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Consultation – summary and assessment of responses

TAN 23: Economic Development

Date of issue: February 2014

Overview

This document summarises the responses to the consultation of the new TAN 23 Economic Development held 10th June 2013 – 5th September 2013.

This summary report is published in electronic form only. Electronic copies of all consultation responses to this consultation can be found on the Welsh Government website.

<http://wales.gov.uk/consultations/planning>

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**DRAFT TECHNICAL ADVICE NOTE 23 - ECONOMIC
DEVELOPMENT**

CONSULTATION RESPONSE REPORT

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Introduction

A consultation exercise for the draft TAN 23 - Economic Development was launched on 10th June 2013 and was open for responses for 3 months until 5th September 2013. A total of 10 questions were asked with the 10th made available for further comments should respondents wish to expand upon their previous answers.

This consultation summary report details the responses to the draft TAN consultation exercise, Welsh Government's response and the next steps.

The draft TAN 23 has been informed by the recommendations contained in the research report "Planning for Economic Development – Towards a new Technical Advice Note" produced by Peter Brett Associates LLP in association with Asbri Planning in May 2013.

A Practice Guide to provide further practical advice to assist Local Planning Authorities (LPAs) prepare Employment Land Reviews will be produced following the publication of TAN 23. The Guide will help develop a more consistent approach to Employment Land Review preparation. The Guide should be read in conjunction with TAN 23.

Policy Background

What was the consultation about?

The global economic recession has affected Wales along with the rest of the UK and is likely to do so for a number of years to come. Welsh Government has made it clear that it will do all it can to help address the causes and symptoms of the recession in Wales.

The planning system is devolved to Welsh Ministers, and it is essential that it is fit for purpose and supports our policies for economic renewal. As a consequence we are proposing a new Technical Advice Note for Economic Development which will be number 23.

In July 2010, Welsh Government published a strategy for economic recovery called Economic Renewal: a new direction. This strategy sought to implement a fresh approach to policy-making and delivery, seeking a new way to lead Wales out of recession informed by wide-ranging consultations and new evidence. As part of this new approach, Welsh Government identified that planning policy needed to be updated. In particular, the strategy states:

"To remain competitive, businesses in Wales must be able to invest in new development in an efficient and timely way. Government provides the framework for this new development, and needs to ensure that the planning system in Wales facilitates effective decisions and to impose costs only where these are justified by the benefits they bring to society as a whole."

In May 2012, Welsh Government commissioned research to identify and develop appropriate evidence and methodologies to aid the preparation of an Economic Development Technical Advice Note. The research was completed early in 2013.

Planning Policy Framework in Wales

Planning Policy Wales (PPW) sets out the land use planning policies of the Welsh Government and is supplemented by a series of Technical Advice Notes (TANs). PPW and TANs provide the framework for the preparation of Local Development Plans (LDPs) and the decision making responsibilities of Local Planning Authorities (LPAs).

Chapter 7 – Economic Development was updated in November 2012 following a consultation exercise as it was considered it needed to be reviewed and realigned in order to facilitate economic recovery in Wales. The proposed TAN provides further guidance on economic development to support Chapter 7 of PPW. The TAN will need to be considered by LPAs when they prepare their LDPs and make decisions on planning applications.

The guidance covers:

- Developing high level economic planning objectives
- Assessing the economic benefits of new development
- Economic development and the rural economy
- Preparing an evidence base for a Local Development Plan
- Creating an economic development vision for a Local Development Plan
- Determining employment land supply

What are the main changes being proposed?

The Planning for Sustainable Economic Renewal Report identified a need to update planning policy for economic development and that the policy should be set against Welsh Government's legal duty to promote sustainable development. Sustainable development is comprised of three components; social, economic and environmental development. The research highlighted a view that the economic component of sustainable development has been overlooked in the decision making process at the expense of economic and social progress in Wales.

The revised policy seeks to redress this perception by stressing the importance of economic development within the context of sustainable development.

Next Steps

This Consultation Summary Report is published alongside the new TAN 23 Economic Development. The Employment Land Review Practice Guide will be published in 2014.

Details of Responses

All responses have been considered fully in preparing TAN 23 - Economic Development. Below is a summary of responses, organised into themes.

Consultees were drawn from the core consultation list held by the Planning Division of Welsh Government. These stakeholders included all local planning authorities in Wales, together with relevant public bodies, businesses, special interest groups, professional bodies and other interest groups. The consultation document was also made available on the Welsh Government consultation website.

In total, 58 consultation responses were received. Of the 58 responses, 50 or 86% used the consultations proforma questions.

A summary of the questions can be seen below. An overview of all responses is available in Annex B.

