

Report

Cabinet



Part 1

Date: 11 January 2023

Subject **Replacement Local Development Plan - Growth and Spatial Options Consultation and Revised Delivery Agreement**

Purpose To request Cabinet approval to progress public consultation on Growth and Spatial Options to inform the preparation of the Replacement Local Development Plan (RLDP).

To update Cabinet on the timeline for the preparation of the RLDP, request approval of a revised Delivery Agreement to support the preparation of the RLDP and endorsement to submit this to Welsh Government.

Author Planning Policy Manager

Ward All

Summary The approved Delivery Agreement outlines a stage of community engagement on a Growth Options stage to inform the preparation of the Replacement Local Development Plan. This is an informal stage of consultation that will be used to inform the formal Preferred Strategy stage of consultation.

The Delivery Agreement was endorsed by Cabinet in October 2020 and was subsequently approved by Welsh Government. The Delivery Agreement provides a timeline which targeted public engagement on Growth and Spatial Options and formal consultation on the Preferred Strategy during 2023.

It is proposed that public consultation is to be undertaken on Growth and Spatial Options in line with the approved Delivery Agreement and that the timetable within the Delivery Agreement is updated to reflect the delays to the approved timeline for preparing the RLDP.

Proposal Cabinet is asked to:

1. Approve the Growth and Spatial Options paper to be taken through informal community consultation by officers.
2. Endorse the continued preparation of the RLDP in line with the revisions to the Delivery Agreement and submission to Welsh Government.

Action by Planning and Development Manager / Head of Regeneration and Economic Development

Timetable Immediate

This report was prepared after consultation with:

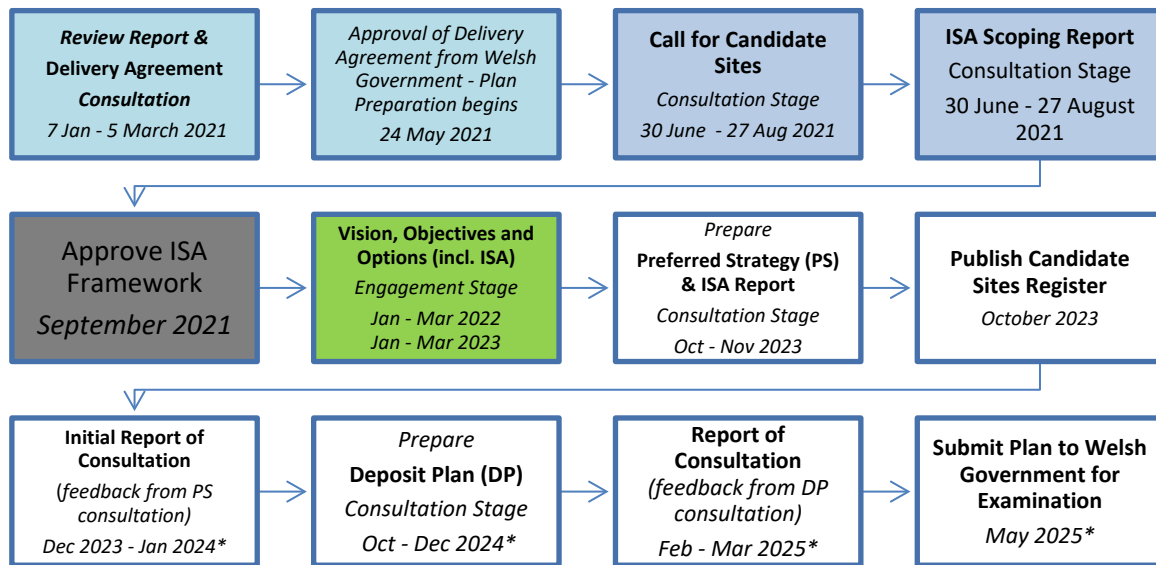
- Head of Finance

- Head of People, Policy and Transformation
- Head of Law and Standards

Signed

Background

There are many formal stages to the preparation of a RLDP and these key stages are set out below¹:



**Dates are approximate and have been updated to reflect the proposed revision to the Delivery Agreement*

We are currently at the stage highlighted in green – ‘Vision, Objectives and Options’. Engagement on the RLDP’s Vision, Issues and Objectives was undertaken in early 2022. The feedback from this consultation was reported to Cabinet in July 2022. A further part of this stage is to consider different options in developing the preferred growth and spatial strategies.

Engagement was due to commence on the Growth and Spatial Options following the Vision, Issues and Objectives stage, but stalled whilst the Council recruited to the post of Planning Policy Manager. It is proposed that this second part of the stage is now taken forward, with the contents of this engagement provided in Appendix A. This second part of the Vision, Objectives and Options stage considers a number of alternative growth and spatial options for the RLDP which are based on the outcomes of demographic research and an Employment Land Review commissioned by the Council. The paper provides a high-level analysis, which begins to enable comparison between the options.

