Cyngor Castell-nedd Port Talbot
Neath Port Talbot Council

Replacement Local Development Plan

2023-2038

Growth and Spatial Options **Background Paper**

December 2024

Cynllun Datblygu Lleol

Local Development Plan

Contents

1. Introduction

1.0.1 This background paper on the Growth and Spatial Options is one of a number of background documents prepared as part of the evidence base to support Neath Port Talbot Council's (NPTC) Replacement Local Development Plan (RLDP).

1.0.2 The consideration of realistic growth and spatial options is an important part in the preparation of the RLDP. Each growth and spatial option will need to have regard to legislation, national planning policy, local and regional strategies. Furthermore, the Plan must take account of the specific characteristics, assets and issues within Neath Port Talbot and seek to guide development in the way that responds to this. This paper provides background information on the strategy options that have been considered.

1.0.3 Section 2 of this paper sets out the policy context when determining spatial options for the RLDP

1.0.4 Section 3 summarises the evidence that exists that has helped to inform the Growth and Spatial Options. Within here, key supply and demand considerations as well as contextual evidence is outlined. It is important that these aspects inform any growth or spatial strategy.

1.0.5 Section 4 outlines the seven growth options that have been considered, and the reasoning behind them. The seven growth options are:

- Option 1 - Adjusted Core Scenario;
- Option 2 - Baseline Employment Scenario;
- Option 3 - Adjusted Supplementary Scenario;
- Option 4 - Average 15 year Past Delivery Rate Scenario;
- Option 5 - Population Growth Long-term Scenario;
- Option 6 - Welsh Government 2018 Principal Projection Scenario; and
- Option 7 - Housing Need (Local Housing Market Assessment (LHMA)) Scenario.

1.0.6 Section 5 explains six spatial strategy options that have been considered, identifying the advantages and disadvantages of each option, including how well each strategic option would accord with Future Wales. The six spatial strategy options are:

- Option A – Continue with the existing Adopted LDP Strategy;
- Option B – Dispersed growth across the authority;
- Option C - National Growth Area and Sustainable Transport Infrastructure;
- Option D – Building on key opportunities in the Valleys;
- Option E - Town Centre First approach; and
- Option F – Hybrid option of Option C and Option D.

1.0.7 Section 6 outlines the findings of the informal consultation with key stakeholders and interested parties into the various growth and spatial options.

1.0.8 Section 7 refers to the Integrated Sustainability Appraisal (ISA) of the growth and spatial options.

1.0.9 Section 8 of this paper concludes by identifying the preferred growth and spatial options to be taken forward in the Preferred Strategy.

2. Policy Context

2.0.1 This chapter outlines the key national, regional and local policy context for developing the growth and spatial strategies.

2.1 Future Wales: The National Plan 2040

2.1.1 Future Wales (FW) sets out the 20-year spatial framework for land use in Wales, providing a context for the provision of new infrastructure and growth and forms part of the statutory development plan for the authority. FW is the highest tier of development plan in Wales and is focused on solutions to issues and challenges at a national scale. FW sets out where nationally important growth and infrastructure is needed and how the planning system at a national, regional, and local level can deliver it. It provides direction for Strategic Development Plans (SDPs) and Local Development Plans (LDPs) and supports the determination of Developments of National Significance (DNS). In addition to this, FW also sets a range of estimates of additional housing need over the 20-year period up to 2038/39 at a national and regional level.

2.1.2 As part of this spatial strategy, through Policy 1 'Where Wales will grow' NPT is identified as forming part of the South West Wales planning region and parts of the County are identified as forming part of the Swansea Bay and Llanelli National Growth Area (NGA) as shown in figure 2.1.

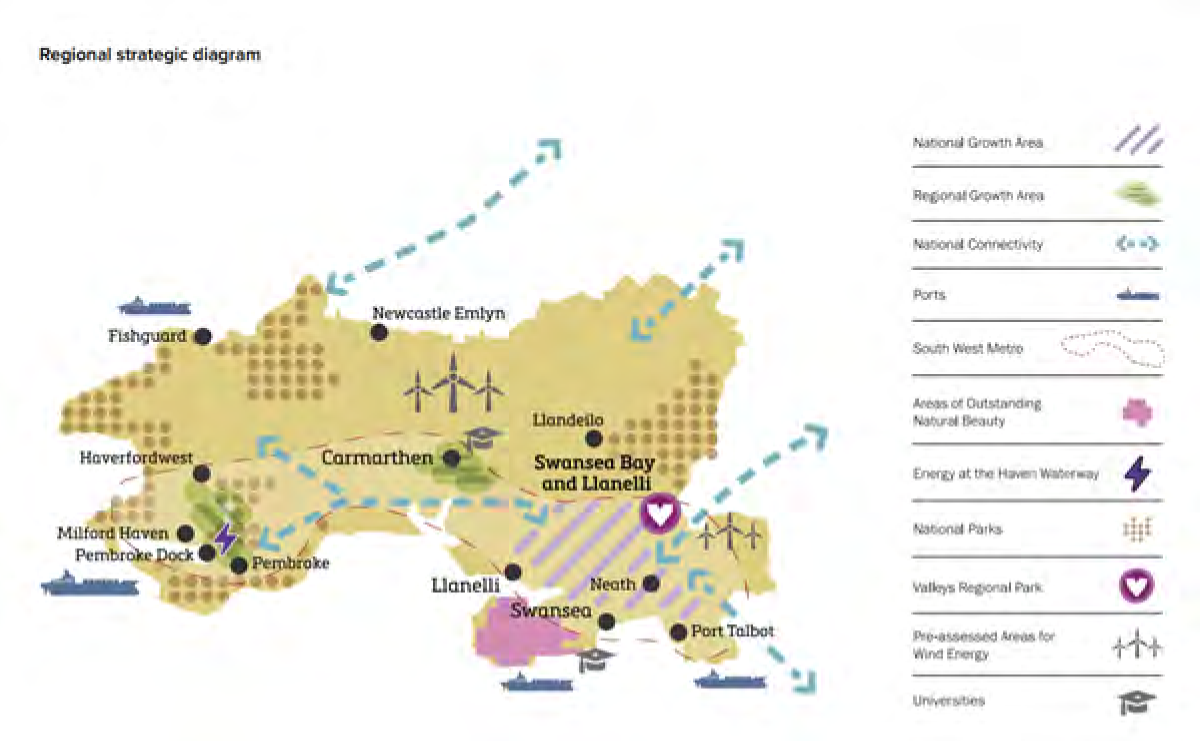
2.1.3 FW contains a number of policies which are relevant considerations for growth and spatial options including:

- Policy 4 - Supporting Rural Communities - which requires LDPs to identify rural communities, assess their needs and set out policies to support them.
- Policy 5 - Supporting the Rural Economy - which requires LDPs to plan positively to meet employment needs.
- Policy 6 - Town Centre First - which directs new commercial, retail, education, health, leisure and public service facilities to town centres and where there is good access to public transport provision.
- Policy 8 - Flooding - which promotes flood risk management and associated infrastructure.
- Policy 9 - Resilient Ecological Networks and Green Infrastructure - which encourages the safeguarding and enhancement of biodiversity, resilience of ecosystems and green infrastructure provision.
- Policy 11 - National Connectivity - which supports improvements of the Rail, bus, Strategic Road and National Cycle Networks.
- Policy 12 - Regional Connectivity - which supports improvements in Active Travel, Bus Services, the South West Metro and Ultra Low Emissions Vehicles and their associated fuelling infrastructure.

