

# Welsh Assembly Government Written Response to the Sustainability Committee's Report on Planning in Wales by Jane Davidson, Minister for Environment, Sustainability and Housing

March 2011

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## Introduction

The Welsh Assembly Government welcomes the Committee's Report which recognises the vital role of the planning system in providing the framework for the development and use of land in the public interest and its fundamental role in delivering sustainable development in Wales. The planning system supports the provision of new homes, community facilities, investment and jobs the country needs in a way that is consistent with sustainable principles, helping to ensure that development and growth are sustainable and that development is directed to appropriate locations. As the Committee states, planning has a very wide remit in supporting delivery of climate change and low carbon, renewable energy, sustainable development, economic renewal, housing, transport and all other aspects of the built and natural environment.

The recommendations focus solely on the Welsh Assembly Government and do not extend to key delivery bodies in Wales. That said, the Committee's Report into the planning system in Wales is timely, and complements the Welsh Assembly Government's own research on 'Study to Examine the Planning Application Process in Wales', as published in June 2010. This latter Report concluded that a radical overhaul of the planning system is not required but that improvements were needed in certain aspects. The Government response was also published in June 2010, and received full cross-party support. Work is well underway on the 2 year programme of workstreams that aim to secure improvements in the application process.

The Committee's recommendations contained in the report fit closely with our current direction and work programme, much of which is underway or programmed for 2011/12. I am pleased to be able to accept unequivocally the majority of the recommendations. Some require further consideration but I support the intent of the proposed action and believe that steps have been, and will be, taken to achieve the intended outcome. Future work will, of course, be the responsibility of the incoming Assembly Government and the Minister responsible for Planning.

I have set out below my Response to the Report's individual recommendations.

**Recommendation 1.** We recommend that if there is a successful outcome to the referendum and a move to Part 4 of the Government of Wales Act 2006, the Welsh Government should bring forward an Assembly Act to consolidate existing land use planning legislation and make it distinct to meet the needs of Wales.

If the outcome of the referendum does not lead to an introduction of Part 4, then the Welsh Government should use the opportunity presented by the Localism Bill to seek the widest possible legislative competence necessary to develop a distinctive land use planning system that can meet the needs of Wales.

**Response: Noted**

This is for the incoming Welsh Assembly Government to consider. The Committee will wish to note that the Assembly Government has used every parliamentary opportunity available to gain the widest possible legislative competence over land use planning. The Planning Act 2008 has provided the National Assembly with powers to make legislation in relation to plans prepared by Welsh Ministers and local planning authority development plans. Powers are also being sought under the Localism Bill over development management and enforcement. This suite of powers should provide a constructive foundation for future changes to town and country planning legislation in Wales.

The most opportune time to take forward a Planning Act would be following completion of the current round of Local Development Plans and programme of improvements to the development management system. By that stage the new delivery mechanism for the National Environmental Framework should also be well in hand, including key linkages with the planning system.

**Financial Implications** – None. Any additional costs will be drawn from existing programme budgets.

**Recommendation 2.** We recommend that the Welsh Government should carefully review any further proposals to deliver strategic objectives through the mechanism of the land-use planning system to ensure that it is the most appropriate vehicle for delivering those objectives and that it has clear delivery mechanisms related to them.

**Response: Accept**

The Welsh Assembly Government indicated in its response to the ‘Study to Examine the Planning Application Process in Wales’ that an impact test would be introduced to consider whether the planning system is the most appropriate vehicle to deliver new strategic objectives and policies. This work is due to commence during 2011/12.

**Financial Implications** – None. Any additional costs will be drawn from existing programme budgets.

**Recommendation 3.** We recommend that the Welsh Government should review the respective roles of the planning and the Building Control systems, once responsibility for the Building Regulations are devolved at the beginning of 2012.

**Response: Accept**

The Welsh Assembly Government will continue to use planning controls and Building Regulations in a complementary way. Ahead of devolution of the Building Regulations, we have used planning policy to drive up the sustainability of buildings, in particular their energy efficiency, by adopting a national sustainable building planning policy, outlined in Technical Advice Note 22. The Assembly Government intends to review its sustainable buildings policy delivered through the planning system after the first set of Welsh Building Regulations have been introduced. The review will ensure that any potential duplication of regulatory regimes and costs are avoided.

**Financial Implications – None.** Any additional costs will be drawn from existing programme budgets.

**Recommendation 4.** We recommend that following a review of current approaches, the Welsh Government should issue clear guidance on the adoption of a ‘development management’ approach to delivering land use planning. This guidance should identify the range of functions and activities that complement the determination of planning applications and appeals in delivering sustainable development.

