



**Cyfoeth
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**Natural
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Wales

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20th July 2018

Dear Gemma,

Consultation on the Integrated Sustainability Appraisal of the National Development Framework, Appraisal of Alternative and Preferred Options: ISA Interim Report

Thank you for consulting Natural Resources Wales on the Integrated Sustainability Appraisal (ISA) of the National Development Framework (NDF), Appraisal of Alternative and Preferred Options: ISA Interim Report.

Our comments on the Strategic Environmental Assessment (SEA) aspects are made in the context of our responsibilities under the Environmental Assessment of Plans and Programmes (Wales) Regulations 2004, and in our statutory role as advisers to Welsh Government on the natural heritage and resources of Wales. Our further comments on the wider ISA are on those relevant areas where we have expertise.

We present our key comments in this letter, with more detailed comments on individual consultation questions in the attached Annex 1.

Our key comments are as follows:

1. We welcome and support the development of the NDF, together with your commitment to SEA and ISA, including the iterative and collaborative way in which you have developed the NDF and accompanying assessments to date.
2. We disagree with the assertion that the Sustainable Management of Natural Resources (SMNR) will have a negative impact on economic growth and housing supply (Non-Technical Summary ii). We are concerned that this view does not reflect an accurate interpretation of this term, as defined in the Environment (Wales) Act 2016 (see section 3 of Annex 1).
3. In relation to the assessment of the preferred option, we note that many of the recommendations from the ISA, as listed in Appendix D, Table D-1 have not

been incorporated at this stage. We emphasise the importance of referring to these recommendations during the next stages in the development of the NDF to ensure these concerns are addressed as more detailed policy is developed where appropriate (see 1.1 in Annex 1).

4. We continue to have some concerns over how climate change issues are reflected and addressed in the NDF, and how the ISA has assessed them. In particular, it is our view that the issue of sea level rise, its potential impacts and the need to build resilience going forward, is not adequately addressed or assessed. We also seek clarity on whether the expansion of the road network is identified as a priority in the latest version of the Preferred Option (see 1.2 and 4.2 in Annex 1).
5. We note the uncertainty at this stage over the impacts of the Preferred Option on climate change, landscapes and bio/geodiversity, depending on the details of how policies are developed and implemented. We recommend that careful attention is paid to these areas in particular as the more detailed policies are developed, to ensure that positive impacts can be maximised and negative impacts minimised. We also include a number of suggestions for ways to strengthen the consideration of climate change, landscape and biodiversity and geodiversity in the Preferred Option (see 4 in Annex 1).
6. We note that very positive impacts of the Preferred Option on Natural Resources (ISA Objective 17) are recorded in the ISA, although there is a degree of uncertainty over this in the commentary. We recommend that close attention is paid to this as the NDF is developed further to ensure potential benefits are realised (see 4.5 in Annex 1).

We hope the above is of use. Should you have any queries regarding these comments, please do not hesitate to contact Anne MacDonald or Roger Matthews via strategic.assessment@cyfoethnaturiolcymru.gov.uk.

Yours sincerely,



Howard Davies
Head of Corporate Planning



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Annex 1

1. Comments on the Findings of the ISA

(Consultation Question 1a ‘Do you have any comments on the findings of the Integrated Sustainability Appraisal Interim Report?’)

1.1 *Implementation of recommendations*

We note that the findings of the ISA (4.2, Recommendations) indicate that the potential for the NDF to contribute to environmental sustainability could be strengthened. We have some concerns that a number of the recommendations in the commentary in Table D-1 have not been incorporated at this stage, for reasons that include ‘*The current stage provides a high-level overview...suggested changes... lend themselves to consideration at the next stage of the process, where detailed policy will be developed...*’. During the next stage of the NDF’s development, for the recommendations with this entry, we emphasise the importance of referring back to this Table, to ensure these recommendations are being adequately addressed as more detailed policy is developed.

1.2 *Climate Change*

We continue to have some concerns over the way climate change is addressed in the ISA. For example, our response to the NDF itself has highlighted that the NDF should provide a strategic policy direction for managing coastal erosion risk, an issue you would expect to be a high priority for a Spatial Plan. It is clearly important that developments undertaken within the lifetime of the plan are resilient to climate change, including sea-level rise. The absence of reference to the issue of sea-level rise and associated coastal change in the NDF has not been highlighted in the ISA. We would have expected the ISA to have identified this gap.

