

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO DEVELOPMENT CONTROL COMMITTEE

21st DECEMBER 2017

REPORT OF THE CORPORATE DIRECTOR - COMMUNITIES

BRIDGEND LOCAL DEVELOPMENT PLAN REVIEW

1. Background

- 1.1 The purpose of this report is to provide a brief overview of the development planning system in Wales and to set out the importance of the Local Development Plan (LDP) and how this impacts on the Development Management process and development in Bridgend. LDPs must be reviewed every 4 years and as the Bridgend LDP was adopted in 2013 the Local Planning Authority (LPA) must now commence work on the new plan.
- 1.2 The preparation and adoption of an LDP is probably the largest single piece of corporate work a local authority will undertake in terms of methodology, evidence gathering and independent examination. The LDP delivers significant benefits (both social and financial) for our communities.
- 1.3 The various steps in the LDP process are highlighted in more detail below.

2. Current situation

Why is planning important?

- 2.1 Planning shapes new development and the use of land all over Britain with the aim of achieving outcomes that are positive for people, the economy and the environment. The planning system exists to ensure that the development and use of land is in the public interest, weighing up its economic, environmental and social benefits and drawbacks. It plays a key role in helping to make the places where we live and work attractive, vibrant and well designed.
- 2.2 The planning system can help secure development that supports regeneration and meets the needs of our local communities. It can support the provision of affordable housing, new infrastructure and other important development.

The Planning System in Wales

- 2.3 All four countries in the UK have a planning system that is 'plan-led'. 'Plan-led' means that national and local planning policy is set out in formal development plans which describe what developments should and should not get planning permission, how land should be protected and seeks to ensure a balance between development and environmental protection in the public interest. Decisions on individual planning applications are made on the basis of the policies in these plans, unless there are other considerations that need to be taken into account. The Planning (Wales) Act

2015 established a new planning regime for Wales and created a new National Development Framework (NDF) that when prepared will set out national spatial planning policies. Strategic Development Plans (SDP) will focus on and provide strategic policy for defined key areas. LDPs will be produced on an individual local authority basis, however, where there is an SDP in place it may be possible produce 'light touch' development plans.

2.4 National Planning Policy and Guidance in Wales is principally delivered through Planning Policy Wales (PPW) which sets the context for planning in Wales, under which Local Planning Authorities prepare their statutory Local Development Plans. It is the principal and authoritative source of national planning policy. Technical Advice Notes (TANs) contain detailed guidance in specific areas. There are currently 22 topic based TANs.

Local Development Plans

2.5 The Planning and Compulsory Purchase Act 2004 introduced a statutory requirement for each of the 25 Local Planning Authorities in Wales to produce a Local Development Plan (LDP). Local Development Plans are a key component of the planning system and are where the big decisions on planning for the future of communities and land are made. They set out the long-term strategy for the development of the area covered by each local planning authority. This includes identifying where, and how many, new homes should be built; the locations where businesses need more land to expand; which areas need to be regenerated (such as former industrial land, or older housing estates); where new shops should be located; and which areas should be protected from development (such as sensitive landscapes or habitats).

2.6 Our Local Development Plan expires in 2021 which effectively means that the County Borough will not have a statutory development plan in place to guide sustainable development and prevent inappropriate forms of development. It is therefore imperative that work commences on our replacement LDP now.

2.7 Local Development Plans have a key role in delivering sustainable development:

- They have an **economic role** – they help to ensure that sufficient land of the right type, and in the right places, is available to allow businesses to set up and grow, and to be supported by infrastructure such as roads and railways.
- They have a **social role** – they can promote strong, vibrant and healthy communities, by providing for housing, leisure and recreation facilities, shops and schools.
- They have an **environmental role** – they help to protect and enhance landscapes and wildlife, historic buildings and archaeology, and they can help to ensure that water, minerals and energy are used more efficiently.

Local Development Plans have to reconcile different interests

- 2.8 Local Plans have to mediate between different interests. It's probably too much to ask of the planning system to make everybody happy. But it does try to ensure that the interests of all those affected are taken into account and decisions are made in the wider public interest.

