employment growth and establish the broad spatial distribution of growth.
 - Set out strategic policies that will deliver/implement the strategy.
- 3.11 The Preferred Strategy provides the strategic context for the preparation of more detailed policies, proposals and land use allocations which will be included in the Deposit RLDP. The Preferred Strategy does not identify any site-specific allocations nor does it identify designations for protecting areas from new development. Allocations and designations will be a key part of the Deposit Plan preparation process once the Preferred Strategy has been agreed. Only those candidate sites that accord with the Preferred Strategy will be considered for inclusion in the Deposit Plan.
- 3.12 The Preferred Strategy is attached at **Appendix 1**. An Executive Summary and Easy Read Summary version of the Preferred Strategy have also been prepared (attached at **Appendix 2 and Appendix 3** respectively).
- 3.13 The Preferred Strategy is structured as follows:

Executive Summary

Section 1: Introduction – Provides a summary of the RLDP process and progress to date, outlines what the Preferred Strategy is/how this is prepared as well as a list of

supporting documents. It also sets out the consultation arrangements in relation to the Preferred Strategy and the next key steps in the RLDP process.

Section 2: Context – Presents an overview/profile of the County outlining the key economic, social, environmental and cultural characteristics of Monmouthshire. It also sets out the legislative and policy context and key influences on the Plan.

Section 3: Key Issues, Challenges and Opportunities – Provides a summary of the key issues, challenges and opportunities within Monmouthshire.

Section 4: Replacement LDP Strategic Framework – Outlines the RLDP Vision, Objectives, sets out the Preferred Growth and Spatial Option (i.e. the Preferred Strategy) and a key diagram.

Section 5: Implementation and Delivery – Sets out the Strategic Policies including Strategic Growth Options.

Appendices – provide further detail in relation to supporting evidence to the Preferred Strategy, the RLDP Issues, Strategic Growth Options and Development Management Policies.

Preferred Strategy – the Sustainable and Resilient Communities Strategy

- 3.14 The identification of the Preferred Strategy has been informed by a range of considerations, including the assessment and consideration of the growth and spatial options, responses from the consultation process, the findings of the Integrated Sustainability Appraisal (ISA), the Sustainable Settlement Appraisal, the newly published Future Wales 2040 (which is a statutory development plan), the LDP tests of soundness, Welsh Government's *Building Better Places*, and the pressing need to address the key challenges relating to the County's demography, affordability and the climate emergency to achieve a sustainable balanced deliverable outcome.
- 3.15 The Sustainable and Resilient Communities Strategy promotes and supports a level of housing and employment growth that will be distributed proportionately⁴ across Monmouthshire up to 2033. The Strategy assists in addressing the demographic and affordability challenges facing the County and ultimately seeks to deliver the Council's core purpose to build sustainable and resilient communities that support the well-being of current and future generations. The Strategy conforms with Policy 1 of Future Wales: The National Plan 2040 (hereafter referred to as Future Wales 2040) which is the highest tier statutory development plan and supports sustainable growth in *all* parts of Wales that seeks to address local aspirations and need. The Strategy also meets a key 'Test of Soundness' of ensuring that the Plan's vision and strategy are positive and sufficiently aspirational⁵. A Self-Assessment of the Preferred Strategy against the Tests of Soundness is attached at **Appendix 4**, which includes an assessment of the Strategy's general conformity with Future Wales 2040. This demonstrates that the Preferred Strategy and the stages undertaken and processes followed to reach this stage are 'sound' and that the Strategy assists in the delivery of the Future Wales policies and is in general conformity with its overarching strategy. Further detail of the Strategy is set out in Section 4 of the Preferred Strategy (Appendix 1 refers) and is summarised below.

⁴ Proportionately' is deemed to mean that the level of growth directed toward a settlement will be proportionate to its population size. To calculate the proportion of development to be directed toward a settlement only the population of those settlements included in the Sustainable Settlement Appraisal has been used to contribute to the total population figure for the County. This takes into account the large areas of Monmouthshire which are rural and as such these areas would not be expected to have any significant development

