

# Future Wales

## The National Plan 2040

November 2020

### 1. Introduction

1. The Planning (Wales) Act 2015 (the Planning Act) provides for a National Development Framework (NDF), which covers the whole of Wales and sets out the Welsh Government's policies on development and land use in a spatial context. It sets out a 20-year land-use framework and will be reviewed at least every five years.
2. The Minister for Housing and Local Government laid the draft NDF and associated documents before the Senedd on 21 September 2020 and in doing so, triggered a 60-day statutory scrutiny period set out in the Planning Act.
3. In accordance with the Planning Act, Welsh Ministers must take account of any resolution or recommendation made by the Senedd, or any of its committees during the 60-day scrutiny period, in deciding whether or not the draft NDF should be amended. The Welsh Ministers must publish a statement alongside the final NDF outlining how they have had regard to the Senedd's resolutions or recommendations. The Welsh Government refers to the latest iteration of the draft NDF as "Future Wales – the national plan 2040". For the sake of clarity, this report will refer to the 2020 draft NDF as "Future Wales".

### Our approach

4. The Committee invited written submissions and heard oral evidence from stakeholders during meetings on 15 October and 5 November. A list of those who contributed to the Committee's work is included in the Annex to this Report.



## External expert adviser

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**5.** As for its scrutiny of the 2019 draft NDF (see Chapter 2), the Committee retained the services of an external expert adviser, Dr Graeme Purves OBE<sup>1</sup>, to support its scrutiny of the draft NDF. The Committee is grateful to Graeme Purves for his assistance, which has been invaluable in informing the Committee's deliberations and conclusions.

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<sup>1</sup> Graeme Purves is a former Assistant Chief Planner with the Scottish Government. He led the teams which prepared Scotland's first and second National Planning Frameworks. He is a member of the UK2070 Commission which is currently undertaking an inquiry into spatial inequalities across the UK. He is also a Director of the Sir Patrick Geddes Memorial Trust and a member of the Scottish Advisory Committee of the Royal Society for the Protection of Birds.

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## 2. The Welsh Government's response to the Committee's report on the 2019 draft NDF

### Scrutiny of the 2019 draft NDF

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**6.** The Climate Change, Environment and Rural Affairs (CCERA) Committee and the Economy, Infrastructure and Skills (EIS) Committee scrutinised the 2019 draft NDF in late 2019.

**7.** The CCERA Committee's report contained 50 conclusions for the Welsh Government<sup>2</sup> in several policy areas, including the following:

- the number of regions;
- decarbonisation and climate change;
- energy;
- housing;
- Welsh language policies; and
- biodiversity.

**8.** In most policy areas the Welsh Government was receptive to the views of the Committee. 22 of the conclusions were accepted in full and 25 were accepted "in principle". As a result of the Committee's work on the 2019 draft NDF, gaps in policy coverage have been addressed, improvements have been made to the national and regional strategic diagrams, additional maps and diagrams have been added to illustrate key policy issues, and the graphic presentation of the document has been improved.

**This report focuses on areas of outstanding concern or where new issues have been raised by contributors to the Committee's work.**

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<sup>2</sup> The Welsh Government's substantive response to the Committee's conclusions is included in the consultation report laid by the Minister on 21 September 2020.

## 3. Strategy

**9.** The Planning Act introduced two new levels of development plan, which will sit above Local Development Plans (LDPs):

- a NDF covering the whole of Wales; and
- Strategic Development Plans (SDPs) covering distinct regions.

**10.** At the beginning of the process, the Welsh Government set out the purpose of the NDF as:

- setting out where nationally important growth and infrastructure is needed and how the planning system can deliver it;
- providing direction for SDPs and LDPs;
- supporting determination of applications under the Developments of National Significance (DNS) regime;
- supporting national economic, transport, environmental, housing, energy and cultural strategies and ensuring they can be delivered through the planning system; and
- sitting alongside Planning Policy Wales (PPW), which sets out the Welsh Government's national planning policies and will continue to provide the context for land use planning.

**11.** The latest version of PPW (Edition 10) was published in December 2018, having been revised to take account of the Well-being of Future Generations (Wales) Act 2015.

**12.** The Welsh Government intends that Future Wales should provide a regional context for the planning system in advance of the adoption of SDPs.

### The four regions

**13.** In its report on the 2019 draft NDF, the Committee concluded that the NDF should reflect a four-region model, in contrast to the three-region model proposed at that time. The Welsh Government accepted the Committee's conclusion and has opted to create a Mid Wales Region comprising Ceredigion and Powys (pages 100 & 126 – 141). This is in contrast to research from Cardiff

University, which had proposed that Powys should form a Central East Wales region in its own right.

## Areas for growth

**14.** Policies 1 to 6 deal with areas for growth:

- Policy 1 – “Where Wales will grow” identifies three National Growth Areas – Cardiff, Newport and the Valleys, Swansea Bay and Llanelli, and Wrexham and Deeside – where there will be growth in employment and housing opportunities and investment in infrastructure.
- Policy 2 – “Shaping urban growth and regeneration – strategic placemaking” identifies several strategic placemaking principles and states that planning authorities should use development plans to establish a vision for each town and city, supported by a spatial framework.
- Policy 3 – “Supporting urban growth and regeneration – Public sector leadership” says the Welsh Government will assemble land, invest in infrastructure, and prepare sites for development.
- Policies 4 and 5 deal with Rural Wales (see below)
- Policy 6 – “Town centre first” says that significant new commercial, retail, education, health, leisure, and public service facilities must be located within town and city centres.

### Policies 4 and 5 - Supporting rural communities and Supporting the rural economy

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**15.** In its Report on the 2019 draft NDF, the Committee recommended that the framework should recognise opportunities for people to live and work sustainably outside towns and cities and set out a positive strategy for economic and social renewal and development in rural Wales. The Welsh Government has sought to address this by revising Policy 4 - Supporting rural communities and creating a new Policy 5 - Supporting the rural economy.