2.1.4 Policy 7 of FW states that "the national and regional estimates of need do not reflect future policies or events and are not a housing requirement for Wales or the regions. However, the estimates do provide part of the evidence and context on which housing policy and requirements can be based. The estimates of market and affordable housing need should inform the housing requirements set out in SDPs and LDPs and it is expected the housing requirements will differ from the estimates of housing need."

2.1.5 Policy 28 'National Growth Area – Swansea Bay and Llanelli' states that Swansea Bay and Llanelli will be the main focus for growth and investment in the South West region. LDPs should recognise this area as the focus for strategic economic and housing growth; essential services and facilities; advanced manufacturing; transport and digital infrastructure.

Figure 2.1 FW - South West Wales Regional Strategic Diagram



Source: Future Wales - Regional Strategic Diagram

2.2 Planning Policy Wales (Edition 12)

2.2.1 Planning Policy Wales (PPW) (Edition 12) (2024), emphasises the importance of placemaking as part of strategic growth and spatial choices, combined with the need to consider Good Design, Promoting Healthier Places, the Welsh Language, Sustainable Management of Natural Resources, Strategic Planning, Placemaking in Rural Areas and Managing Settlement Form.

2.2.2 PPW states in Paragraph 3.42 that; 'Development plans must include a spatial strategy covering the lifetime of the plan which establishes a pattern of development for improving social, economic, environmental and cultural well-being. A balance should be achieved between the number of homes provided and expected job opportunities. As well as ensuring all services needed for the expectant levels of growth are provided, an important consideration will be minimising the need to travel, reducing reliance on the private car and increasing walking, cycling and use of public transport. The spatial strategy should be informed by a sustainability appraisal and must form an integral part of an over-arching strategy in the development plan. Planning authorities and developers are encouraged to work together collectively to identify land in the most appropriate locations for development, which takes into account all relevant policies and is deliverable within the plan period'.

2.2.3 PPW further states in Paragraph 3.43 that; 'in developing spatial strategies, planning authorities must prioritise the use of suitable and sustainable previously developed land and/or underutilised sites for all types of development. When identifying sites in their development plans planning authorities should consider previously developed land and/or underutilised sites located within existing settlements in the first instance with sites on the edge of settlements considered at the next stage. It is recognised, however, that not all sites of this nature are suitable for all types of development'.

2.2.4 PPW states in Paragraph 3.45 that; 'the evidence to identify suitable areas and sites for development should not be confined by local authority boundaries. It should reflect realities like housing markets, travel to work areas, retail catchments and the nature of activity or development itself. This will ensure that the best use is made of previously developed land and the loss of greenfield sites is minimised'.

2.2.5 Furthermore, spatial strategies should be consistent with the key planning principles and contribute towards the National Sustainable Placemaking Outcomes. These are:

- Growing our economy in a sustainable manner;
- Making the best use of resources;
- Facilitating accessible and healthy environments;
- Creating and sustaining communities; and
- Maximising environmental protection and limiting environmental impact.

2.2.6 In relation to identifying the level of growth to plan for, PPW states in Para 4.2.6; 'The latest WG local authority level Household Projections for Wales, alongside the latest Local Housing Market Assessment (LHMA) and the Well-being plan for a plan area, will form a fundamental part of the evidence base for development plans. These should be considered together with other key evidence in relation to issues such as what the plan is seeking to achieve, links between homes and jobs, the need for affordable housing, Welsh language considerations and the deliverability of the plan, in order to identify an appropriate strategy for the delivery of housing in the plan area'. PPW also states in para 4.2.4 that; 'The housing requirement that has been identified by the planning authority must be realistic and deliverable', and para 5.4.1 highlights that; 'The planning system should ensure that the growth of output and employment in Wales as a whole is not constrained by a shortage of land for economic uses.'

2.3 Development Plans Manual (Edition 3)

2.3.1 The WG's Development Plans Manual (DPM) Edition 3 (2020) provides detailed guidance on how to develop an evidence base to justify the level and distribution of economic growth and housing. The DPM recognises that there is not always a direct correlation between jobs and homes, but it is something that needs to be "considered collectively when assessing growth levels and developing a sustainable strategy; the aim being to achieve a balance between homes and jobs thereby reducing the need for commuting" (Para 5.25). Links to the regional and sub-regional context should also be considered, taking account of functional linkages and geographical synergies between places to achieve better planning outcomes.

2.3.2 The DPM states that evidence will be required to demonstrate the current/baseline position of the plan and that “trend-based forecasts quantify a variety of outcomes, based on a series of assumptions, extrapolating the level of need forward to cover the whole plan period. The forecasts used should relate directly to the range of issues and land uses the plan is seeking to address, for example changes in population and the need for additional homes to accommodate this change. All sources of evidence, including the latest Welsh Government Household Projections, should be used when preparing a plan" (Para 5.28).

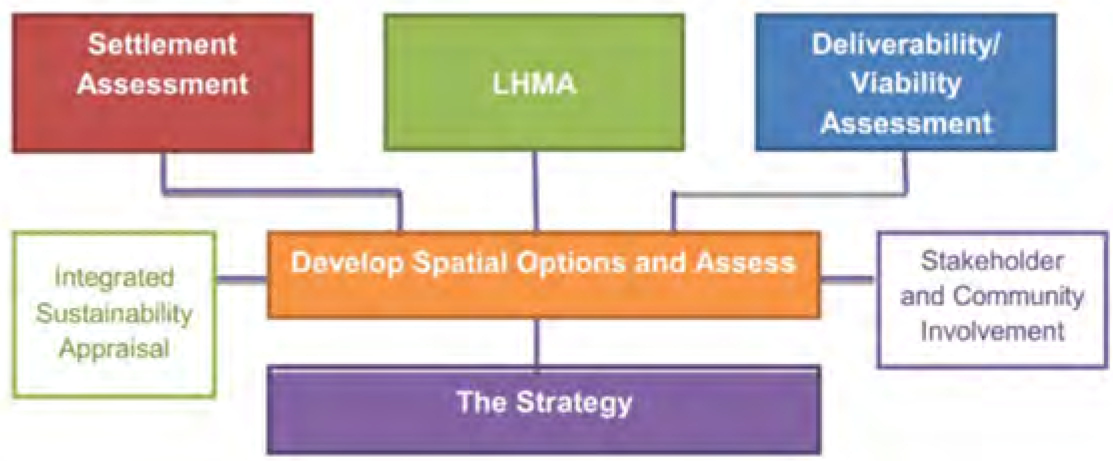
2.3.3 Once the total need has been determined, consideration should then be given to supply factors which could include the ability to deliver the level of growth within the timeframe of the LDP. The housing requirement is a policy decision which should balance need and supply factors, as well as clearly link to the vision and key objectives of the RLDP and ensure an appropriate balance between housing and jobs.

2.3.4 The DPM provides guidance on the demographic scenarios that should be considered when determining growth options. It is recognised in Para 5.33 that "trend-based projections inform plan preparation by extrapolating existing trends over the plan period, based on a series of assumptions. They provide a context within which a plan can be prepared. They are not a definitive statement about what will precisely happen, but illustrate what may happen, dependent on the assumptions used. Key to any projections will be the assumptions themselves."