As a key strategic document, the NDF should identify both the key strategic issues, and the key sources of evidence that should inform how we deal with them. In our response to the earlier Scoping Report, we recommended detailed consideration of the UK Climate Change Risk Assessment (UK CCRA), undertaken every five years (published most recently in 2017 – UKCCRA17) under the Climate Change Act. This, and its Evidence Report for Wales, represents the most comprehensive, authoritative and recent source of evidence available to Welsh Government in this area. Note that the Welsh Government adaptation programme in response to UKCCRA17 is currently being updated and will be consulted on in December 2018 – we would expect the ISA to refer to this.

We consider that it is critical that there is specific reference to this five-year adaptation planning cycle in strategic documents such as the NDF if Wales is to make real progress on embedding climate adaptation into Welsh Government's work programmes.

2. Comments on the Assessment of NDF Objectives

(Consultation question 3d 'Do you have any comments on the assessment of the NDF Objectives as set out in the Integrated Sustainability Appraisal interim report?')

2.1 Natural Resources

2.1.1 Implications for natural resources

We note that for five NDF Objectives, the links with ISA Obj. 17 (Natural Resources) are uncertain, or dependent on implementation measures (Table B-1, Testing the Plan Objectives against the ISA Objectives). We would like to see more emphasis in the Preferred Option on how these impacts will be assessed, and how implementation measures will be developed to maximise positive impacts and minimise negative ones.

2.1.2 Low resource use economy – NDF Objective 6.5

We recommend that greater emphasis is given to managing the transition to a low resource use economy, as implied in the Well-being of Future Generations prosperity goal: '*An innovative and productive low carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately*'. NDF Objective 6.5 '*To ensure resource efficiency, minimise the unsustainable use of resources and support the development of the circular economy*' goes some way to this, but needs to be strengthened and given greater prominence. The aim should not be 'to minimise the unsustainable use ...' but 'to eliminate the unsustainable use of renewable resources and manage the depletion of non-renewable resources to a rate consistent with identifying alternatives...'

2.1.3 Links between natural resources and culture

It is our view that it is incorrect to assess the links between *Culture & Heritage* with *Bio and Geodiversity* and *Natural Resources* to be zero (Table B-1). This is because there are significant links between the management of our natural resources and our cultural heritage (e.g. National Parks, landscape paintings, poetry, place names, appreciation of wildlife, etc.). The industrial revolution and exploitation of mineral wealth (coal, slate, metals, stone etc.), and the distinctive culture of the Valleys, are all founded on geodiversity. This is recognised in the 'compatible' assessment of NDF Obj. 6 (Natural Resources, Circular economy and Flooding) and ISA Obj. 15 (Welsh Culture). However, it is not recognised in the 'no link' assessment of NDF Obj. 7 (Culture & Heritage) and ISA Obj. 16 and 17 (Bio- and Geodiversity, and Natural Resources respectively). In contrast, we note that in Table 3-2, Summary of Elements taken forward to the Preferred

Option, under ISA Obj. 15, the role of the natural environment and landscape as a distinctive part of Welsh culture, is expressly acknowledged and included.

2.2 *NDF Objective 3 - City Regions & Growth Deals*

In comparison with the other objectives, it is striking how poorly NDF Obj. 3 (City regions and Growth Deals) performs in the ISA. Only one ISA objective is assessed as compatible (1, Economic Growth), four ISA objectives are assessed as incompatible (7 - Flood risk; 8 - Air quality; 9 - Water resources; and 16 – Bio and Geodiversity) and the remaining eleven ISA objectives are assessed as compatibility uncertain or dependent on implementation measures. We recommend that careful thought is given to how this NDF objective is developed and implemented to ensure more balanced benefits.

2.3 *NDF Objective 6.3 - Landscape*

We recommend that the NDF objective relating to landscape (6.3) should reflect the principle that all landscapes matter. This principle originates from the European Landscape Convention. We therefore suggest the following change to NDF Obj. 6.3:

From:

- *To protect, promote and enhance nationally important landscapes,*

To:

- **To protect nationally important landscapes and to promote and enhance all landscapes**

3. **Comments on the Assessment of NDF Options**

(Consultation question 4b 'Do you have any comments on the assessment of the NDF Options as set out in the Integrated Sustainability Appraisal interim report...?')

3.1 *Assessment of Option 4 – A spatial strategy focussed on the sustainable management of Wales' natural resources*

Sustainable Management of Natural Resources (SMNR) is an integrated policy objective of Welsh Government designed to set out an approach to managing and using natural resources to ensure that the needs of both current and future generations can be met – whatever those needs are deemed to be. It is not an “either/ or”.

