

Environment and Sustainability Committee

E&S(4)–04–13 paper 5

Local Development Plans & Population/Household Projections – The Planning Inspectorate



The Planning Inspectorate
Yr Arolygiaeth Gynllunio

Introduction and context

PINS Wales is a Directorate within the Planning Inspectorate, which is an agency within both the Department for Communities and Local Government in England and the Welsh Government. PINS Wales is based in Crown Buildings, Cathays Park, Cardiff. In addition to dealing with a wide range of planning and other environmental appeals on behalf of Ministers, Planning Inspectors are appointed to conduct public examinations under Section 64(5) of the Planning and Compulsory Purchase Act 2004 into Local Development Plans to establish whether or not they met the tests of soundness set out in Local Development Plans (LDP) Wales. These comprise:

- (i) **Procedural tests:**
 - P1– whether it been prepared in accordance with the Delivery Agreement with WG, including the community involvement scheme;
 - P2 – whether it has been subject to sustainability appraisal;
- (ii) **Consistency tests:**
 - C1 – a land use plan that has regard to other relevant plans, policies and strategies relating to the area and to adjoining areas;
 - C2 – has regard to national policy;
 - C3 – has regard to the Wales Spatial Plan;
 - C4 – has regard to the relevant community strategy/ies;
- (iii) **Coherence and effectiveness tests:**
 - CE1 – sets out a coherent strategy from which policies and allocations flow and, where cross boundary issues are relevant, it is compatible with the development plans of neighbouring LPAs;
 - CE2 – the strategy, policies and allocations are realistic and appropriate having considered the relevant alternatives and found upon a robust evidence base;
 - CE3 – there are clear mechanisms for implementing and monitoring;
 - CE4 – it is reasonably flexible to enable it to deal with changing circumstances.

That written and oral examination follows a process of public consultation by the relevant Local Planning Authorities on their proposed LDPs, and their refinement through proposed focus changes, that culminates with the **submission** of the LDP. Normally, an examination should be completed within 12 months from the date of submission to PINS.

Current position

To date, planning Inspectors have examined and issued reports finding 6 LDPs 'sound' (PCNPA - Sept 2010; Caerphilly - Nov 2010; RCT - March 2011; Merthyr Tydfil - May 2011; SNPA - July 2011; Blaenau Gwent - Dec 2012). The report in respect of Pembrokeshire has now also been sent to the LPA.

There are currently on-going examinations in respect of BBNPA; Torfaen; Ceredigion and Denbighshire, all of which have had to be suspended or delayed to enable further evidence to be adduced and changes proposed in response to issues considered at the hearing sessions. The examinations in respect of Bridgend, Conwy and Monmouthshire LDPs are also on-going.

We expect to receive Newport's and Carmarthenshire's LDPs in the mid to late Spring / summer 2013 with NPT and Powys early next year.

In addition, partial examinations took place in respect of Cardiff and Wrexham, both of which were withdrawn following the inspectors' initial comments in March 2010 and March 2012 respectively.

Response to Questions

Question 1: The extent to which Local Planning Authorities have been involved in developing and are supportive of the assumptions behind the Welsh Government's projections

PINS is not involved with the preparation and production of household projections. However, those projections form part of the evidence base that is used during LDP examinations.

I am unable to comment upon the extent to which LPAs have been involved, although am aware that there are sub-National working groups comprising LPA statisticians and planning officers set up to establish appropriate assumptions to be used in calculating the WG projections. For example, from evidence given at the Denbighshire LDP examination, we are aware of Conwy Council's involvement in this process and understand that that Council has a working relationship with its neighbours.

The extent to which LPAs/NPAs have been supportive of the assumptions behind the projections is likely to depend largely on whether they are content with the number of new dwellings the projections say their LDPs should provide. Importantly, however, PPW 9.2.2 says that the WG household projections should form the starting point for assessing housing

requirements and that LPAs must justify any deviation by reference to the criteria set out in para 9.2.1. Those include, amongst other things, local housing need & strategies, environmental and infrastructure capacity. This is often an issue for discussion at the LDP examination.