⁵ Development Plans Manual, Edition 3, WG March 2020

3.16 In order to deliver the Sustainable and Resilient Communities Strategy the RLDP will:

- Make provision for a total of **8,366 homes to deliver a housing requirement of 7,605 homes** (this provision is based indicatively on a 10% flexibility allowance which will be given further consideration and refined at Deposit Stage). This level of housing growth will enable the provision of market and affordable housing in both urban and rural areas and, importantly, provides the opportunity to address the unbalanced demography, improve labour force retention by retaining/attracting younger adult population age groups and assists in addressing the County's housing affordability challenge. Taking account of the existing housing land supply and projected windfall delivery, the RLDP will need to allocate sufficient land to accommodate **3,658 homes**. The various components of housing supply are set out in Table 1 below.
- Provide the **planning policy framework to enable the provision of 7,215 additional jobs**. This level of job growth aligns with the projected population and housing growth and takes account of adjustments to household membership rates for key younger age groups and a reduced level of commuting by retaining more of the resident workforce and growing our working age demographic. There has been a fundamental shift in working practices since the start of Covid-19 pandemic with an increased propensity to work from home/remotely. It is expected that this trend will continue over the longer term and in accordance with Welsh Government's ambition of 30% of the Welsh workforce working from or near home is something that we wish to encourage and enable. This provides residents with the opportunity to both live and work in the County in this new way, providing a flexible approach to achieving this level of job growth, whilst also achieving the Welsh Government and Council's aim of reducing the need for commuting. This approach will help to reduce congestion, emissions and pollution, improve the work-life balance for employees and employers, support local businesses/services and enable the creation of sustainable vibrant communities and '20 minute neighbourhoods'⁶.
- Address economic growth and resilience within the County through the **provision of a sufficient range and choice of employment land**. To enable this a minimum of 43ha of employment land will be allocated to support the provision of industrial and business development (classes B1, B2 and B8 of the Town and Country Planning Use Classes Order 1987), the location of which will be determined in the Deposit Plan. Other key employment sectors including retail, tourism and agriculture will also be an integral part of the County's economy and supported through the policy framework in the Deposit Plan. This approach reflects the priorities and aims identified in the Council's Economic Ambition Statement and Investment Prospectus.
- Distribute growth proportionately across the County's most sustainable settlements. Whilst housing and employment growth will be focused on the higher tiers of the settlement hierarchy, appropriate growth will also be channelled to the County's most sustainable rural settlements to facilitate the creation of sustainable and resilient communities throughout Monmouthshire.
- Collectively these measures will help us to fulfil our core objectives and create sustainable and resilient communities where an enhanced economically active aged population can both live and work in the County through supporting/enabling remote

⁶ 20 Minute Neighbourhoods are strong, well connected neighbourhoods where people live within a 20 minute walking distance of key everyday services. The RLDP supports a placemaking approach to future development and the concept of 20 minute neighbourhoods.

and home working and local jobs in a range of sectors. Fundamentally, the Strategy will address the Council's key climate change objectives and reflect national planning policy placemaking principles whereby commuting/the need to travel is reduced and residents can access and support services/businesses locally, thereby enabling sustainable and vibrant communities.

- 3.17 The Preferred Growth Strategy is based on a population-led scenario with added policy assumptions to address the County's key demographic and affordability issues. The policy assumptions adjust in-migration rates to reflect local trends over a five year period (2015-2020) to take account the removal of the Severn Bridge Tolls, increase the household formation rates for three key younger age groups and reduce commuting ratio assumptions to reflect the Council's aim of addressing the unbalanced demographic in the County by retaining younger age groups and reducing out-commuting. This aligns with the Welsh Government ambition of 30% of the Welsh workforce working from home or near home, and the Welsh Government's transport policy hierarchy which seeks to reduce the need to travel in the first instance, followed by active travel, then public transport, then the private car.
- 3.18 The Strategy also incorporates an affordable housing policy-led element which aims to meet 10% of the Local Housing Market Assessment (LHMA) need arising from this growth strategy on housing sites which deliver 50% affordable housing. This is considered to represent an appropriate starting point as it is widely accepted that the affordable housing need identified in the LHMA is beyond the scope of the development plan process to deliver in isolation. The resultant housing requirement addresses the RLDP issues/objectives while also performing well against the ISA themes: a larger addition would result in an environmentally unsustainable level of growth. This element of the Strategy will deliver approximately 1,551 homes over the Plan period (divided equally between affordable and market homes, including 10% flexibility allowance). This approach will help to explicitly address the key housing affordability issue in the County (RLDP Objectives 9, 10, 11, 12 and 13) and is consistent with Policy 7 of Future Wales 2040 (Welsh Government, February 2021) which requires local planning authorities to identify sites for affordable housing-led developments in response to local needs. Further detail on this scenario is set out in the Edge Analytics Report - Updating the RLDP Demographic Evidence Report (November 2020) and the Growth and Spatial Options Background Paper (June 2021).
- 3.19 The Preferred Strategy promotes sustainable economic growth that will help reduce levels of commuting and promote self-contained communities, ensuring the environmental and economic sustainability of our communities. This will be achieved by providing policy support to enable and facilitate the increased propensity for home/remote working, enabling economic growth through supporting the delivery of the priorities and aims identified in the Council's Economic Growth and Ambition Statement and Investment Prospectus, maximising opportunities from the Cardiff Capital Region City Deal, targeting growth in key economic sectors and providing appropriate employment land in the right locations. Further information on employment land provision is set out in Strategic Policy S13 of the Preferred Strategy.
- 3.20 Housing and employment growth will be focused on the higher tiers of the settlement hierarchy⁷. This approach reflects the overarching principles of Future Wales 2040 by guiding growth towards building sustainable places that support placemaking principles but applied within a Monmouthshire setting to reflect the predominantly rural context. In this respect, the dominant role of the County towns of Abergavenny, Chepstow, Monmouth and Severnside Area focused around the town of Caldicot,