Bridgend Local Development Plan (2006-2021)

- 2.9 The Bridgend Local Development was adopted by Bridgend County Borough Council on the 18th September 2013 and sets out the Council's objectives for the development and use of land in Bridgend County Borough over the plan period to 2021, and its policies to implement them.
- 2.10 More importantly than the statutory requirement to prepare a Local Development Plan, is meeting the challenge of a rising population. It is the role of the Council to make sure that the borough can accommodate and provide a good quality of life for all its residents (this requires long-term strategic planning). The Local Development Plan will identify where in the borough, new homes and communities can be built. Different parts of the borough may be affected in different ways and the plan identifies areas for new development together with areas that will be protected from development.
- 2.11 **The Local Development Plan is the most important document that the Council will prepare that can guide land use planning and deliver real change on the ground helping to deliver the aims and objectives of the Corporate Plan.**

How effective has the Bridgend Local Development Plan been to date?

- 2.12 Following the adoption of the Bridgend LDP, the Council has a statutory obligation under section 76 of the Planning and Compulsory Purchase Act 2004 to produce an Annual Monitoring Report (AMR). The main aim of the AMR is to assess the extent to which the LDP Strategy and Policies are being achieved.
- 2.13 The Local Development Plan monitoring data clearly shows that the plan has performed very well since its adoption and it is important to recognise the role of the LDP in delivering significant 'social benefits' for our communities. The following is not an exhaustive list of 'social benefits' but rather a brief overview for the purposes of this report.

New Housing

- 2.14 In terms of housing delivery, 4,978 private market dwellings have been completed in total and 1030 general needs affordable new build dwellings have been approved during the LDP period 2006 to 2017. The benefits of building new homes for the residents of the borough include:
- Providing housing for the most vulnerable in our society;
 - Providing housing for the local workforce, especially lower wage earners;

- Revitalising deprived areas; and
- Directing economic benefits to the local community.

2.15 The approval of over 1,000 affordable units is a significant achievement that the Council should be proud of. Furthermore, the initial development of both private market & affordable housing creates both immediate and long-term employment opportunities and spending in the local economy. All housing can affect an employer's ability to attract and retain employees and can thus have implications for regional economic competitiveness. According to the House Builders Federation the delivery of the 4,978 new homes has helped support the employment of approximately **21,000** people (source: HBF).

2.16 The recently published 2017 JHLAS shows that the County Borough has housing land supply, assessed against the housing requirement of the Bridgend LDP of 4.0 years. This is the first year since the LDP adoption in 2013 that the land supply has fallen below the 5 year target. Where the land supply is less than 5 years, TAN1 states that local planning authorities should consider the reasons for the shortfall and whether the LDP should be reviewed either in whole or in part. It is considered that the most effective way of rectifying this issue is through an early review/revision of the adopted LDP given the importance attached to the land supply issue. However, the statutory 4 year review (due in 2018), will provide the impetus for the LPA to update its evidence base, review the LDP strategy, and rectify the lack of a five-year housing land supply. This would also assist in seeking to avoid 'planning by appeal' and ad hoc development coming forward outside the development plan system and not in accordance with the LDP's strategy.

Bridgend's Economy

2.17 An important part of the Local Development Plan is promoting economic growth and prosperity in the District. The Plan seeks to ensure that the right jobs can be provided in the right places for local residents by allocating and safeguarding employment land.

2.18 The Annual Monitoring Report indicates that the borough's industrial estates are performing well and during 2014 – 2016 over 2 hectares of vacant employment land was developed. Whilst 2 hectares may not appear to be significant in terms of new employment land delivered, this must be seen in the context that there was the considerable loss of industrial and business capacity that took place during the recession, most new employment activity is actively being taken up within existing vacant buildings and/or extensions on allocated employment sites rather than on new sites. Effectively the lost capacity as a result of recession is being regained before new take-up accelerates as the economy improves. The Council's Economic Development Officer has highlighted that there are few vacant units on the Boroughs industrial estates and there is demand for new small to medium sized units.

2.19 Between 2015 and 2016 the number of people in employment increased from 63,200 to 65,400 an increase of 3.48%. Data indicates that the number of enterprises in Bridgend is increasing at a quicker rate than for Wales as a whole with a 10% increase from 2010 to 2015 in Bridgend compared to a 9% increase in Wales in the same

period. Collectively, this demonstrates that the expansion in business stock in Bridgend is continuing to improve.

