



## REGENERATION AND ENVIRONMENT SCRUTINY COMMITTEE - 18TH SEPTEMBER 2012

**SUBJECT: LOCAL DEVELOPMENT PLAN – ANNUAL MONITORING REPORT 2012**

**REPORT BY: CHIEF EXECUTIVE**

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### 1. PURPOSE OF REPORT

1.1 To outline the contents of the Annual Monitoring Report (AMR) for members' consideration and to gain council agreement to adopt the report as the council's formal LDP Annual Monitoring Report for 2012. To gain council agreement to submit the AMR to the Welsh Government (WG) in order to satisfy the council's statutory requirements and to make the council eligible to receive funding from WGs Planning Improvement Fund.

1.2 Glossary of terms used in this Report

LDP	Adopted Caerphilly County Borough Local Development Plan
AMR	Caerphilly County Borough Local Development Plan Annual Monitoring Report 2012
WG	Welsh Government
SEA/SA	Strategic Environmental Assessment /Sustainability Appraisal
SEA Directive	2001/42/EC – The Assessment of the Effects of Certain Plans and Programmes on the Environment
RTP	South East Wales Regional Transport Plan
SEWTA	South East Wales Transport Alliance

### 2. SUMMARY

2.1 It is a statutory requirement that the Council submits an annual report, which considers if the LDP is being implemented appropriately, to the Welsh Government. This annual report is termed the Annual Monitoring Report and includes LDP policy monitoring, SEA/SA monitoring and a set of 12 mandatory indicators. The overall purpose of the AMR is to identify whether the LDP Strategy, or any the Strategy Policies are not being implemented.

2.2 The AMR identifies that 4 policies need consideration as they may be failing to be implemented and these are therefore considered in the report. The AMR concludes that matters outside the sphere of influence of the LDP were influencing the policies and, therefore, the policies did not require amendment or review.

2.3 The AMR also includes the results of the SEA/SA monitoring, which is required by the SEA Directive and national guidance. The SEA/SA monitoring found an overall slight positive change in the state of the environment, meaning that the environmental position has improved slightly since the Adoption of the LDP.

- 2.4 It is also a requirement for the AMR to include information relating to 12 mandatory indicators, which are set out in the LDP Manual. These indicators are included in the AMR Executive Summary, which is included as Appendix 1 to this report.
- 2.5 Overall the AMR concludes that both the LDP Strategy and the Policy Framework are being implemented appropriately and there is no requirement to review any policy or the LDP as a whole.
- 2.6 The AMR has highlighted one issue that will need to be monitored and considered in next year's AMR, namely the protection of the Caerphilly-Machen-Newport rail line to facilitate the potential reinstatement of a passenger service. This issue is likely to be subject to an appeal in the near future and it would be inappropriate to consider the appropriate course of action until the outcome of any appeal is known.

### **3. LINKS TO STRATEGY**

- 3.1 The submission of the AMR to WG is a statutory procedure associated with the Adopted LDP, which is the council's principal landuse strategy. The LDP has, through its preparation, incorporated the council's Cross-cutting Objectives and the AMR monitors whether the plan, and by corollary the Objectives, are being implemented appropriately.

### **4. THE REPORT**

- 4.1 The Caerphilly County Borough Local Development Plan (LDP) was formally adopted by the council on the 23 November 2010. Following the adoption of its LDP, the council has a statutory obligation, under section 76 of the Planning and Compulsory Purchase Act 2004, to produce an Annual Monitoring Report for submission to the Welsh Government. This, the first AMR, is based on the period from 1st April 2011 to 31st March 2012 and is required to be submitted to WG by the 31 October 2012.
- 4.2 The AMR has two primary roles; firstly to identify any policies that are not being implemented and secondly to consider whether the LDP Strategy remains valid. The LDP Regulations and the LDP Manual require the AMR to include:
- A review of changes to national and regional policy and guidance and their implications for the LDP.
  - SEA/SA Monitoring based on the SEA/SA Monitoring Framework (LDP Appendix 18).
  - LDP Monitoring based on the LDP Monitoring Framework (LDP Appendix 19).
  - Statutory Indicators.
  - Recommendations on the course of action in respect of policies and the LDP as a whole.
- 4.3 The LDP Regulations also set out the structure of the AMR and require that it include an Executive Summary, along with the 5 information sections outlined above. Whilst the Executive Summary does form part of the AMR Report itself, it is also a stand-alone document that briefly outlines the content of the AMR, its findings and recommendations for action in respect of the LDP and its policies. The Executive Summary has been included in this Report as Appendix 1. The full AMR document is a large document and, as such, it would be inappropriate for its inclusion in this Report. Copies of the full AMR document "Caerphilly County Borough LDP First Annual Monitoring Report 2012" have been placed in the resource library for members' information.
- 4.4 The monitoring process generates a significant amount of statistical information. Whilst the information is the basis of the Monitoring Report, it does not provide the necessary interpretation and consideration of all of the issues that are inherent in producing the AMR. As a result the AMR statistical tables are not included within the AMR itself, but are a background document to the report. Copies of the monitoring tables, "Caerphilly County Borough LDP First Annual Monitoring Report 2012 – Background Tables", have also been placed in the resource library for members' information

