



REGENERATION AND ENVIRONMENT SCRUTINY COMMITTEE – 9TH DECEMBER 2014

**SUBJECT: CAERPHILLY COUNTY BOROUGH LOCAL DEVELOPMENT PLAN
(FIRST REVIEW) UP TO 2031: DRAFT PREFERRED STRATEGY**

REPORT BY: ACTING DEPUTY CHIEF EXECUTIVE

1. PURPOSE OF REPORT

- 1.1 To inform elected members of the stakeholder engagement undertaken to date for the first review of the Caerphilly County Borough Local Development Plan Up to 2021 and outline how this work has influenced the Draft Preferred Strategy up to 2031.
- 1.2 To seek elected members views on the Draft Preferred Strategy as a basis for the first statutory public consultation stage of the plan review process, which is scheduled to take place early 2015.
- 1.3 To outline clearly for elected members the next stage of the Local Development Plan Review process.
- 1.4 To draw elected members attention to the Review Report which has been prepared at the request of Welsh Government. The Review Report outlines what consideration has been given to undertaking a joint review of the LDP with Blaenau Gwent and Torfaen Councils.
- 1.5 To consider the position statements from each of the three local planning authorities as contained in the Review Report and reconfirm (or otherwise) a commitment to a single review of the Adopted Caerphilly County Borough Local Development Plan up to 2021.
- 1.6 To make recommendations to Cabinet and thereafter Council in respect of 1.1 to 1.4 above

ABBREVIATIONS

Caerphilly County Borough Local Development Plan up to 2021	Adopted LDP
Caerphilly County Borough Local Development Plan (First Review) up to 2031	LDP (1 st Review)
Caerphilly County Borough Council Delivery Agreement (Feb 2013)	DA
Annual Monitoring Report	AMR
Strategic Environmental Assessment	SEA
Sustainability Appraisal	SA

2. SUMMARY

- 2.1 The Council has a statutory duty to prepare and review a Local Development Plan for its area to provide the policy framework for the development and use of land within the County Borough. On 23 November 2010, the Council formally adopted the Caerphilly County Borough Local Development Plan up to 2021 and has since been monitoring the progress of the plan through its Annual Monitoring Reports.

- 2.2 Following the recommendations of the 2013 AMR, the Council resolved on 8 October 2013, to roll forward the LDP to cover the plan period up to 2031 and to commence work on the review of the plan. A full review of the plan in line with Local Development Plan Regulation 41 is being undertaken.
- 2.3 Throughout the review, a full appraisal of the sustainability of the plan will be undertaken i.e. a Sustainability Appraisal (incorporating the requirements of the Strategic Environmental Assessment Regulations) which will be fully integrated into the plan making process.
- 2.4 The First Review Delivery Agreement (Agreed February 2014) outlines how the Council intends to engage with stakeholders in a meaningful and cost effective way learning lessons from the work undertaken in respect of the Adopted LDP.
- 2.5 The Welsh Government has requested that the Council prepares a Review Report (July 2014). This Report has been prepared and is available in the Members Resource Centre. The Report:
- Explains what consideration has been given to the preparation of a Joint Review with neighbouring planning authorities, specifically Blaenau Gwent and Torfaen;
 - Explains why having regard for the position statements of each local planning authority the local planning authority has chosen to pursue a single LDP review;
 - Draws upon the Annual Monitoring Reports and set out clearly those parts of the plan that require only minor modification due to their effectiveness; and
 - Draws upon the Annual Monitoring Reports to identify those parts of the plan that require significant modification.
- 2.6 The Council is committed to involving as many people as possible in the review process. Participation and public consultation is essential for effective community and stakeholder engagement and the Draft Preferred Strategy represents a key stage in plan review and production and is the first significant opportunity for the public to get involved.
- 2.7 The Draft Preferred Strategy outlines the main issues to be addressed in the LDP (Review), identifies the alternative spatial strategies that have been considered and provides an early indication of those areas that are likely to be identified for growth in the Revised Deposit Plan. As such it represents the first statutory stage of the plan review process, building on earlier informal stages including the Strategic Environmental Assessment and Sustainability Appraisal (SEA/SA) Scoping Report published for consultation in May / June 2014.
- The Draft Preferred Strategy is underpinned by the following scenarios:
 - Population & Household Growth Scenario M – Moderate Average Household Size Change and SE Wales Migration (10 years) (**Agreed by a resolution of Council 07.10.2014**);
 - Employment Growth Scenario 1 - Historic Land Take-Up (**Refer to BR 2: Development of Alternative Strategic Options and Preferred Strategy, August 2014**); and
 - Spatial Option 5: Targeting Growth to the Northern and Southern Connection Corridors (**Refer to BR 2: Development of Alternative Strategic Options and Preferred Strategy, August 2014**).
- 2.8 It sets out the guiding principles for the future development and conservation needs of the county borough up to 2031, in line with national, regional and local strategies. Notably the Draft Preferred Strategy promotes a change to the existing development strategy that underpins the Adopted LDP.
- 2.9 This report seeks the views of elected members in respect of the Draft Preferred Strategy (attached as Appendix 1) in advance of progressing to public consultation early in 2015.