⁷ Sustainable Settlement Appraisal, June 2021

provide the focus of urban growth within a Monmouthshire context. This will be supported by an appropriate level of growth in the smaller settlements and a number of rural settlements to facilitate the creation of sustainable and vibrant rural communities consistent with the aims of Policy 4 – Supporting Rural Communities of Future Wales 2040. Policy S2 of the Preferred Strategy sets out an indicative spatial distribution of housing growth:

- Primary Settlements (Abergavenny, including Llanfoist; Chepstow; and Monmouth, including Wyesham) will account for approximately 58% of total housing growth.
- Severnside Settlements (Caldicot, Caerwent, Crick, Magor/Undy, Portskewett, Rogiet and Sudbrook) will account for approximately 28% of total housing growth.
- Secondary Settlements (Penperlleni, Raglan and Usk) will account for approximately 5% of total housing growth.
- Appropriate growth will also be channelled to the County’s most sustainable rural settlements (9%) to facilitate the creation of sustainable and resilient communities throughout Monmouthshire. Further refinement of the Main Rural and Minor Rural Settlements will take place for the Deposit Plan to establish which of these settlements are appropriate to accommodate a proportionate amount of growth to meet local needs and support sustainable rural communities.

3.21 Table 1 summarises the indicative spatial distribution of housing provision over the Plan period by the various components of housing supply.

Table 1: Summary of Indicative Spatial Distribution of Housing Provision*

Settlement	Total Commitments		Sustainable and Resilient Communities Strategy		Total Housing Provision 2018-2033*
	Completions 2018-2021	Existing Commitments; LDP Rollover Allocations	Total Allowances (Small Sites; Windfalls)	RLDP New Housing Allocations (Dwellings)	
Abergavenny (incl. Llanfoist)	362	207	437	887	1,893
Chepstow	96	484	212	729	1,521
Monmouth (incl. Wyesham)	261	226	182	749	1,418
Severnside	300	886	283	854	2,323
Secondary Settlements	87	45	68	249	449
Rural Settlements	112	94	366	190	762
Total	1218	1942	1,548	3,658	8,366

*Figures include an indicative 10% flexibility allowance which will be subject to further consideration and refinement at Deposit Plan stage. The spatial distribution figures should be treated as indicative as they may alter following the consideration of sites submitted as part of the second Call for Candidate Sites and detailed site assessment work.

3.22 To encourage the promotion of sustainable communities where residents can live and work in the same area, housing growth will be accompanied by a commensurate amount of employment land. The proportion of employment growth to be accommodated in the settlement tiers will be set out in the Deposit RLDP. The submission of additional candidate sites for employment uses, aligned with our Growth and Ambition Strategy and Investment Prospectus, is sought during the second Call for Candidate Sites. It is, however, recognised that there has been a fundamental shift in working practices since the start of Covid-19 pandemic with an increased propensity to work from home/remotely. It is expected that this trend will continue over the longer

term in accordance with Welsh Government's ambition of 30% of the Welsh workforce working from or near home. This provides residents with the opportunity to both live and work in the County in this new way, providing a flexible approach to achieving the level of job growth, whilst also achieving a key RLDP objective of reducing the need to commute and thereby supporting our climate change objectives.