Table 1: Consultation Questions	
Q1	Do you agree with the assessment of strategic economic development in section 1.14?
Q2	When considering a site allocation or planning application which may cause social or environmental harm do you agree with the three questions set out in the TAN that LPAs should consider when weighing their benefits?
Q3	Do you agree to the approach set out in relation to rural planning?
Q4	Whilst the TAN provides an illustrative list of key stakeholders who should be consulted when preparing a development plan, are there others not referred to that it is important to mention?
Q5	Do you agree with the approach described to collect data at a regional and local scale?
Q6	Do you agree with the explanation of what an economic vision should include?
Q7	Do you agree that strategies should include modelling of future economic scenarios based on an extrapolation of past trends and a stock take of current economic assets?
Q8	Do you agree that authorities should work together to steer development to the locations which have the most sustainable capacity, even if this is beyond their own boundaries?

Q9	Do you agree with the five criteria for allowing existing employment sites to be released for other uses?
Q10	We have asked a number of specific questions. If you have any related issues which we have not specifically addressed, please use this space to report them.

It is worth noting that not all respondents used the questionnaire and some chose not to answer all the questions in the questionnaire. As such, the tables very rarely add up to 58.

Appendix A includes a list of all respondents. Copies of the consultation responses are available on request.

Key Themes

Below is a list of key themes arising from the consultation responses:

- The main theme to arise from the consultation exercise related to question 7, and whether respondents agree that strategies should include modelling of future economic scenarios based on an extrapolation of past trends and a stock take of current economic assets. A number of respondents felt that extrapolation of past trends may not be reliable as the economy is changing all the time.
- Some respondents held the view that the economy's difficulties over recent years would mean that any extrapolation of trends would be affected by that poor performance. Although past trends can be subject to error, Welsh Government recognises that the extrapolating of past trends is the preferred method and where trends are based on past poor performance, local planning authorities should factor in other considerations to reflect their individual circumstances.
- There was general agreement throughout the consultation responses that TAN 23 provided a more positive approach to economic development. This was evidenced by the consultation questions receiving no less than 51% of agreement toward their content.
- Question 1 garnered the highest positive rating, with 84% of consultees responding that they agreed with the assessment of strategic economic development.
- Question 2 about weighing the benefits of economic development received a mixed response with 51% of respondents in agreement.
- Whilst there was general agreement to the principles set out in the TAN there were various amendments suggested by respondents to help clarify text to aid understanding and avoid any misinterpretation.
- Respondents often caveated their response with a need to apply a balanced approach to economic development alongside social and environmental considerations, and emphasising the importance of sustainability.

Statistical Breakdown and Overview of the Responses to Each Question

A summary of the key findings under each consultation question is set out below. This section provides a detailed summary and analysis of the key themes generated for each question followed by Welsh Government’s response.

Question 1

Do you agree with the assessment of strategic economic development in section 1.14?

Consultation question	Agree; Neither Agree nor Disagree; Disagree	Businesses	LPA	Govt Agency / other public body	Professional body	Voluntary	Other	Total	%
Do you agree with the assessment of strategic economic development in section 1.14?	A	8	15	2	8	1	3	37	84%
	NAD	2	2	0	1	0	0	5	11%
	D	0	1	0	0	1	0	2	5%

Statistical Review

Approximately 37 (84%) respondents agreed with the assessment of strategic economic development in section 1.14. The largest group responding positively to this question was local planning authorities (LPAs), followed by businesses and professional bodies. Two respondents disagreed with the assessment of strategic economic development in section 1.14; one voluntary group and 1 local planning authority.

Overview

1. The main issue arising from this question related to section 1.16 which states how “strategies should focus on identifying strategic sites of national and regional importance”. It was felt by respondents that limiting strategic plans, economic development in rural areas could be disadvantaged.
2. There was a call for clarity and consistency regarding the terms “steer development to the most efficient and sustainable locations” (paragraph 1.14) and “steer development to locations which have the most sustainable capacity” (paragraph 4.13).
3. It was suggested that it is worth considering the definition requiring development be steered to locations that maximise opportunity to deliver sustainable economic development to benefit the region”.

Welsh Government Response

1. Regional strategies will focus on strategic sites which are unlikely to be present in rural areas. As such, advice in TAN 23 and TAN 6 is considered to be sufficient to address economic matters in rural areas.
2. This point has been duly noted and the text in the TAN has been amended to a single term when referring to “steering development”.
3. Sustainable development is central to the planning system in Wales and is widely addressed in Planning Policy Wales, particularly Chapter 4. Even so, the final TAN will include reference to PPW where applicable.

Question 2

When considering a site allocation or planning application which may cause social or environmental harm do you agree with the three questions set out in the TAN that LPAs should consider when weighing their benefits?