## ***A Review of changes to National and Regional policy and guidance and their implications for the LDP***

- 4.5 The AMR is required to identify documents, at national and regional level, that may have implications for the policies in the LDP and to assess them to identify their implications. The AMR identified the following relevant documents, which had been published since the Adoption of the LDP:
- Climate Change Strategy for Wales (2010)
  - A Low Carbon Revolution – The Welsh Assembly Government Energy Policy Statement
  - Planning for Renewable and Low Carbon Energy - A Toolkit for Planners (2010)
  - Planning Policy Wales Edition 4 (PPW4)
  - National Transport Plan
  - National Planning Statements – Energy (6 documents)
  - Sewta Rail Strategy Review & Roll Forward Study
- 4.6 The only document that raised an issue for the LDP was the SEWTA Rail Strategy Review. As part of the ongoing Regional Transport Plan (RTP) work, SEWTA update their information on the relevant aspects of the strategic transport system to inform reviews of the RTP. The Rail Strategy Review was one of these updates and was published for consultation at the end of 2011. The Rail Review undertook initial feasibility studies for a number of former rail routes, including the Caerphilly-Machen-Newport line. As part of the preparation of the LDP, the council sought to make a change to the plan to include a statement of the council's intention to review the feasibility of the reinstatement of this line, although the Inspector did not recommend that the change be made. The Rail Review has undertaken the feasibility assessment and has concluded that reinstatement to passenger service is feasible.
- 4.7 Government guidance makes provision for the LDP to protect former transport routes that have the potential to be brought back into transport use. If a review of the LDP was being undertaken it would be likely that a protection policy would be included in the LDP, as the council has already identified the route for potential transport use. The issue of the protection of the rail line is pertinent to considering whether the plan, or it's policies, require review and so this issue has potential implications for the LDP.
- 4.8 In considering the appropriate action in respect of this issue, it should be noted that a planning application for residential development across the line was recently refused on the basis of protecting the rail line. It is likely, however, that this refusal will be appealed and an Independent Planning Inspector will fully consider this issue. It would be premature to consider action in respect of the LDP prior to awaiting the outcome of any potential appeal. Consequently it is recommended that the issue be monitored over the next 12 months and be considered further in the next annual monitoring report.
- 4.9 No other issues have arisen from the review of the documents.

### ***SEA/SA Monitoring based on the SEA/SA Monitoring Framework (LDP Appendix 18)***

- 4.10 The purpose of the SEA/SA Monitoring is to consider the changes in the state of the environment from the date when the LDP was adopted, to the current AMR period. The Framework consists of 86 indicators, which have been grouped into 25 Objectives to provide the appropriate strategic level overview of the environment. The findings of the SEA/SA Monitoring process are set out using the following traffic light symbology:
- RED – Negative - an objective is moving away from its targets
  - GREEN – Positive - an objective is moving toward its targets
  - WHITE – Neutral – either the Objective has balanced or no effects or the Objective could not be monitored.

4.11 The SEA/SA monitoring realised the following results:

- 0 double negative results
- 8 single negative results
- 6 single positive results
- 3 double positive results
- 7 neutral results
- 1 indicator not monitored.

4.12 Whilst the monitoring realised 8 single negative results, it also realised 6 single positives along with three double positives. The positive results more than balance out the negative results and the fact that three double positive results have been realised, when no double negative effects have been, means that SEA/SA monitoring can only conclude that there has been a slight positive effect on the environment.