**16.** Whilst the 2019 draft NDF stated that SDPs and LDPs should plan positively to meet the needs of rural communities, Future Wales states that these plans must identify their rural communities, assess their needs and set out policies that support them.

**17.** Policy 5 states that the Welsh Government supports sustainable, appropriate, and proportionate economic growth in rural towns. It also supports the development of innovative and emerging technology businesses and sectors to help rural areas, creating higher paid jobs.

## Evidence

**18.** The Home Builders' Federation argued that in Policy 3 - Supporting urban growth and regeneration, the private sector should be included in the list of organisations planning authorities must work with. It also argued that in Policy 6 – Town Centres First, residential use should be included in the mix of uses provided in town centres.

## Growth deals

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**19.** Chapter 5 of Future Wales indicates that SDPs should be informed by and support the delivery of growth deals, but there is no indication that the relationship between growth deals and spatial planning policy is reciprocal.

**20.** The Home Builders' Federation stated that SDPs should be the lead document informing growth deals. It emphasised the importance of the SDP and the Cardiff City Region Deal aligning and complementing each other. Dr Roisin Willmott (RTPI Cymru) stated that there was a need for an interplay between the two going forward.

**21.** Savills argued that Future Wales should reference sectors and objectives set out in Prosperity for All and reflect the analysis and proposals set out in A Manufacturing Future for Wales: A Framework for Action. Future Wales should set out how the Welsh Government will pursue the transition to High-Value Manufacturing (HMV) and identify the clusters that will help drive the transition.

## Flooding

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**22.** Future Wales supports flood risk management that enables and supports sustainable strategic growth and regeneration in National and Regional Growth Areas. The Welsh Government will work with Flood Risk Management Authorities and developers to plan and invest in new and improved infrastructure, promoting nature-based solutions as a priority.

**23.** The Home Builders Federation stressed the importance of up-to-date evidence and advice to guide development away from areas most likely to be affected by flooding. Dr Roisin Willmott (RTPI Cymru) identified a tension between

the Future Wales growth strategy and areas of flood risk, particularly in South East Wales.

**24.** RTPI Cymru also pointed out that settlement in Wales is heavily concentrated on coastal flood plains and there was potential for Future Wales to go further in addressing the issue of coastal adaptation.

### Welsh language

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**25.** Carmarthenshire County Council argued that the Welsh language should be identified in Future Wales as a strategic matter of national importance and that it should be addressed by a specific policy.

### Public rights of way and common land

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**26.** Ramblers Cymru argued that Future Wales should recognise the public rights of way network and access to common land as national assets and recreational travel as an important dimension of active travel.

### The Minister's view

**27.** The Minister told the Committee that she had considered a four-region approach in response to discussions and consultation with local authorities about regional models arising from 2019 Local Government Bill. The Minister said that “arguments were put forward by Ceredigion and Powys as to why they did not fit well inside a Swansea city bay region for a number of reasons, and it became increasingly obvious that those reasons overlapped our NDF thinking.” The Minister explained that:

“the balance was felt that the four-model approach offered a better focus for the regional issues that we also outline in the NDF, and in particular for the regional planning model that we’re very keen on seeing hang off this.”

**28.** The Minister said that the 2019 Local Government and Elections Bill would provide the vehicle to speed up progress in developing SDPs:

“We expect them (*local authorities*) –in fact they will be mandated—to deliver those plans, because one of the frustrations of the planning Act in Wales has been that, with the exception of the Cardiff region, which has very belatedly come to the table, other regions have been very slow to come forward with those regional strategic plans. So, this gives them the vehicle by which they can do it, and it allows us the mandating

powers to make sure that those plans come forward, because they are an absolutely essential part of the plan-led planning policy in Wales.”

**29.** In response to a question about the geographical scope of SDPs, the Minister confirmed that she would expect the bodies drawing up plans to cooperate “to make sure that areas just outside their borders are incorporated properly into the right kind of strategic plan for their area.” The Minister emphasised that SDPs would need to take account of neighbouring geographical areas that may, in some cases, be subject to a different SDP. The Minister referred to Ystradgynlais, a town in Powys, as an example to illustrate this point:

“...in terms of spatial planning for [Ystradgynlais], you have to absolutely be certain that its connectivity into the Swansea city bay region is as good as its connectivity back into its own regional or strategic area”.

**30.** In response to a question about whether Future Wales is sufficiently flexible to respond to Brexit, the Minister emphasised it would provide a framework with the resilience to respond to “shocks in the system”:

“the idea is to have a framework in place that is resilient to that and allows both planned building and rebuilding and renewal.”

**31.** The Minister explained that Future Wales addresses rural Wales, including depopulation, and that she would “expect both strategic development plans and local development plans to address that in finer detail.” She went on to say:

“We need to be able to ensure that there’s a sustainable lifestyle available for people in our outstanding rural areas, and that may well be because they have a broadband connection and can work all over the world from their home, or it may well be because they’re providing a service very much needed locally, or they’re farmers, or whatever it is, but we need to make sure that the plans reflect the need for those kinds of sustainable communities.”

**32.** In response to a question about the role of universities, the Minister said that they are “very important in the regional frameworks”. She explained:

“They tend to be big regional employers, big regional influencers, so when you’re looking at the strategic regional development plans, you’d expect the universities and their policies—and they’re important to the local economy and community—to be reflected and developed inside the strategic plans at regional level, and then obviously again in the



local development plan in terms of expansion of the university and so on, which you can see in Cardiff and in Swansea at the moment.”

## Our view

We are pleased that the Welsh Government has introduced a four-region model in Future Wales. We welcome the Minister’s assurance that this has come about because of discussions and consultation with the relevant local authorities.

The Welsh Government intends that Future Wales should provide a regional context for the planning system in advance of the adoption of SDPs. We note that, consequently, Future Wales sometimes includes details we would expect to appear in SDPs. The Minister and other contributors have suggested that this will be rebalanced over time. We accept this point. Nevertheless, it emphasises the importance of introducing SDPs as soon as possible.