**Response: Accept**

Delivering sustainable development is a central underlying principle running throughout the Welsh Assembly Government’s national planning framework, ‘Planning Policy Wales’ and the Technical Advice Notes (TANs) which inform both planning application and appeal decisions.

The Assembly Government’s Planning Improvement Programme is already underway and is set out in its response to the recommendations in “Study to Examine the Planning Application Process in Wales” (June 2010). The programme includes a commitment to develop best practice guidance taking account of all ongoing development management improvements. An update of the Programme will be available on the Welsh Assembly Government’s Planning website in March.

It is proposed to issue development management guidance during 2011/12. Similarly, policy to encourage a more positive enabling development management framework and culture will be addressed as part of a future update of ‘Planning Policy Wales.’

**Financial Implications – None.** Any additional costs will be drawn from existing programme budgets.

**Recommendation 5.** We recommend that the Welsh Government should commission further research to establish the extent of and issues arising from determination of planning applications contrary to officer-recommendation.

**Response: Accept, in part**

Research commissioned by the Welsh Assembly Government “Review and Evaluation of the Development Control Monitoring Process”, (published May 2008) recommended abandoning collecting of data on departure applications from the adopted development plans which planning authorities intended to approve, notified to Welsh Ministers, and its replacement by monitoring the number of planning applications determined contrary to officer recommendation. This recommendation is being taken forward as part of the data collection process project currently underway, and in liaison with local planning authorities.

**Financial Implications** – None. Any additional costs will be drawn from existing programme budgets.

**Recommendation 6.** We recommend that the Welsh Government should update the guidance on planning and the Welsh Language as a matter of priority.

**Response: Accept**

The Welsh Assembly Government can confirm that a consultation on revised TAN 20 Planning and the Welsh language will commence during March 2011.

**Financial implications** - Costs associated with the revision of TAN 20 will be met from existing administrative budgets. There will be some limited additional costs for local planning authorities associated with policy implementation.

**Recommendation 7.** We recommend that the Welsh Government should:

- amend chapter 1 of ‘Planning Policy Wales’ to provide a clearer statement of its strategic priorities and to clarify how conflicting objectives should be resolved where they occur in the planning system;
- ensure that the proposed new policy statement on economic development is explicit about how all national planning policies are expected to contribute to the delivery of the Welsh Assembly Government’s Economic Renewal Programme, ‘Economic Renewal: a new direction’.

**Response: Accept**

Chapter 1 of the Welsh Assembly Government’s national planning framework, ‘Planning Policy Wales’, already distils the key policy themes from the document. Consideration will

be given to refining further this approach. However, S38 (6) of the Planning and Compulsory Purchase Act 2004 requires that

*“If regard is to be had to the development plan for the purpose of any determination to be made under the planning Acts the determination must be made in accordance with the plan unless material considerations indicate otherwise”.*

It is for the decision maker to decide on relevant material considerations on an application by application basis and the relative priority and weight to be afforded to them.

An evaluation of economic development planning policy has been commissioned by the Assembly Government, with the final report from Roger Tym and Partners expected towards the end of March 2011. This will inform a revision of Chapter 7 of Planning Policy Wales ‘Supporting the Economy’ and a new technical advice note. This package will explain how the planning system can deliver national economic priorities contained in the Welsh Assembly Government’s ‘Economic Renewal: a new direction’.

**Financial Implications – None** Any additional costs will be drawn from existing programme budgets.

**Recommendation 8.** We recommend that the Welsh Government should:

- consider the introduction in planning policy of a presumption in favour of sustainable development;
- provide specific evidence of the contribution that the planning process is making to sustainable development in the annual report on delivering the Sustainable Development Scheme that the Welsh Ministers are required to lay before the Assembly.

### **Responses: Accept**

The planning system has a fundamental role in delivering sustainable development. In particular the planning system, through both development plans and the development management process, must provide for homes, infrastructure, investment and jobs in a way which is consistent with sustainability principles and the urgent need to tackle climate change.

The plan led approach in Wales ensures sustainability is at the heart of planning decisions. Legislation set out in S39 (6) of the Planning and Compulsory Purchase Act 2004 requires local planning authorities and the Assembly Government to prepare Local Development Plans (LDPs) and the Wales Spatial Plan respectively, with the objective of contributing to the achievement of sustainable development. This is evidenced through the sustainability appraisal process undertaken alongside LDP preparation, which is independently tested at the LDP examination.