Delivering new infrastructure

2.20 The Local Development Plan is not just about new homes but seeks to ensure that housing growth is supported by infrastructure, jobs and community facilities. The Local Planning Authority works closely with key stakeholders such as our utility providers, education and highways departments to ensure that vital community facilities such as schools, roads (active travel routes) and public transport links are in place to support existing residents as well as new communities. The delivery of much needed new infrastructure in the borough would be severely prejudiced without an up-to-date Local Development Plan to guide appropriate land use planning and provide certainty to the development process.

Protecting and enhancing the built and natural environment

2.21 The Local Development Plan protects our most sensitive areas of countryside and open space that delivers the following positive benefits:

- Ensure new residential development includes an appropriate level of green space for public 'amenity' purposes that contributes to the overall design of an area;
- Contribute to the quality of life of urban areas;
- Positive impact on the health of residents;
- Future saving to the NHS;
- Reduction in crime; and
- Safeguarding and creating visually attractive recreational areas.

2.22 Protecting the Built and Historic Environment is fundamental to the Local Development Plan Strategy and to achieving sustainable development. The LDP seeks to ensure that new development proposals must take account of the heritage assets in the public interest listed below:

- Listed Buildings and their settings;
- Conservation Areas and their settings;
- Scheduled Ancient Monuments;
- Sites or Areas of Archaeological Significance;
- Historic Landscapes, Parks and Gardens; and
- Local Significant Buildings.

Retail Centres

2.23 Town centres provide important cultural destinations and supportive environments for business to prosper. Town centres are therefore recognised as the heart of local communities and the LDP seeks to plan positively through a 'town centre first' approach and its policies seek to support their vitality and viability.

What do our communities get back financially?

- 2.24 As outlined earlier in this report, new residential development can place extra pressure on the social, physical and economic infrastructure which already exists in a certain area. The planning system has put legislation in place and through the mechanism of Section 106 (S106) Agreements (these are legal agreements between Local Authorities and developers; these are linked to planning permissions and can also be known as planning obligations) which seek to balance the pressure created by the new development with improvements to the surrounding area ensuring that where possible the development would make a positive contribution to the local area and community.
- 2.25 Based on the dwellings that have been delivered by the Local Development Plan, since adoption, the following S106 contributions have been collected by the Council and used to help improve the lives of our residents:

Affordable Housing	£1,818,858
Public Open Space	£529,400
Transport Infrastructure	£754,000
Education	£1,924,934
Miscellaneous	£671,037
Total	£5,698,229

Financial Value of S106 Agreements completed since Oct 2013 (LDP adoption)

- 2.26 If we view the borough's residents as our 'shareholders' then in purely financial terms they are getting a return on their investment (£2,000,000 – Development Planning Section budget over a six year period) of 170%. Not many businesses can deliver this level of return for their shareholders.
- 2.27 In addition to the above Section 106 contributions the Council receives approximately an additional £6,324,000 per annum in Council Tax revenue as a result of the new homes that have been built.
- 2.28 The Development Planning Section liaises very closely with the Council's 'Property Section' to ensure that Council sites which are declared surplus to requirement are allocated in the Local Development Plan for alternative uses. To date the Council has achieved £3,500,000 in capital receipts from the sale of these 'surplus' sites and is anticipating to achieve another £3,500,000 in the near future. The capital receipts received are then invested back into our communities a large proportion of which is invested in new schools through the 'School Modernisation Programme'. This funding will help improve the skills of our next generation; it is important to note that the lack of education and key skills is one of the main barriers to economic growth and attracting new business.

3. Next Steps

How do we make sure the Local Development Plan continues to perform effectively for our communities in the future?