Denbighshire sought to challenge the household projections by arguing that the forecast for migration was based on a trend taken from too short a period and as a consequence was unreliable. Bridgend has also questioned the WG projections because of changes in household size that has informed the figures. Wrexham also challenged the projections on statistical grounds, again largely associated with cross-border migration from Chester and its surroundings in the context of a draft Core Strategy based upon the Regional Spatial Strategy for that English region.

RCT and Blaenau Gwent allocated more than required by the projections. The inability to meet the WG's household projections does not appear to have been an issue at Pembrokeshire NPA or County, Caerphilly, Merthyr Ceredigion or Conwy. Cardiff's LDP was planning to meet the need but, amongst other matters, in a manner that was inconsistent with PPW policy in terms of reliance upon brown-field and issues concerning delivery. Brecon did not dispute WG's household projections although their LDP housing target was based on supply and environmental capacity.

It would appear therefore that LPAs, on the whole, have been supportive of the household projections: problems have been connected to manner of their delivery on the ground.

Question 2: The technical and resource requirements for Local Planning Authorities being able to prepare their own policy based forecasts, including being able to compile sufficient evidence to defend these at a Local Development Plan Examination in Public.

I cannot comment upon the resources available to LPAs, but it is self evident that if LPAs prepared their own projections, this could lengthen the timescales involved in preparing their plans. Moreover, it is also clear that the WG projections are taken as a robust and impartial starting point for the LDP examination. Any deviation from these has to be justified through evidence submitted to the examination, as is currently occurring at the Bridgend examination, where Cambridge Econometrics has been engaged by the LPA.

BBNPA has also appointed Nathaniel Lichfield & Partners to carry out an assessment of the future need for housing using their own HEaDROOM methodology to assess various economic and demographic forecasts, trends and factors, including WG's projections. Denbighshire did produce its own projections, but relied on Conwy LPA to do so for them.

Question 3: How far Local Planning Authorities have been collaborating at a regional or sub-regional level on forecasting work as an input to Local Development Plans.

WG projections are trend based. Therefore LDPs need to be regionally acceptable to meet the tests of soundness C1 and CE2.

We are aware that there are regional planning groups to develop collaborative working. In north-west Wales, there is a Memorandum of Understanding signed up to by LPAs that apportions the WG projections to the individual LDPs. In the case of the SNPA examination, this provided a sound evidence base. The SE Wales Spatial Planning Group has also been active and produced a regional housing apportionment exercise published in 2006. However, these projections were not endorsed by the development industry and were subsequently superseded by the 2006 and 2008 based WG projections.

Question 4: The extent to which the time taken to agree local population and housing numbers is responsible for delays in bringing forward Local Development Plans.

Given the role of PINS in the examination process, I cannot comment upon the reasons why delay might have occurred in bringing forward or submitting LDPS for examination. PINS' involvement starts with the submission of the LDP.

However, following their submission to PINS, a number of examinations have been delayed and two LDPs have been withdrawn.

Methyr Tydfil was one of the first LDPs to be submitted and incurred some delay because of its complexity and the number of proposed changes to the plan following its submission.

Denbighshire submitted its LDP for examination in August 2011. The final hearings will be held next month, the hearings having been adjourned in order to enable the LPA to show how the housing projections could be reflected in the site allocations. Wrexham's LDP was withdrawn for similar reasons.

BBNPA and Ceredigion LDP examinations have been delayed, again to enable issues raised at the hearings to be addressed by the LPA. Both examinations are now nearing completion.

Therefore only two of the delays have directly associated with household projections.

Question 5: How revised projections to be produced in 2013, based on the results of the 2011 Census of Population, will be taken into account in the Local Development Plan process.

As stated above, PPW requires the latest WG household projections to be the starting point for assessing housing requirements. Thus, in order to reflect the requirements of paragraph 9.2.2 of PPW, the production of the 2013 household projections may delay submissions so as to enable the

LPAs to assess the implications for their LDPs. I understand that the 2013 projections are likely to become available in the Autumn of 2013.

The extent of any delay will depend on how quickly LPAs can carry out this assessment and the extent to which the LDP target differs from the household projections.

The appointed inspector will be obliged to have regard to the latest projections and where necessary following the start of the examination, require the LPA to produce further evidence to show how they have been taken into account and will be reflected in the LDP.

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