Consultation question	Agree; Neither Agree nor Disagree; Disagree	Businesses	LPA	Govt Agency / other public body	Professional body	Voluntary	Other	Total	%
Do you agree with the assessment of strategic economic development in section 1.14?	A	4	9	1	6	1	2	23	51%
	NAD	5	5	1	2	0	0	13	29%
	D	1	5	0	1	1	1	9	20%

Statistical Review

Approximately 51% of respondents (the lowest positive response rate) agreed with the three questions set out in the TAN about weighing the economic benefits of development. Almost a third of respondents (29%) neither agreed nor disagreed with the question, whilst a fifth (20%) of respondents disagreed with the three questions set out in the TAN that LPAs should consider when weighing their benefits.

Overview

1. It was brought to Welsh Government's attention that there are apprehensions centred on why, if an application causes harm (possibly contradicting legislation), it can be of "overriding public interest." Similarly, a respondent considered that the draft TAN fails to recognise the requirements for a Sustainability Appraisal/Strategic Environmental Assessment and Habitat Regulation Assessment in supporting the plan-led approach of Local Development Plan preparation.
2. Concern was expressed over the fact that the tests potentially undermine the primacy of National Parks' purpose and duty.
3. It was suggested that the three questions are not exhaustive and the TAN should emphasise the need for good supporting evidence. Similarly, it was noted by a respondent that the TAN recognises at section 2.2, that 'there will of course be occasions when social and environmental considerations will outweigh economic benefit.' It is felt that such social and environmental considerations have themselves to be assessed and weighed and the three questions set out in the draft TAN cannot be viewed in isolation.
4. There was a query raised regarding paragraph 2.6 and that guidance on the relative weight to be given to different factors in the decision would be beneficial.

5. It was felt that most B use class applications do not occur where they are likely to have unacceptable impacts. The planning system already allows for sufficient information to be obtained through the application process for a balanced determination to be made, it was argued.
6. Finally, a point was raised regarding the 'Jobs Accommodated' question which it was felt requires only a very crude assessment of the number of direct jobs to be based at the site. This fails to capture a number of critical factors. It is recommended that the TAN encourages use of potential 'net additional job creation' and sets this in the context of local economic circumstances.

Welsh Government Response

1. Environmental protection is set out in legislation and these are legal requirements which are not overridden by planning policy or advice. Local planning authorities must consider all of the factors affecting a site allocation or planning application and make decisions accordingly. The purpose of the TAN is not to be read in isolation and nor does it override PPW.
2. The concerns are noted, however the TAN does not override the primacy of duty in National Parks. It would be for the National Park Authority to consider whether a site proposal or application impacted on this duty and make decisions accordingly.
3. We agree with this and will include text amendment emphasising importance of robust evidence to support decisions based on these questions. Also that there may be other relevant considerations which contribute to the weighing up of benefits.
4. Relative weight to be given to different factors in the decision is for local planning authorities to decide based on local circumstances.
5. With regards to the issue raised concerning B use class applications, the TAN indicates that in most circumstances developments normally considered unacceptable should be steered to more appropriate sites within or outside their area. Occasionally there may be proposals of such overriding importance that their potential benefits should be assessed in more detail.
6. Noted. Local authorities may wish to consider a more detailed assessment including both direct and indirect job creation.

Question 3

Do you agree to the approach set out in relation to rural planning?

Consultation question	Agree; Neither Agree nor Disagree; Disagree	Businesses	LPA	Govt Agency / other public body	Professional body	Voluntary	Other	Total	%
Do you agree with the assessment of strategic economic development in section 1.14?	A	3	17	1	5	0	3	29	63%
	NAD	6	1	1	4	0	0	12	26%
	D	1	2	0	0	2	0	5	11%

Statistical Review

A large percentage of respondents (63%) agree with the approach set out in the draft TAN in regards to rural planning. However, 26% of respondents neither agreed nor disagreed with the approach, whilst the consultation saw that just 11% of respondents disagreed with the approach set out in the TAN in relation to rural planning.

Overview

1. There was concern raised by one respondent regarding overlap with Chapter 3 of TAN 6. Both TANs were considered to cover economic development proposals on unallocated sites, and it was noted that the wording and messages in paragraphs 3.1.3 – 3.1.4 of TAN 6, and paragraphs 3.5 – 3.6, are similar.
2. One respondent commented that the TAN doesn't deal sufficiently with the re-use of existing rural buildings.
3. It was felt that section 3.2 suggests that less preferable locations may be appropriate where economic benefits outweigh adverse social/environmental impact. Further to this, the respondent felt that it undermines PPW and that new development, away from established settlements should be strictly controlled.
4. The value of protected landscapes must be made clear within the draft TAN, it was argued, in order to demonstrate to developers that sensitivity to the environment within a protected landscape must be paramount.
5. It was suggested that Paragraph 3.1 of the TAN should specifically state that it encourages inward investment into the rural economy.