3. LINKS TO STRATEGY

3.1 The Single Integrated Plan Caerphilly Delivers has been prepared by the LSB and represents a determined commitment by all partners to accelerate change, strengthen partnership working, multi-agency collaboration, and accountability for delivery.

3.2 Caerphilly Delivers has been developed based on 4 key principles of:

- Sustainable development where we promote social justice and equality of opportunity and enhance the natural and cultural environment and respect its limits
- Equalities and Welsh language where we all promote and mainstream equalities and the Welsh language in accordance with our legislative requirements and strategic equality objectives.
- Early intervention and prevention goals with the aim of either preventing matters from getting worse or occurring in the first place, by identifying those in greatest need from their vulnerability, their risk of becoming vulnerable or from otherwise becoming disadvantaged.
- Community cohesion where people from different backgrounds enjoy similar life opportunities, understand their rights and responsibilities and trust one another and are trusting of local institutions to act fairly.

3.3 The Local Development Plan is the statutory framework for the development and use of land within the County Borough. It provides the policy framework for the development and conservation needs of the County Borough and is used by the Council to guide and control development. In order to realise the long term Strategic Vision for the county borough the LDP (1st Review) will facilitate the delivery of the land use elements of the five key outputs of Caerphilly Delivers, as follows:

- Prosperous Caerphilly - The LDP (1st Review) will seek to increase the economic prosperity of the people and communities of the county borough through the provision of land for employment opportunities, supported by appropriate housing and ancillary facilities and services (including community and health facilities, recreation, leisure etc). Further it will seek to facilitate the provision of a modern, integrated and sustainable transport system that increases opportunity, promotes prosperity and protects the environment; where public transport, walking and cycling provide real travel alternatives.
- Safer Caerphilly - The LDP (1st Review) will seek to make Caerphilly County Borough a clean, green, safe and pleasant place to live and work with decent public services. It should enhance the vibrancy and diversity of local communities, in order to ensure good health and social cohesion. It will facilitate the creation of new developments, which help to enhance social cohesion so that people feel safe and secure and it should deliver high quality design that deters opportunities for crime and anti social behaviour.
- Learning Caerphilly - The LDP (1st Review) will recognise the importance of modern education facilities and the role that they play in up skilling the population. It will therefore need to protect existing facilities and make adequate provision for sufficient land to be released to enable the improvement of education facilities throughout the county borough.
- Healthier Caerphilly - The LDP (1st Review) will contribute to improving public health, by promoting land use developments that contribute to healthy lifestyles and well-being. The plan will therefore make provision for a transportation network that increases the opportunities for walking and cycling and provide a policy framework for the protection and enhancement of recreation and leisure facilities to ensure that they are accessible for all.
- Greener Caerphilly - The LDP (1st Review) will protect the environment as a whole whilst balancing the need for new development with the need to conserve valuable resources. Further it will underpin all development with the principle of good design, that meets a diversity of needs; which uses resources efficiently; and which makes adequate provision for recycling and waste management and ensure that new development minimises emissions of greenhouse gases as far as is practically possible in order to mitigate the effects of climate change. Finally it will seek to ensure that resources are used efficiently making the best use of our valuable assets.