The development plan is the starting point for decisions on planning applications. In particular, S38 (6) of the Planning and Compulsory Purchase Act 2004 requires that *“If regard is to be had to the development plan for the purpose of any determination to be made under the planning Acts the determination must be made in accordance with the plan unless material considerations indicate otherwise”*.

The effect of this legislation is to provide a presumption in favour of planning applications that are sustainable.

Further consideration will be given to referencing this legislation in chapter 1 of PPW.

‘One Wales: One Planet’, the Welsh Assembly Government’s Sustainable Development Scheme, recognises the role of planning in delivering sustainable development. It proposes that a monitoring framework for sustainable development outcomes be established. A research project is currently underway to identify a monitoring framework for sustainable development outcomes delivered through the planning system. The report is due to be published in April 2011. Consultation will be undertaken later this year with a view to introducing the new monitoring regime in 2012.

**Financial Implications** – Costs associated with the research project to identify a monitoring framework for sustainable development outcomes delivered through the planning system will be met from existing programme budgets. There may be some limited additional costs for local planning authorities associated with data collection.

**Recommendation 9.** We recommend that the Welsh Government should produce new guidance to local planning authorities on how to refine the boundaries of the Strategic Search Areas in their Local Development Plans to ensure greater consistency.

**Response: Reject.**

Guidance on how planning authorities should refine the boundaries of the Strategic Search Areas, which comprise less than 4% of the land area of Wales, has been in existence since 2005, (in Annex D of TAN 8). Most local planning authorities with Strategic Search Areas within their administrative boundaries have completed their refinement work. This work will be independently tested as part of the local development plan examination process. There is a danger that any further guidance could undermine the work already being done to facilitate renewable energy through the planning system. It is for individual planning authorities to undertake their refinement in the context of their Local Development Plans and, as the current guidance recognises, a flexible approach will be required to reflect the local circumstances.

**Financial Implications** – None.

**Recommendation 10.** We recommend that the Welsh Government should revise the chapters in Planning Policy Wales to ensure that the national development control policies are expressed in full as policies that can be clearly cross-referenced in Local Development Plans and Supplementary Planning Guidance.

**Response: Noted:**

This is for the incoming Welsh Assembly Government to consider.

The Committee may wish to note that revised best practice guidance on development management is proposed for 2011/12 as part of the Assembly Government's Planning Improvement Programme, and that any overarching policy issues relating to this will be reviewed in an updated edition of 'Planning Policy Wales' as appropriate.

**Financial Implications - None.** Any additional costs will be drawn from existing programme budgets.

**Recommendation 11.** We recommend that the Welsh Government should introduce an impact test to assess any future proposals for new national planning policies and consult widely on the results of the test before any new policies are introduced. The impact test should include an assessment of the potential impact of any proposed new policies on rural as well as urban areas. The test should also include a monitoring mechanism to measure the outcome of the policy once it is implemented.

**Response: Accept**

The Welsh Assembly Government's Planning Improvement Programme includes a commitment to develop an impact test to consider whether the planning system is the most appropriate vehicle to deliver new strategic objectives and policies. This work is due to commence during 2011/12.

**Financial Implications – None.** Any additional costs will be drawn from existing programme budgets.

**Recommendation 12.** We recommend that twice a year the Welsh Government should publish an updated timetable for the future introduction, review and updating of aspects of national planning policy and the associated Technical Advice Notes. This should include details of when both the draft and final versions are expected to be published and should explain the reasons for any deferral in issuing policy and guidance.

**Response: Accept**

A 'live' schedule setting out current and proposed changes to legislation and planning policy will be published twice yearly (April and October ) on the Welsh Assembly Government's Planning web site.

**Financial Implications** – None. Any additional costs will be drawn from existing programme budgets.

**Recommendation 13.** We recommend that the Welsh Government should review the role and function of the Wales Spatial Plan focusing specifically on how it relates to the development plan framework and its relevance to the determination of planning applications and appeals.

**Response: Noted**

This is for the incoming Welsh Assembly Government to consider.

The Committee will wish to note that the Wales Spatial Plan was originally published in 2004 and last updated in 2008 under the leadership of the Welsh Assembly Government's Minister for Finance and Public Service Delivery. It is not a traditional development plan, but a spatial direction of travel, aimed at encouraging collaboration amongst local authorities and other stakeholders.