We note that the mechanism set out in the Local Government and Elections (Wales) Bill for the development of SDPs is the establishment of a “corporate joint committee” consisting of representatives of more than one local authority. As we have said, the development of SDPs should be progressed at pace, and we support in principle, increased cooperation between local authorities. However, this new approach must not result in an unintended reduction in accountability to local communities.

In our report on the 2019 draft NDF, we concluded that “the Welsh Government should indicate how it will ensure that national and regional strategic planning and city region deals are co-ordinated and properly aligned.” Chapter 5 of Future Wales indicates that SDPs should be informed by and support the delivery of growth deals, but there is no indication that the relationship between growth deals and spatial planning policy is reciprocal.

The Welsh Government accepted the Committee’s conclusion that Future Wales should have a clearer economic purpose. Contributors to the Committee’s work made several suggestions of how Future Wales could be strengthened further in this area. These suggestions are reflected in recommendations 2, 3, 4 and 5 below. We note that the first review of Future Wales will assess whether it has supported an economy that delivers prosperity for all. We believe that this is appropriate and necessary.

We welcome the Welsh Government’s attempt to address the Committee’s conclusions that the framework should recognise opportunities for people to live and work sustainably outside towns and cities and set out a positive strategy

for economic and social renewal and development in rural Wales. It has done this by revising Policy 4 and creating a new Policy 5. Nevertheless, we believe that there is scope for Future Wales to include further locational guidance on addressing depopulation and we believe it should be amended as such.

In relation to flooding, we note the comments about a potential tension between the Future Wales growth strategy and areas of flood risk, particularly in South East Wales. We believe Future Wales should address this.

We note that Future Wales seeks to make a clearer statement about the important role of universities in supporting strategic development and renewal at national and regional levels. However, we believe there is scope for an explicit commitment to more proactive engagement with universities to realise their potential contribution to national and regional development.

Finally, we welcome and endorse the suggestion from Ramblers Cymru that Future Wales should recognise the public rights of way network and access to common land as national assets.

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## Minority view

During the Committee's discussion on its Report, one Member expressed opposition to certain policies in Future Wales and, as a consequence, to aspects of the Committee's conclusions and recommendations.

Llyr Gruffydd could not support the four-region model as set out in Future Wales, or the policies in relation to National Growth Areas.

Given his opposition to these aspects of the Future Wales framework, Llyr Gruffydd said he was not in a position to support recommendations directly or indirectly related to these policies.

## Recommendations

**Recommendation 1.** Future Wales should explicitly state the need for a reciprocal and iterative relationship between Strategic Development Plans and growth deals over time.

**Recommendation 2.** Policy 6 should include residential properties in the list of facilities which must be located within town and city centres.

**Recommendation 3.** Future Wales should indicate how the strategy it sets out will further the objectives set out in Prosperity for All and the proposals in A Manufacturing Future for Wales.

**Recommendation 4.** Policies for National Growth Areas should identify the clusters and sectors important to each region.

**Recommendation 5.** Future Wales should be amended to include further locational guidance on addressing rural depopulation.

**Recommendation 6.** Policy 19 should identify the implications of flood risk and climate change for settlement strategy and coastal adaptation as a matter to be addressed in Strategic Development Plans.

**Recommendation 7.** Future Wales should address the potential tension between the Future Wales growth strategy and areas of flood risk, particularly in South-East Wales. Future Wales should give greater weight to the need to prevent development in areas that are at risk of flooding.

**Recommendation 8.** Future Wales should include a commitment to more proactive engagement with universities, identifying them as active partners in national and regional development

**Recommendation 9.** Future Wales should recognise the public rights of way network and access to common land as national assets.

## 4. Post-COVID-19 Recovery

- 33.** There are several references to the impacts of the COVID-19 pandemic in Future Wales. It highlights changes in behaviour in response to the pandemic and the value of access to open space during periods of lockdown.
- 34.** Llanarth Estates argued that Future Wales should provide a framework for post-COVID-19 recovery and any re-structuring of the economy required as a consequence.
- 35.** Llanarth Estates also argued that the Welsh Government's aspiration that a sizable proportion of the workforce will work from home in future offers a significant opportunity to focus growth on neighbourhood and community hubs all over Wales, rather than concentrated in large cities and towns.
- 36.** The Home Builders Federation made a similar point, also referring to the desire for gardens and access to the countryside which emerged during 'lockdown'. Carmarthenshire County Council pointed out that although opportunities for new homes and other development in smaller villages may be relatively modest, they are nevertheless important in sustaining rural communities and economies.

### The Minister's view

- 37.** The Minister argued that the emphasis Future Wales places on climate change, place-making, and resilience is appropriate to the challenges Wales will face as it moves beyond the pandemic.
- 38.** The Minister said that Welsh Government planning policy had been focused on placemaking and "making sure that we have a healthier, more equal and more environmentally responsible Wales". This had been prescient because:
- "What's happened in the pandemic is it's accelerated that process. So, we expected that process to take longer than it's taken, but the documents anticipated the process, and, in fact, the pandemic has just proved that it was the direction of travel; it's just gone an awful lot faster than any of us would have thought."
- 39.** When challenged on whether there is sufficient flexibility in Future Wales to respond to the COVID-19 pandemic, the Minister responded that:

“the NDF is a broad outline planning framework; it’s not a detailed delivery vehicle, and we’re very confident that the broad outline planning framework could accommodate some of the issues that you’ve just set out.”

**40.** She explained that Future Wales “is a living document that’s meant to cover us for 20 years” and added:

“I’d be very disappointed, actually, if it needed to be revised in the teeth of what, let’s face it, is a pretty bad storm we’re in at the moment, but the whole point about it is that it’s a resilient document that provides that framework for us going forward.”