2.3.5 The latest WG Population and Household Projections are identified as a fundamental part of the LDP evidence base, and the DPM states that these projections, and the resultant housing numbers, should be considered as part of the evidence which should include a summary analysis of each variant projection, and the implications this has for population, households, and jobs growth in an area.

2.3.6 With regards to the spatial strategy, the DPM states that LDPs "must clearly communicate where future development will be located, why and how it will deliver the vision, key issues and objectives" (page 95). This will need to be informed by a robust understanding of the area and the role and function of places as well as an understanding of supply and demand factors within and beyond the local authority boundary. Figure 2.2 summarises the key elements that inform the spatial options.

Figure 2.2 Developing and Assessing Spatial Options for Growth



Source: Development Plans Manual (Edition 3)

2.3.7 The DPM advises that when considering spatial options local planning authorities must consider and assess a number of realistic options for the spatial distribution of development across their area and take account of a number of factors when assessing spatial strategic options, include the following:

- Aspirations of the plan (areas for regeneration, wider regional context etc);
- Availability and suitability of brownfield land in preference to greenfield land and land of high agricultural, ecological or landscape value;
- Minimise the need to travel, especially by private vehicles, through the Sustainable Transport Hierarchy and Active Travel Plans;
- Capacity of existing and potential infrastructure;
- Scale and location of market and affordable housing required;
- Scale and location of employment opportunities;
- Environmental implications, e.g., energy consumption, greenhouse gas emissions, flood risk, biodiversity, green infrastructure, mineral resources, and ground conditions, including mine gas;
- Social and cultural factors, including consideration of the Welsh language;
- Accessibility to jobs, shops, and services;
- Understand how different market areas can affect the viability of delivering private and affordable housing as well as associated infrastructure to support the level of development proposed;
- Deliverability of key sites and overall strategy; and
- National strategies and priorities, such as decarbonisation and health.

2.3.8 As explained above, the DPM highlights that the spatial strategy should be informed by a range of supply and demand factors. The DPM states that “the spatial strategy will draw upon a number of key pieces of evidence, such as a settlement assessment, LHMA and viability assessment, to make informed policy decisions on where to locate development" (Para 5.14). These factors have been taken into account when evaluating each spatial option and proved critical in determining which is the most suitable to formulate a spatial strategy that will underpin the RLDP. A summary of the key supply and demand issues are included in Chapter 3.

2.4 Technical Advice Note 20: Planning and the Welsh Language

2.4.1 Technical Advice Note (TAN) 20: Planning and the Welsh Language requires LDPs to consider the Welsh language in the preparation of the LDPs. An Integrated Sustainability Appraisal (ISA) must be prepared, which assesses the impact of the strategic options, strategy, policies and site allocations on the use of the Welsh language.

2.4.2 At strategic options and Preferred Strategy stage, consideration should be given to strategic approaches which may support the Welsh language. This may include:

- positive promotion of local culture and heritage;
- planning the amount and the spatial distribution of new development and infrastructure, particularly where this would help to support community sustainability;
- phasing of strategic housing and employment developments;
- identifying areas of linguistic sensitivity or significance;
- directing strategic sites to communities where the evidence suggests the likely impact on the use of the Welsh language is positive; and

- developing mitigation measures if evidence suggests the likely impact on the Welsh language to be negative.

2.5 Other Technical Advice Notes (TANs)

2.5.1 A range of other Technical Advice Notes (TANs) have been taken into consideration including, but not limited to:

- Technical advice note (TAN) 2: planning and affordable housing, June 2006;
- Technical advice note (TAN) 4: retail and commercial development, November 2016;
- Technical advice note (TAN) 5: nature conservation and planning, September 2009;
- Technical advice note (TAN) 6: planning for sustainable rural communities, July 2010;
- Technical advice note (TAN) 13: tourism, October 1997;
- Technical advice note (TAN) 14: coastal planning, November 2021;
- Technical advice note (TAN) 15: development and flood risk (2004), November 2021;
- Technical advice note (TAN) 16: sport, recreation and open space, January 2009;
- Technical advice note (TAN) 18: transport, March 2007;
- Technical advice note (TAN) 21: waste, February 2017;
- Technical advice note (TAN) 23: economic development, February 2014;
- Technical advice note (TAN) 24: the historic environment, May 2017.

2.6 Llwybr Newydd: The Welsh Transport Strategy 2021

2.6.1 The Welsh Government's Transport Strategy sets out three priorities for the next 5 years. These are:

- Bring services to people in order to reduce the need to travelling by private car;
- Allow people and goods to move easily from door to door by accessible, sustainable, and efficient transport services and infrastructure; and
- Encourage people to make the change to more sustainable transport.

2.6.2 The Strategy sets out a sustainable transport hierarchy to inform decisions about new infrastructure. This hierarchy places walking and cycling at the forefront of all developments, then public transport and ultra-low emission vehicles, followed lastly by all other vehicles.

2.7 Placemaking Charter

2.7.1 As noted above, PPW emphasises the importance of the Placemaking Principles. Placemaking is defined on page 14 of PPW as "a holistic approach to the planning and design of development and spaces, focused on positive outcomes. It draws upon an area's potential to create high quality development and public spaces that promote people's prosperity, health, happiness, and wellbeing in the widest sense. Placemaking considers the context, function and relationships between a development site and its wider surroundings. This will be true for major developments creating new places as well as small developments created within a wider place. Placemaking should not add additional cost to a development, but will require smart, multi-dimensional and innovative thinking to implement and should be considered at the earliest possible stage. Placemaking adds social, economic, environmental and cultural value to development proposals resulting in benefits which go beyond a physical development boundary and embed wider resilience into planning decisions".

2.7.2 NPTC became a signatory to the Placemaking Charter in October 2021. The Charter incorporates the following six placemaking principles that those who sign-up agree to promote as part of their support for placemaking:

- **People and the Community:** The local community are involved in the development of proposals. The needs, aspirations, health and well-being of all people are considered at the outset. Proposals are shaped to help to meet these needs as well as create, integrate, protect and/or enhance a sense of community and promote equality.
- **Location:** Places grow and develop in a way that uses land efficiently, supports and enhances existing places and is well connected. The location of housing, employment and leisure and other facilities are planned to help reduce the need to travel.
- **Movement:** Walking, cycling and public transport are prioritised to provide a choice of transport modes and avoid dependence on private vehicles. Well designed and safe active travel routes connect to the wider active travel and public transport network and public transport stations and stops are positively integrated.
- **Mix of Uses:** Places have a range of purposes which provide opportunities for community development, local business growth and access jobs, services and facilities via walking, cycling or public transport. Development density and a mix of uses and tenures helps to support a diverse community and vibrant public realm.
- **Public Realm:** Streets and public spaces are well defined, welcoming, safe and inclusive with a distinct identity. They are designed to be robust and adaptable with landscape, green infrastructure and sustainable drainage well integrated. They are well connected to existing places and promote opportunities for social interaction and a range of activities for all people.
- **Identity:** The positive, distinctive qualities of existing places are valued and respected. The unique features and opportunities of a location including heritage, culture, language, built and natural physical attributes are identified and responded to.

2.8 Recover, Reset, Renew: The Neath Port Talbot Corporate Plan 2022-2027

2.8.1 The Neath Port Talbot Corporate Plan sets out the Council's priorities for the next five years, including recovery from the Covid-19 pandemic and how the authority will reset and renew to face future challenges. It sets out key issues and trends to be addressed and includes a vision which comprises four key objectives:

- All children get the best start in life;
- All communities are thriving and sustainable;
- Our local environment, heritage and culture can be enjoyed by future generations;
- Local people are skilled and can access high quality, green jobs.