Any future review of the role and function of the Wales Spatial Plan would most likely consider land use planning, in particular its relationship to the development plan and planning application process.

**Financial Implications** - None. Any additional costs will be drawn from existing programme budgets.

**Recommendation 14.** We recommend that the Welsh Government should explore mechanisms for strengthening regional and collaborative working arrangements and to enhance the weight that may be given to the products and outputs of regional and collaborative work

**Response: Accept**

The Welsh Assembly Government has already initiated regional groups of local authorities, as set out in the Wales Spatial Plan, to discuss matters that transcend local administrative boundaries. Regional Transport Plans, Regional Waste Plans, as well as the apportionment of housing and aggregates are already undertaken on a regional basis and provide good examples of quality cross boundary products. Such collaborative working has been further enhanced by the Assembly Government facilitating groups of local authority planners in South East, South West and North Wales to address issues arising in emerging Local Development Plans. Sharing expertise, reduced costs through joint working and a more robust evidence base to support plans are key outcomes of this approach. A good example of how collaborative working has already progressed is Gwynedd and Anglesey now looking to prepare a Joint Local Development Plan.

The Assembly Government has set a framework within which local authorities can work collaboratively on issues they determine appropriate, not dictated to by government. Local authorities are best placed to determine how and who they work with, rather than the Assembly Government setting arbitrary regions, as in England.

A key outcome of any collaborative working is the evidence underpinning any conclusions. The Welsh Assembly Government cannot enhance the 'weight' attached to the outputs of collaborative or regional working as this will be dependent on the robustness of the evidence. Only when the evidence is tested through the Local Development Plan examination process, by an independent Inspector, can the robustness of the evidence be considered, thereby determining the 'weight' which can be attached to it.

Building on existing cross authority working, the Assembly Government's Minister for Social Justice and Local Government announced last September (2010) a review to secure improved services and efficiencies, including encouraging greater collaboration across the public sector. Planning is amongst the services represented on the Review's steering group.

**Financial Implications** – None. Any additional costs will be drawn from existing programme budgets.

**Recommendation 15.** We recommend that the Welsh Government should embed the Wales Strategic Infrastructure Plan within the Wales Spatial Plan to avoid duplication and to ensure that it is fully taken into account in the preparation and examination of Local Development Plans.

**Response: Noted**

This is for the incoming Welsh Assembly Government to consider.

The Committee may wish to note that the Welsh Assembly Government's 'Economic Renewal: a New Direction', published in July 2010, recognises the critical importance of high quality infrastructure to the long term growth of the economy and the need to plan and deliver our investment in infrastructure in a coherent and joined up way. It includes a commitment to develop a Wales Strategic Infrastructure Plan with a statutory basis, building on the Wales Spatial Plan, to inform the decisions of local planning authorities and other key decision makers (Economic Renewal Programme, page 11).

The Welsh Assembly Government is currently exploring the options for developing a strategic infrastructure plan with preliminary work underway. The relationship between it, the Wales Spatial Plan and local development plans is under consideration.

**Financial Implications** – Depending on decisions by the incoming Administration on the form, content and approval process for the plan, there may be additional costs. .

**Recommendation 16.** We recommend that the Welsh Government should carefully monitor and every six months publish a schedule of the progress of local planning authorities in preparing Local Development Plans in accordance with approved Delivery Agreements. If necessary it should be prepared to use its powers under the Planning and Compulsory Purchase Act 2004 to take action against local planning authorities that fail to meet their Local Development Plan Delivery Agreements.

**Response: Accept**

The Welsh Assembly Government welcomes the Committee's commitment to Local Development Plans. The Assembly Government already monitors LDPs on a six monthly basis, providing progress updates to the Minister for Environment, Sustainability and Housing. The stages that local authorities have reached in preparing their development plan are publically available and published on the Welsh Assembly Government's Planning website. To ensure greater transparency of progress against adopted Delivery Agreements, the Welsh Assembly Government will publish a refined progress schedule, updated biannually, relating specifically to key stages in the LDP preparation.

The Minister for Environment, Sustainability and Housing receives regular updates on any reasons for slippage in a local authority's Delivery Agreement, including all the options available to Welsh Ministers, as set out in the Planning and Compulsory Purchase Act 2004. From April 2011 the grants to local planning authorities are being refocused to incentivise performance of planning functions, with one element to reflect progress made in preparing the LDP against a local authority's Delivery Agreement.