## Our view

We note the Minister’s confidence that Future Wales, as a planning framework, is sufficiently flexible and resilient to respond to societal changes arising from the COVID-19 pandemic. We believe it is too early to judge the medium and longer-term impacts of decisions that are being made in light of the pandemic. For example, the Welsh Government has talked about an aspiration to increase considerably the number of Welsh workers who are working from home in future. Policies such as these will need to be implemented within the framework Future Wales sets out.

In its progress report, Go Big: Go Local published on 1 October 2020, the UK2070 Commission warned that the COVID-19 pandemic may exacerbate regional inequalities and have disproportionate impacts on the elderly and opportunities for young people. It recommended that strategies for recovery should place emphasis on investment in infrastructure to build resilience and strengthen connectivity.

We believe Future Wales should set out more clearly how it can respond to these issues. The Welsh Government must also ensure that Future Wales and its post-COVID-19 recovery work are integrated and complementary.

## Recommendations

**Recommendation 10.** Future Wales should include a clear statement to reflect the lessons learned from COVID-19 and explain how the framework will help to further post-COVID-19 recovery. It should recognise the potential contributions of investments in infrastructure, housing, connectivity, heat networks and natural capital, and increasing capacity in the foundation economy.

## 5. Energy

### Electricity transmission and distribution infrastructure

- 41.** Renewables UK Cymru, Chartered Institute of Housing Cymru and RWE Renewables expressed concerns about a lack of grid capacity to accommodate new renewable energy developments and the decarbonisation of heat and transport.
- 42.** National Grid believed that the Welsh Government should take the lead in coordinating a strategic approach to strengthening the grid network and distribution infrastructure, with a particular focus on mid Wales.
- 43.** Renewable UK Cymru and RWE Renewables endorsed the need for a collaborative approach to developing a strategy for electricity transmission and distribution.

### Policy 16 – Heat networks

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- 44.** District Heat Networks are a method of delivering heating and hot water to multiple buildings from a central heat source. Future Wales states that they can be the most effective way of providing low carbon heat, particularly in urban areas. It also states that proposals for large-scale, mixed-use developments of 100 or more dwellings or 10,000sq m or more of commercial floorspace should consider the potential for a heat network, although there is potential for them below this threshold.
- 45.** The Home Builders Federation argued it would be useful for Future Wales to set a threshold above which District Heat Networks are required.

### Renewable Energy

- 46.** Future Wales sets out two policies in relation to renewable and low carbon energy. Policies 17 and 18 contain strategic spatial and criteria-based policies that should be considered together in the determination of applications. Proposals should ensure there is no significant unacceptable detrimental impact on the surrounding natural environment and local communities.

### Policy 17 – Renewable and low carbon energy and associated infrastructure

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**47.** Future Wales states that the Welsh Government strongly supports the principle of developing renewable and low carbon energy from all technologies and at all scales to meet future energy needs.

**48.** In ‘Pre-Assessed Areas for Wind Energy’, the Welsh Government has already modelled the likely impact on the landscape and has “found them to be capable of accommodating development in an acceptable way”. There is a presumption in favour of large-scale wind energy development (including repowering) in these areas, subject to the criteria in Policy 18. However, applications for large-scale wind and solar will not be permitted in National Parks and Areas of Outstanding Natural Beauty, and all proposals should demonstrate that they will not have an unacceptable adverse impact on the environment.

### Policy 18 - Renewable and low carbon energy - Developments of National Significance

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**49.** Proposals for renewable and low carbon energy projects (including repowering) qualifying as Developments of National Significance will be permitted, subject to Policy 17 and the criteria set out under Policy 18. Developments of National Significance, including large-scale energy developments, are determined by the Welsh Ministers. Examples include:

- All onshore wind generation of 10 or more megawatts; and
- Other energy generation sites with generating power between 10 and 350 megawatts.

## Evidence

### Pre-Assessed Areas

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**50.** Renewable UK Cymru argued that the Pre-Assessed Areas for Wind Energy should be dropped from Policies 17 and 18. RWE Renewables took the view that their inclusion could constrain the industry inappropriately in bringing forward renewable energy projects. It anticipated that most large-scale (>10MW) onshore wind projects will come forward outside the Pre-Assessed Areas.

**51.** Renewable UK Cymru and RWE Renewables believed that the renewable energy industry will be able to work within the revised policy framework provided by Policies 17 and 18 but they remained sceptical about the utility of the Pre-Assessed Areas.

**52.** RWE Renewables pointed out that criterion 2 of Policy 18 refers to ‘minimising’ the visual impact on nearby communities and individual dwellings. It introduces the concept of ‘acceptability’ only in the context of cumulative visual impact. RWE Renewables argued that the term ‘minimise’ is too vague and that the test of ‘no unacceptable adverse impact’ should be applied to landscape and visual impacts, as it is for other potential impacts. RWE Renewables and Renewable UK Cymru pointed out that cumulative impact is only mentioned in the context of visual impact and argued it may also be a consideration in addressing topics such as nature conservation, cultural heritage, and transport.

**53.** Renewables UK Cymru and RWE Renewables pointed out that while most of the criteria in Policy 18 apply the test of ‘no unacceptable adverse impacts’, criterion 3 applies the more exacting test of ‘no adverse impacts’ in relation to international and national sites for nature conservation, protected habitats and species. They argued that the test of ‘no unacceptable adverse impacts’ should also apply to sites and species protected for their conservation value, thus allowing the decision-maker more discretion.

**54.** Renewables UK Cymru argued that Future Wales should reflect the fact that there is provision in legislation for lower-tier plans and projects which have an adverse effect on the integrity of Natura 2000 sites, where there are ‘imperative reasons of overriding public interest’. This is, in practice, a hard test for developments to pass.

**55.** Renewables UK Cymru, RWE Renewables and Savills drew attention to the statement on page 99 of Future Wales that “The Welsh Government will use regional energy planning to identify opportunities for all types of renewable projects.” They expressed concern that leaving the location of new developments to be identified at the regional level creates the risk that the ambitions for renewable energy in Future Wales will not be realised.