4. THE REPORT

Background

- 4.1 The Council has a statutory duty to prepare and review a Local Development Plan for its area to provide the policy framework for the development and use of land within the County Borough. On 23 November 2010, the Council formally adopted the Caerphilly County Borough Local Development Plan up to 2021(LDP) and has since been monitoring the progress of the plan through its Annual Monitoring Report (AMR).
- 4.2 Following the recommendations of the 2013 AMR, the Council resolved on 8 October 2013, to roll forward the LDP to cover the plan period up to 2031 and to commence work on the review of the plan.
- 4.3 An important feature of the development plan review process is the emphasis on identifying and testing realistic strategy options to deliver the Vision and Objectives of the plan over the plan period.
- 4.4 As the Council already has an adopted plan, there is a need to assess whether the existing Development Strategy for the county borough remains appropriate within the context of the revised plan period up to 2031, and also remains robust within the changing regional context.

Stakeholder Engagement

- 4.5 Participation and public consultation is essential for effective community and stakeholder engagement in this process. Early discussion on the updated evidence base, alternative strategic options, preferred strategy and related proposals is critical for building consensus in respect of how the plan should be reviewed to meet the county boroughs future development needs.
- 4.6 The Delivery Agreement, Agreed February 2014 (DA) outlines how the Council intends to engage with stakeholders throughout the review of the plan. In line with the DA, a series of targeted stakeholder events have taken place throughout 2014, as follows:
- 29 April 2014 LDP Focus Group
 - 9 May 2014 Event with Members of Standing Conference
 - 9 June 2014 Stakeholder Event - Developer Workshop
 - 23 June 2014 General Consultation Bodies – Workshop
 - 23 September 2014 Heads of Service (Directorate of the Environment)
 - 4 November 2014 LDP Focus Group
 - Ongoing and iterative SA/SEA Working Group
- 4.7 The purpose of this work was to:
1. Test the existing Adopted LDP development strategy against alternative scenarios to determine if it remains appropriate moving forward;
 2. Obtain targeted stakeholder views in respect of the alternative scenarios for population and household growth;
 3. Obtain targeted stakeholder views in respect of the development of alternative strategic options; and
 4. Inform the Draft Preferred Strategy that is the subject of this report
- 4.8 A series of elected member meetings has also been arranged for the week commencing 12 January 2015 in Pontllanfraith House, to enable officers to outline the potential implications of the Draft Preferred Strategy to members in more detail. Further these sessions will provide an opportunity for elected members to ask detailed questions in advance of the consideration of the Draft Preferred Strategy by Council on the 27 January 2015.

Review Report

- 4.9 As a consequence of early engagement with Welsh Government, Caerphilly County Borough Council has been advised that appropriate consideration should be given to preparing a Joint review of the Adopted LDP with neighbouring authorities, particularly in light of the proposals contained within the Williams Commission and also in the emerging Planning (Wales) Bill which provides for joint planning boards to be set up.
- 4.10 Consideration has been given to the preparation of a joint review with Torfaen and Blaenau Gwent Councils reflecting the recommendations contained within the Williams Report. This indicates that Caerphilly, Blaenau Gwent and Torfaen could be merged into a single local planning authority.
- 4.11 At its meeting on the 29 September 2014, the Council resolved that Caerphilly County Borough Council does not support the idea of a merged authority covering Caerphilly, Blaenau Gwent and Torfaen. Conversely Blaenau Gwent and Torfaen Councils have decided to explore the possibility of a voluntary merger. Council at its meeting held on 18th November 2014 resolved to reaffirm the policy of preferring to remain as a standalone Authority and not submit any proposal for voluntary merger with any of its neighbouring Authorities.
- 4.12 The preparation of a joint review of the Adopted LDPs does not however require the formal merger of the Councils in question to enable this work to be undertaken. There remains the potential for the three local planning authorities to work together on a joint review of their respective local development plans.
- 4.13 All three local planning authorities have considered the benefits, or otherwise, of a joint review and all three are of the view that there does not appear to be a robust planning or business case at this time to progress a joint review. A position statement from each local planning authority is contained within the Review Report, however this is attached for ease of reference at Appendix 2. Elected Members are therefore requested to consider these statements and reconfirm a commitment to a single review of the Adopted LDP.