**Financial Implications - None.** Any additional costs will be drawn from existing programme budgets.

**Recommendation 17.** We recommend that the Welsh Government should encourage good practice in the preparation of Local Development Plans to be shared between local planning authorities, building on the experience of those plans which have progressed through the system. This should include encouraging the use of common wording of policies between different Local Development Plans in cases where these policies are meant to achieve the same objective and are for similar types of area.

**Response: Accept**

The Welsh Assembly Government has facilitated three groups of local authority planners across South East, South West and North Wales to address issues arising in emerging Local Development Plans. Sharing expertise, reducing costs through joint working and a more robust evidence base to support plans are key outcomes of this approach. A good example of how collaborative working has already progressed is Gwynedd and Anglesey now looking to prepare a Joint Local Development Plan. With regard to technical work to support plans further examples of collaboration include: the Vale of Glamorgan and Conwy councils leading on assessing the implications of population and household projections in

South East and North Wales respectively; Caerphilly CBC initiating a regional approach to assessing the economic viability of delivering affordable housing, a key Ministerial priority; and the sharing of minerals expertise across Pembrokeshire, Carmarthenshire, Ceredigion and Powys Councils.

Officials from the Welsh Assembly Government attend these regional LDP meetings to assist tension resolution, clarify national policy and transfer experiences between different local authorities across Wales. The Welsh Assembly Government already encourages local authorities to learn from other authorities who are at a more advanced stage, sharing experiences, including reflecting on the appropriateness of policies and the nature of the wording.

The Assembly Government has also contributed financially to bringing specific pieces of LDP work forward, targeted specifically at local authorities in the vanguard of the process, and provided extensive professional advice to address a variety of issues in plan preparation. We have also identified key skills needed in the plan making process, such as the need for LDP programme officers and have facilitated appropriate training for them through the Planning Inspectorate.

In addition, the Planning Inspectorate has also contributed a 'Lessons Learnt' document reflecting on their early experience of examinations, as a way of assisting those local authorities following behind.

Having now had the initial tranche of LDPs successfully adopted, the Assembly Government considers it appropriate to review progress to date and consider if any refinements to the LDP process would be beneficial, assisting future local authorities.

The precise wording of policies is a matter for each local authority to determine, reflecting its unique circumstances. There are many factors which influence policy development, such as geographic distribution of settlements, which will result in a wide ranging diversity of outcomes, and hence policy approaches. This is the main point of LDPs, addressing specific issues. However, where there is commonality, local authorities are actively encouraged to share the evidence to support policy development and policy wordings.

**Financial Implications** – None. Any additional costs will be drawn from existing programme budgets.

**Recommendation 18.** We recommend that the Welsh Government should:

- commission an external evaluation of the success or otherwise of the community engagement approaches that have been used to date in Local Development Plan Community Involvement Schemes;
- based on the results of this evaluation, provide clear guidance and training to local authority planning staff on how to engage the public in the early stages of Local Development Plan policy development including how to prepare accessible planning documents.

## **Response: Accept**

It has always been the Welsh Assembly Government's intention to consider any lessons learnt once a number of LDPs had been prepared.

Having now had the initial tranche of local development plans successfully adopted, the Assembly Government consider it appropriate to review progress to date and consider if any refinements to the LDP would be beneficial, assisting future local authorities. The Welsh Assembly Government will be initiating a review of the LDP process in the summer 2011. Following feedback from local authorities, the review will constitute a refinement of the process rather than a whole scale overhaul. Local authorities, the Planning Inspectorate and key stakeholders will form a key part of this. As part of the review the Welsh Assembly Government will evaluate the community engagement approaches followed by local authorities to consider their effectiveness. If, or where, improvements are required, either further guidance or training, these will be actioned.

**Financial Implications – None.** Any additional costs will be drawn from existing programme budgets.

**Recommendation 19.** We recommend that the Welsh Government should revise the guidance in Planning Policy Wales to enable local planning authorities to develop Supplementary Planning Guidance in support of identified national development control policies.

## **Response: Noted**

This is for the incoming Welsh Assembly Government to consider.

The Committee will wish to note that although the uses and purposes of Supplementary Planning Guidance (SPG) are non-statutory and therefore flexible, encouraging the use of SPG as proposed, may not be appropriate as it could undermine the status of the statutory plan in the development management process. This is because SPG supplements the policies in adopted development plans.

Use of SPG in the way outlined may also be ineffective, since in the absence of a link to the statutory development plan, and in the absence of a formal legal process for preparation and consultation, little weight would be given to SPG in decision making. A more effective and appropriate way forward is to focus on the delivery of statutory development plans and to ensure that policies in emerging plans are given appropriate weight.