**56.** RWE Renewables argued that the monitoring of Future Wales should assess progress against the Welsh Government’s current targets for renewable energy or new targets necessary to achieve ‘net zero’ aspirations.

## Marine policy

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**57.** Savills, the Campaign for the Protection of Rural Wales, and others argued that Future Wales should take more account of marine renewable energy potential. RTPI Cymru and RSPB Cymru argued that stronger links should be made between Future Wales and the National Marine Plan.



**58.** RWE Renewables and Renewable UK Cymru agreed that it is important that Future Wales and the National Marine Plan work together on renewable energy development.

**59.** National Grid indicated it is ‘agnostic’ about whether development is on or offshore but highlighted the need to protect the limited number of sites suitable for cable landfalls.

### Developments of National Significance

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**60.** RTPI Cymru, Renewable UK Cymru and RWE Renewables argued that Future Wales should include a clear statement that it is the highest tier of the development plan and that proposed Developments of National Significance (DNS) will be assessed against its policies.

**61.** Renewable UK Cymru argued that Future Wales should include policies relating to all types of DNS, not just renewable energy generation projects. Dr Neil Harris (Cardiff University) expressed the view that the focus on renewable energy projects is reasonable given that they currently make up a very high proportion of proposed DNS.

### The Minister’s view

**62.** The Minister said that Future Wales will enable a conversation to take place with “the grid itself about its own duty, actually, to have proactive infrastructure development.” The Minister also emphasised that the existing grid infrastructure presents problems which need to be addressed. The Minister said that Future Wales would enable conversations to take place with Ofgem and National Grid about several issues, including “undergrounding of electricity supply, impact on communities, local community energy grids”.

**63.** The Minister told the Committee that there had been considerable consultation with the renewables industry and that Future Wales had been changed “quite a lot” to reflect that. An official accompanying the Minister explained that stakeholders involved in the renewable industry were:

“confused by the messaging that we were putting out with the draft consultation that we issued last year, so we’ve very much taken their comments to heart, and we have reorientated and simplified the policy. So, there are, essentially, just two policies now: one that sets out the Welsh Government’s need for renewable energy and a criteria-based approach, which says the types of things that need to be considered in consenting these developments. So, the pre-assessed

areas are part of the argument, but we were clear that we wanted to allow developments in the right place, outside pre-assessed areas, to come forward as well. So, we've gone from the traffic light approach, which was confusing people, to a simple, binary policy: one that sets out the need, and one that sets out the criteria by which developments will be considered."

**64.** In reference to designated Pre-Assessment Areas, the Minister said that the Welsh Government has:

"already modelled the likely impact on the landscape and found them to be capable of accommodating development in that acceptable way, and, in saying that, I really want to say that we need to bring our communities with us in this. So, we need to be able to lever in the right amount of community benefit, community ownership; we need to understand what people have in their minds as an impact that is or is not acceptable."

**65.** The Minister said that Future Wales needs to strike the right balance between protecting the landscape and ensuring "that our communities have the energy that they require, going forward." The Minister explained:

"We've just been having a conversation about making sure that people can live and work in every part of Wales. To do that, you need broadband; to have broadband, you need electricity, you need to have all the supply lines and all the rest of it. So, this is about us setting out strategically where our pre-assessed areas are. That will allow other developers who want to come in and look at Wales as a way to develop renewables to understand what we're talking about, but it also allows the Government to have those essential conversations with things like the grid and Ofgem about how to plan the grid in Wales."

**66.** In response to a question about whether Future Wales should focus more on marine issues, the Minister said it was important to recognise that Future Wales constitutes the "national spatial plan for the land". She said it should be read alongside the Marine Plan and emphasised that:

"just because it's not in this doesn't mean we're not considering it, because of course we are. We think that Wales should exploit its natural resources, land and sea, in order to do this in a sustainable way. There are just as many marine conservation concerns for the marine plan as there are for this."

## Our view

We are concerned that the shortcomings of the grid are impeding strategic energy development in Wales. We note the Minister's comments that Future Wales will provide a basis for further discussions with the National Grid and distribution companies. We strongly believe that these discussions must happen as a matter of urgency.

We note that the Welsh Government accepted, in principle at least, the recommendation in our 2019 report that the framework should set out a unifying strategic vision for the future of energy in Wales and be clear about the targets for electricity generation and decarbonisation to which the Welsh Government is working.

We are pleased that Future Wales has been amended to provide a more supportive framework for renewable technologies in addition to wind and solar, and address storage and the onshore infrastructure requirements of offshore wind farms. These matters are addressed in Policies 17 and 18, and 24 & 32. However, we believe that the framework continues to place too much emphasis on onshore windfarms. We believe the framework should address the onshore opportunities associated with supporting offshore renewable energy developments. We note the comments made by the Minister in relation to the Marine Plan. However, we believe that the link between Future Wales and the Marine Plan should be clearer.

Contributors from the renewables industry were sceptical about the merits of Pre-Assessed Areas for wind and solar in Policies 17 and 18. We believe that the Welsh Government should reconsider whether their inclusion in Future Wales is necessary.

We note the comments from contributors concerning the wording of criterion 3 in Policy 18, which reflects the high level of protection accorded to internationally protected sites and certain species under the Habitats Directive. What is 'acceptable' is likely to be contentious when it comes to protected habitats and species.

In relation to Developments of National Significance, we agree with the suggestion from the comments from contributors that Future Wales should include a clear statement that it is the highest tier of the development plan, and that proposed Developments of National Significance will be assessed against its policies.

## Recommendations

**Recommendation 11.** The Welsh Government should work with the National Grid, the electricity distribution companies and the renewable energy industry to develop a shared understanding of the strategic improvements which need to be made to electricity transmission and distribution infrastructure, including any new infrastructure required in mid Wales. The first iteration of Future Wales should include a commitment to developing such a strategy. If the Welsh Government believes it would not be appropriate to include such a commitment in Future Wales, it should commit to do so in another way it believes to be appropriate.