- 3.1 The AMR has shown that the Local Development Plan has performed well delivering many significant benefits for our communities (as set out earlier in this report). Most of the housing sites and associated infrastructure allocated in the LDP have been delivered with the exceptions of a few challenging brownfield sites that have stalled due to a combination of viability issues, especially in our valley communities and in some cases land ownership issues.
- 3.2 The LDP has been adopted for almost four years and it has performed well. However there is a statutory duty required by Section 69 of the 2004 Planning Act to review the Local Development Plan four years after its adoption to ensure it remains 'fit for purpose'. Essentially this means that we have to embark on a review the plan in early 2018 to ensure that it continues to deliver for our future generations.
- 3.3 Local Development Plans have to be based on robust 'evidence' to ensure that the critical issues are identified and challenges facing the county borough are managed properly. A key task in the production of the new Local Development Plan will require the Development Planning Section to prepare and update the evidence that will inform the various strategies and policies in the LDP. A sample of the evidence base studies required to inform the LDP are provided below:
- **Population & household forecasts** – to provide estimates of the future numbers of households and of the numbers of people who live in them, which will inform the LDP's dwelling requirement.
 - **Local Housing Needs Assessment** - to identify how many homes are required of each tenure: open market housing and 'affordable housing' (e.g. shared ownership or social rented housing).
 - **Employment Land Review Update** – to identify the county borough's employment land requirements for the LDP period and to assess the quality of the main employment areas for continued use, and identify potential new land to meet future requirements for all employment sectors.
 - **Gypsy and Traveller Accommodation Needs Assessment** – to identify local need.
 - **Strategic Flood Risk Assessment** – to identify areas at risk of flooding.
 - **Retail Study Update** –to identify the requirements of retail need, including the need for more land and floorspace.

- **Public Open Space Audit** – to identify local needs for a range of open spaces including for sport and play.
- **Landscape Character Assessment** - to describe the characteristics of the local landscape and which may include guidelines for development.
- **Transport Assessment** – to assess the impact of the scale and distribution of development detailed in the emerging Local Development Plan.

3.4 The key elements of the review process are summarised below. The timetable of preparation will be determined in the Delivery Agreement – however the initial stages are anticipated as follows:

Stage	LDP Review Process	
Stage 1	Prepare Delivery Agreement	To be submitted and agreed by the Welsh Government
Stage 2	Review and Develop Evidence Base for LDP / Call for Candidate Sites	Continuous
Stage 3	Pre-Deposit Plan Preparation and Public Participation	To be determined in the Delivery Agreement
Stage 4	Deposit LDP and Feedback - Consultation	To be determined in the Delivery Agreement
Stage 5	Submission and Examination	To be determined in the Delivery Agreement
Stage 6	Inspectors Report (Received and Published)	To be determined in the Delivery Agreement
Stage 7	Adoption	To be determined in the Delivery Agreement

3.5 The existing LDP's strategy has been successful in ensuring that the majority of the new homes from newly allocated sites that have been built to date have been on the borough's 'brownfield' sites. Without pre-empting the outcomes of an updated evidence base and various studies (that will need to be prepared), it is likely that the new LDP will have to consider an alternative strategy and 'greenfield' sites in order to ensure that there is sufficient land available for the delivery of new homes post 2021 (when the existing Local Development Plan expires).

The risk of not having an up-to-date Local Development Plan

3.6 There are many risks both financial and social that are posed to both the LPA and our communities by not having an up-to-date Local Development Plan in place by 2021.

3.7 *Less control for Bridgend Local Planning Authority*

- Bridgend Local Planning Authority will have significantly less control of its planning function and Councillors will have a reduced ability to influence the future strategy for growth in the borough. In reality this means that developers will be deciding where new homes should be built and not the Local Planning Authority. It is the Local Planning Authority's role to direct growth - to the 'right' place and not be dictated to by developers.

3.8 *Inappropriate development*

- The Local Development Plan is in the final stage of its 'life-cycle' and as a result the county borough does not have a 5 year housing land supply (2017 JHLAS 4.0 years).
- It is inevitable that there will be inappropriate ad-hoc development at locations that may prejudice the future LDP strategy and a likely 'Transport Led' SDP Strategy based on the Cardiff Capital Region. In addition, there is concern that this ad-hoc approach could lead to a flurry of speculative planning applications from the development industry seeking to exploit the current shortfall in land supply to 'landbank' sites.
- The LPA would be in a situation of 'planning by appeal' which will have a significant impact on the Communities Directorates budget as staff resources will be concentrated on fighting appeals. This will also lead to a lack of co-ordination of S106 monies and a risk of receiving no Section 106 monies at appeal.