**Financial Implications – None.** Any additional costs will be drawn from existing programme budgets.

**Recommendation 20.** We recommend that the Welsh Government should review its guidance on the form and content of Local Development Plan Annual Monitoring reports to ensure it takes account of the experience to date in the preparation of plans.

## **Response: Accept**

Informed by the initial tranche of local development plans successfully adopted, the Welsh Assembly Government considers it appropriate to review progress to date and consider if any refinements to the LDP would be beneficial to assist local authorities and others. The form and content of Annual Monitoring Reports (AMRs) will form part of the review. Ensuring that monitoring is effectively focused and has the ability to influence future reviews of policies or the whole LDP is essential. The Welsh Assembly Government is already undertaking research regarding the monitoring of key Government priorities which may form part of this work. Working alongside local authorities who have either adopted their LDP, or are in an advanced stage, the Welsh Assembly Government will review the guidance on AMRs, commencing in the summer 2011.

**Financial Implications – None.** Any additional costs will be drawn from existing programme budgets.

**Recommendation 21.** We recommend that the Welsh Government should explore how policies in an emerging Local Development Plan that are clearly linked to national planning policy could be given more weight as material considerations in planning application decisions and appeals, prior to the examination and formal adoption of the whole plan.

## **Response: Complete**

The Welsh Assembly Government's national policy framework, 'Planning Policy Wales' (Edition 3, issued in July 2010, paragraph 2.6.2) clearly sets out the 'weight' to be given to policies in emerging local development plans. The critical issue is the robustness of the evidence that underpins a policy. The local planning authority prepares the evidence and it is the responsibility of the local authority to consider the robustness of its own evidence before deciding whether to use a policy to determine a planning application, particularly if the policy is contained in an emerging LDP which has not yet been adopted.

**Financial Implications - None.**

**Recommendation 22.** We recommend that the Welsh Government should consider amending the Local Development Plan Regulations to introduce a full consultation draft stage into the preparation process of Local Development Plans.

## **Response: Noted**

For the incoming Welsh Assembly Government to consider.

The Committee will wish to note that Unitary Development Plans (UDPs) included a Draft Deposit stage, setting out the first articulation of a council's strategy at a detailed level,

including site specific allocations and policy wording. This stage was not always fully supported by evidence.

LDPs are more strategic, setting out a broad framework to shape change, grounded in evidence and community engagement from the outset, initially expressed publicly in the Preferred Strategy. Rather than going into the minutiae, including potentially abortive work, the Preferred Strategy stage considers how the strategic issues will be resolved, such as the level of growth and any spatial implications. The front loading of evidence and early engagement with stakeholders provides all interested parties with the opportunity to shape and influence the preparation of the LDP, supported by evidence in the public domain.

A LDP should be quicker to prepare than a UDP, being more responsive to changing circumstances. This is particularly important to the business sector in the current economic climate. Introducing a Draft Deposit stage in addition to the existing process risks lengthening preparation time, increasing the cost of preparation to local authorities and resulting in a longer policy vacuum. The LDP process already incorporates a Preferred Strategy stage which, if greater detail were included, would assist the quality and robustness of responses from stakeholders. To ensure that planning is considered as a facilitator of change and maximise the benefits, adding a further stage to the preparation process would be a retrograde step, increasing delay and uncertainty.

**Financial Implications – None** Any additional costs will be drawn from existing programme budgets.

**Recommendation 23.** We recommend that the Welsh Government should ensure that the recommendations of the Essex Review into establishing a robust evidence base on housing need are fully implemented.

**Response: Accept**

A robust evidence base for housing has been established by the Welsh Assembly Government. In 2006 comprehensive guidance on the preparation of Local Housing Market Assessments (LHMAs) was issued to accompany the publication of revised planning policy for housing. LHMAs prepared by local authorities form the evidence base for local housing and planning policies, in particular affordable housing planning policies.

In addition, the Social Research report 03/2010 'Housing Need and Demand in Wales 2006 to 2026' by Alan Holmans and Sarah Monk, Cambridge University, commissioned by Welsh Assembly Government, is a direct response to the recommendation of the Essex review.

The report, published in July 2010, provides an estimate of future need and demand for housing in Wales to 2026, divided between the market and non-market sectors using the Assembly Government's 2006-based projections of households as its base.