6. Paragraph 3.3 was highlighted as it was felt that the sequential approach should not be applied to applications for small scale rural offices or other small scale rural development.
7. It was felt that there was a lack of reference to broadband and other communication infrastructure in the TAN.
8. Planning policy should allow open market housing in rural areas. This will help provide much needed homes for people in rural areas, help job growth and investment, and increase affordable housing, it was argued.

Welsh Government Response

1. With regard to perceived issues of overlapping between TAN 6 and TAN 23, it is felt that it is acceptable to refer to some of the same concepts in order to explain how these elements of the rural economy are to be addressed.
2. This point is noted and agreed. The detail on re-use of existing rural buildings had previously been removed from Chapter 7 of PPW in its most recent revision, but will now be reintroduced in the text of TAN 23.
3. The Welsh Government agrees that there may be instances in which less preferable locations might be considered but any decision would need to be fully justified. Criteria for developing in the open countryside are set out in PPW and TAN 6.
4. Sufficient guidance on protected landscapes is set out in PPW Chapter 5. The TAN does not seek to override protected landscapes and proposals for development must be carefully assessed for their effect on those natural heritage interests which the designation is intended to protect. Major developments in National Parks (NP) or Areas of Outstanding Natural Beauty (AONB) should only take place in exceptional circumstances where refusal would be severely detrimental to the local economy (PPW sec.5.5.6).
5. The issue about inward investment in the rural economy is considered to be covered by section 3.1 of TAN 6.
6. The sequential test promotes new sustainable development within or adjacent rural settlements. However, it is considered that sufficient guidance is provided elsewhere, such as TAN 6, to take account of development in the

countryside. For example, the diversification of farms and the expansion of existing businesses.

7. Although Broadband and other infrastructure development is dealt with under section 3.1.2 of TAN 6 and 7.3.1 of PPW there will be text added in reference to this in TAN 23.
8. Welsh Government does not agree that market housing should be allowed in the open countryside. PPW and TAN 6 provide current guidance on housing in rural areas. There are no plans to change the Welsh Government's position on this at the present time.

Question 4

Whilst the TAN provides an illustrative list of key stakeholders who should be consulted when preparing a development plan, are there others not referred to that it is important to mention?

Consultation question	Agree; Neither Agree nor Disagree; Disagree	Businesses	LPA	Govt Agency / other public body	Professional body	Voluntary	Other	Total	%
Do you agree with the assessment of strategic economic development in section 1.14?	A	6	13	2	5	1	1	28	65%
	NAD	4	3	0	4	0	2	13	30%
	D	0	2	0	0	0	0	2	5%

Statistical Review

The majority of respondents (65%) agree that the draft TAN provides an illustrative list of key stakeholders who should be consulted when preparing a draft plan. 30% of respondents neither agree or disagree with the list of key stakeholders whilst just 5% of respondents disagree.

Overview

Respondents also suggested the following stakeholders should be added to Welsh Government's consultee list for the preparation of a development plan:

- Local Health Boards
- Royal Institute of Chartered Surveyors
- Forestry Commission

Question 5

Do you agree with the approach described to collect data at a regional and local scale?

Consultation question	Agree; Neither Agree nor Disagree; Disagree	Businesses	LPA	Govt Agency / other public body	Professional body	Voluntary	Other	Total	%
Do you agree with the assessment of strategic economic development in section 1.14?	A	7	15	2	5	0	2	31	70%
	NAD	2	2	0	4	0	1	9	20%
	D	1	2	0	0	1	0	4	9%

Statistical Review

Approximately 70% of respondents agree with the approach in the draft TAN to collect data at a regional and local scale. 20% of respondents neither agreed nor disagreed with the collection of data, whilst less than 10% of respondents disagreed with the collection of data.

Overview

1. It was felt that there is a need to be clearer in the text of TAN 23 when the “economy” refers to B use classes and when it refers to the broader definition of the economy.
2. In a similar vein, a response intimated that Paragraph 4.3 makes reference to a ‘whole economy’ approach and despite this, the TAN focuses solely on B use classes with no mention of how local planning authorities should plan for other employment and wealth generating uses.
3. A comment also brought up the issue of what is meant by “regional scale” and how it will be determined and on what basis.
4. Lastly, concern was expressed regarding the resource implications where local planning authorities do not have specific economic development expertise in house.

Welsh Government Response

1. This issue is noted and a change of text in the TAN will reflect the need to be clearer.

2. Local planning authorities need to consider all economic uses when referring to the whole economy. Other uses such as 'retail' are covered by specific guidance in PPW and TANs.
3. Detailed guidance will be provided in the Practice Guide which will be published in the near future.
4. Local planning authorities should look, wherever possible, to pool resources and expertise to achieve greater economies of scale.