In summary, this is setting out the level of housing and employment land provision the RLDP will seek to deliver and the broad location for this development and will form the basis for inviting representations on which strategy should be taken forward by the RLDP.

While engagement and consultation with the public and key stakeholders at this stage is not required by the legislative framework for plan making, it will inform the Council’s preferred option as outlined by the approved Delivery Agreement. Feedback gained through engagement on the growth and spatial options will be considered alongside an assessment of the options against the Integrated Sustainability Appraisal framework to determine the most sustainable option that best addresses challenges and objectives of the RLDP. At the next stage, a report will identify the Council’s preferred growth and spatial options that are considered best to address Newport’s key issues/challenges and meet the RLDP objectives.

Delivery Agreement

In addition to carrying out an informal consultation, there is a need to update the approved Delivery Agreement to respond to slippage in the overall timeline. The Delivery Agreement was approved by the Council and Welsh Government as a part of commencing the Local Development Plan review process.

¹ The term ISA refers to the Integrated Sustainability Appraisal

There is a requirement to keep the Delivery Agreement under review, a revision is needed when the preparation of the plan falls behind the approved timeline by more than 3 months. The approved Delivery Agreement outlines the following reasons which may trigger a review:

- Significant change to the resources available to undertake preparation of the RLDP.
- Preparation of the RLDP falls behind schedule by more than 3 months at a key stage.
- Significant changes to Legislation directly affecting the RLDP preparation process.
- Any other circumstances that will materially affect the delivery of the RLDP.
- Significant changes to the Community Involvement Scheme.

The review process has been subject to circumstances which has led to the preparation falling behind schedule by more than 3 months. Many reasons are apparent for this including a change of staff within the team over the last year to 18 months, with the team slowly growing and a vacant post still apparent in the team structure. Officer time has also been given to considering the impacts of changes to national policy and legislation, with the ongoing uncertainty relating to revisions to Draft Technical Advice Note 15: Development, Flooding and Coastal Erosion, being anticipated as having implications for preparing the RLDP due to the coastal context of Newport.

The content of the revisions relates entirely to an update to the timetable and relevant text. These are set out in Appendix B with revisions shown in tracked changes to highlight where amendments are proposed. The timetable is ultimately shifted backwards to reflect the previously agreed next stage of engagement on the growth and spatial options, with a preferred strategy consultation being planned as soon as possible after the informal consultation has been completed. It is considered that this timetable is achievable as there have recently been appointments to posts within the team structure, with good progress on some aspects of the preparation of the RLDP and a proactive approach to be undertaken in recruiting to the remaining post within the Policy team.

Following endorsement by Cabinet, the Delivery Agreement will be submitted to Welsh Government for approval under Regulation 9 of The Town and Country Planning (Local Development Plan) (Wales) Regulations 2005.

Financial Summary (Capital and Revenue)

The RLDP process has a project specific budget to cover costs of all resources associated, including additional staff, consultations, commissions, examination processes etc. The resources required for the RLDP process are set out in the Delivery Agreement. The table below sets out an estimated cost for the RLDP which has been based on the previous LDP and neighbouring authority costs. The table identifies a potential residual sum remaining at the end of RLDP process, however it should be noted that the estimates used are on the cautious side. There are some implications to the budget as a result of extending the timeline of delivery to early 2026. Underspend during the current year (Year 2) relates to project delays and less than anticipated expenditure on staff, resulting from the team not being at full capacity since the RLDP process began. An accurate cost has been identified under the current year and a fifth year has been forecast. These indicate that the delay can be managed within the project budget. We will continue to monitor and mitigate as the plan review progresses.

	Year 1 (Start RLDP 2021/22) Actual £	Year 2 2022/23 £	Year 3 2023/24 £	Year 4 2024/25 £	Year 5 2025/26 £	Notes including budgets heads affected
Costs	189,562	92,058	265,000	155,000	250,000	
Funded by:						Costs include estimated additional staff resource on fixed term contracts which

Revenue Budget	71,604	71,604	71,604	71,604	71,604	will need to be subject to a business case.
LDP Reserve	117,958	20,464	193,396	83,396	178,392	
Net Costs	0	0	0	0	0	
(Savings)	(0)	(0)	(0)	(0)	(0)	
Net Impact on Budget	0	0	0	0	0	
LDP Reserve (£514,558 2022/23)	514,558	494,104	300,708	217,312	38,916	