2.9 NPT Well-being Plan 2023-2028

2.9.1 The updated plan brings together four well-being objectives that assist in the prioritisation of work for the next five years. These objectives are:

- To ensure all children get the best start in life;
- To ensure all our communities are thriving and sustainable;

- To ensure our local environment, culture and heritage can be enjoyed by future generations; and
- To ensure there are more secure, green and well paid jobs and that skills across the area are improved.

2.10 Neath Port Talbot Local Development Plan 2011-2026

2.10.1 The current LDP was adopted in January 2016 and identifies 18 key issues for the plan to seek to address. It's strategy includes a vision, 25 objectives and aims to: '*Facilitate growth within Neath Port Talbot, with a focus on the coastal corridor whilst reinvigorating the valley communities*.' The Plan contains overarching strategic policies relating to climate change, health and sustainable communities across a six-tier settlement hierarchy. It seeks to facilitate growth by making provision for 8,760 additional dwellings between 2011-2026 by including a 12.31% flexibility allowance to meet a housing need of 7,800 dwellings and make provision for 32ha of allocated employment land to meet needs of 3,850 jobs whilst also protecting existing employment areas.

2.11 NPT LDP Review Report and Annual Monitoring Reports

2.11.1 Since adoption of the LDP 2011-2026, Annual Monitoring Reports (AMRs) have been published annually. During this time, a number of monitoring indicators have been triggered and the Review Report was published in July 2020.

2.11.2 The Review report outlines the issues to be considered and addressed in preparing the RLDP. At the time of it's preparation it highlighted the uncertainty around the future of TATA steel and the wider economic implications of Brexit. It also identified the following national policy and their consideration required:

- the emerging National Development Framework (NDF), formally known as FW and it's policies including the identification of the Swansea Bay and Llanelli National Growth Area;
- the revised PPW and need to embed placemaking

2.11.3 The 2023 AMR identifies 4 indicators that suggest that strategic policy in the plan is not being implemented as intended, two of which relate to housing delivery and two relating to the economic indicators. Further detail on this monitoring is provided in the next section of this paper.

3. Evidence

3.0.1 The evidence base summarised in this section has been used and considered in the assessment of growth and spatial options.

3.1 Local Demographic Characteristics

3.1.1 Evidence suggests that whilst NPTs population continues to grow, the level of growth has been slowing. Deaths continue to outweigh births and in-migration from else where has reduced. NPTs population is also aging with the number of older residents aged 65 and over continuing to increase. Furthermore, household size has not decreased at the rate projected.

3.1.2 The 2021 Census recorded a resident population of 142,300 which has increased by 1.78% from 139,812 recorded in the 2011 Census. The latest Mid year population estimate for Mid 2022 suggests that NPT has a population of 142,158.

3.1.3 Economic activity rates have increased since the LDP base date but marginally fallen more recently. The County Borough has an increasingly skilled workforce.

3.1.4 Further detail on the changing demographics is provided within the Population and Housing Topic Paper and the Economic and Housing Growth Assessment (EHGA).

3.2 Housing and Economic Growth

3.2.1 The LDP Annual Monitoring Reports track housing and economic growth for the County Borough and the results of some key indicators are presented here as part of the evidence base.

3.2.2 The tables below shows that the delivery of housing including affordable housing across NPT continues to fall behinds the targets set and indicates that the level of housing growth planned for has not been achieved.

Table 3.2.1 Total Housing Completions by Year (NPT LDP AMR)

Year	Annual Target (NPT LDP)	Actual Housing Completions	Cumulative Target (NPT LDP)	Cumulative Completions	Cumulative Completions against Target (NPT LDP)	Cumulative Completions as a % of Target (NPT LDP)
2011/12	262	277	262	277	15	106%
2012/13	287	303	549	580	31	106%
2013/14	301	262	850	842	-8	99%
2014/15	386	314	1,236	1,156	-80	94%
2015/16	486	214	1,722	1,370	-352	80%
2016/17	549	184	2,271	1,554	-717	68%
2017/18	625	119	2,896	1,673	-1,223	58%
2018/19	686	276	3,582	1,949	-1,633	54%
2019/20	698	259	4,280	2,208	-2,072	52%
2020/21	676	149	4,956	2,357	-2,599	48%

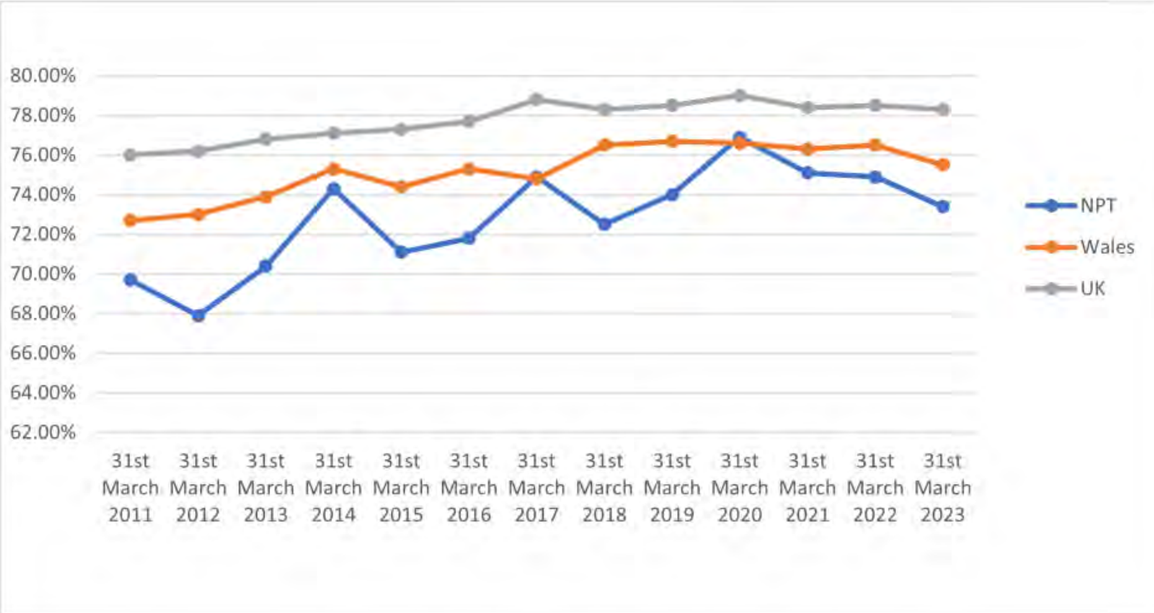
Year	Annual Target (NPT LDP)	Actual Housing Completions	Cumulative Target (NPT LDP)	Cumulative Completions	Cumulative Completions against Target (NPT LDP)	Cumulative Completions as a % of Target (NPT LDP)
2021/22	647	100	5,603	2,457	-3,146	44%
2022/23	614	102	6,217	2,559	-3,658	41%

Table 3.2.2 Total completions against Average Annual Rate (AAR)

Year	Target (AAR)	Actual Housing Completions	Cumulative Target (AAR)	Cumulative Completions	Cumulative Completions Against Target (AAR)	Cumulative Completions as a % (AAR)
2011/12	495	277	495	277	-218	56%
2012/13	495	303	990	580	-410	59%
2013/14	495	262	1,485	842	-643	57%
2014/15	495	314	1,980	1,156	-824	58%
2015/16	495	214	2,474	1,370	-1,105	55%
2016/17	495	184	2,970	1,554	-1,416	52%
2017/18	495	119	3,465	1,673	-1,792	48%
2018/19	495	276	3,960	1,949	-2,011	49%
2019/20	495	259	4,455	2,208	-2,247	50%
2020/21	495	149	4,950	2,357	-2,593	48%
2021/22	495	100	5,445	2,457	-2,970	45%
2022/23	495	102	5,940	2,559	-3,381	43%

3.2.3 Delivery on employment allocations has also underperformed. In terms of economic activity rates, they have slowed but increased overall since the Plan base date as demonstrated by the figure below.