**Recommendation 12.** The Welsh Government should consider whether Pre-Assessed Areas for Wind Energy should be retained in Policies 17 and 18 of Future Wales.

**Recommendation 13.** The Welsh Government should amend the text of the final paragraph on page 99 of Future Wales to make clearer its intention that planning at the regional level should identify opportunities for all types of renewable energy developments.

**Recommendation 14.** In monitoring Future Wales in relation to progress in delivering renewable energy, regard should be had to the target of 70% of electricity consumption being generated from renewable sources by 2030 and the targets required to achieve net-zero carbon emissions.

**Recommendation 15.** The Welsh Government should consider whether criterion 2 of Policy 18 should require the application of the test of 'no unacceptable adverse visual or noise impacts on nearby communities or individual dwellings'. It should also consider whether cumulative impact should be a consideration in the assessment of other potential environmental impacts.

**Recommendation 16.** The Welsh Government should ensure that Future Wales and the National Marine Plan are well aligned and complementary in relation to renewable energy developments. Future Wales should provide guidance on the protection of potential cable landfalls for offshore renewable energy developments.

**Recommendation 17.** Future Wales should include a clear statement that it is the highest tier of the development plan, against which proposed Developments of National Significance require to be assessed.

## 6. Housing

### Policy 7 – Delivering affordable homes

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**67.** Policy 7 includes estimates of housing need for the four regions. Future Wales states that these estimates:

“...should inform the housing requirements set out in SDPs and LDPs...it is expected the housing requirements will differ from the estimates of housing need.”

**68.** The policy sets out that the Welsh Government will increase the delivery of affordable homes by ensuring that funding for these homes is allocated and utilised effectively. Through SDPs and LDPs, planning authorities should:

“...develop strong evidence-based policy frameworks to deliver affordable housing, including setting development plan targets based on regional estimates of housing need and local assessments. In response to local and regional needs, planning authorities should identify sites for affordable housing led developments and explore all opportunities to increase the supply of affordable housing.”

### Evidence

**69.** Savills and Llanarth Estates argued that Future Wales under-estimates the scale of housing need. Savills called for the estimates of housing need to be removed, leaving SDPs and LDPs to determine requirements in a way which reflects local ambitions and conditions.

**70.** Llanarth Estates argued that housebuilding can play an important role in post-COVID-19 recovery and that Future Wales should set an aspirational level of growth, not one that is based on the “lowest sustained period of home building in recent history”.

**71.** The Home Builders Federation and St. Modwen Developments argued that Future Wales is still too focused on affordable housing, underplaying the social and economic benefits of private housing and its role in meeting housing need. Savills also argued that Future Wales fails to recognise the link between affordable housing and general housing supply.

**72.** Cancer Research UK and the RSPCA argued that the scope of Policy 7 should be expanded to encompass all housing, or that a separate policy on market housing should be added.

**73.** In its written evidence, the Chartered Institute of Housing Cymru called for Future Wales to place a greater emphasis on social housing. It believed that the current estimate of housing need for social and affordable housing would need to be exceeded. It also said that Future Wales should reference ‘accessible housing’, recognising that homes often need to be able to be adapted to meet the changing needs of the occupiers.

### The Minister’s view

**74.** The Minister said that several reviews of housing policy, including affordable housing supply, had informed the development of Future Wales. It aimed to “get the best way of supporting the maximum number of people into the affordable housing they need across Wales in a variety of tenures.”

**75.** The Minister said that Future Wales should be read alongside other building and housing policy documents – “there are a whole series of other things in the build and planning regulations that allow us to control the size, quality, insulation standards, sprinklers in new build, layouts, energy systems—all kinds of stuff.”

**76.** The Minister confirmed, however, that long-promised amendments to Part L of building regulations<sup>3</sup> would be postponed because of the COVID-19 pandemic.

### Our view

Several contributors identified the need to increase housebuilding levels and the potential contribution of investment in housebuilding to post-COVID-19 recovery.

In our report on the 2019 draft NDF, we concluded that the Welsh Government should specify the mechanisms to be used to deliver new affordable housing on the scale envisaged by the strategy. Without this, it would be difficult to see how the strategy could be delivered in practice. This was rejected by the Welsh Government. Policy 7 in Future Wales continues to identify a need for a shift in the delivery model and commits to collaborative working to increase the delivery of affordable housing, but it does not identify any specific delivery mechanisms. We continue to be concerned by this omission and believe it

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<sup>3</sup> <https://gov.wales/building-regulations-part-l-review-0>

should be addressed. If the Welsh Government believes it is not appropriate to address this issue in Future Wales, it should commit to taking this forward in another way.

The Welsh Government accepted in principle the Committee's previous conclusion that Future Wales should look at the housing sector as a whole and address the role of the private sector, including SME builders in housing delivery. We note that, although Future Wales retains a focus on the role of local authorities and registered social landlords in increasing the number of affordable homes, the text of Chapter 4 has been revised to recognise the important role of the market in meeting housing need.

We note the comments from some contributors that housebuilding should be left to SDPs and LDPs. Policy 19 of Future Wales states clearly that spatial strategy, settlement hierarchy and housing requirement and provision are matters for planning at the regional level. We are content that this is sufficient.

We are disappointed that amendments to Part L of building regulations will not be brought forward during this session of the Welsh Parliament. Amendments are necessary and continually delaying the inevitable changes is not acceptable.

## Recommendations

**Recommendation 18.** The Welsh Government should progress the development of an amended Part L of building regulations, so that the next Welsh Government is able to introduce subordinate legislation as soon as possible following the 2021 Senedd elections.