We continue to look to the development of the Local Housing Market Assessments undertaken by local authorities to provide the local level, considered most appropriate, analysis of housing need and as a formal element of the Local Development Plan process. We encourage local authorities to ensure that LHMA's remain up to date and relevant.

**Financial Implications - None.** Any additional costs will be drawn from existing programme budgets.

**Recommendation 24.** We recommend that the Welsh Government should publish the results of the evaluation of the business community's engagement in planning policy development and subsequently consider the introduction of formal consultee or advisory status for business organisations as part of the Local Development Plan process.

**Response: Accept**

Planning policy is produced in collaboration with stakeholders, including the business community. Research was commissioned in 2007 to evaluate the processes used to develop 'Planning Policy Wales' ["Evaluation of the Processes Used to Develop National Planning Policy in Wales"]. The research was informed by consultation with stakeholders, including business representatives. We intend to supplement the conclusions of this research project with a further project to specifically examine engagement with business in the development and implementation of planning policy. The research project is due to be commissioned during 2011/12.

At the local level, 'Local Development Plans Wales' 2005 (Annex B) sets out a series of consultees, both specific and general, local authorities should consider consulting when bringing forward their LDP. Chambers of Commerce, local CBI and local branches of Institute of Directors are already listed as other consultees. National guidance cannot identify specific business organisations as these will vary across Wales. The Welsh Assembly Government considers that local authorities are best placed to consider which organisations from their business sector should be consulted, reflecting local circumstances. Local Development Plans Wales provides an appropriate level of national specification, enabling local authorities to refine and complement as they consider appropriate.

**Financial Implications -** Costs associated with the research project to evaluate business engagement in the development and implementation of planning policy will be met from existing programme budgets.

**Recommendation 25.** We recommend that the Welsh Government should:

- continue to urge the UK Government to devolve responsibility for energy consents of over 50 Megawatts to the Welsh Ministers;
- seek amendments to the Planning Act 2008 so that decisions on large-scale energy projects in Wales are made in line with Welsh planning policy, rather than the National Policy Statements;
- in the event that responsibility for energy consents over 50 Megawatts is devolved to Welsh Ministers, and on gaining the necessary competence, introduce legislation that will enable the Welsh Ministers to establish a parallel system to that proposed for England with the Major Infrastructure Planning Unit within the Planning Inspectorate considering both nationally significant infrastructure energy projects in Wales as well as their associated development, but making its recommendations on these projects to Welsh Minister.

**Response: Accept**

We welcome the National Assembly's commitment to have responsibility for the determination of major energy consents devolved to Wales.

Since the UK Coalition Government took office in May 2010, representations have been made to the Secretary of State for Communities and Local Government, Secretary of State Energy and Climate Change and Secretary of State for Wales. The Welsh Assembly Government has used every opportunity to make the case for devolution of decisions on major energy projects and to secure appropriate recognition for Welsh planning policies in decision making process. Discussions are on going.

In the event that responsibility for energy consents over 50 Megawatts is devolved to Welsh Ministers, appropriate operational arrangements would be put in place.

**Financial Implications** –Should the Welsh Ministers secure the transfer of executive decision making powers for major energy projects over 50 megawatts, there would be significant financial implications for the Welsh Assembly Government. It would involve establishing a unit to put the necessary legal framework in place, as well manage cases and provide advice to Welsh Ministers.

**Recommendation 26.** We recommend that in the absence of devolved responsibility for large-scale energy consents, the Welsh Government should continue to lobby the UK Government to ensure that the final energy National Policy Statements include clear statements about the amount of weight to be given to Welsh planning policy by the Infrastructure Planning Commission and its successor (the Major Infrastructure Planning Unit within the Planning Inspectorate).

**Response: Accept**

The Welsh Assembly Government has made representations to the UK Government on the draft National Policy Statements. This is to ensure that Welsh planning policy is reflected accurately and the weight to be attributed to it is acknowledged.

**Financial Implications - None.**

**Recommendation 27.** We recommend that the Welsh Government should write to local planning authorities to explain the extent to which and how the final National Policy Statements should be taken into account in their Local Development Plans.

**Response: Accept**

When the UK Government National Policy Statements are published in final form, the Welsh Assembly Government will write to local planning authorities and other stakeholders to explain how they should be taken into account in LDPs and development management decisions.

**Financial Implications - None.** Any additional costs will be drawn from existing programme budgets.

**Recommendation 28.** We recommend that the Welsh Government should provide additional funding to Planning Aid Wales to support community engagement in planning for major energy infrastructure projects.