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Not approving the informal consultation growth and spatial options	M	L	The Council has committed to the RLDP process, which includes the Growth and Spatial Strategy. This is the second LDP for Newport and the process is established and understood. Not approving this stage will result in further delays in delivering the RLDP and require further revisions to the Delivery Agreement.	Planning Policy Manager
Not endorsing the revised Delivery Agreement	H	L	The RLDP is to be prepared in line with an up-to-date timeline. Not approving the revised timeline could lead to further delays in delivering the RLDP. Further delays could have financial implications either as a result of needing unanticipated updated to evidence or as a result of contract extensions to maintain the full resource required to fulfil the project.	Planning Policy Manager

Links to Council Policies and Priorities

The Local Development Plan is one of the statutory plans the Council has to prepare. The current LDP determines Newport's land use policies to 2026. The LDP covers many topics that impact on other sections of the Council e.g. drainage, tourism, education etc. A RLDP will consider any new Council

policy, strategy or priority and its impact on the policy framework for the Council and this is explained in the Review Report 2021. Since the LDP's adoption in 2015 there have been a number of significant changes to Council policy which will be of relevance to the RLDP, particularly the Corporate Plan and the Well-Being Plan for Newport. The primary objective of the Corporate Plan is '*a fairer, greener, ambitious Newport for everyone*' and whilst this is not at odds with the aims of the current LDP, a new LDP will help us to better align the four principles: Fair and Inclusive; Empowering; A listening council; and Citizen Focussed within the strategy. As a key document outlining the issues and aspirations of the Council this needs to be reflected in a revised LDP. In addition, there are numerous Council strategies and policies that will influence the LDP e.g. Organisational Climate Change Plan, Flood Risk Strategy, Public Rights of Way Improvement Plan, Destination Management Strategy, Economic Growth Plan etc. The Vision, Issues and Objectives work was informed by current Council policies and priorities and has identified those key issues/themes that the replacement plan will need to consider, including the well-being duty. The emerging Vision and Objectives have been used to inform the growth and spatial options and will continue to be carried through preparation as a thread through the determining the preferred strategy and so on. This approach seeks to ensure the plan maximises its contribution to sustainable development.

Options Available and considered

1. To approve the Growth and Spatial Options paper and endorse the revised Delivery Agreement.
2. To propose amendments to either or both the Growth and Spatial Options paper and revised Delivery Agreement.
3. To not approve either or both Growth and Spatial Options paper and revised Delivery Agreement.

Preferred Option and Why

1. To approve the Growth and Spatial Options paper and endorse the revisions to the Delivery Agreement. Engagement on growth and spatial options forms the next stage of RLDP preparation as outlined by the approved Delivery Agreement. This stage of engagement forms a stage of informal consultation, which will inform the preferred strategy for housing and employment growth and its location in Newport to be supported by the RLDP over the period to 2036. Seeking feedback on the identified options is considered to be an essential part of determining the most sustainable strategy which contributes to and addresses the objectives and issues identified by the RLDP in consultation with the community. The Council is required to prepare the RLDP in accordance with an approved timeline, which is held within the Delivery Agreement. Amendments to the Delivery Agreement is the route to revising the timeline.

Comments of Chief Financial Officer

The work associated with reviewing the Local Development Plan is funded via a base budget allocation, which is supplemented by an earmarked reserve in years where costs exceed the budget available. In years where there is less activity, any underspends against the base budget are transferred to the reserve, which enables the financial impact to be smoothed over a period of time. This also enables the base budget allocation to remain stable over time.

The financial summary contained within this report outlines the potential for a surplus balance to remain at the end of the 2024/25 financial year. However, it is also noted that the cost estimates are potentially conservative. Should costs ultimately exceed available resources, or there be further delays, it will be necessary for this to be managed within the overall Regeneration & Economic Development revenue budget in the year in question. Because of the risk that the reserve balance may ultimately prove to be insufficient, any opportunities in the intervening years to bolster the reserve from available underspends with Regeneration & Economic Development may be considered, albeit these will be subject to Cabinet approval as part of finalising the outturn position for the year in question.