Figure 3.1 Economic Activity Rates (LDP AMR 2023)



3.3 Economic and Housing Growth Assessment (EHGA)

3.3.1 The EHGA was prepared by consultants Turley in association with SQW and Edge analytics using a common methodology for both NPTC and Swansea Council to address key considerations when developing a plan's growth strategy set out in PPW and the DPM.

3.3.2 The assessment considers in detail NPTs spatial relationships and functional geographies with other areas and identifies a number of important spatial linkages but also a degree of self-containment. The strongest link being with Swansea.

3.3.3 In terms of the changing demography, economy and housing market, it evidences that housing delivery has been lower than planned since 2011 which has contributed to worsening levels of housing affordability and a likely key factor behind the slowing population growth. Whilst economic activity has reduced, this has not led to heightened unemployment and residents are increasingly qualified and skilled. A positive picture of job creation was experienced between 2001-2019 and as a result job density steadily rose. The stock of employment space overall has increased. Whilst new employment allocations haven't all come forward, Occupancy on existing employment and industrial sites has increased, thus reducing the vacancy rate.

3.3.4 The County Borough is currently undergoing significant change in the economic context. This follows the TATA Steel transition announcement in September 2023 and subsequent associated job losses, coupled with the successful Celtic Freeport designation in 2023 to create a 'green investment and innovation corridor' with resultant job creation expected from key opportunities around Floating Offshore Wind (FLOW), Hydrogen, Carbon capture and storage as well as innovative fuels projects. Due to these significant changes, the RLDP strategy will therefore reflect corporate and well-being ambitions to facilitate economic recovery.

3.3.5 The EHGA reviews past economic performance and recognises the current economic uncertainty and future opportunities to develop a number of economic-led growth scenarios. It considered a baseline future jobs growth scenario from Cambridge Econometrics in which

130 jobs per annum would be created over the plan period (2023-2038). However the baseline doesn't account for the significant jobs loss to be triggered by TATA Steelworks transition which could lead to an overall loss of 168 jobs per annum. Further growth scenarios were developed to take account of other likely investments and the Celtic Freeport proposition, which is presented in an adjusted core scenario anticipating the creation of 121 jobs per annum. An additional more positive economic recovery is presented in a supplementary scenario which indicated the creation of 237 jobs per annum.

3.3.6 The growth scenarios are translated into an estimated need for employment space to accommodate future job growth. This suggests that 45.6 - 57Ha of employment land could be needed to satisfy economic aspirations and aid the economic recovery.

3.3.7 The assessment considered variants of the latest official projections from WG and takes into account the latest population estimates to extrapolate trends. It also reviews past delivery over different time periods. The assessment presents a number of demographic led scenarios which suggest a need for between 171-293 dwellings per annum.

3.4 Local Housing Market Assessment (LHMA)

3.4.1 The draft Local Housing Market Assessment (LHMA) covers the period 2021 – 2036 and presents 5 different projections, one of which is selected as the preferred estimate of housing need.

3.4.2 It should be noted that the RLDP plan period changed during the preparation of the LHMA. Preliminary findings from the initial Call for Sites in 2022, alongside information obtained from the Council's Annual Monitoring Reports (AMRs) and growth projections, indicated that there was a requirement for additional housing to be identified in addition to existing infrastructure and viability matters that required additional time to overcome. Given this, the Council decided to stop the preparation of the RLDP and start again. The Council approved a new DA in October 2023 which was subsequently approved by the WG. The RLDP period subsequently changed from 2021-2036 to 2023-2038, but this was after the draft LHMA was initially prepared and submitted to Welsh Government for consideration in May 2023.

3.4.3 The table below summarises the needs arising for the LHMA period 2021-2036 from the 5 projections considered:

Table 3.4.1 Draft LHMA Housing Needs Arising for the period 2021-2036

Projection	Lower Variant	Principal Variant	Higher Variant	Re-based Principal	Re-based Principal Adjusted
Affordable Housing Need	1940	2465	2880	2715	3075
Intermediate Need	135	300	420	345	480
Social Rent	1790	2175	2460	2270	2595
Market Housing	915	1980	2805	2280	3195
Total Housing Need	2855	4445	5685	4995	6270

Projection	Lower Variant	Principal Variant	Higher Variant	Re-based Principal	Re-based Principal Adjusted
Total Housing Need Per Annum	190	296	379	333	418
Affordable Housing Newly Arising Need Per annum	31	66	94	76	107
Affordable Housing Existing Unmet Need to be met within 1st 5 years	542	542	542	542	542

3.4.4 The principal variant was selected as the preferred estimate of housing need. Therefore housing need is identified as being:

- 4,445 (296 p.a.) additional homes are needed. Of which, 2465 (493p.a.) of these are needed within the 1st 5 years of the 15 year period.
- Of the total housing needed, 45% is market housing need, and 55% is affordable housing need.
- In terms of affordable tenures, of the total affordable housing needed, the majority 88% is social rented housing need, and remainder 12% is intermediate housing need.
- Due to the backlog of affordable housing need (as determined by the social housing waiting list), there is an existing unmet affordable housing need of 542 homes per annum in the 1st 5 years.
- Annually throughout the 15-year period, there is a newly arising affordable housing need for 66 homes.

3.4.5 The housing distribution across the County Borough is set out below:

Table 3.4.2 LHMA housing distribution across the 8 Spatial Areas

Housing Market Area	Affordable Housing Need 2021-2036	Market Housing Need 2021-2036	Total Housing Need 2021-2036	%
Afan Valley	85	90	175	4
Amman Valley	90	60	150	3
Dulais Valley	95	60	155	3
Neath	915	735	1650	37
Neath Valley	115	120	235	5
Pontardawe	150	165	315	7
Port Talbot	905	675	1580	35
Swansea Valley	115	90	205	5

3.4.6 Over the 15-year period there is also a specialist housing need for 723 units (48 p.a).

3.4.7 Further detail on housing needs can be found in the Draft LHMA report and the Population and Housing Topic Paper.

3.5 Affordable Housing Viability

3.5.1 Working with the Council's Viability Steering Group, the Council has prepared a High Level Viability Study in accordance with the assumptions set out in the Viability Topic Working Group statement of Common Ground. These assumptions have been used to complete detailed viability appraisals of Candidate Sites, although alternative assumptions can be included where supported by evidence.

3.5.2 The Study identifies the following affordable housing policy requirements for the draft RLDP:

- Neath & Port Talbot = 20% Affordable Housing
- Pontardawe = 10% Affordable Housing
- All other areas = 0% Affordable Housing

3.6 Settlement Hierarchy Assessment

3.6.1 A review of the Settlement Hierarchy has been undertaken which identifies the functional role of each settlement based on an audit of services, facilities, transport accessibility, and accessibility to employment within each settlement. Based upon the findings of the review, as detailed in the Settlement Assessment Background Paper, the settlement hierarchy has been updated, as shown in table 3.5.1. As indicated below, the settlements have been grouped into tiers.