Question 6

Do you agree with the explanation of what an economic vision should include?

Consultation question	Agree; Neither Agree nor Disagree; Disagree	Businesses	LPA	Govt Agency / other public body	Professional body	Voluntary	Other	Total	%
Do you agree with the assessment of strategic economic development in section 1.14?	A	8	11	1	6	0	3	29	69%
	NAD	1	5	0	2	1	0	9	21%
	D	1	0	1	1	1	0	4	10%

Statistical Review

Approximately 69% of respondents agree with the draft TAN's explanation of what an economic vision should include. However, 21% of respondents neither agree nor disagree and 10% of respondents disagree.

Overview

1. There was call for greater clarity with regards to what is acceptable as a vision, and whether it was possible to use existing Economic Development Strategies.
2. A query was raised regarding paragraph 4.7 as it was felt that given the TAN proposes strategic partnership working within regions and it should be explicit that this refers to consultation with neighbours "across" regional divides.
3. Similarly, a query was raised surrounding paragraph 4.9 and a suggestion made that the paragraph simply advised on the need to integrate local authority "economic strategies", where prepared, with LDPs to ensure a consistent approach.
4. With regards to the economic vision, it was proposed to bring together studies and strategies on all sectors of the economy, including non-B Use Classes.
5. Confusion arose with regards to the Economic Vision described in the TAN and whether it was part of the overall LDP vision or a separate economic vision.

6. It was felt that with regards to the LDP Vision and LDP Economic Vision and any relationships with the regional economic vision and regional economic strategies, greater clarity was needed.
7. Concern was raised regarding the Single Integrated Plan not being referred to in the TAN.
8. Some confusion arose surrounding the Economic Vision and the evidence base and how disagreements between local planning authorities were to be resolved.
9. It was brought to light that there is no reference made to sustainability in paragraph 4.5.
10. It was questioned how the Economic Vision was to interface with on-going Welsh Government proposals such as the development of Enterprise Zones and the city region concept.
11. Finally, a respondent disputed paragraph 4.9 which states that the vision of a development plan could do much of the work that the Economic Development Strategy used. The respondent felt that there was more to Economic Development Strategies than is suggested in the TAN.

Welsh Government Response

1. The Economic Vision is a high level aspiration for economic development that needs to take in to account the authority's position in the regional group. They should be prepared by regional or sub-regional collaboration and with reference to evidence bases. Economic Visions make up part of the LDP Vision. Whilst not all local planning authorities have an Economic Development Strategy, where they do, they may wish to use relevant parts of it. Where there are two documents they should be mutually supportive.
2. The text will be clarified to amend this.
3. The text will be reviewed with an aim to simplification.
4. The text will be amended so that it explains that this refers to the whole economy and not just B Use Classes.

5. The economic vision described in the TAN should form part of the overall LDP vision which is not separate. The text will be amended to avoid further confusion.
6. Any inconsistencies in the text will be amended with a view to simplifying the document.
7. The final TAN will make reference to the Single Integrated Plan.
8. The evidence base can inform the Economic Vision; the Economic Vision is a high level strategy. It is for local planning authorities to resolve any differences between themselves.
9. Sustainable development is widely referred to throughout PPW, particularly Chapter 4, and applies to all forms of development. The last sentence of section 1.1 explains this. However, a reference will be included in TAN 23.
10. The role of Enterprise Zones and City Regions need to be taken in to account in the preparation of the evidence base and subsequent LDP development.
11. The Economic Vision is not necessarily a replacement for an Economic Development Strategy which may have a wide remit. However, it can provide a regional and sub-regional statement of intent about economic development from a planning perspective.

Question 7

Do you agree that strategies should include modelling of future economic scenarios based on an extrapolation of past trends and a stock take of current economic assets?

Consultation question	Agree; Neither Agree nor Disagree; Disagree	Businesses	LPA	Govt Agency / other public body	Professional body	Voluntary	Other	Total	%
Do you agree with the assessment of strategic economic development in section 1.14?	A	7	10	2	3	0	1	23	55%
	NAD	2	5	0	5	1	2	15	36%
	D	1	2	0	1	0	0	4	10%

Statistical Review

55% of respondents agree that strategies should include modelling of future economic scenarios based on the extrapolation of past trends and a stock take of current economic assets. However, 36% of respondents neither agree nor disagree with this approach and 10% disagree entirely with this approach.

Overview

- Several respondents commented on the fact that the extrapolation of past trends may not be reliable as the economy is changing all the time. Similarly respondents raised concern over using past trends based on the previous few years' poor performing economy. It was felt this would not allow flexibility for improvements to the economy in the future. Respondents also suggested foresighting work could take place to identify the impact on business and business needs of key trends such as climate change, food and water supply, energy and fuel trends and demographic changes.
- It was also recognised that local planning authorities may wish to promote development in positive, aspirational ways, particularly where there is a past history of economic, social and / or environmental decline.

