

CONSULTATION FORM

Draft Economic Development Technical Advice Note

We want to know your views on the proposed changes to the Welsh Government's planning policy for economic development.

Please submit your comments by **5th September 2013**

If you have any queries on this consultation, please email:
planconsultations-A@wales.gsi.gov.uk or telephone: 029 2082 1673

Data Protection

Any response you send us will be seen in full by Welsh Government staff dealing with the issues which this consultation is about. It may also be seen by other Welsh Government staff to help them plan future consultations.

The Welsh Government intends to publish a summary of the responses to this document. We may also publish responses in full. Normally, the name and address (or part of the address) of the person or organisation who sent the response are published with the response. This helps to show that the consultation was carried out properly. If you do not want your name or address published, please tick the box below. We will then blank them out.

Names or addresses we blank out might still get published later, though we do not think this would happen very often. The Freedom of Information Act 2000 and the Environmental Information Regulations 2004 allow the public to ask to see information held by many public bodies, including the Welsh Government. This includes information which has not been published. However, the law also allows us to withhold information in some circumstances. If anyone asks to see information we have withheld, we will have to decide whether to release it or not. If someone has asked for their name and address not to be published, that is an important fact we would take into account. However, there might sometimes be important reasons why we would have to reveal someone's name and address, even though they have asked for them not to be published. We would get in touch with the person and ask their views before we finally decided to reveal the information.

Confidentiality

Responses to consultations may be made public on the internet or in a report.

If you do not want your name and address to be shown on any documents we produce please indicate here

If you do not want your response to be shown in any document we produce please indicate here

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A Draft Economic Development Technical Advice Note (Consultation)		
Date June 10th 2013 - September 5th 2013		
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Type <i>(please select one from the following)</i>	Businesses	<input type="checkbox"/>
	Local Planning Authority	<input type="checkbox"/>
	Government Agency/Other Public Sector	<input checked="" type="checkbox"/>
	Professional Bodies/Interest Groups	<input type="checkbox"/>
	Voluntary sector (community groups, volunteers, self help groups, co-operatives, enterprises, religious, not for profit organisations)	<input type="checkbox"/>
	Other (other groups not listed above)	<input type="checkbox"/>

Q1	<u>Larger than Local Planning (sec 1.14)</u>	X
	Do you agree with the assessment of strategic economic development in section 1.14?	
	Agree	x
	Neither Agree nor Disagree	
	Disagree	

Q1	Further Comments
<p>We welcome the statement that the planning system should steer development to the most sustainable locations. In delivering this, we support an approach which encourages local authorities to collaborate to develop a common evidence base, and to plan across local authority boundaries, to ensure that development is directed to the most appropriate locations.</p> <p>In developing a common evidence base, the TAN should clarify the need to take social, economic, and environmental considerations into account to ensure that development is steered to locations which have the appropriate infrastructure and environmental capacity to accommodate growth. This integrated approach will help ensure decision-making delivers sustainable outcomes, delivering the right development in the right place and potentially reducing delays on major applications.</p> <p>Additionally, if there is a move towards economic planning on a City Region basis, we suggest that the TAN should clarify how such an approach should align with regional strategic land use planning.</p>	

Q2	<u>Weighing Benefits (sec 2.5.1-2.5.7)</u>	X
	When considering a site allocation or planning application which may cause social or environmental harm do you agree with the three questions set out in the TAN that lpas should consider when weighing their benefits?	
	Agree	
	Neither Agree nor Disagree	x
	Disagree	

Q2	Further Comments
We welcome the statement made in paragraph 2.1 of the Draft TAN that planning	

should seek ‘win-win’ outcomes, whereby development contributes to all dimensions of sustainability. We consider that this should be the starting point in determining planning applications, and in the allocation of sites for development. The planning authority should therefore consider how the proposed development or allocation contributes towards sustainable development.

Whilst the three questions set out in the Draft TAN are important considerations in determining a proposal, other factors will also be relevant in assessing the proposal’s contribution towards sustainable development. These include its proximity to public transport links and housing, and its contribution towards the low carbon economy. Further, consideration will also need to be given to the whole life costs of a proposed development in light of future climate change challenges, for example changes in flood risk and water availability.

The TAN should therefore emphasise the aim to deliver sustainable development. The identified questions should be considered alongside other material considerations, in determining a proposal’s contribution towards sustainable development.