- 3.23 The exact distribution of growth will be determined following the second Call for Candidate Sites and subsequent site assessments which will inform the Deposit RLDP. Any decisions on whether or not to allocate particular sites for development in the settlements will also depend on such issues as their impact on the physical form of the settlement, placemaking, carbon footprint, landscape setting, environmental constraints and infrastructure capacity.
- 3.24 Detailed site allocations will be set out in the Deposit RLDP. However, the Preferred Strategy identifies potential strategic growth areas for each of the Primary Settlements and the Severnside area. The identified site options (Strategic Policy S8 refers) are considered to have the potential to underpin the Spatial Strategy by accommodating growth and focusing development within those settlements and areas which are identified as the most sustainable locations. Not all sites submitted within each settlement will be selected for inclusion in the Deposit Plan, as the combined capacity of those submitted during the first call for sites far exceeds the number of dwellings needed to meet the residual housing provision. The final selection of sites for the Deposit Plan will be dependent on further detailed assessment work.
- 3.25 The Preferred Strategy also contains a number of Strategic Policies which form the framework for implementing and delivering the Strategy. These are summarised below and detailed in Sections 4 and 5 of the Preferred Strategy.

Preferred Strategy - Strategic Policies:

- S1 – Strategic Sustainable and Resilient Growth
- S2 – Spatial Distribution of Development – Settlement Hierarchy
- S3 – Sustainable Placemaking & High Quality Design
- S4 – Climate Change
- S5 – Infrastructure Provision
- S6 – Delivery of Homes
- S7 – Affordable Homes
- S8 – Strategic Development Sites
- S9 – Gypsy and Travellers
- S10 – Sustainable Transport
- S11 – Retail & Commercial Centres Hierarchy
- S12 – Community and Recreation Facilities
- S13 – Employment Sites Provision
- S14 – Rural Enterprise
- S15 – Visitor Economy
- S16 – Sustainable Waste Management
- S17 – Minerals
- S18 – Green Infrastructure, Landscape and Nature Conservation

Supporting Documents

- 3.26 The Preferred Strategy has been subject to an Integrated Sustainability Appraisal (ISA) incorporating Strategic Environmental Assessment (SEA), Well-being of Future Generations Assessment (WBFGA), Health Impact Assessment (HIA), Equality Impact Assessment (EqIA) and Welsh Language Impact Assessment (WLIA) to assess the

extent to which the emerging proposals and policies will help to achieve the wider environmental, economic, social and cultural objectives of the RLDP. The Initial ISA of the Preferred Strategy is published alongside the Preferred Strategy. The Strategy has also been screened under the Habitats Regulations Assessment; the HRA Report is also published alongside the Preferred Strategy. The Integrated Sustainability Appraisal and Habitats Regulations Assessment are iterative processes and will be updated as the RLDP preparation progresses.

- 3.27 The RLDP will be accompanied by an Infrastructure Plan, setting out what is needed to support the development of the allocated sites, and will sit alongside an updated Local Transport Plan and an Economic Ambition Strategy. Together, these Plans will seek to deliver on the Council's economic ambition and its core purpose to help build sustainable and resilient communities that support the well-being of current and future generations. The Deposit Plan will also designate land for protection and identify search areas for renewable energy and will be accompanied by a Green Wedge Review and Renewable Energy Assessment.
- 3.28 A number of additional supporting background documents have been prepared to inform the Preferred Strategy; these are listed in Appendix 1 of the Preferred Strategy and are available to view on the Planning Policy pages of the Council's website. These documents contain a significant amount of robust data/information and should be read alongside the Preferred Strategy.