**Response: Accept**

The Welsh Assembly Government recognises the important role of Planning Aid Wales in assisting community engagement and provides annual financial support to them. Planning Aid Wales has particular expertise in community engagement work, both with local planning authorities and local communities. Reflecting this we are funding them to develop a toolkit and easily accessible guidance to support community engagement relating to major energy infrastructure projects.

**Financial Implications –** Additional funding has been identified for this project in the current financial year and next for this project. These additional costs will be drawn from existing programme budgets.

**Recommendation 29.** We recommend that the Welsh Government should encourage the sharing and development of expertise on planning policy and proposals for development. There are a number of ways in which we suggest this is done:

- continue to provide funding to enable local planning authorities to access technical support for renewable energy and waste schemes and make similar funding available for other types of development where specialist expertise is needed;
- encourage joint working and collaboration between local planning authorities both in the development of local planning policies and in dealing with major and/or specialist technical development proposals;
- set up expert advisory teams on technical and specialist aspects of planning policy that can deliver support services to local planning authorities;
- continue to provide training to local planning authority officers as new national planning policy is introduced but also making this training available to local authority Members and other stakeholders, including those in the private sector;
- provide training to local planning authority officers on the assessment of development viability specifically for affordable housing but also for other types of development.

**Response: Accept**

The Welsh Assembly Government has taken forward a series of initiatives to provide training, develop expertise, fund expert advice, and encourage collaborative working amongst local planning authorities. The training events are usually linked to policy updates or policy priorities. Initiatives include:

- Providing funding for local planning authorities with TAN 8 Strategic Search Areas, consulted by DECC or the Infrastructure Planning Commission on applications for major wind energy projects;
- Funding local planning authorities to secure specialist technical advice on renewable energy and waste projects, to inform their decisions on planning applications;
- Commissioning a renewable energy toolkit enabling local planning authorities to assess the potential of their areas for different forms of renewable energy. Training was provided to local planning authorities in Wales at a series of regional seminars;
- Commissioning a report on the land use implications of all forms of renewable energy so that local planning authorities are aware of the planning issues and implications associated with each type when considering planning applications;
- Encouraging local authorities to collaborate on cross boundary issues, such as on Local Housing Market Assessments;

- Assisting the development of lead authorities on specialist policy areas, such as minerals planning by North Wales planning authorities, Funding was provided for exploratory work, led by Flintshire County Council;
- On transport, ensuring that all local planning and highway authorities are aware of, and familiar with, 'The Manual for Streets II' agenda for residential areas, by commissioning training for them rolled out during 2010;
- Introducing Lead Members to local development plans

While the Assembly Government will continue to ensure that significant changes to planning policy will be outlined to local planning authority officers, it is the responsibility of these authorities to ensure that their staff have the skills necessary to deliver the planning service for their communities.

Reflecting the importance of ensuring that planning authorities continue to negotiate the best outcome for the public, whilst supporting economic recovery, further training on development economics and viability will be provided as part of the Planning for Sustainable Economic Renewal package.

Ensuring the private sector receive appropriate training is also important to ensure quality applications are submitted to local planning authorities. Training for this sector is provided on a commercial basis by partner organisations, such as the Royal Town Planning Institute.

**Financial Implications** - None. Any additional costs will be drawn from existing programme budgets.

**Recommendation 30.** We recommend that the Welsh Government should consider providing a compulsory national training programme for local planning authority Members sitting on planning committees with the aim of ensuring that they are equipped to make informed decisions. The training would cover the national policy framework, development plan preparation, assessment of development viability and the planning application process.

**Response: Noted**

This issue is for the incoming Welsh Assembly Government to consider.

The Committee will wish to note that local authorities are expected to provide reasonable levels of training and development for their elected Members to enable them to fulfil their statutory responsibilities.

The Welsh Assembly Government recognises the critical importance of having appropriately trained elected Members providing strategic leadership and informed decisions within their authorities.

Training for both Members and officers of local planning authorities has been provided by the Assembly Government previously; that for Members has been in collaboration with the WLGA. We are aware that most authorities already provide in-house training for their Members and officers.

Provision of such training is recognised as good practice, and local planning authorities normally require all Members of their planning committee to undergo training in planning issues before they take part in determining planning applications. Best practice guidance in development management to be developed in 2011/12, will reinforce the importance of Members receiving training before taking part in the work of their planning committee.

**Financial Implications** – Depending on the incoming Welsh Assembly Government's view, there may be financial implications for the Assembly. Costs for Member training by local planning authorities are met from their own budgets.