

To: Finance & Performance Committee, 5 October 2022

From: Naomi Davies, Policy Officer

Local Development Plan Annual Monitoring Report 2021-22

Decision Required	YES <input checked="" type="checkbox"/> / NO <input type="checkbox"/>	Agenda Item	4
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Recommendation

Agree that the Local Development Plan Annual Monitoring Report 2021-22 be submitted to Welsh Government and published on the National Park Authority website by 31 October 2022.

Key Messages

The National Park Authority is required by the Welsh Government to submit its Local Development Plan Annual Monitoring Report (AMR) by 31 October.

The AMR submitted covers the period from April 21– March 22.

By reporting monitoring indicators, the AMR provides an indication of whether LDP policies are being implemented.

1. Introduction

- 1.1 Regulation 37 of *The Town and Country Planning (Local Development Plan) (Wales) Regulations 2005 (as amended)* requires the National Park Authority to publish its annual monitoring report and submit it to the Welsh Government by 31 October.
- 1.2 The Brecon Beacons Local Development Plan 2007 – 2022 (LDP) Annual Monitoring Report 2021 (AMR) covers the eighth LDP monitoring periods from 1 April 2021 to 31 March 2022.
- 1.3 By reporting against monitoring indicators identified within chapter 11 of the LDP, the AMR provides an indication of whether LDP policies are being implemented.
- 1.4 Where an LDP policy is not being implemented, the annual monitoring report must identify the policy, and include a statement of:
 - the reasons why the policy is not being implemented;
 - the steps (if any) that the LPA intend to take to secure that the policy is implemented; and
 - whether the LPA intends to prepare a revision of the LDP to replace or amend the policy.
- 1.5 The AMR must also specify the net number of additional affordable and general market dwellings built and how this compares with the LDP's Annual Average Requirement.
- 1.6 With the purpose of identifying unforeseen adverse effects at an early stage and being able to undertake appropriate remedial action, the AMR also contributes to monitoring the significant environmental effects of implementing the LDP. This is required by Regulation 17 of *The Environmental Assessment of Plans and Programmes (Wales) Regulations 2004 (as amended)*.
- 1.7 Guidance on monitoring is contained in the Welsh Government Development Plans Manual, Edition 3 March 2020¹. Table 30: Monitoring Actions outlines the options to the National Park Authority in response to the AMR's findings. These are:
 - Continue Monitoring: Development plan policies are being implemented effectively.
 - Training Required: Development plan policies are not being implemented as intended and officer or Member training is required.

¹ <https://gov.wales/sites/default/files/publications/2020-03/development-plans-manual-edition-3-march-2020.pdf>

- Supplementary Planning Guidance (SPG) Required: Development plan policies are not being implemented as intended and further guidance is required, potentially preparing additional SPG.
 - Further Investigation/Research Required: Development plan policies are not being implemented as intended and further research and/or investigation is required.
 - Policy Review Required: Development plan policies are not being implemented and are failing to deliver; a review of the specific policy may be required.
 - Plan Review: Development plan policies are not being implemented and the plan's strategy is not being delivered, triggering a formal review in advance of the statutory 4-year review.
- 1.8 Following a full review of the Local Development Plan, in September 2018 the National Park Authority committed to preparing a replacement Local Development Plan (LDP2) [NPA Decision 106/18²].
- 1.9 Following Natural Resources Wales's interim planning position statement³, published in January 2021, the Authority decided to pause the review of the LDP following Welsh Government's non-official advice in May 2021.
- 1.10 The Authority is now gathering evidence to define the current position, review options progress and provide reasoned justification for a proposed course of action in relation to the development of a viable replacement for the Local Development Period..
- 1.11 The period also coincided with strides of great innovation in preparing the draft National Park Management Plan (2022 – 2027); much of this work will also be of great benefit for implementing the existing LDP as it will be for preparing the next. For example, a Carbon Budget has recently been agreed for the National Park, ecological network mapping has been completed by the Brecon Beacons Local Nature Partnership and a Citizens' Assembly and National Park Stakeholder Reference Group have been established.