Consultation, Engagement and Stakeholder Involvement

- 3.29 Regulation 15 of The Town and Country Planning (Local Development Plan) (Wales) Regulations 2005 (as amended 2015)) requires the Council to publish its pre-Deposit Plan proposals (Preferred Strategy) for public consultation prior to determining the content of its Deposit Plan. Subject to endorsement by Council, the Preferred Strategy will be subject to statutory engagement and consultation for a six-week period between Monday 5th July and Monday 16th August 2021, whereby comments will be invited on the consultation questions set out in the Preferred Strategy. Where possible, the consultation will be carried out in accordance with the procedures set out in the Delivery Agreement's Community Involvement Scheme (Second Revision, October 2020). However, regard will be given to any Covid-19 restrictions in place at the time, meaning that procedures may be subject to change. It is anticipated that engagement/consultation will take place via:
- Notifying all parties on the RLDP database of the consultation;
 - Planning Policy Officer attendance at Area Cluster meetings during July-August 2021;
 - Members' Workshop 22nd June 2021 (hosted by the Economy & Development Select Committee);
 - Scrutiny by Economy & Development Select Committee 15th July 2021;
 - Internal discussions within the Council through an officer workshop, Department Management Team and Senior Leadership Team;
 - Several RLDP Preferred Strategy Drop-in Sessions during July-August 2021. Full details of venues and dates will be available on the Council's Current Consultations page of the website. Should there be a further lockdown due to the Coronavirus pandemic, these drop-in sessions will be replaced by additional virtual events;
 - Two Webinar Sessions during July 2021;
 - We will seek to engage with seldom heard groups in particular young people, via the Youth Council and going into secondary schools, and Gypsy and Travellers via the GTAA work and reiterating the opportunity to promote sites during the Second Call for Candidate Sites.

- 3.30 A **Second Call for Candidate sites**, seeking the submission of new sites that accord with the Preferred Strategy and supporting information (viability and deliverability) for existing (previously submitted) Candidate Sites that accord with the Preferred Strategy, will commence alongside the consultation on the Preferred Strategy. This Second Call for Candidate Sites will run for six weeks from Monday 5th July – Monday 16th August 2021.

Next Steps

- 3.31 Following the stakeholder involvement, engagement and consultation on the Preferred Strategy, responses will be collated and carefully considered. A consultation report will be prepared and published containing details of the representations and the Council's response to them. This consultation report and the Preferred Strategy with any necessary amendments will be reported to Council in approximately November 2021 to seek approval of the Preferred Strategy. The Deposit Plan will then be prepared and considered by Council prior to a statutory six-week consultation and engagement period in Summer 2022.

RLDP and Phosphates

- 3.32 As a result of recent evidence regarding the environmental impacts of phosphate in watercourses, Natural Resources Wales (NRW) have adopted tighter targets for the water quality of watercourses and have conducted an assessment of the 9 riverine Special Areas of Conservation in Wales. This assessment has established that phosphorus breaches are widespread within Welsh SAC rivers with over 60% of waterbodies failing against the challenging targets set.
- 3.33 Within Monmouthshire it was identified that within the River Usk, 88% of the river's water bodies failed to meet the required target and within the River Wye, 67% failed to meet the required target. As a result of this failure, NRW has issued detailed planning guidance to ensure that the environmental capacity of the rivers does not deteriorate any further. Any proposed development within the catchment areas of the rivers that might increase phosphate levels need to clearly evidence that the development can demonstrate phosphate neutrality or betterment in its design and/or its contribution to the water body. In most cases there will be limited capacity to connect to the public sewerage system and an alternative solution will have to be found. This requirement on drainage considerations will impact on all development that increases the volume or concentration of wastewater.
- 3.34 This recent announcement of phosphate water quality issues in the Usk and Wye Riverine SACs, has implications for the progression of the RLDP as our Preferred Strategy directs future growth to a number of key sustainable settlements within these affected catchment areas over the Plan period (2018-2033). Consideration has, therefore, been given as to how we progress with the preparation of the RLDP in light of this issue. The following three realistic options have been assessed:
1. Progress preparation of the RLDP with the Preferred Strategy with proportionate distribution of growth across the County's most sustainable settlements, in the anticipation that solutions to the phosphate issue can be identified and agreed by Deposit Plan stage.
 2. Halt/pause RLDP preparation until there is certainty that the phosphate issue can be resolved i.e. solutions determined/agreed with NRW and Dŵr Cymru Welsh Water (DCWW).
 3. Withdraw the RLDP and commence a new RLDP with a revised Plan period on the basis that this would provide a longer Plan period giving us more time to address the phosphate issue.