## 7. Connectivity

**77.** Policies 10 – 14 are focused on improving connectivity in Wales, ranging from international connectivity (Policy 10) through airports and ports; national and regional transport connectivity (Policies 11 and 12) and digital and mobile telecommunications coverage (Policies 13 and 14).

### Evidence

**78.** RTPI Cymru argued that north-south road links should be recognised on the map of Strategic Transport Corridors and Metro Developments on page 88 of Future Wales. Dr Roisin Willmott (RTPI Cymru) expanded on this in oral evidence, pointed out that in the absence of an effective rail network in mid Wales, north-south connectivity relies heavily on the road network. She felt that the importance of the A470 needed to be acknowledged. However, in his oral evidence, Dr Neil Harris (Cardiff University) suggested that other transport interventions in south-east Wales might be more sustainable.

### The Minister's view

**79.** In response to a question about whether Future Wales should do more to promote north-south connectivity, the Minister responded:

“One of the reasons that you want to put a strategic plan in place is that you want each of the strategic regions to think about the kinds of connectivity that we want. So, absolutely, because of where the population is in Wales, you get an east-west flow along the south and along the north. There isn't that much population in the middle, and so you don't have a good north-south connection for obvious reasons. But what you want to do is you want to be able to signal to those areas that, in planning for those kinds of connectivity, they should be planning for the infrastructure that allows that.”

**80.** The Minister said she believed that Future Wales should lead to improved interconnectivity. She said that the framework was flexible enough to respond to ambitious transport policies, such as reopening certain railway lines.

### Our view

In our report on the 2019 draft NDF, we concluded that the framework should address the poor connectivity between north and south Wales. This was



accepted by the Welsh Government, but it is not reflected adequately in Future Wales.

The Welsh Government's response stated that it aims to improve connectivity across Wales and between the regions by reducing the need to travel, particularly by private vehicles, and supporting a modal shift to walking, cycling and public transport. The Committee agrees that these are important ways of furthering the decarbonisation agenda, but they do not directly address the acknowledged deficiency in connectivity between north and south Wales. We believe that Future Wales could do more to improve connectivity between north, south and west Wales. These issues must be addressed.

We note that the policy statements in Chapter 5 of Future Wales commit the Welsh Government to work with local and regional authorities on transport investments to strengthen some cross-border transport connections. However, we believe that the policy places too much of the onus for promoting improved inter-regional linkages on the regions themselves. The Welsh Government should clarify how it sees its role in relation to inter-regional transport connectivity. We understand the Welsh Government will shortly consult on a Wales Transport Strategy. These matters should be considered as part of the development of that strategy.

## Recommendation

**Recommendation 19.** The Welsh Government should clarify its role in improving connectivity between north and south Wales and other inter-regional transport links of national importance. This should also address east west connectivity in both north and south Wales.

## 8. Biodiversity, green infrastructure, and the national forest

### Policy 9 - Resilient ecological networks and green infrastructure

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**81.** Future Wales says that the Welsh Government will work with key partners to identify areas which should be safeguarded and created as ecological networks. It will identify opportunities where existing and potential green infrastructure could be maximised. Planning authorities should include these areas and/or opportunities in their development plan strategies and policies.

**82.** Future Wales also states that any priority areas for action identified in Area Statements (prepared by Natural Resources Wales) are a material planning consideration and development plans should set out appropriate policies to safeguard and connect these areas. SDPs and LDPs must be informed by Green Infrastructure Assessments.

**83.** In its written evidence, RSPB Cymru called for a specific policy for the protection of Natura 2000 sites, SSSIs and Ramsar sites. Section 7 of the Environment (Wales) Act 2016 provides a focus on species and habitats of principal importance and should be a key driver of habitat restoration and creation. The Woodland Trust sought an explicit reference to the duty to maintain and enhance biodiversity in that Act.

**84.** The text on page 8 of Future Wales concludes that 'adverse effects on the integrity of Natura 2000 sites can be avoided as a result of implementing the policies within Future Wales'. The National Park Authorities argued that this misrepresents the findings of the Habitats Regulations Assessment (HRA). This, it argued, is because it does not contain detailed policy to secure the mitigations identified in Table 7 of the HRA but relies on this being provided at the strategic and local levels of development planning.

### Green Belts

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**85.** Savills, Barratt David Wilson Homes, Walters Land., Cancer Research UK and the RSPCA argued that the approach Future Wales takes to Green Belts removes scope for consideration of whether they are necessary, their extent and how they should operate. They considered that these should be matters for local authorities to assess in the preparation of the SDPs and LDPs.

**86.** Barratt David Wilson Homes argued that the areas identified for Green Belts should be removed from the regional strategic diagrams, or the policy should state that LDPs and development management decisions should take into account PPW until the need for Green Belts and their boundaries has been established by an SDP. The Home Builders Federation stressed the importance of not drawing Green Belts too closely around urban boundaries.

### Policy 15 – National forest

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**87.** This Policy says that the Welsh Government will identify sites and mechanisms to develop a national forest and will support action to safeguard proposed locations.

**88.** RWE Renewables pointed out that the National Forest is not addressed in sufficient detail to be clear about its potential implications for renewable energy developments. Dr Neil Harris accepted that the National Forest was still a work in progress but felt it was important that it be given spatial expression. The Woodland Trust considers that the National Forest could be better integrated into Policies 1 – 7 of Future Wales.

### National Parks and Designated Landscapes

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**89.** The Welsh National Park Authorities, the Snowdonia Society, Friends of Pembrokeshire National Park and the Alliance for Welsh Designated Landscapes pointed out that National Parks are assets of national importance, making up 20% of the land area of Wales and make an important contribution to wellbeing. They argued they are facing major challenges, including inappropriate development, visitor pressures, car-related pressures and housing issues which should be addressed by a specific policy in Future Wales.

**90.** The National Park Authorities argued that they can make valuable contributions to the preparation of SDPs but expressed concern about the resource implications, pointing out that Brecon Beacons National Park Authority may be obliged to participate in the preparation of three SDPs. They argued that National Park Authorities should be able to opt into SDP preparation.