² <https://governance.beacons-npa.gov.uk/documents/g5384/Printed%20minutes%2021st-Sep-2018%2012.30%20National%20Park%20Authority.pdf?T=1>

³ <https://naturalresources.wales/guidance-and-advice/business-sectors/planning-and-development/our-role-in-planning-and-development/advice-to-planning-authorities-for-planning-applications-affecting-phosphorus-sensitive-river-special-areas-of-conservation/?lang=en>

1.12 The AMR should be considered alongside the National Park Authority's quarterly Development Management returns; Sustainable Development indicator returns, Annual Planning Performance Report and previous AMRs.

2. Key findings

2.1 Significant contextual change

2.1.1 The most significant change to have happened during the monitoring period was the transition of strategic planning powers to Corporate Joint Committees.

2.1.2 From 30th June 2022, three Corporate Joint Committees (CJC) assume strategic planning functions across the Brecon Beacons National Park and are responsible for preparing Strategic Development Plans (SDPs). The matters for which the CJC will be accountable for from 30 June are set out in Policy 19 of Future Wales as follows:

2.1.3 Strategic Development Plans should embed placemaking as an overarching principle and should establish for the region (and where required constituent Local Development Plans):

- i. A spatial strategy.
- ii. A settlement hierarchy.
- iii. The housing provision and requirement.
- iv. The gypsy and traveller need.
- v. The employment provision.
- vi. The spatial areas for strategic housing, employment growth and renewable energy.
- vii. The identification of green belts, green corridors and nationally important landscapes where required.
- viii. The location of key services, transport and connectivity infrastructure.
- ix. A framework for the sustainable management of natural resources and cultural assets.
- x. Ecological networks and opportunities for protecting or enhancing the connectivity of these networks and the provision of green infrastructure; and
- xi. A co-ordinated framework for minerals extraction and the circular economy, including waste treatment and disposal.

2.1.4 The Welsh Government requires the adoption of Strategic Development Plans in the North, Mid Wales, South West and South East regions.

2.1.5 Wales' first national development framework, Future Wales, has three important roles in supporting Strategic Development Plans:

- It focuses Welsh Government and key stakeholder action and investment in the four regions, identifying key strategic spatial issues and providing a framework for the co-ordinated delivery of national economic, housing, regeneration, environmental, flooding, energy, rural and transport policies;
- It sets out the key regional issues identified across the preparation of Future Wales to provide a starting point for the preparation of Strategic Development Plans; and
- It provides a regional context for the planning system in advance of the adoption of Strategic Development Plans.

2.2 Housebuilding

2.2.1 Chart 1 (over) shows annual net housebuilding completions (in blue) against the LDP Annual Average Requirement (AAR) (in orange). Since 2007/08 only once, in 2017/18, have housing completions exceeded the AAR of 133 homes (rounded to nearest whole).

2.2.2 Over the plan period to date 1026 homes of the 1990 homes identified as the Housing Requirement by Policy 24 of the LDP have been completed. In the eight full monitoring years since the LDP was adopted in December 2013 (i.e., from 2014/15 onwards) 603 homes have been built against the AAR of 931.

2.2.3 In 2021/22 59 homes were completed and planning permission was granted for 2 more. 2021/22 represented the lowest planning permissions over the whole plan period from 2007 and since the LDP was adopted in 2013. This is most likely due to the phosphate situation (referred to in section 1 of this report).