#### ***LDP Monitoring based on the LDP Monitoring Framework (LDP Appendix 19)***

4.13 The LDP Monitoring considers each of the 22 Strategy Policies against the LDP monitoring Framework to identify whether any policies are not being implemented. The Framework consists of 29 Indicators (overarching measures considered against time related targets) and 53 Factors (specific measures considered against a fixed Trigger Point). Both the Indicators and Factors are statistical measures relating to the delivery of a specific Strategy Policy and consideration of the Indicators and Factors will indicate whether the Policies are being implemented. Where an indicator does not meet a target, or a factor reaches a trigger point, it could indicate that the policy is not being implemented. In such instances the policy is considered in detail in the AMR. A total of 4 policies have been triggered and have been considered in the AMR. The policies are:

#### **SP8 - Minerals Safeguarding**

4.14 This policy was triggered through low levels of aggregate production. The policy seeks to ensure that sufficient aggregate is produced to meet the county borough's needs and requirements. Aggregate production is directly related to aggregate usage in the development industry and, therefore, the drop in production levels below the threshold is in reaction to a sharp reduction in aggregate usage. The drop in aggregate usage corresponds to the economic downturn and the slow down in the rates of development. The reduction in aggregate production is a result of issues beyond the sphere of influence of the LDP and therefore changes to the LDP or the policy will not have any effect on the situation.

#### **SP17- Promoting Commercial Development**

4.15 This policy was triggered by two factors, the amount of commercial development permitted outside retail centres and the lack of commercial development in the Caerphilly retail centre. The policy seeks to encourage commercial (retail and service) uses within the retail centres to strengthen them. A total of 9 commercial developments were permitted outside the retail centres although, of these, only 1 development, a mixed-use development on the edge of the Risca retail centre, would constitute an appropriate retail centre use (the others being car sales, petrol filling stations, a drive-thru restaurant and a country hotel). Given the nature of the developments and the proximity of the mixed-use development to a retail centre, it is considered that the vitality and viability of the retail centres has not been harmed and, therefore, the policy is being implemented appropriately in this instance.

4.16 The low levels of development in Caerphilly town centre are directly related to the economic downturn and the reduction in levels of investment and development. Whilst development has, and still is, taking place in both Risca and Bargoed, the overall level of retail and commercial development has been suppressed by the economic climate. The fact that Caerphilly is the only centre to have triggered, relates to the fact that the Trigger Points for each of the centres has been set to reflect their respective development potentials. Caerphilly has the shortest Trigger Point, reflecting the expectation that it would be likely to have the

highest level of development activity. Again the policy is being affected by issues beyond the control of the LDP and therefore changes to the LDP or the Policy will not have any effect on the situation.

*SP18 - Protection of Strategic Leisure Network*

- 4.17 This policy was triggered through the lack of provision of play facilities through S106 agreements. The policy seeks to ensure that sufficient open space and informal and formal leisure space is maintained to meet the needs of the county borough's communities. The provision of facilities through S106 agreements is a direct corollary of the promotion and implementation of development proposals. As outlined above, the level of development activity, particularly larger housing developments, has significantly reduced in conjunction with the economic downturn. With fewer applications it would naturally follow that there are less S106 agreements to deliver such facilities. Again the policy is being affected by issues beyond the control of the LDP and therefore changes to the LDP or the Policy will not have any effect on the situation.