The Draft Preferred Strategy

- 4.14 An important feature of the development plan process is the emphasis on identifying and testing realistic strategy options to deliver the Vision and Objectives of the plan over the plan period. As the Council already has an Adopted LDP the existing Development Strategy for the county borough has been assessed alongside alternative strategies in order to determine whether or not it remains appropriate within the context of up to date National and Regional Policy and Guidance and having regard to the changing regional context for development.
- 4.15 The Adopted LDP Strategy (1) has therefore been tested against four alternative spatial options (2 to 5) as follows:

Spatial Option 1: Continuation of the Adopted LDP Preferred Strategy

Spatial Option 2: Targeting Growth to the Heads of the Valleys Regeneration Area

Spatial Option 3: Targeting Growth to the Northern Connections Corridor

Spatial Option 4: Targeting Growth to the Southern Connections Corridor (Caerphilly Basin)

Spatial Option 5: Targeting Growth to the Northern and Southern Connection Corridors.

(Refer to BR 2: Development of Alternative Strategic Options and Preferred Strategy, August 2014)

- 4.16 The five alternative spatial options provide clearly different spatial development scenarios in respect of future new housing and employment development; each of which will have different environmental, social and economic outcomes for Caerphilly County Borough up to 2031. Therefore each of the strategy options have been subject to Sustainability Appraisal (SA) and Strategic Environmental Assessment (SEA) in order to determine which would deliver the most sustainable outcome. **SEA/SA Part 1 - Document 3: The Assessment of the Preferred and Alternative LDP Strategies (2014)** forms part of the SA/SEA and is available separately.

- 4.17 Many of the component parts of the spatial options are common to each of the strategies, specifically the future direction for the Principal Towns and Local Centres, the need for the school rationalisation process to be reflected and the need to ensure that the strategic infrastructure to support any new development is fit for purpose.
- 4.18 In particular all options considered the Council's need for improvements to the strategic transportation infrastructure, in particular the:
- Opportunities to maximise the use of public transport to improve connectivity throughout the county borough;
 - Opportunities for the reopening of rail lines, specifically: the Caerphilly Machen / Newport rail line; and a passenger service on the Cwmbargoed line to Dowlais;
 - Provision of new stations, in particular at Crumlin/Nelson;
 - Improvements to the rail network to improve frequency and improvements to the Ebbw Valley Line to link Lower Islwyn to Newport;
 - An increased provision of Park & Ride where practicable, in particular at Ystrad Mynach.
 - In terms of the Strategic Highway infrastructure all options consider the need, or otherwise for:
 - A strategic highway corridor for the Upper Rhymney Valley to link New Tredegar and Pontlottyn;
 - A Maesycwmmmer Bypass; and
 - A SE Bypass for Caerphilly.
- 4.19 The Draft Preferred Strategy for the LDP up to 2031 represents a combination of the best elements of the alternative strategies discussed in **Background Paper 2: Development of Alternative Strategic Options and Preferred Strategy** (August 2014). This paper sets out the alternative scenarios that have been considered in consultation with partner organisations and key stakeholders through the review process to date in respect of levels of: A) Population & Household Growth, B) Employment Growth and Alternative Spatial Options for the distribution of development sites that arise from the consideration of A and B.
- 4.20 The Draft Preferred Strategy which is attached at Appendix 1 is therefore based on:
- The functional analysis that has been undertaken of the county borough as part of the review;
 - Identification of key trends from the existing and emerging evidence base;
 - Consideration of alternative population and household growth scenarios;
 - Consideration of different employment growth scenarios;
 - Feedback from the consultation with partner organisations and key stakeholders as an integral part of the review process;
 - Consideration of the cumulative impact of development on infrastructure;
 - Consideration of the issues raised through the annual monitoring of the Adopted Caerphilly County Borough Local Development Plan up to 2021;
 - Availability of land proposed for development;
 - SA/SEA Scoping exercise and consequent assessment of Alternative Strategic Options; and
 - Consideration of neighbouring local planning authorities development strategies
- 4.21 Having regard to the above the following are considered to be the most desirable, realistic and robust options to be used to underpin the Preferred Strategy for the Caerphilly County Borough Local Development Plan (First Review) up to 2031:
- Population & Household Growth Scenario M – Moderate Average Household Size Change and SE Wales Migration (10 years) (**Agreed by a resolution of Council 07.10.2014**);
 - Employment Growth Scenario 1 - Historic Land Take-Up (**Refer to BR 2: Development of Alternative Strategic Options and Preferred Strategy, August 2014**); and