Welsh Government Response

- It is recognised that past trends can be subject to error. However, of the techniques available, past trends is the preferred method. Local planning authorities should factor in other considerations during the process to reflect their circumstances.

2. This point is noted and accepted.

Question 8

Do you agree that authorities should work together to steer development to the locations which have the most sustainable capacity, even if this is beyond their own boundaries?

Consultation question	Agree; Neither Agree nor Disagree; Disagree	Businesses	LPA	Govt Agency / other public body	Professional body	Voluntary	Other	Total	%
Do you agree with the assessment of strategic economic development in section 1.14?	A	7	14	2	8	1	3	35	78%
	NAD	2	3	0	1	1	0	7	16%
	D	1	2	0	0	0	0	3	7%

Statistical Review

Approximately 78% of respondents agree that local planning authorities should work together to steer development to the locations which have the most sustainable capacity even if it is beyond their own boundary. 16% of respondents, however neither agree nor disagree and 7% of respondents disagree that local planning authorities should work together to steer development to the locations which have the most sustainable capacity even if it is beyond their own boundary.

Overview

1. A concern was raised regarding justifying an approach of steering development to locations which have the most sustainable capacity when the public have been consulted on a strategic framework for their area which may then have to be amended.
2. It was brought to light a potential issue surrounding travel to work areas (TTWA) where some are shared with English planning authorities and the difference in LDP and Local Development Framework (LDF) timeframes.
3. Conflict and competition for sites may require a statutory obligation to work collaboratively, was a concern for one respondent.
4. It was felt by one respondent that it is difficult to agree to steering development to locations which have the most sustainable capacity in the absence of a clear definition of sustainable capacity or sustainable economic development.

5. One respondent raised concerns regarding a perceived lack of clarity surrounding paragraphs 4.18 and 4.20. Their issue stems from the fact that whilst LPAs are advised to consider retaining historical allocations until or unless they are in demand for other uses, they are also advised to de-allocate sites that have no reasonable prospect of coming forward.
6. Specific concern was raised regarding the steering of development beyond local planning authority boundaries which may have implications for the political process and decision making. It is felt by the respondent that proposals for development bringing financial and job creation benefits are unlikely to be directed to a neighbouring local planning authority.
7. Lastly, a point was raised by one respondent about strong sustainability arguments for mixed use developments on rarely available land in rural areas.

Welsh Government Response

1. It is recognised that there may be timing issues between the various adopted Local Development Plans. Local Development Plans however can be updated through the lifetime of their plan period. Strategic frameworks should reflect where opportunities exist elsewhere.
2. The travel to work areas is an accepted issue. However, Welsh local planning authorities are encouraged to work with English local planning authorities whenever they can.
3. The point regarding a statutory obligation to work collaboratively is being considered as part of the development of the Planning Bill.
4. Sustainable capacity refers to sustainable development requirements set out in PPW Chapter 4 and in particular section 4.7.
5. This concern is noted and the text will be amended.
6. Collaboration work between local planning authorities needs to be realistic about opportunities elsewhere. It is not the intention of TAN 23 to deprive areas of economic opportunity.
7. Planning Policy Wales encourages mixed use development where appropriate. It is for the local planning authority to determine if there are such opportunities in rural areas.

Question 9

Do you agree with the five criteria for allowing existing employment sites to be released for other uses?

Consultation question	Agree; Neither Agree nor Disagree; Disagree	Businesses	LPA	Govt Agency / other public body	Professional body	Voluntary	Other	Total	%
Do you agree with the assessment of strategic economic development in section 1.14?	A	7	12	1	4	1	1	26	62%
	NAD	3	4	1	2	0	1	11	26%
	D	0	3	0	1	0	1	5	12%

Statistical Review

62% of respondents to the TAN 23 consultation exercise agreed with the five criteria for allowing existing employment sites to be released for other uses. 26% of respondents neither agree nor disagree with the question whilst just 12% of respondents disagree entirely with the five criteria for allowing existing employment sites to be released for other uses.

Overview

1. One respondent brought to light the fact that traditionally it is a requirement to show that a site has been marketed for a reasonable period of time as a way of showing it is no longer required. In this instance it should usually be for at least 6 months.
2. Suggestions were made regarding section 4.23 and how an Employment Land Review would support the approach advocated.
3. One respondent asked whether all of the criteria should be adhered to before an existing employment site is released for uses or just some of the criteria should be adhered to.
4. A query was raised regarding the safeguarding of sites as set out in PPW section 7.5.1 and how the principles of this section of the TAN rest with safeguarding principles.
5. A respondent queried how LPAs are to ascertain whether a market is over-supplied. It was felt that an “over-supply” can correct itself over time.