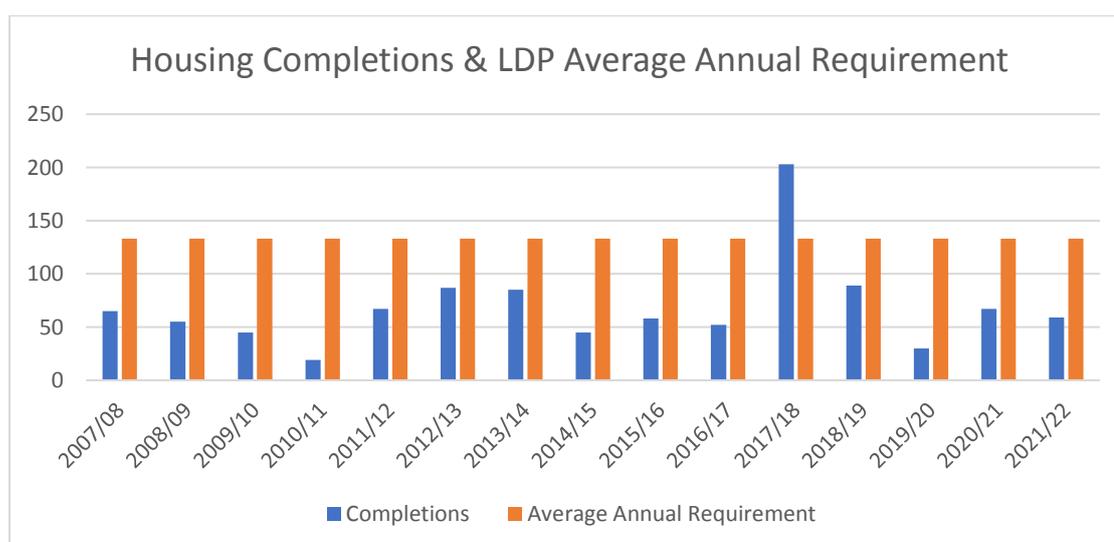


Chart 1: Net annual housebuilding completions against LDP Average Annual Requirement

- 2.2.4 Most of the housebuilding and permissions is happening in the Primary and Key Settlements with development in the Primary Key Settlement of Brecon in particular having made a significant impact on this indicator. Developments include 'Beacons Gate' (119 homes), 'Maes Maendu' (32 homes), and outline permission for allocation DBR-BR-A to the North of Camden Crescent in Brecon.
- 2.2.5 The remaining mixed-use site yet to achieve planning permission for the housing element is the site of the former Mid Wales Hospital in Talgarth.

2.3 Affordable homes and viability

- 2.3.1 In 2021/22, no planning permission was granted for affordable dwellings which accounts for 0% of the two residential permissions granted within this period.
- 2.3.2 32 affordable homes were built in the period of 2021/22. Since the LDP was adopted in December 2013 (i.e., from 2014/15 AMR onwards) 182 affordable homes have been built.
- 2.3.3 Paragraph 6.3.7.1 of the LDP estimated the LDP would contribute 475 affordable homes. It is important to note the figure of 182 affordable homes built since the LDP was adopted does not include those facilitated by financial contributions secured through development in the National Park but delivered elsewhere by the relevant Housing Authority.
- 2.3.4 Over the 2021/22 monitoring period on sites of 3 or more homes there have been no instances in which the provision of onsite affordable housing at the appropriate affordable housing target was proven not viable.
- 2.3.5 No affordable homes were secured as the result of planning permissions granted development on land not identified for development by the LDP (otherwise referred to as 'windfall' development) or as 'exceptional' development supported by LDP Policies SP6 and 29.
- 2.3.6 Over the period of this AMR, the Land Registry House Price Index reports an increase in house prices of 22.7% for Merthyr Tydfil. Whilst developing LDP2, the NPA will need to reconsider Affordable Housing contribution targets in the Heads of the Valleys area.

2.4 Protected employment sites

- 2.4.1 In 2021/22, no planning permissions were granted resulting in the loss of an employment use to a non-employment use on a protected employment site within the National Park.
- 2.4.2 Monitoring also revealed sufficient vacancies on the protected employment sites to accommodate a local waste facility should the need and justification arise. However, no application for such a facility was received either in 2021/22.

2.5 Town centres

2.5.1 Vacancy rates are monitored within defined 'retail centres' in Brecon, Crickhowell, Hay-on-Wye and Talgarth. To support town centre vibrancy, temporary permitted development rights have been introduced by the Welsh Government, and licensing made more flexible. In 2021/22 less than 10% of premises in each 'retail centre' were recorded as vacant (in numbers rather than floorspace).