*SP20 - Road Hierarchy*

- 4.18 This policy has been triggered through a monitored highway link being congested without an improvement scheme having been identified for it. The policy seeks to ensure the efficient and effective use of the highway network by identifying a road hierarchy that sets restrictions on their use in respect of development. The congested link is located within the Caerphilly Basin and has been recorded as being congested for the past 2 years. No improvement scheme has been identified for the link because traffic levels in the area have reduced in that period. The link is only 1% over the congestion point and continued traffic reductions would result in the link dropping below the congestion point. Given this it is considered appropriate to review the position in the next AMR prior to instigating design works to prepare an improvement scheme for the link. As it stands it could be interpreted that the policy is failing to be implemented appropriately.
- 4.19 However, it should be noted that the aim of the overall transport strategy is to reduce car borne traffic through increases in alternative modes, although the LDP acknowledges that a significant change in traffic levels is unlikely to take place without significant external legislative and fiscal policies. The high price rises in fuel, which have led to reductions in traffic levels, amounts to one such external factor and, therefore, it cannot be asserted with any authority that the reduction in traffic levels is the policy realising its expected results. However, the level of overall congestion on the monitored links is significantly reduced from the level it started at on Adoption of the LDP. Consequently it is concluded that the policy has realised significant improvements and a review of the policy or LDP is not required, although the issue will need to be carefully monitored.
- 4.20 The conclusions drawn from the LDP Monitoring is that the LDP Strategy and Policies are being successfully implemented and as such there is no justification for a review to be undertaken.

***Statutory Indicators***

- 4.21 The LDP Manual requires that the AMR include information relating to 12 specific indicators. There is no requirement for any interpretation or assessment of these indicators, although it should be noted that the information is already contained within the LDP and SEA/SA monitoring frameworks and has been taken into account through the monitoring process. The indicators are set out in the Executive Summary included in this report at Appendix 1.

***Recommendations on the course of action in respect of policies and the LDP as a whole.***

- 4.22 Paragraph 4.43 of LDP Wales sets out seven questions that the AMR must seek to address, namely:

- Does the basic strategy remain sound?
- What impact the policies are having globally, nationally, regionally and locally?
- Do any policies need changing to reflect changes in national policy?
- Are the policies and related targets being met or is progress being made towards meeting them (including publication of relevant SPG)?
- Where progress has not been made, what are the reasons for this and what knock on effects it may have?
- Do any aspects of the LDP need adjusting or replacing because they are not working as intended or are not achieving the objectives of the strategy and/or sustainable development objectives?
- If policies or proposals need changing, what suggested actions are required to achieve this?

4.23 The AMR addresses each of these questions in turn and, in considering and responding to these questions, no issues arose that would require undertaking a review of the LDP or any of its policies. Consequently the AMR concludes and recommends:

1. **No changes be made in respect of the LDP Policy Framework or the LDP strategy.**
2. **The following issue be flagged for continued monitoring and consideration in subsequent AMRs:**
  - I **the potential for reinstatement of passenger services along the Caerphilly-Machen-Newport rail line.**

4.24 The AMR concludes that the LDP Strategy and Policies are being appropriately implemented and, therefore, a review of the LDP is not necessary at this time.

## 5. EQUALITIES IMPLICATIONS

5.1 An Eqla is not needed because the issues covered in the report do not address changes to council service provision or its policies and strategies.

## 6. FINANCIAL IMPLICATIONS

6.1 There are no direct cost implications to the council in respect of the AMR. However, prompt submission of the AMR to WG will make the council eligible to receive funding in the sum of £20,000 from WGs Planning Improvement Fund.

## 7. PERSONNEL IMPLICATIONS

7.1 There are no direct personnel implications as a result of this report.

## 8. CONSULTATIONS

8.1 All comments have been taken into account in the Committee Report and Appendix1.

## 9. RECOMMENDATIONS

9.1 That the Scrutiny Committee notes the findings and recommendations of the Annual Monitoring Report and recommends to Council the adoption of the report as the council's formal Annual Monitoring Report for 2012.

- 9.2 That the Scrutiny Committee recommends Council approves the Annual Monitoring Report, to be submitted to the Welsh Government before 31 October 2012.

## **10. REASONS FOR THE RECOMMENDATIONS**

- 10.1 To comply with the requirements of the Planning and Compulsory Purchase Act 2004, the LDP Regulations and the SEA Directive.
- 10.2 To comply with the requirements of the Planning and Compulsory Purchase Act 2004 and the LDP Regulations.

## **11. STATUTORY POWER**

- 11.1 The Council as local planning authority has a statutory duty to take these actions under the Town and Country Planning Acts and associated Regulations and Guidance.

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### Background Papers:

Caerphilly County Borough LDP First Annual Monitoring Report 2012 *[made available in the resource library]*

Caerphilly County Borough LDP First Annual Monitoring Report 2012 – Background Tables *[made available in the resource library]*

### Appendices:

Appendix 1 Caerphilly County Borough LDP First Annual Monitoring Report, Executive Summary