The TAN should also clarify that planning officers’ reports and planning committee decisions will need to set out how the three questions have been taken into account, alongside other material considerations, in determining relevant applications for planning permission. The reports should also demonstrate how claims provided in support of applications (e.g. in relation to job creation and physical regeneration) have been critically reviewed by the authority. Such an approach will help support the transparency and understanding of the decision-making process, including how all material considerations have been taken into account.

We also recommend that the TAN should promote the benefits associated with pre-application discussions in identifying potential opportunities and constraints associated with a site for development. Such engagement can help give greater certainty to developers at an early stage in the planning application process, and help avoid costly delays during later stages of the application process.

Q3	<u>Rural Planning (sec 3.1- 3.6)</u>	X
	Do you agree to the approach set out in relation to rural planning?	
	Agree	
	Neither Agree nor Disagree	X
	Disagree	

Q3	Further Comments

Natural Resources Wales recognises that a wide range of activities may be sustainably located in rural areas. We generally support the use of a sequential approach when identifying land for economic uses in development plans. However, we would have concerns where allocations in the countryside would conflict with wider national aspirations, or other development plan objectives e.g. minimising the need to travel, and protecting natural heritage interests. This could lead to a situation whereby certain rural allocations do not clearly relate to the wider aims and objectives of a development plan and therefore may not meet all tests of soundness.

We support the clarity already provided in existing in national planning policy which states that development plans should identify suitable sites for new economic development within and adjoining rural settlements, and that a criteria based approach and/or an employment exception site policy should be considered for rural areas and smaller settlements. We therefore consider that national planning policy already provides an appropriate and clear framework to allocate development in rural areas.

Q4	<u>Development Plans and the Economy (sec 4.1)</u>	X
	Whilst the TAN provides an illustrative list of key stakeholders who should be consulted when preparing a development plan, are there others not referred to that it is important to mention?	
	Agree	x
	Neither Agree nor Disagree	
	Disagree	

Q4	Further Comments	
	We welcome the recognition that Natural Resources Wales should be consulted as part of the LDP making process.	
	We support the intention to provide a non-exhaustive list of key stakeholders, as this will allow local authorities to develop their own list of consultees to reflect local circumstances. However, we consider that the list of consultees in the TAN should also refer to the relevant water company, and advise on the need to consult other local authority departments such as those responsible for emergency planning, biodiversity, and drainage.	

Q5	<u>Local Development Plan Evidence Base (sec 4.3 – 4.4)</u>	X
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Do you agree with the approach described to collect data at a regional and local scale?	
Agree	x
Neither Agree nor Disagree	
Disagree	

Q5 Further Comments

We support an approach where evidence is collected at two different scales to inform the preparation of development plans. Data collected at the regional scale should be used to help ensure that strategic development is located to the most appropriate locations, taking into account the infrastructure requirements of the development and the environmental capacity of the area.

We therefore suggest that the new TAN should encourage local planning authorities, or regional groups, to consult Natural Resources Wales as part of the evidence gathering exercise to help identify the potential opportunities and constraints that may be associated with considered strategic sites.

Further, the natural resource management planning process (NRMP), as described in *Sustaining a Living Wales* (Welsh Government, 2011), provides an opportunity to ensure that decisions regarding the location of development are informed by a consistent evidence base on environmental constraints, limits and opportunities. Consideration should therefore be given to the ability to review this new TAN when the nature and status of the natural resource management planning process is confirmed by Welsh Government.

We look forward to the emerging guidance on undertaking an Employment Land Review, and would welcome the opportunity to be consulted in due course.

Q6	<u>Economic Vision</u> (sec 4.5 – 4.10)	x
	Do you agree with the explanation of what an economic vision should include?	
	Agree	
	Neither Agree nor Disagree	
	Disagree	x

Q6 Further Comments

The economic vision for the Plan should be consistent with wider national and local

priorities, for example protecting and enhancing the environment, and the sustainable use of natural resources. This would be consistent with the approach to sustainable development set out in *Planning Policy Wales*.

The Welsh Government's Green Paper on a new approach to natural resource management, *Sustaining a Living Wales* (2012), identifies a number of studies which highlight the important contribution of the natural environment towards social wellbeing and economic prosperity. The *Valuing Our Environment* (2001) report estimated that the environment contributed £8.8bn of goods and services annually to the Welsh economy, 9% of Welsh GDP, and 1 in 6 Welsh jobs. The *UK National Ecosystem Assessment* (June 2011) concluded that the natural world, its biodiversity and constituent ecosystems are critically important to our well-being and economic prosperity but are consistently undervalued in conventional economic analysis and decision making. We therefore consider that the TAN should encourage local authorities to consider the economic and social benefits that are provided by ecosystem services when developing their respective economic visions. This will also help avoid the historic narrow and silo-based approach in economic analyses and visioning.