2.6 Sustainable tourism and community facilities

2.6.1 In 2021/22, 10 planning permissions were granted for new or improved tourism facilities. Due to staffing constraints the detailed investigation planned relating to these improvements wider provision of greater accessibility has not been able to be enacted. This will be considered as part of the evidence gathering for the replacement Local Development Plan.

2.6.2 It is important to note that obligations and duties set out in the Equality Act mean that due regard must be given to any specific needs of likely building users that might reasonably be met. As tourism developments, it is likely that it would be reasonable to meet the needs of a wide range of building users through design. It should be noted that in this regard, compliance with the requirements of Building Regulations does not signify compliance with the Equality Act.

2.7 Community facilities

2.7.1 In both 2021/22, no planning permissions were granted which resulted in the loss of community facilities in the National Park. That is not to say no community facilities have been lost in the National Park; significant 'disposal' decisions made by Public Bodies and other charitable organisations, with whom the buildings and land used to support community facilities are vested, are often made before the formal 'planning' process is entered by the new private owners.

2.7.2 Occasionally communities have come together and raised funds to purchase and secure a 'community facility'; for example, the community of Gwernyfed Rugby Club based in Talgarth rallied to raise funds to purchase the recreation ground from Powys County Council, renaming it the Brian Jones Memorial Field in 2018.

2.8 Environmental protection

- 2.8.1 In 2021/22, no planning permissions were granted in conflict with LDP policies ensuring protection of the historic environment, amenity, or the wildlife of the National Park. Neither was any 'Countryside' lost to development by means of departure to LDP Policy CYD LP1 Enabling Appropriate Development in the Countryside and no development was granted planning permission contrary to the provisions of Technical advice note 15: development and flood risk. As it is yet to be reported in an AMR, it is recommended the ecological footprint indicator is dropped due to the significant difficulties in obtaining relevant reliable data.
- 2.8.2 Appraisals have now been completed for Brecon, Hay-On-Wye, Talgarth, Crickhowell and Llangattock Conservation Areas. Accordingly, no further monitoring is required.

3. Analysis

- 3.1 At an operational level, by revealing the extent of failures to meet Phosphate Targets in Welsh Riverine Special Areas of Conservation, NRW Evidence Report 489 has undoubtedly has the greatest impact on LDP delivery during the monitoring period.
- 3.2 Through the process of Habitats Regulations Assessment; most development proposals must demonstrate, beyond reasonable scientific doubt, they will not have an adverse effect on the integrity of the SAC designated features.
- 3.3 With varying levels of confidence, NRW indicative assessments (2020) show that 47 out of 65 SAC features relevant to the National Park (>72%) have an unfavorable conservation status. Without cross-sector systematic change, there is little likelihood of reversing this statistic. Planning is just one part of the system, whilst constraining new planning permissions to those which can prove no adverse effect on integrity of the Special Areas of Conservation may help, it is certainly not the full answer.
- 3.4 The Welsh Government has declared climate and nature emergencies. Whilst NRW Evidence Report 489 has started to reveal the scale of the challenge of creating resilient ecological networks, the Carbon Budget for the National Park (2021) and Community Energy Audits (2020) start to reveal the extent of challenge presented by the need to cut emissions drastically and quickly. This includes those emissions baked into development through design choices, both strategic in terms of location and connectivity to services and detailed in the choice of materials, construction, and on-site energy generation. In advance of LDP2 being adopted, LDP Policy SP4 Climate Change offers scope to rise to this challenge.
- 3.5 Furthermore, Regional Housing Market Evidence prepared for Mid and South West Wales by Opinion Research Services (2020) revealed a great need for accessible one and two-bedroomed homes for social rent in the National Park.

4. Response

4.1 ***Plan Review: Development plan policies are not being implemented and the plan's strategy is not being delivered, triggering a formal review in advance of the statutory 4-year review.***

4.1.2 Following a full review of the Local Development Plan, in September 2018 the National Park Authority committed to preparing a replacement Local Development Plan (LDP2) [NPA Decision 106/18⁴]. Housing delivery was a key driver for this decision and monitoring shows that delivery fails to keep pace with the Annual Average Requirement (AAR).