- 3.35 A Risk Assessment and Options Appraisal of the three options considered (attached at **Appendix 5**) has been undertaken which considers the impact of each option on:
- Plan preparation - resources, work programme, expenditure
 - Addressing the RLDP Issues/Challenges/Objectives
 - Deliverability of the RLDP (including growth levels, market and affordable housing delivery, economic prosperity/recovery).
- 3.36 An option appraisal concludes that Option 1, to progress the preparation of the RLDP with Preferred Strategy which proposes proportionate growth across the County's most sustainable settlements including a number of settlements in the affected Wye and Usk catchment areas, is considered to be the most appropriate option. Good progress is being made, and it is anticipated that solutions to the phosphate issue can be determined and agreed by the Deposit Plan stage meaning that the Plan can be progressed and delivered in accordance with the Delivery Agreement (Second Revision, October 2020). Progressing the RLDP would reduce the risks associated with a policy gap and ensure the key demographic and affordability challenges facing the County, which have been exacerbated in light of the current pandemic, are addressed in a timely manner. Whilst all three options carry risks, the risks associated with Option 1 are considered to have less of an impact than Options 2 and 3, particularly in terms of addressing the RLDP issues, challenges and objectives and deliverability of the Plan. The Council is committed to seeking solutions to the phosphate issue by Deposit Plan stage and is in proactive discussions with key organisations, including NRW, WG, DCWW and the development industry, to seek viable and timely solutions in the affected settlements. Progress to date suggests that effective solutions, which are likely to involve both nature-based solutions and infrastructure upgrades to key treatment works, will be identified/secured by the time we reach Deposit stage. This situation will be kept under constant review as we progress with Plan preparation.

4. EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING):

- 4.1 The Planning and Compulsory Purchase Act (2004) sets out the requirement for all LDPs to be subject to a Sustainability Appraisal (SA). All stages of the RLDP will be subject to an Integrated Sustainability Assessment (ISA) (including Strategic Environmental Assessment (SEA), Well-being of Future Generations (WBFG), Health Impact Assessment (HIA), Equality Impact Assessment (EqIA), and Welsh Language Impact Assessment (WLIA)). The ISA findings have informed the development of the RLDP strategy and strategic policies, and will be used to inform detailed policies and site allocations in the Deposit Plan, in order to ensure that the Plan will promote sustainable development. The Initial ISAR is published alongside the Preferred Strategy.
- 4.2 An Equality and Future Generations Evaluation (including equalities and sustainability impact assessment) is attached to this report at **Appendix 6**.

Safeguarding and Corporate Parenting

- 4.3 There are no safeguarding or corporate parenting implications arising directly from this report. The RLDP has the potential to provide affordable housing, delivery and allocation of which should be cognisant of the needs of children leaving care.

Socio-economic Duty

- 4.4 The RLDP seeks to tackle house price unaffordability, which currently prevents some of our communities accessing suitable housing within the County. This is likely to benefit younger people in particular, which in turn will make our ageing communities

more socially sustainable. Good quality and affordable housing is important in achieving poverty reduction and equitable prosperity, and supporting the best start in life. Good spatial planning helps to build cohesive communities. The provision of affordable housing combined with policy interventions in relation to the requirement of a mix of market housing will increase opportunities for those in poverty to access safe, secure and suitable housing. In accordance with the WBFGA, the RLDP also seeks to prevent future problems and will therefore continue to avoid new development in flood risk areas and will seek low/zero carbon development to help address the climate emergency and also tackle issues such as fuel poverty.

5. OPTIONS APPRAISAL

Preferred Strategy

Option	Benefit	Risk	Comment
Endorse the Preferred Strategy as attached for statutory consultation.	This will enable the Preferred Strategy to be consulted on in accordance with the timetable set out in the Delivery Agreement (Second Revision October 2020) and enable the RLDP preparation process to progress in a timely manner.		<p>The Preferred Strategy, as drafted, is considered to promote an appropriate level and spatial distribution of housing and employment growth for the County to 2033, which assists in addressing the demographic and affordability challenges facing the County and seeks to deliver the Council's core purpose to build sustainable and resilient communities that support the well-being of current and future generation.</p> <p>This is the preferred option.</p>
Endorse the Preferred Strategy for statutory consultation with amendments.	Preferred Strategy could be amended to reflect comments, as relevant.	Any amendments to the Preferred Strategy would lead to a delay in the RLDP preparation process. This would necessitate a further revision to the Delivery Agreement with the Welsh Government which is unlikely to be supported. It could also have implications for the ISA and HRA processes.	As above, the Preferred Strategy, as drafted, is considered to promote an appropriate level and spatial distribution of housing and employment growth for the County to 2033. It is not considered necessary to amend the Preferred Strategy prior to consultation.
Do not endorse the Preferred Strategy for statutory consultation.		This would lead to a significant delay in the RLDP preparation process as the Preferred Strategy would need to be	As above, the Preferred Strategy, as drafted, is considered to promote an appropriate level and spatial distribution of