6. A respondent called for additional, more positive wording in paragraph 4.20 to be clear that sites should only be identified for development if these are deliverable and there is a reasonable prospect of their delivery within the Plan period. Similarly, a suggestion was made where it was felt greater clarity was needed to ensure that there is a clear understanding that paragraph 4.20 relates to sites identified for employment whereas 4.23 relates to existing employment sites.
7. It was felt by one respondent that this section of the TAN was not clear on whether it relates to planning applications or the assessment of sites in LDPs.
8. A point was raised regarding the assessment of employment sites which is felt should take place within the LDP process and not the development management process.
9. One respondent suggested that the TAN should not seek to exacerbate or promote “land banking”.
10. Finally, it was noted that the TAN is unlikely to cover every situation or circumstance, so it would be better to not include a definitive list but perhaps use examples instead.

Welsh Government Response

1. This is an accepted approach. The final text in the TAN will be amended to reflect this.
2. Whilst this is accepted, it is one of a number of sources of evidence to support this approach.
3. The text in section 4.23 of the final TAN will be amended to explain that “one or more of the following points applies”.
4. The five criteria set out in this section of the TAN compliment the reference to safeguarding policy set out in 7.5.1 of PPW. Nonetheless, a reference will be included in the final TAN to PPW.
5. The over-supply over a market can be ascertained through the evidence base. The local planning authority Economic Development Officer may have knowledge in this respect.

6. This point is agreed with and section 4.20 has been amended to read “For a site to be reallocated there should be every prospect that the proposed development or use is deliverable within the Plan period.” Text will be clarified to make it clear what each section is referring to.
7. This section of the TAN relates to assessment of existing B1 and B2 estates and applications there on (but would also apply to applications for change of use of large individual businesses?)
8. The four criteria can be applied to site assessments during the preparation of the evidence base to inform the LDP. However they may also be considerations in the determination of applications where there is a proposed change of use from B-use class to an alternative use class.
9. The land banking issue is noted. Where a change of use is accepted, evidence should be provided that the alternative use is viable and will come forward within the plan period.
10. Whilst it is agreed the list may not be definitive it nevertheless provides some of the main points to consider in these circumstances.

Question 10

We have asked a number of specific questions. If you have any related issues which we have not specifically addressed, please use this space to report them.

Overview

1. It has been suggested that substantially more detail on the proposals for regional working and site assessment work is needed in order for a more considered view of the proposals to be given.
2. One respondent was disappointed by the limited scope of the TAN suggesting that it should include retail, energy and residential development and the focus on B use class is limiting.
3. An issue was raised regarding Community Infrastructure Levy (CIL) and its role in supporting economic development projects.
4. No reference to Single Integrated Plans (SIPs) and their importance in setting the priorities of local planning authorities.
5. One response intimated that not all LPAs will be able to overcome local political pressures to enable them to incorporate, in their development plans, measures to benefit other LPA areas.
6. It was suggested that the TAN should include guidance on live-work units.
7. It was felt that the final version of the TAN should make reference to benefits from economic development proposals gained through planning obligations including CIL.
8. It was suggested that the second sentence, paragraph 1.12, of the draft TAN causes confusion between the LDP process and the development management process; it was suggested that site allocations are not resisted by local planning authorities.
9. It was brought to Welsh Government's attention that there is no reference to the proposals to develop a Natural Resources Plan. It was argued by the respondent that this plan will have a substantial bearing in future on where development is and is not possible.

Welsh Government Response

1. The TAN sets out the principle of collaborative work at a regional level. The detail of how this is agreed is for the local planning authorities to decide whilst taking in to account developments in the Planning Reform Bill. Site assessment work will be included in the Practice Guide.
2. Accepted but guidance on non-B use classes is provided in PPW and TANs.
3. Community Infrastructure Levy is covered in PPW and is thus not required in this TAN.
4. The Single Integrated Plan will be referred to in the final TAN.
5. With regards to LPAs overcoming local political pressures to incorporate measures to benefit other LPA areas, it is important to note that the TAN encourages collaborative working. A statutory underpinning to collaborative working is being considered as part of the development of the Planning Bill.
6. Local planning authorities may wish to include policy on live-work units in their Local Development Plan.
7. Although Planning Obligations and Community Infrastructure Levy are mentioned in PPW, the final text will include a reference to PPW.
8. The text (second sentence of paragraph 2) in the TAN causing confusion between the LDP process and the development management process will be amended to give greater clarity.
9. Synergy between the Natural Resources Plan and Planning will become more prevalent as the Environment Bill and its provisions progress.