Table 3.6.1 Settlement Hierarchy

Tier	Settlement
Principal Centre	Port Talbot , Neath and Pontardawe Town Hubs
Key Settlement	Briton Ferry, Skewen, Baglan, Llandarcy / Coed Darcy, Glynneath / Pontwalby, Cadoxton / Cilfrew / Aberdulais, Cwmafan, Ystalyfera.
Local Settlement	Jersey Marine, Croeserw / Cymmer, Tonna, Resolven, Goytre, Dyffryn Clydach, Crynant, Cwmgwrach / Blaengwrach, Gwaun Cae Gurwen / Cwmgors, Crymlyn Burrows, Cilmaengwyn / Godre'r Graig, Lower Brynamman, Seven Sisters, Ten Acre Wood, Tonmawr, Coed Hirwaun.
Village	Fforest Goch, Blaegwynfi / Abergwynfi, Ynysygerwyn, Tairgwaith, Pentreclwydau, Penrhiwfawr, Clyne, Cwmllynfell, Pontrhydyfen / Efail Fach, Cilybebyll, Melincourt, Bryn, Glyncorrwg, Onllwyn / Banwen.
Minor Settlement	Abergarwed, Cwm Ifan Bach, Pant y Ffordd, Pen y Bryn, Glyncastle, Dyffryn / Cynonville, Abercregan, Cyd Terrace, Eglwys Nynydd / St. David's Park.

3.6.2 In line with national policy, the settlement hierarchy is a key factor in determining the future distribution of growth in NPT, and as such has informed the spatial options that have been considered. However, at this stage in the plan preparation the hierarchy simply reflects the current function of each town or village. Whilst some settlements are considered to be sustainable in terms of the facilities and services available, not all locations may be suitable to accommodate any significant additional housing, employment, or community facilities because of physical constraints or potential impacts, for example, flood risk or nature conservation designations, which limit the scope for the expansion of settlements.

3.6.3 Ultimately, the Spatial Strategy will aim to direct growth towards areas that already benefit from good infrastructure, services and facilities, or where additional capacity can be provided, in accordance with the Settlement Hierarchy.

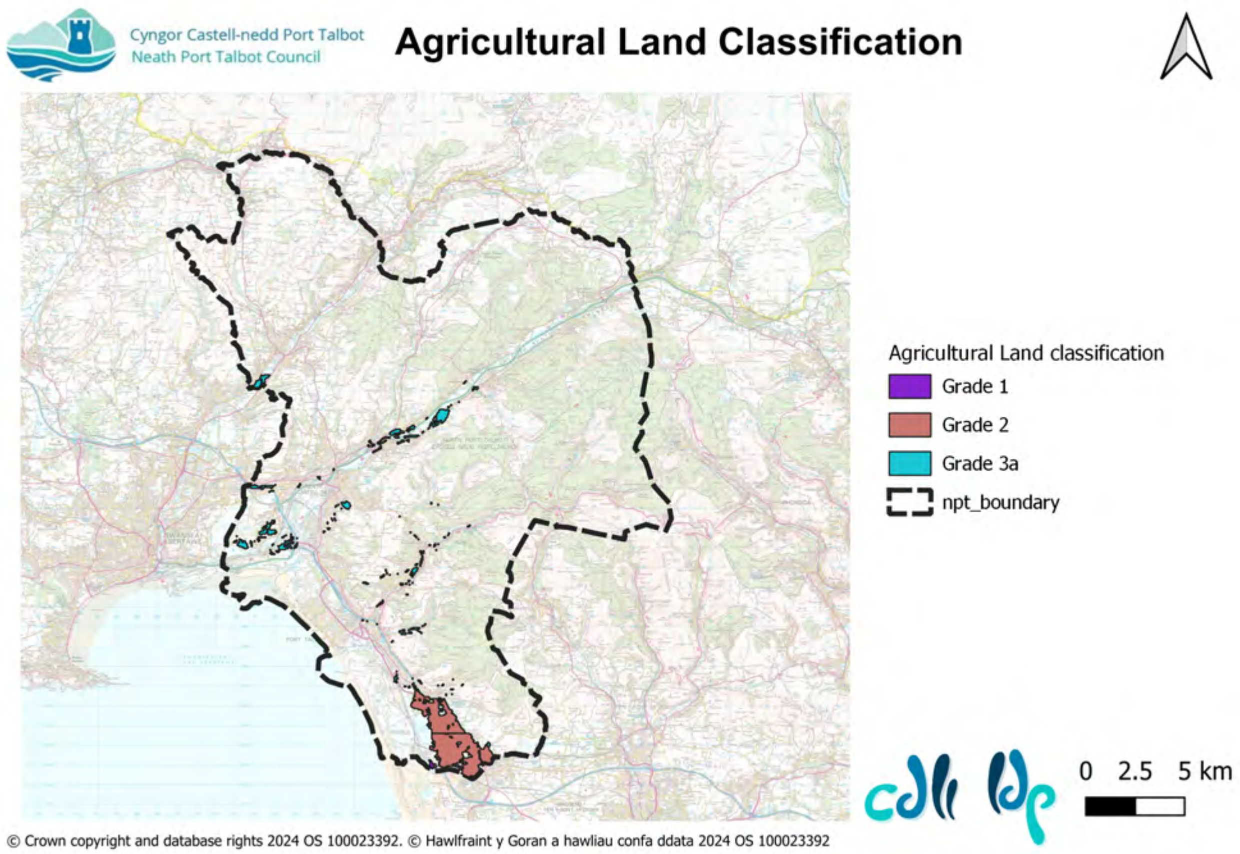
3.7 Best and Most Versatile Agricultural Land

3.7.1 PPW states that land in grades 1, 2 and 3a should only be developed if there is an overriding need for the development, and either previously developed land or land in lower agricultural grades is unavailable.

3.7.2 Across the authority, approximately 6ha of land is classified as being Grade 1, 710ha of land is classified as Grade 2, and 260 Ha is Grade 3a. This distribution is depicted in figure 3.1.

3.7.3 Where higher grade agricultural land is identified on Candidate sites, the Council has worked with Candidate Site promoters to ensure that Best and Most Versatile Land assessments have been undertaken. More information is available in the Best and Most Versatile Land Background paper.

Figure 3.2 Agricultural Land Classification



3.8 Ecological Constraints

3.8.1 In line with national planning policy, a key objective of the plan is to protect and enhance the natural environment. Development must also protect natural habitats and soil quality and assist in halting the nature emergency by delivering a local net biodiversity benefit. At the highest level, it is prudent to undertake a broad assessment of settlements against national and local ecological designations to identify major constraints. Site specific ecological value have been considered as part of the Candidate Site assessment process.