**91.** The National Park Authorities also argued that the support in principle for a small reactor at Trawsfynydd and the Regional Growth Zone in the Brecon Beacons ignore the major development test in PPW. The Snowdonia Society made the same point concerning the proposed reactor at Trawsfynydd.

**92.** The John Muir Trust and the Cambrian Mountain Society argued that although they are not protected by a landscape designation, the Cambrian

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Mountains are a valued upland landscape and are identified as a hotspot for biodiversity and ecosystem services on the map of National Natural Resources on page 79 of Future Wales. The John Muir Trust noted that they appear to overlap with Pre-Assessed Areas (3 and 4) for wind and heat renewable energy development on page 94. Both organisations called for their landscape character to be afforded some protection.

## Our view

Our previous report on the 2019 draft NDF included numerous conclusions in relation to biodiversity, which were accepted by the Welsh Government. However, contributors raised several outstanding concerns related to Policy 9 of Future Wales. These are addressed in the recommendations that follow.

In response to the Committee's recommendations in its report on the 2019 draft NDF, the Welsh Government accepted that there was a need for greater clarity on the role of Green Belts in national and regional strategy. Contributors, however, continued to raise concerns that the approach in Future Wales limits local authority discretion in relation to determining the location and extent of Green Belts in their regions. We note these comments, but we cannot agree. We believe that Green Belts are an essential tool in constraining urban sprawl. Their function should be strengthened, and their benefits should be emphasised in Future Wales.

In relation to the National Forest policy, we agree with the suggestions from contributors that the National Forest should be given spatial expression and that it should be better integrated into Policies 1 – 7.

Contributors made several detailed points concerning national parks, which we have addressed in the recommendations that follow.

## Recommendations

**Recommendation 20.** The text supporting Policy 9 - Resilient Ecological Networks and Green Infrastructure should identify Section 7 species and habitats as potential drivers of habitat creation and restoration.

**Recommendation 21.** The text relating to the Habitats Regulations Assessment on page 8 of Future Wales should be amended to reflect more clearly that the absence of adverse effects on the features for which the Natura 2000 site has been designated will need to be demonstrated at the lower tier plan or project stage.

**Recommendation 22.** Green Belts are an essential tool in constraining urban sprawl and their function should be strengthened and their benefits emphasised in Future Wales.

**Recommendation 23.** The Welsh Government should give spatial expression to the National Forest and include suitable references to it in Policies 1 – 7 and supporting text.

**Recommendation 24.** Future Wales should include a statement on the role of National Park Authorities in Strategic Development Plan preparation and the Welsh Government should address the resource implications.

**Recommendation 25.** Future Wales should include a specific policy on National Parks and Areas of Outstanding Natural Beauty, referencing Valued and Resilient – The Welsh Government’s Priorities for Areas of Outstanding Natural Beauty and National Parks (2018).

**Recommendation 26.** Future Wales should reflect the need to apply the Major Development test to proposals for large developments in National Parks.

## Annex A: List of oral evidence sessions.

The following witnesses provided oral evidence to the committee on the dates noted below. Transcripts of all oral evidence sessions can be viewed on the Committee's website.

Date	Name and Organisation
<b>15 October 2020</b>	<p><b>Julie James MS, Minister for Housing and Local Government,</b> Welsh Government</p> <p><b>Jon Fudge,</b> Welsh Government</p> <p><b>Neil Hemington,</b> Welsh Government</p>
<b>05 November 2020</b>	<p><b>Dr Roisin Willmott OBE,</b> Royal Town Planning Institute (RTPI) Cymru Organisation</p> <p><b>Dr Neil Harris</b> School of Geography and Planning, Cardiff University</p> <p><b>Hêdd Roberts</b> National Grid</p> <p><b>Eleri Davies</b> RWE Renewables</p> <p><b>Rhys Wyn Jones</b> Renewable UK Cymru</p>

## Annex B: List of written evidence

The following people and organisations provided written evidence to the Committee. All Consultation responses and additional written information can be viewed on the Committee's website.

Reference	Organisation
<b>NDF v2 01</b>	Individual
<b>NDF v2 02</b>	Individual
<b>NDF v2 03</b>	Individual

<b>NDF v2 04</b>	Savills on behalf of Cancer Research UK and the RSPCA
<b>NDF v2 05</b>	Royal Town Planning Institute (RTPI) Cymru
<b>NDF v2 06</b>	The Woodland Trust
<b>NDF v2 07</b>	The Three National Park Authorities
<b>NDF v2 08</b>	Cambrian Mountain Society
<b>NDF v2 09</b>	Llanarth Estates
<b>NDF v2 10</b>	Savills on behalf of Walters Land Limited
<b>NDF v2 11</b>	Renewable UK Cymru (RUKC)
<b>NDF v2 12</b>	Chartered Institute of Housing
<b>NDF v2 13</b>	Ramblers Cymru
<b>NDF v2 14</b>	Savills
<b>NDF v2 15</b>	RPS Consulting Ltd on behalf of Barratt David Wilson Homes
<b>NDF v2 16</b>	Home Builders Federation
<b>NDF v2 17</b>	RWE Renewables UK Ltd
<b>NDF v2 18</b>	Carmarthenshire County Council
<b>NDF v2 19</b>	Campaign for the Protection of Rural Wales
<b>NDF v2 20</b>	RSPB Cymru
<b>NDF v2 21</b>	The John Muir Trust
<b>NDF v2 22</b>	Savills on behalf of St Modwen Developments Limited
<b>NDF v2 23</b>	Individual
<b>NDF v2 24</b>	Friends of Pembrokeshire Coast National Park
<b>NDF v2 25</b>	Snowdonia Society
<b>NDF v2 26</b>	National Grid
<b>NDF v2 27</b>	Individual
<b>NDF v2 28</b>	Crompton Land & Development Ltd