3.9 *Lower levels of new affordable homes for our communities*

- The lack of an uncoordinated approach to the delivery of new homes accompanied by appropriate infrastructure for our younger generation may be significantly compromised.
- Well planned high quality homes are a vital ingredient in developing a sustainable economy. New homes play an important role in attracting new businesses to the area.

3.10 *New infrastructure and funding would be severely compromised*

- New development delivers essential infrastructure for our communities. An up-to-date LDP is essential to ensure a co-ordinated approach to infrastructure delivery and the mechanism for securing scarce finances for new infrastructure.
- The current state of public sector budgets places greater emphasis on the LDP as one of the most important sources of funding for the Council through planning contributions to deliver new essential infrastructure. **In financial terms, it could be argued that the Council cannot afford to be without an up-to-date Local Development Plan.**

3.11 *Other issues*

- The lack of a Local Development Plan would seriously compromise future external funding bids for regeneration projects that could result in the Council missing out on millions of pounds of investment.
- Risk of the current LDP not adequately taking on board new legislation, resulting in decisions that maybe challenged in the courts.
- The lack of an up-to-date LDP may compromise the LPA's ability to proceed with Compulsory Purchase Orders (CPOs).
- The Welsh Government could direct Bridgend LPA to prepare a joint LDP with another LPA which would require the setting up of a joint planning panel and risk of delaying plan coverage beyond 2021.
- Growth links to the wider region would be uncoordinated which could undermine regional aspirations and any future Strategic Development Plan (SDP).

Collaborative working between LPAs

3.12 There are number authorities in South-east Wales who are currently in the process of considering reviewing their Local Development Plans on the basis that their current plans expire at the end of 2021. Whilst this presents an opportunity for collaboration including the eventual preparation and adoption of an SDP, in view of the pressures facing Bridgend as described above it would be prudent to proceed with the review of the current plan as the risks associated with not taking it forward are not acceptable. It is still open for Bridgend to explore the other means of collaboration such as sharing the cost of preparing the evidence base that will support the preparation of a replacement LDP.

3.13 Notwithstanding the expediency of progressing a Replacement Plan for Bridgend, as previously stated Welsh Government have the power of 'direction' to insist that a 'Joint LDP' is prepared in conjunction with one or more neighbouring authorities. On the 13th

December 2017 the Cabinet Secretary for Energy, Planning and Rural Affairs wrote to the Leader and Chief Executive inviting the Local Planning Authority to give serious consideration to preparing a Joint Local Development Plan with other Local Planning Authorities within the South East Wales - West area (comprising of Bridgend, RCT and Caerphilly). This letter is attached at Appendix A. The Council's response is required to be reported back to Welsh Government by the 28th February 2018 and until such time Welsh Government will not agree any plan progressing individually. Further reports will be brought to Committee and Council in due course.

Conclusion

3.14 This report has provided a brief overview of the Planning System in Wales and some of the key issues facing this Council. Future development and where this is located is a primary function of the LDP. The location of development is always a contentious issue and is likely to affect different communities in different ways. There are difficult decisions to be made and changes proposed will not always be universally welcomed. The LDP is not a panacea and will not solve all of the County Borough's problems. However, we must remember the huge contribution the LDP makes on the ground (both social and financial) towards making people's lives better.

4. Recommendation

4.1 That the contents of this report be noted.

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Background documents

NA

APPENDIX A

Lesley Griffiths AC/AM
Ysgrifennydd y Cabinet dros yr Amgylchedd a Materion Gwledig
Cabinet Secretary for Energy planning and Rural Affairs



Llywodraeth Cymru
Welsh Government

Ein cyf : Our ref : QA1282787

Cllr Huw David and Mr Darren Mepham
Leader and Chief Executive of
Bridgend County Council
Civic Offices
Angel Street
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CF31 4WB

B December 2017

Dear Huw and Darren

Invitation to prepare a Joint Local Development Plan (LDP) South East Wales - West

It is almost 14 years since the Planning and Compulsory Purchase Act (2004) introduced the requirement for Local Planning Authorities to prepare, monitor and keep review Local Development Plans. Progress has been made with 20 adopted LDPs in place.