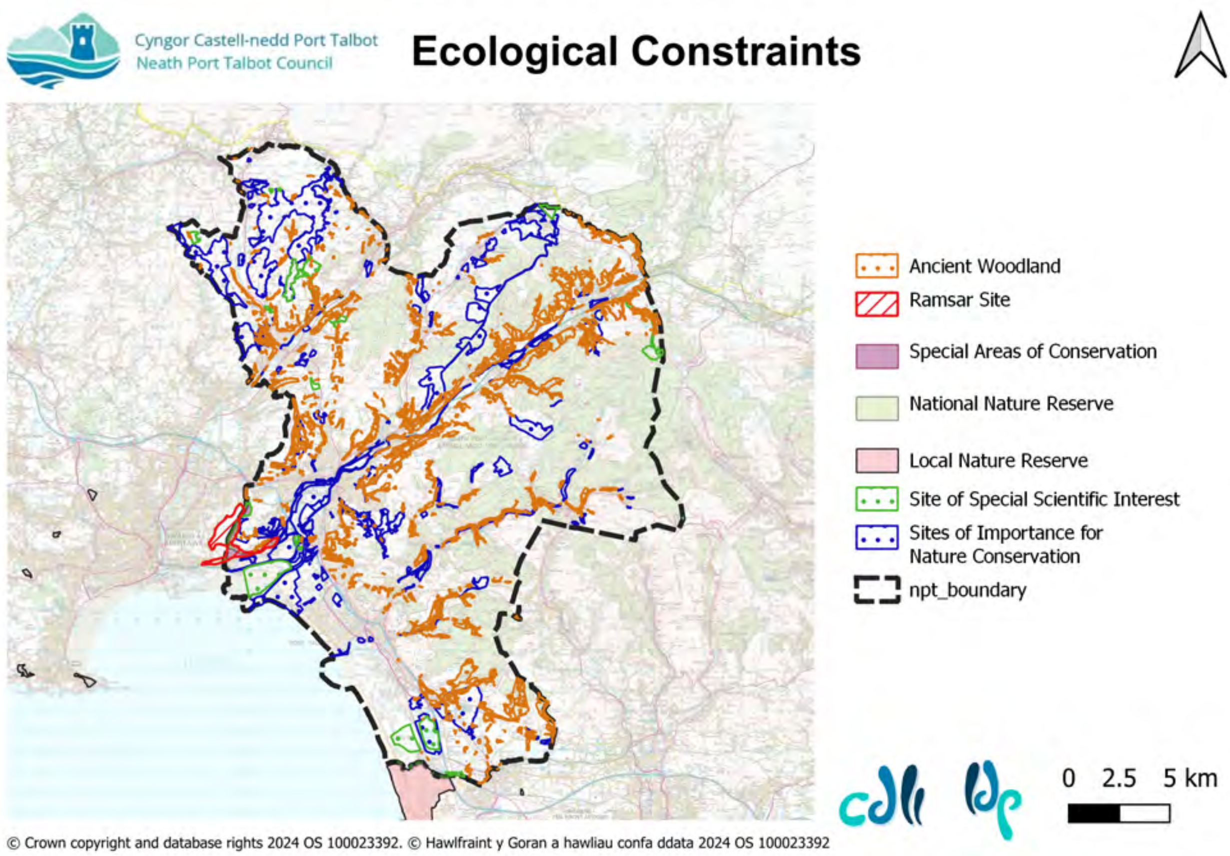
3.8.2 NPT has a number of Sites of Special Scientific Interest, including Crymlyn Burrows located around the mouth of the River Neath. There are also significant parts of the County Borough that is covered by ancient woodlands, which will limit where developments can go.

3.8.3 There are a number of Sites of Importance for Nature Conservation in and adjoining settlements that may impact upon potential development choices.

3.8.4 There are also three Special Areas of Conservation (SACs); namely Coedydd Need a Mellte, Crymlyn Bog and Kenfig. Any potential cumulative impact of new development on these designations would need to be considered as part of the Habitats Regulations Assessment. These designations are shown in figure 3.2.

3.8.5 The ecological constraints identified along with other assets important for biodiversity have informed the preparation of a Strategic Green Infrastructure Assessment (GIA).

Figure 3.3 Ecological Constraints



3.9 Landscape and Green Wedge Constraints

3.9.1 NPT has a variety of distinctive and contrasting landscapes and seascapes, as currently designated in the adopted LDP. The NPT LANDMAP landscape assessment of 2004 evaluated approximately half of the County Borough area as ‘high’ or ‘outstanding’ for its geological landscapes, much of the visual and sensory aspect layer is evaluated as ‘moderate’ or of local importance with ‘high’ values applied to plateau and coastal areas, there are ‘high’ and ‘outstanding’ values for landscape habitats and the majority of the County Borough is ‘high’ or ‘outstanding’ in terms of its cultural aspect layer. Consequently, the Adopted LDP designates six Special Landscape Areas (SLA’s) across the authority. While development is not precluded within the SLAs, these areas will be protected as far as possible from any development that would harm their distinctive features or characteristics.

3.9.2 The above assessment also included an assessment of Green Wedges. Green Wedges differ from that of SLAs in that they are primarily a planning tool to prevent urban coalescence and protect the setting of built-up areas, rather than specifically protecting high quality landscapes.

3.9.3 The LDP highlights five green wedges. These are at:

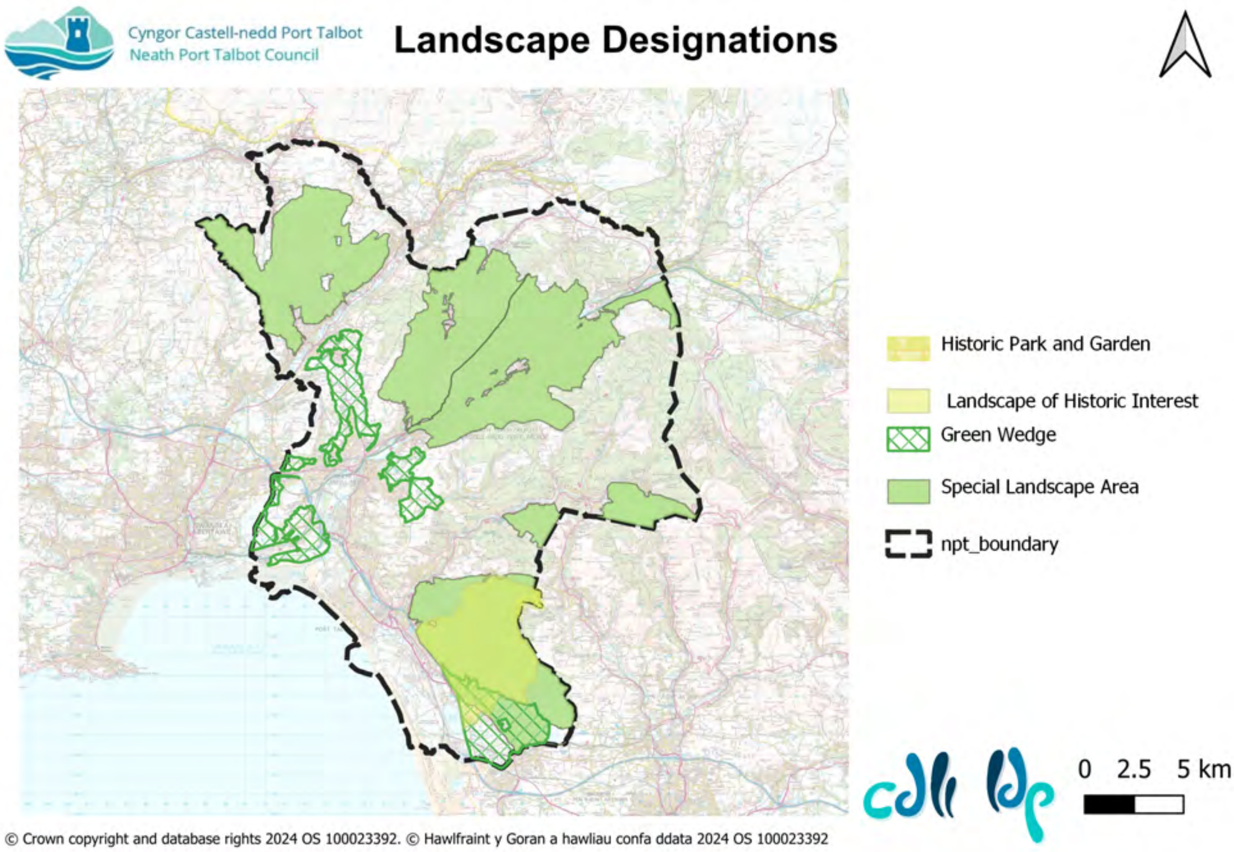
- Alltwen / Rhos / Bryncoch / Neath Abbey / Leiros Park;
- Skewen / Birchgrove;
- Neath / Tonna / Cimla / Efail Fach;
- Crymlyn Bog / Crymlyn Burrows / Llandarcy; and
- Margam.