Comments of Monitoring Officer

The proposed action is in accordance with the requirements of the Planning and Compulsory Purchase Act 2004 and the Town and Country Planning (Local Development Plan) (Wales) Regulations 2005 (as amended 2015). In May 2021 full Council, sitting as the local planning authority, approved and adopted the revised Review Report and Delivery Agreement following public consultation and agreed to their submission to Welsh Government, in order to trigger the commencement of the Replacement Local Development Plan (RLDP) review process. There is a statutory requirement under the Environmental Assessment of Plans and Programmes (Wales) Regulations 2004 and Section 39 (2) of the Planning and Compulsory Purchase Act 2004 for the RLDP to be subject to an Integrated Sustainability Appraisal (ISA). The purpose of the ISA is to assess the extent to which the emerging policies will help achieve the wider environmental, economic, social and cultural objectives of the RLDP. The ISA scoping report, which sets out the sustainability appraisal issues and objectives/criteria against which the RLDP strategy, policies and proposals will be assessed, was approved by Cabinet in November 2021, together with the ISA assessment framework. Cabinet also authorised officers to engage with key stakeholders to develop the Vision, Objectives and growth options. That consultation process with key stakeholders was facilitated by Planning Aid Wales and the outcome of the consultation was reported to Cabinet in July 2022, when the proposed responses were endorsed and the proposed changes to the Vision, Issues and Objectives were agreed. A further part of this consultation stage is to consider different options in developing the preferred growth and spatial strategies. Cabinet are now required to approve the Growth and Spatial Options paper attached to the report, for the purposes of informal consultation, and also to agree the proposed revision to the original Delivery Agreement to reflect revised timescales. The final RLDP will be a policy framework document that will need to be approved and adopted by full Council, but Cabinet are able to approve the Growth and Spatial Options as part of the overall Vision, Issues and Objectives of the RLDP, for the purposes of consultation and the review process.

Comments of Head of People Policy and Transformation

An FEIA has not been completed for this report as the Integrated Sustainability Appraisal which will be carried out as part of the process of developing the RLDP incorporates considerations of equality, diversity, inclusion and well-being.

However, the proposed action directly supports the aims of the WFG Act, particularly in terms of involvement, integration and long-term. The RLDP will be consulted on extensively and local residents and businesses will be engaged with in the development of the Plan. The Plan also has the potential to support Newport's Well-being objectives, as well as many other Council strategies and policies as outlined above. The RLDP is also a document that takes a long-term, strategic view of development within Newport and sustainable development will be at the heart of the document.

Additional staff resource may be required for the development of the RLDP and the costs for this have been included in the financial considerations for the project. Specific role requirements will be confirmed as the project continues and the Council's Recruitment Policy will be followed for any additional staff resource required.

Scrutiny Committees

None.

Fairness and Equality Impact Assessment:

- **Wellbeing of Future Generation (Wales) Act**
- **Equality Act 2010**
- **Socio-economic Duty**
- **Welsh Language (Wales) Measure 2011**

As part of the Replacement LDP work an Integrated Sustainability Appraisal is undertaken. This fulfils the requirements and duties for:

- Sustainability Appraisal (SA) and Strategic Environmental Assessment (SEA),
- Equalities Impact Assessment (EqIA),
- Health Impact Assessment (HIA),
- Welsh Language Impact Assessment (WLIA), and
- Well-being of Future Generations (WBFNG).

The aim of the ISA is to inform and influence the plan-making process with a view to avoiding and mitigating negative impacts and maximising positive impacts. By undertaking this process, the Council can be confident that the replacement LDP will be prepared in a manner which clearly considers its impact on these aspects of fairness and equality. The engagement of the Vision, Issue and Objectives is undertaken in line with the agreed Community Involvement Scheme (set out in the approved Delivery Agreement) as approved by Full Council and Welsh Government.

An FEIA has not been undertaken for this specific piece of work as the RLDP process effectively incorporates an FEIA within its ISA process. In terms of the Well-being and Future Generations Act, there is a specific 'health and wellbeing' objective. Every policy/site introduced by the RLDP will need to consider how it will improve the health and wellbeing of residents within Newport and there are five more detailed questions that will need to be addressed.

Similarly with the Equality Act, socio-economic duty and Welsh language measures, the Vision, Issues and Objectives as informed by the ISA framework includes an objective entitled 'Equality, diversity and inclusion'. The objectives are explicit about the role of the plan in achieving this.

In summary, the RLDP has a system of Integrated Sustainability Appraisal work that will go beyond that of an FEIA. Consequently, it is not considered necessary to undertake an FEIA in relation to this specific report.

Crime and Disorder Act 1998

Section 17(1) of the Crime and Disorder Act 1998 imposes a duty on the Local Authority to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is considered that there would be no significant or unacceptable increase in crime and disorder as a result of the scoping report or ISA framework. One of the objectives of sustainable development guided by the ISA process will be to ensure that places are secure and safe.

Consultation

The Growth and Spatial Options paper will be consulted on in early 2023, subject to Cabinet Approval. The consultation process will take a minimum of 6 weeks and responses will be fed back to Cabinet in June/July where endorsement of the Council's response and approval of a Preferred Strategy consultation paper will be sought.

Background Papers

Evidence Base (to be published as supporting documentation to the consultation)

- Demographics Evidence September 2022
- Employment Land Review February 2022

Appendix A – Growth and Spatial Options Consultation Paper

Appendix B – Draft Revised Delivery Agreement

Dated: 4 January 2023