To illustrate this, we draw your attention to the measures of SMNR that Welsh Government have asked Natural Resources Wales to report on as part of the State of Natural Resources Report (SoNaRR). They are:

- Natural resources are not continuously declining and are not being used faster than they can be replenished;
- The health and resilience of our ecosystems across the four attributes of ecosystem resilience is not being compromised and where there is a need, is being enhanced;
- The supply of different ecosystem services is being optimised (for ecosystem resilience and supply of benefits for well-being);

- The benefits derived from ecosystem services are being fairly and equitably distributed and the contribution they make to well-being (across all the wellbeing goals) is meeting our basic needs and is not declining now or in the long term.

We therefore consider that there is no logic or reason to suggest that there is a national policy conflict between the Sustainable Management of Natural Resources and sustainable economic growth, or good quality, safe, affordable housing.

If Option 4 were identified as '*Prioritising ecosystem restoration and resilience*', then the negative assessment in relation to objectives 4 and 12 might be better substantiated, but as our bullets above show, SMNR is broader than that, and includes ecosystem services and equitable distribution of benefits derived from them.

The economy is changing and facing new challenges, including Artificial Intelligence, automation, digitalisation, nanotechnology and 3-D printing. These new challenges require new ways of thinking to enable inclusive growth and maximise the potential of economic activity in Wales. The systems thinking that underpins SMNR is necessary to address challenges such as these and applies just as much to urban areas as to their hinterlands and the rural areas of Wales. Far from being a brake on the economy, or an optional extra, this sort of approach is essential to finding a way through the challenges the future will bring.

It is our view that well-being is an inclusive concept, which can be described in terms of social, economic, environmental and social domains. It is not the case that, for example, 'economic well-being' can be traded off against 'environmental well-being' or 'social well-being'. We are not trying to argue that well-being depends on the extent, condition, connectivity and diversity of natural assets alone, rather that these are components which contribute to well-being overall.

4. Comments on the Assessment of the Preferred Option

(Consultation question 5b 'Do you have any comments on the assessment of the NDF Preferred Option as set out in the Integrated Sustainability Appraisal Interim Report....?')

4.1 Potential negative impacts of the Preferred Option

The preferred option was assessed as having positive or very positive impacts on 14 out of 17 ISA objectives. However, we consider that the three objectives where a mix of positive and negative effects were recorded are key in relation to the environment (ISA Objectives: 6 '*To create conditions in which greenhouse gas emissions can be limited and encourage energy efficient and sustainable design*'; 13 '*To encourage the protection and enhancement of the local distinctiveness of our landscapes and townscapes*'; and 16 '*To encourage the conservation and enhancement of biodiversity and geodiversity*'.) We are concerned that the Preferred Option does not score consistently more highly in relation to these environmental objectives, and we support the comment in the Recommendations (4.2) that the potential for the Preferred Option to contribute to

environmental sustainability could be strengthened. We offer some advice below on how the Preferred Option could be strengthened with regards to climate change, landscapes, biodiversity and geodiversity.

4.2 *ISA Objective 6 – Climate change*

4.2.1 We draw your attention to the clear statement (p.23) in the Preferred Option that spatial policies and all decisions made under the NDF will support the three overarching themes of: Decarbonisation & Climate Change; Health & Well-being; and Cohesive Communities & Welsh language. Given this very clear statement of intent, we query why the ISA has not highlighted more clearly that the Preferred Option has been assessed as having negative effects on greenhouse gas emissions. Furthermore, we query why the recommendation that new road-building should include measures to mitigate long-term impacts (p.120) has not been incorporated at this stage.

4.2.2 We note that although the Preferred Option is assessed as +/- with regard to climate change, three out of four Alternatives were assessed as + or ++ (only Option 1 was assessed as -). We query why there are no very positive effects recorded for the Preferred Option given the strong policy commitment for action on climate change, and the range of very positive aspects of the alternatives available for inclusion. It is not clear to us whether this is just to do with how mixed very positive and negative effects are recorded in the ISA matrices, or whether there is scope for bringing through more of the very positive aspects to the Preferred Option. We recommend that this is given further consideration.

4.2.3 Greater clarity is needed about the position of the Preferred Option regarding road building. The expansion of the road network, as identified in AS5 (*'National road network is identified. Improvements to existing and **expansion of the national road network are identified**'*), and PE8 of the Preferred Option, is identified in the ISA as being the main reason for negative impacts on greenhouse gas emissions (p.120, Table D-1). However, in the final version of the Preferred Option, AS5 has been deleted, as it is included under PE8 (as stated on p123). The wording of PE8 does not specify support for expansion of the road network (*'Nationally important roads, railways, ports and airports are identified. Proposals for new infrastructure investment including rail electrification, public transport hubs and metro schemes are identified.'*). Clarification would be welcome as to whether the expansion of the road network is included, in which case it should be clearly and transparently stated.