Annex A - Full List of Respondents by Category

Businesses

Federation of Master Builders

Gwynfor Pierce Jones

Hardisty Jones Associates

Home Builders Federation

How Planning LLP

Huw Evans Planning

Network Rail

Pembrokeshire Business Panel

PerConsulting

RWE npower renewables Ltd

Valero

Business responses: 11

Community Councils

Abergavenny Town Council

Llandough Community Council

Llandysilio Community Council

Llanelli Town Council

Llantilio Pertholey Community Council

Community Council responses: 5

Government Agency

Natural Resources Wales

One Voice Wales

Welsh Local Government Agency

Government Agency responses: 3

Local Planning Authorities

Brecon Beacons National Park Authority

Bridgend County Council

Caerphilly Borough County Council

Cardiff County Council

Carmarthenshire County Council

Ceredigion County Council

Conwy Borough County Council

Denbighshire County Council

Flintshire County Council

Gwyneth County Council

Isle of Anglesey County Council

Monmouthshire County Council

Neath Port Talbot County Borough Council

Newport County Council

Pembrokeshire County Council

Pembrokeshire Coast National Park Authority

Powys County Council

Rhondda Cynon Taff

Snowdonia National Park Authority

Swansea County Council

Vale of Glamorgan Council

Wrexham Borough County Council

Local Planning Authority responses: 22

Other Groups

British Holiday Homes and Park's Association

Confederation of UK Coal Producers

Welsh Language Commissioner

Welsh Water

Other Group responses: 4

Professional Bodies / Interest Groups

Country Land and Business Association

Farmer's Union of Wales

Federation of Small Businesses (FSB) Wales

Institute of Architects

Landscape Institute Wales

Law Society of England and Wales

Michael Bird, FRICS

Planning Officer's Society for Wales

Royal Institute of Chartered Surveyors (RICS)

Royal Town Planning Institute (RTPI) Cymru

Wales Tourism Alliance

Professional Body / Interest group responses: 11

Voluntary Sector

Campaign for the Protection of Rural Wales

Cynnal Cymru

Voluntary Sector responses: 2

Total responses: 58

Annex B – Statistical Overview of all Responses

The table below provides an overview of all responses to the questionnaire. It is based on the tables in the section on Statistical Breakdown and Overview of the Responses to Each Question and gives a strategic outline at the overall responses to the consultation of TAN 23 and their relative support to the questions posed. As is evident from the table, the most level of support came from question 1 with 86% of respondents in agreement with the assessment of strategic economic development.

Consultation question	Agree; Neither Agree nor Disagree; Disagree	Business	Local Planning Authority	Government Agency / other public body	Professional body	Voluntary	Other	Total	%
Do you agree with the assessment of strategic economic development in section 1.14?	A	8	15	2	9	1	3	38	86%
	NAD	2	2	0	1	0	0	5	11%
	D	0	1	0	0	1	0	2	5%
When considering a site allocation or planning application which may cause social or environmental harm do you agree with the three questions set out in the TAN that lpas should consider when weighing their benefits?	A	4	9	1	7	1	2	24	53%
	NAD	5	5	1	2	0	0	13	29%
	D	1	5	0	1	1	1	9	20%
Do you agree to the approach set out in relation to rural planning?	A	3	17	1	6	0	3	30	65%
	NAD	6	1	1	4	0	0	12	26%
	D	1	2	0	0	2	0	5	11%
Whilst the TAN provides an illustrative list of key stakeholders who should be consulted when preparing a development plan, are there others not referred to that it is important to mention?	A	6	13	2	6	1	1	29	67%
	NAD	4	3	0	4	0	2	13	30%
	D	0	2	0	0	0	0	2	5%
Do you agree with the approach	A	7	15	2	6	0	2	32	73%

described to collect data at a regional and local scale?	NAD	2	2	0	4	0	1	9	20%
	D	1	2	0	0	1	0	4	9%
Do you agree with the explanation of what an economic vision should include?	A	8	11	1	7	0	3	30	71%
	NAD	1	5	0	2	1	0	9	21%
	D	1	0	1	1	1	0	4	10%
Do you agree that strategies should include modelling of future economic scenarios based on an extrapolation of past trends and a stock take of current economic assets?	A	7	10	2	4	0	1	24	57%
	NAD	2	5	0	5	1	2	15	36%
	D	1	2	0	1	0	0	4	10%
Do you agree that authorities should work together to steer development to the locations which have the most sustainable capacity, even if this is beyond their own boundaries?	A	7	14	2	9	1	3	36	80%
	NAD	2	3	0	1	1	0	7	16%
	D	1	2	0	0	0	0	3	7%
Do you agree with the five criteria for allowing existing employment sites to be released for other uses?	A	7	12	1	5	1	1	27	64%
	NAD	3	4	1	2	0	1	11	26%
	D	0	3	0	1	0	1	5	12%