- Spatial Option 5: Targeting Growth to the Northern and Southern Connection Corridors (*Refer to BR 2: Development of Alternative Strategic Options and Preferred Strategy, August 2014*).

- 4.22 In combination, these options provide for a strategy that promotes a moderate level of population and household growth together with an appropriate level of economic development. It promotes a balance between: small scale organic expansion of existing urban settlements serving to sustain Local Centres and services, and contributes to regeneration initiatives throughout the county borough; with larger scale mixed-use developments targeted to key transportation and growth corridors, that expand the extent of the Principal Towns, and that are of a sufficient size to facilitate new and improved infrastructure provision to support the planned level of growth and effectively link the county borough to the Cardiff Capital Region. By targeting development to a limited number of growth corridors this will prevent the proliferation of larger developments in the open countryside and limit pressure on other environmentally sensitive areas.
- 4.23 The Draft Preferred Strategy sets out the guiding principles for the future development and conservation needs of the county borough up to 2031, in line with national, regional and local strategies. Notably the Draft Preferred Strategy promotes a change to the existing development strategy that underpins the Adopted LDP.
- 4.24 The Draft Preferred Strategy is referred to as: **The Sustainable Urban Network Growth Strategy** (strategy). The strategy identifies key areas of change and of protection, which will deliver the aims and objectives of the Strategic Vision up to 2031. The geographical extent of each of the strategy areas is illustrated in Figure 1 of Appendix 1. The three broad strategy areas are based on an up to date functional analysis of the county borough and are defined as follows:
- **THE HEADS OF THE VALLEYS REGENERATION AREA (HOVRA)**
 - **THE NORTHERN CONNECTIONS CORRIDOR (NCC)**
 - **THE SOUTHERN CONNECTIONS CORRIDOR (SCC)**
- 4.25 As a consequence of comments made at the LDP Focus Group Meeting on the 4 November, the strategy areas are to be renamed as follows:
- **THE HEADS OF THE VALLEYS REGENERATION AREA (HOVRA)**
 - **THE MID VALLEYS CORRIDOR (MVC)**
 - **THE SOUTHERN CONNECTIONS CORRIDOR (SCC) – Caerphilly Basin & Lower Islwyn**

Note: These reference changes have yet to be made to the attached documentation.

- 4.26 The key assumptions underpinning the strategy are outlined in a series of background papers and reports that are listed at the end of this report. All of these documents are available on the Council's web site and have been made available on the Members Portal.

Key Components: The Sustainable Urban Network Growth Strategy

- 4.27 Ten component parts form the Development Strategy and underpin the Strategy Policies. They are to:
- Target development to reflect the role and function of individual settlements;
 - Target new development to the Northern Connections Corridor and the Southern Connections Corridor;
 - Allow for the urban expansion of settlements within the Northern Connections Corridor and the Southern Connections Corridor on greenfield sites;
 - Improve the strategic highway infrastructure within the Southern Connections Corridor through the development of the first phase of a south east bypass for Caerphilly Town;

- Explore opportunities to improve the strategic rail network to facilitate the reopening of the Caerphilly-Machen-Newport disused rail line;
- Reallocate suitable surplus employment sites for housing use across the Northern Connections Corridor;
- Reduce the scale and number of new housing allocations in the Heads of the Valleys Regeneration Area to more closely align with market activities and market demand;
- Exploit opportunities afforded by the Valleys Regional Park and identify sites that are suitable for tourism;
- Minimise the impact of development on the countryside in the Southern Connections Corridor whilst allowing for appropriate planned levels of growth;
- Reduce the impact of development on the countryside in the HOVRA and the NCC.