4.3 *ISA Objective 13 – Landscape*

4.3.1 The assessment of the Preferred Option recorded a mix of positive and negative impacts on landscapes. We recommend more consideration of the wider landscape context, alongside protection and enhancement of the most important landscapes. We suggest taking forward to the Preferred Option the following point from Alternative 3: *'...focuses particularly on land use, the relationship between different uses and the connectivity between them. It places a strong emphasis on planning how our settlements will grow, interconnect and understanding the consequences that will arise from the choices we make, and the opportunities arising from doing things differently.'*

4.3.2 We suggest the following additions to help increase positive impacts and reduce any adverse effects:

Recognition that *all landscapes matter*, not just nationally important ones.

Referring to Table 3-2, *Summary of elements taken forward to the Preferred Option*, we suggest the following could be added (new text suggestions in **bold**):

- ISA objective 2: 11th bullet point
*An increase in green spaces; **quality and well-being functions***
- ISA objective 7: additional bullet point
Developing a sustainable pattern of living and locational choices
- ISA objective 8: additional bullet point
Green Infrastructure within urban areas for air scrubbing
- ISA objective 9: additional bullet point
Water responsive urban design and integrated Suds
- ISA objective 12: additional bullet point
Ensuring widest range of well-being benefits and their spatial requirements are factored into site layouts at planning and design stages
- ISA objective 13: additional bullet point
Sustainable planning and design that is responsive to its character, social and environmental context
- ISA objective 14: 2nd bullet point
*Recognising the importance of historic landscapes, **parks and gardens***
- ISA objective 16: additional bullet point
Green Infrastructure planning within urban and peri-urban environments

4.4 *ISA Objective 17 - Biodiversity and geodiversity*

4.4.1 *Suggestions for strengthening Biodiversity in the Preferred Option*

We suggest there should be direct reference to the following in this section:

- the nationally Protected Sites series (SSSIs, SACs, SPAs and Ramsar sites);
- the Environment Act Section 6 Duty and Section 7 Species and Habitats lists; and
- Area Statements.

4.4.2 *Suggestions for strengthening Geodiversity in the Preferred Option*

Whilst we welcome the consideration of geodiversity alongside biodiversity, there needs to be an appreciation of the differences between the two, and of how development can take geodiversity into account. Geodiversity is often important and apparent in urban areas, for example building stones, both local and imported, can have an important influence on the character of urban areas. Industrial sites, such as quarries and mines, can have important geodiversity features. Improving the road network can improve our knowledge and appreciation of geodiversity, if geologists are allowed access during construction, and the road design allows cuttings and exposures to be conserved and safely accessible following completion of the road. Whilst geodiversity is considered within UNESCO Geoparks, NNRs, SSSIs and RIGS, there are also opportunities to ensure an awareness of geodiversity in the wider landscape through planning decisions, for example the design of road cuttings, aftercare of quarries, etc.

4.5 ISA Objective 17 - *Natural Resources*

We note that the Preferred Option achieved a very positive score against ISA Objective 17 (Natural Resources). The detail of the commentary (p.126) however indicates a degree of uncertainty (*'could help...'*, *'could lead to...'*). It is important that as the NDF develops close attention is paid to ensure that the possible benefits are realised. See also our comments on transition to a circular and low resource use economy in 2.1.2 of this Annex.

5 Other comments

5.1 *Consistency with relevant plans and policies*

5.1.1 The NDF appears to refer to a new concept which has not previously been identified in the Natural Resources Policy, namely *'nationally important ecosystems'* (in DN4 on p.24). Clarification on what these are and how they will be identified would be welcome.

5.1.2 It is also important to be clear on the definition of terms to avoid the potential for any confusion. DN3 (p. 24) refers to *'nationally important landscapes, seascapes, nature conservation sites and habitats'*. We recommend that these are clearly defined within the NDF and ISA.

5.2 *Responses to Scoping consultation report*

We welcome the transparent way in which comments received on the ISA Scoping Report have been documented and considered, with the response to each point set out in comprehensive tables in the *Consultation – Summary of Responses Report*. We note however that many of these changes relate to the Scoping Report itself, and it is not always clear what impact these changes to the scope of the ISA have had on the draft NDF and the ISA of the Alternative and Preferred Options.