Option	Benefit	Risk	Comment
		<p>rewritten and additional associated evidence gathering needed to inform a new strategy. This would also have time implications in relation the ISA and HRA processes. This would lead to a significant delay in preparing further stages of the RLDP and in adopting the Plan with resultant implications, including:</p> <ul style="list-style-type: none"> • A delay in addressing the key demographic and affordability challenges facing the County which have been exacerbated in light of the current pandemic • Policy gap - evidence/ policy framework in extant LDP becomes more out dated • Associated lack of certainty for communities and investors. 	<p>housing and employment growth for the County to 2033. Not endorsing the Preferred Strategy for consultation would result in significant delays to the RLDP preparation process with associated negative implications.</p>

6. RESOURCE IMPLICATIONS

- 6.1 Officer and consultant time and costs associated with the preparation of the Preferred Strategy and carrying out the required consultation exercises. Any costs will be met from the Planning Policy budget.
- 6.2 Delivery of the RLDP, once adopted, will need to be accompanied by a range of infrastructure provision including transport, education, health care, leisure and affordable housing. The infrastructure requirements will be identified in the Infrastructure Plan and Local Transport Plan accompanying the RLDP. Although it is expected that most of this infrastructure would be funded via S106 planning contributions (or possibly a Community Infrastructure Levy), there may be a requirement for Council expenditure to assist in providing some infrastructure or in bringing some sites forwards. This might include the use of Compulsory Purchase Orders and/or potential commercial investment to provide 'shovel ready' sites or business premises. There may also be grant funding available.
- 6.3 The Preferred Strategy includes the allocation of land for approximately 1,551 homes (including 10% flexibility) on affordable housing-led sites with 50% affordable housing and 50% market housing. The Minister's letter of July 2019 (**Appendix 7**) invites the inclusion of affordable housing-led sites in LDPs, with at least 50% affordable housing and, in the first instance, making use of public land. This approach is consistent with Policy 7 of Future Wales 2040 (Welsh Government, February 2021) which requires local planning authorities to identify sites for affordable housing-led developments in

response to local needs. This approach complies with Policy 7 of Future Wales 2040. Although sites have not yet been allocated at this Preferred Strategy stage, land within Strategic Growth Option zone J to the north-east of Caldicot includes Council-owned land and could form such a site. Allocation of land as a 50% affordable housing site will impact on land values, and if such a site were allocated on Council land, there would likely be an impact on capital receipt or commercial return.

7. CONSULTEES

- Enterprise DMT
- SLT
- Member workshop 22 June 2021

8. BACKGROUND PAPERS

- RLDP Preferred Strategy (June 2021)
- Initial Integrated Sustainability Appraisal Report (AECOM, June 2021)
- HRA of the Monmouthshire RLDP Preferred Strategy (AECOM, June 2021)
- RLDP Delivery Agreement (Second Revision, October 2021)
- Sustainable Settlements Appraisal (June 2021)
- Growth and Spatial Options Report of Consultation (June 2021)
- Growth and Spatial Options Background Paper (June 2021)
- Housing Background Paper (June 2021)
- Review of Candidate Sites against the Preferred Strategy (June 2021)
- Monmouthshire Employment Land Review (BE Group, June 2021)
- Issues, Vision and Objectives Paper (Updated June 2021)
- Growth and Spatial Options Paper (December 2020)
- Monmouthshire RLDP Updated Demographic Evidence Report (Edge Analytics, November 2020)
- Monmouthshire Affordable Housing Report (Edge Analytics, November 2020)
- Review of RLDP Issues, Vision and Objectives and Evidence Base in Light of Covid-19 (September 2020)
- Monmouthshire 2040: Our Economic Growth and Ambition Statement (November 2019) and supporting MCC Economies of the Future Reports (2018)
- Candidate Sites Register (February 2019)
- Local Housing Market Assessment (September 2018)
- LDP Annual Monitoring Reports (2014-2020)

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APPENDICES:

APPENDIX 1: Preferred Strategy

APPENDIX 2: Preferred Strategy Executive Summary

APPENDIX 3: Preferred Strategy Easy Read Summary

APPENDIX 4: Self-Assessment of the Preferred Strategy against the Tests of Soundness

APPENDIX 5: Risk Analysis and Options Appraisal of the Implications of Phosphates on the RLDP

APPENDIX 6: Future Generations Evaluation

APPENDIX 7: Letter from Minister for Housing and Local Government 8th July 2019