The latest round of LDP Annual Monitoring Reports, submitted in October, has demonstrated mixed success for plans adopted between 2010 and 2015. This is particularly evident for critical planning outcomes, including supporting the delivery of housing in sustainable locations. With this in mind, it is right to pause and reflect on the correct path to take to maintain effective LDP coverage ahead of adoption of a Strategic Development Plan (SDP) for the region. It is also necessary to provide a robust framework for the delivery of the land use implications of the Cardiff Capital Region City Deal proposals.

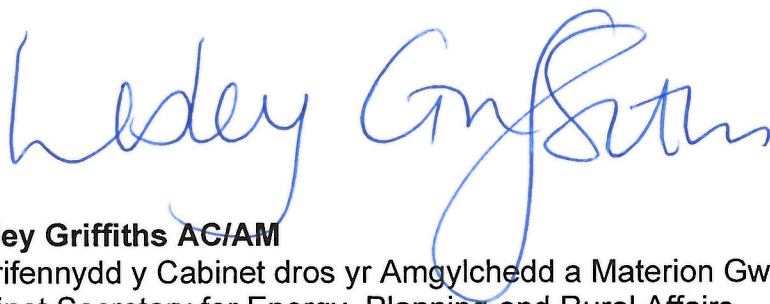
The role of the planning system in delivering excellent outcomes for Wales at national, regional and local levels has never been more prominent. Our newly adopted National Strategy: Prosperity for All acknowledges the key role the planning system must play by recognising planning decisions as a critical lever to deliver the central goal of prosperity for all. It notes planning decisions affect every area of a person's life. They determine where homes are built, where services are provided, the quality of the local environment, the promotion of sustainable economic growth and access to open space. The right planning system is critical in delivering the objectives of the strategy – this includes ensuring better LDPs are produced in the future.

Our vision for LDPs is not just to have full plan coverage, but achieve this in the most effective and efficient way, whilst also making a real difference for people and places. This does not mean replicating the procedures of the past, such as preparing plans on an individual basis. Often this has led to lengthy timescales for preparing plans, numerous delays in the process, a lack of effective consideration for issues transcending administrative boundaries and a difficulty in demonstrating the benefits of the system. The average time taken to prepare a first generation LDP was almost 6½ years which is totally unacceptable and cannot be replicated in the future. Evidence for the Planning (Wales) Bill demonstrated the cost of preparing a LDP to be between £1.4 and £2.2 million. Since then local government expenditure on planning services declined by 53% between 2009/10 and 2016/17 as a result of the UK Government austerity programme imposed on Wales with many of these reductions borne by your LDP teams. I do not believe many authorities currently have the capacity, capability or resilience necessary to progress LDPs on an individual authority basis.

For the reasons identified above we must approach the future with a new outlook, embracing the benefits from undertaking Joint LDPs. Maximising efficiency savings, both staffing and financial; delivering better outcomes on a more consistent basis; reaping the financial benefits through economies of scale and avoiding the pitfalls of duplication and repetition are all there to be seized. For the South East Wales - West area there are significant opportunities and challenges which are best addressed through the preparation of Joint Local Development Plans. These include maximising the take up of brownfield land to strengthen communities, minimising green field site releases and ensuring comprehensive planning of development opportunities on local authority boundaries. Realising the benefits provided by new infrastructure, such as the Metro, taking advantage of increased connectivity, accessibility and resilience of public transport corridors by identifying and implementing an area wide sustainable settlement strategy will be important considerations.

This approach aligns with emerging Local Government Reform proposals and stated intention of local government to work more collaboratively in the future. For the compelling reasons set out in this letter. I invite you to give serious consideration to improving the effectiveness of the planning system by preparing a Joint Local Development Plan. I am seeking positive responses to this invitation by the **28 February 2018**. Until such time I will not agree any plan progressing individually.

Yours sincerely,



Lesley Griffiths AC/AM

Ysgrifennydd y Cabinet dros yr Amgylchedd a Materion Gwledig
Cabinet Secretary for Energy, Planning and Rural Affairs

Leader and Chief Executive Caerphilly County Council
Leader and Chief Executive Rhondda Cynon Taff County Borough Council