We recognise the need for the economic vision to acknowledge the uncertainties which may exist over the Plan period. This should include considering the current and long-term social and economic cost implications of directing development to inappropriate locations e.g. flood risk areas. We therefore recommend that the TAN should encourage local authorities to consider the whole life cost of development when developing the economic vision for their local authority areas.

Q7	<u>Economic Scenarios</u> (sec 4.11 – 4.12)	X
	Do you agree that strategies should include modelling of future economic scenarios based on an extrapolation of past trends and a stock take of current economic assets?	
	Agree	x
	Neither Agree nor Disagree	
	Disagree	

Q7	Further Comments
We welcome the clarification in the TAN that the level of growth should be realistic, and consistent with wider national and local objectives. We also agree with the statement "The track record of economic forecasts is not good", and recognise the uncertainties associated with modelling future scenarios.	
In light of the emphasis made in the Draft TAN for local authorities to collaborate with	

neighbouring authorities, we consider modelling that is based on functional economic areas may be an appropriate approach to consider future scenarios. It should also help local authorities develop mutually consistent economic visions. We would recommend an integrated approach to modelling future scenarios to ensure infrastructure requirements and environmental capacities and opportunities are integrated with economic forecasts.

However, there will be a need to exercise caution in interpreting results given the time-frame covered by an LDP, and uncertainties associated with modelling at smaller geographical scales. Further, changes in UK Government and Welsh Government policy during the forecast period may affect the delivery of any targets or aspirations set by a local authority.

We support the proposal for local authorities to undertake a stock take of assets. This should help better understand if there any areas of unmet demand, as well as help identifying current occupancy rates and emerging trends by industrial sector. Such an approach may also help avoid the allocation of land for which there is no likely demand. We suggest that a stock-take of economic assets should also consider other supply-side factors, for example, education attainment levels, higher education provision, existing and planned transport infrastructure. Additionally the stock take should take account of potential future constraints, for example changes in flood risk as a result of climate change.

Q8	<u>Employment Land Provision (sec 4.13 – 4.15)</u>	X
	Do you agree that authorities should work together to steer development to the locations which have the most sustainable capacity, even if this is beyond their own boundaries?	
	Agree	x
	Neither Agree nor Disagree	
	Disagree	

Q8	Further Comments
As indicated in our comments to <i>Question 1</i> above, we support an approach which encourages local planning authorities to collaborate to direct development to the most sustainable locations. We consider that the preparation of the regional evidence base is a key mechanism to strategically consider the environmental capacity across local authority boundaries. It should also help ensure that local authorities develop mutually consistent economic visions.	
The TAN should also recognise that certain Travel to Work Area and Housing Market	

Areas may cross country boundaries, and local authorities will, where appropriate, need to work alongside relevant authorities in England.

Q9	Existing Employment Sites (sec 4.25)	X
	Do you agree with the five criteria for allowing existing employment sites to be released for other uses?	
	Agree	x
	Neither Agree nor Disagree	
	Disagree	

Q9	Further Comments
	Yes, we consider that the criteria as currently drafted are reasonable. Where a local authority is considering the release of employment sites for other uses in light of the environmental effects of the existing use of the site, the TAN should encourage the authority to consult Natural Resources Wales in considering the scale and nature of development which may be appropriately located at the site.

Q10	We have asked a number of specific questions. If you have any related issues which we have not specifically addressed, please use this space to report them.
	None.

How to respond

Please submit your comments by **5th September 2013**, in any of the following ways:

Email	Post
<p>Please complete the consultation form and send it to : planconsultations-A@wales.gsi.gov.uk [Please include 'Economic Development TAN Consultation WG18851' in the subject line]</p>	<p>Please complete the consultation form and send it to: TAN 23 Economic Development TAN Consultation Planning Policy Branch Planning Division Welsh Government Cathays Park, Cardiff CF10 3NQ</p>

Additional information

If you have any queries about this consultation, please

Email: planconsultations-A@wales.gsi.gov.uk

Telephone: Richard Spear on 029 2082 1673