Next Stage

- 4.28 The Council is committed to involving as many people as possible in the review process. Participation and public consultation is essential for effective community and stakeholder engagement and the Draft Preferred Strategy represents a key stage in plan review and production as the first significant opportunity for the public to get involved.
- 4.29 Subject therefore to formal approval by Council, the Sustainable Urban Network Growth Strategy will form the basis for the first formal statutory six-week public consultation stage of the first review of the Adopted LDP, which is scheduled to take place in early 2015.
- 4.30 The stakeholder feedback obtained through the consultation exercise will serve to inform elected members of the appropriateness, or otherwise, of the Council's Draft Preferred Strategy. It will also help to determine the scale of future population and household growth and employment growth that would result in the most sustainable future for Caerphilly County Borough up to 2031.
- 4.31 All responses returned within the six-week consultation period, will be considered and, where appropriate, incorporated into the vision, objectives, strategic policies and strategy to be included in the Revised Deposit Local Development Plan up to 2031.
- 4.32 The Revised Deposit LDP will be the subject of a future report for consideration by Council and will include more detailed policies and land allocations. Further to consideration by full Council the Revised Deposit LDP will be subject to a statutory six-week public consultation exercise in the Autumn / Winter of 2015 before being subject to independent examination.

5. EQUALITIES IMPLICATIONS

- 5.1 Stakeholder engagement has been undertaken in line with the Agreed DA, which has full regard for the Citizens Engagement Strategy and the Equalities Strategy of the Council.

6. FINANCIAL IMPLICATIONS

- 6.1 There are no new financial implications

7. PERSONNEL IMPLICATIONS

- 7.1 None

8. CONSULTATIONS

- 8.1 All comments received have been incorporated in the report

9. RECOMMENDATIONS

- 9.1 To consider the position statements from each of the three local planning authorities as contained in the Review report (Attached at Appendix 2) and reconfirm to Cabinet (or otherwise) and thereafter Council a commitment to progress with a single review of the Adopted Caerphilly County Borough Local Development Plan.
- 9.2. Members are asked to consider and made comment on the Draft Preferred Strategy attached at Appendix 1 as a basis for the first statutory public consultation stage of the plan review process.

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 In order to demonstrate to Welsh Government that due consideration has been given to the potential for a joint review of the LDP with neighbouring local planning authorities.
- 10.2 In order to progress to the first statutory six-week public consultation stage of the plan review process, which is scheduled to take place early 2015.

11. STATUTORY POWER

- 11.1 Part 6 Planning and Compulsory Purchase Act 2004.
- 11.2 Town and Country Planning (Local Development Plan)(Wales) Regulations 2005

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Appendices:
Appendix 1: The Caerphilly County Borough Local Development Plan (First Review) Up to 2031: Sustainable Urban Network Growth Strategy (October 2014)
Appendix 2: Extract of Review Report – Position Statement on Joint Review

Background Papers:

BR 1: Functional Analysis Caerphilly County Borough, April 2014
BR 2: Development of Alternative Strategic Options and Preferred Strategy, August 2014
BR 3: Population and Housing Growth Options Background Paper, October 2014
BR 4: Employment Background Paper, September 2014
BR 7: Transport Background Paper, October 2014

R1: Review Report, August 2014
R2: Caerphilly County Borough Employment Site Supply and Market Appraisal, June 2014

SEA/SA Part 1:

Document 1: The Scoping Report (2014)

Document 2: The Review of Relevant Plans, Programmes and Policies (2014)

Document 3: The Assessment of the Preferred and Alternative LDP Strategies (2014)

Candidate Site Register August 2014