4.1.3 In May 2021, the then Transition Director notified NPA of a decision taken “to delay the timetable for completion of the Local Development Plan in response to the impact of phosphates on the Authority’s business and the likelihood of the plan being unsound due to the level of constraints on this” [NPA item 71/21⁵].

4.1.4 In summer 2022 a decision will need to be taken whether to progress LDP2 or withdraw and start afresh. Either way, the September 2018 decision that a full replacement LDP is needed stands until such time as it is either amended or abandoned.

4.2 ***Continue Monitoring: Development plan policies are being implemented effectively.***

4.2.1 In line with conclusions in previous AMRs and the Review Report, and despite the decision to prepare a full replacement LDP, the AMR indicates many LDP policies are being implemented effectively and that they should continue to be monitored.

⁴ <https://governance.beacons-npa.gov.uk/documents/g5384/Printed%20minutes%2021st-Sep-2018%2012.30%20National%20Park%20Authority.pdf?T=1>

⁵ <https://governance.beacons-npa.gov.uk/documents/g7918/Printed%20minutes%2028th-May-2021%2010.00%20National%20Park%20Authority.pdf?T=1>

4.3 Further Investigation/Research Required: Development plan policies are not being implemented as intended and further research and/or investigation is required.

4.3.1 Approaching the end of the LDP plan period (2022), many of the recommendations for further research are equally relevant to LDP2 preparation as they are to implementing the LDP. Topics include: affordable housing contributions in the Heads of the Valleys area, employment development and the protection of employment sites, town centre development and retail centre development.

4.4 Training Required: Development plan policies are not being implemented as intended and officer or Member training is required.

4.4.1 Ongoing Officer and Member training outlining significant contextual changes the to the Development Plan following the publication of Future Wales: the national plan 2040 and on the implications of Natural Resources Wales's Compliance Assessment of Welsh River SACs against Phosphorus Targets (Evidence Report 489) and associated practice guidance is needed.

4.4.2 Officer training on design implications for sustainable tourism developments from the Equality Act may also be needed, depending on the findings of the recommended audit.

4.5 Supplementary Planning Guidance (SPG) Required: Development plan policies are not being implemented as intended and further guidance is required, potentially preparing additional SPG.

4.5.1 No specific need for additional SPG is identified by the AMR and progress has been made on Place Planning. However, given the climate and social housing need imperatives, Supplementary Planning Guidance on LDP Policies SP4 Climate Change, SP9 Renewable Energy and on relevant wording contained within policies relating to the Settlement Hierarchy should be considered.

5. Implications

- 5.1 As was found by the 2018 Review Report, the AMR clearly shows that housebuilding completions have not kept pace with the Average Annual Requirement of 133 a year. Moving into the last year of the plan period, slightly less than half of the Housing Requirement has been built. However, what has been built is broadly in the right place according to the spatial strategy of the LDP.
- 5.2 Only two homes were granted planning permission over the monitoring period 2021/22 with neither being affordable. The reason why so few houses have been permitted within this monitoring period is due to the issue surrounding phosphates in the river SAC.
- 5.3 The rivers cannot fully support designated feature recovery and until the condition of the designated features are reported as being favorable once again, there is little scope for any further development which could hinder the pace of their recovery.
- 5.4 The Welsh Government having declared both Climate and Nature emergencies and with LDP2 preparation on pause, all ways in which the existing policies of the LDP could be implemented (as a matter of practice) towards rapid emissions reductions and the development of resilient ecological networks must be considered.

6. Risk

- 6.1 If the ecological resilience of the Usk and Wye River Catchments (in particular) are not restored, residents of and visitors to the National Park will not be able to benefit from the environmental, cultural, and socio-economic benefits presented by appropriate development opportunities in the National Park.
- 6.2 Publication of the AMR on the Authority's website and its submission to the Welsh Government by 31 October is a statutory requirement for all 25 Welsh Local Planning Authorities.

Appendix One: Local Development Plan Annual Monitoring Report 2021-22