3.9.4 In addition to SLA’s and Green Wedge designations, NPT also has the historic landscape of Mynydd Margam, that occupies the area around Margam Country Park.

3.9.5 Methodologies for review of the green wedges and special landscapes areas have been developed, and the completed studies will be made available alongside the Preferred Strategy. The Green Wedge and SLA studies will be further updated to inform the preparation of the detailed deposit plan.

3.9.6 The landscape constraints are shown in figure 3.3.

Figure 3.4 Landscape Designations

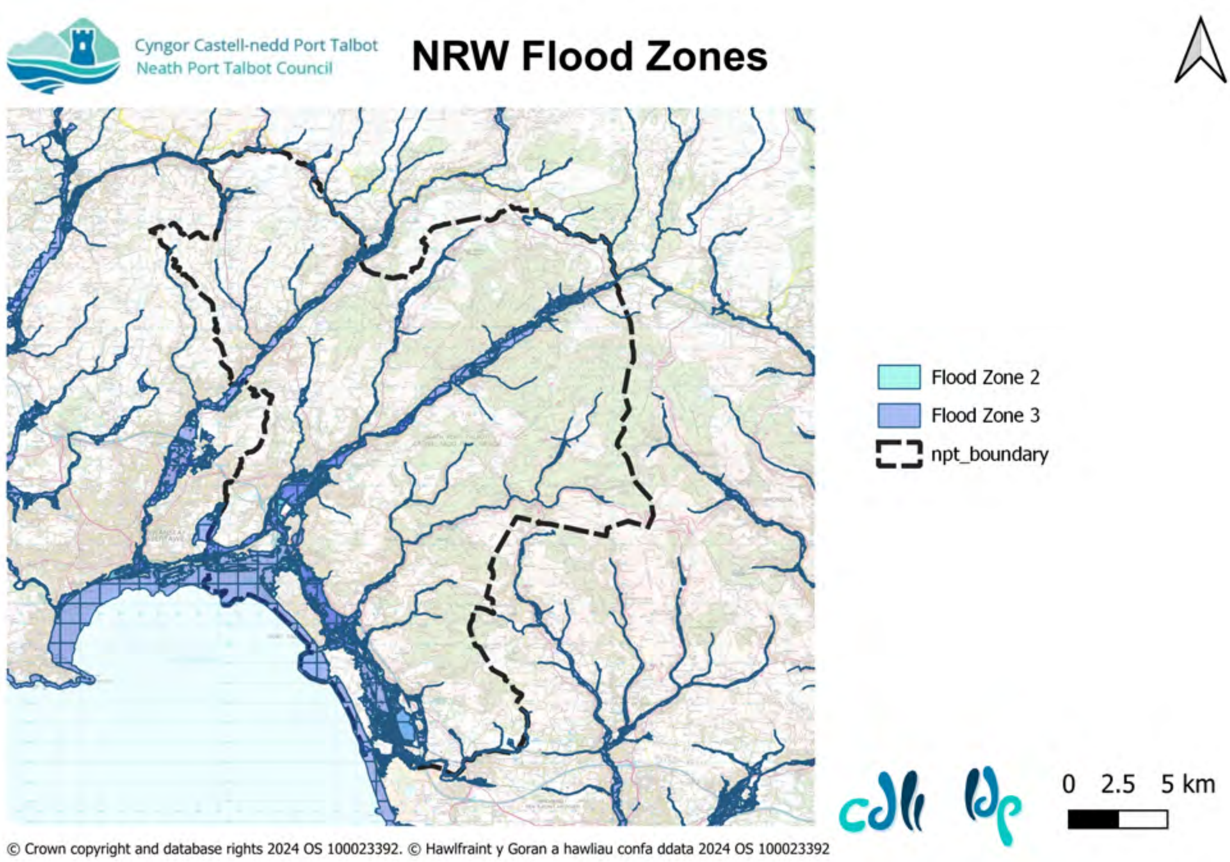


3.10 Flood Risk

3.10.1 In accordance with PPW, planning authorities should adopt a precautionary approach by directing development away from areas at risk of flooding from the sea or rivers. A regional Stage 1 - Strategic Flood Consequences Assessment (SFCA) has been produced. This identifies that The River Neath, River Afan, and River Tawe are the main watercourses within the NPTC area. Additionally, it notes that parts of NPT are affected by river and sea flooding, and this will have implications on the ability of certain areas to accommodate new development. Part of the stage 2 SFCA has also been undertaken as part of the candidate site assessment process.

3.10.2 There are areas of the authority that benefit from existing fluvial flood defences, such as Ystalyfera, Pontardawe, Glynneath, Resolven, Port Talbot and areas that benefit from tidal flood defences, such as Port Talbot. However, significant areas of the County Borough remain at risk of tidal and fluvial flooding. A strategic outline case is being developed by the Council to consider options for addressing flood risk within Port Talbot town centre, the results of which will inform the candidate site assessments. The Natural Resources Wales (NRW) flood zones for NPT are shown in figure 3.4.

Figure 3.5 NRW Flood zones



3.11 Renewable Energy

3.11.1 NPT is already a significant generator of renewable energy in the Wales context. In 2022, the Welsh Government produced a report titled "Energy Generation in Wales: 2021" [1] outlining the generation capacity in Wales at the end of 2021, and analyses how much it has changed over time. Within this report, it is noted that NPT generated the most renewable electricity of all local authority areas in Wales. However, NPT is also the second highest consumer of electricity and so only generates the equivalent of 75% of the electricity it consumes. In addition, the Welsh Government has committed to generate 70% of consumed energy means by 2030, in order to combat the climate emergency. NPT must therefore continue striving to produce more of its energy from renewable sources.

3.11.2 In order to assist in meeting this target, FW identified pre-assessed areas for Wind Energy and Heat network priority areas (See figure 3.5 below). Figure 3.6 shows a pre-assessed wind area (area 9) covering parts of NPT, as well as Neath and Port Talbot being identified as Heat Priority areas.

1 The Welsh Government (2022) Energy Generation in Wales: 2021, (https://www.gov.wales/sites/default/files/publications/2022-12/energy-generation-in-wales-2021.pdf)

Figure 3.6 FW Wind Energy and Heat Networks

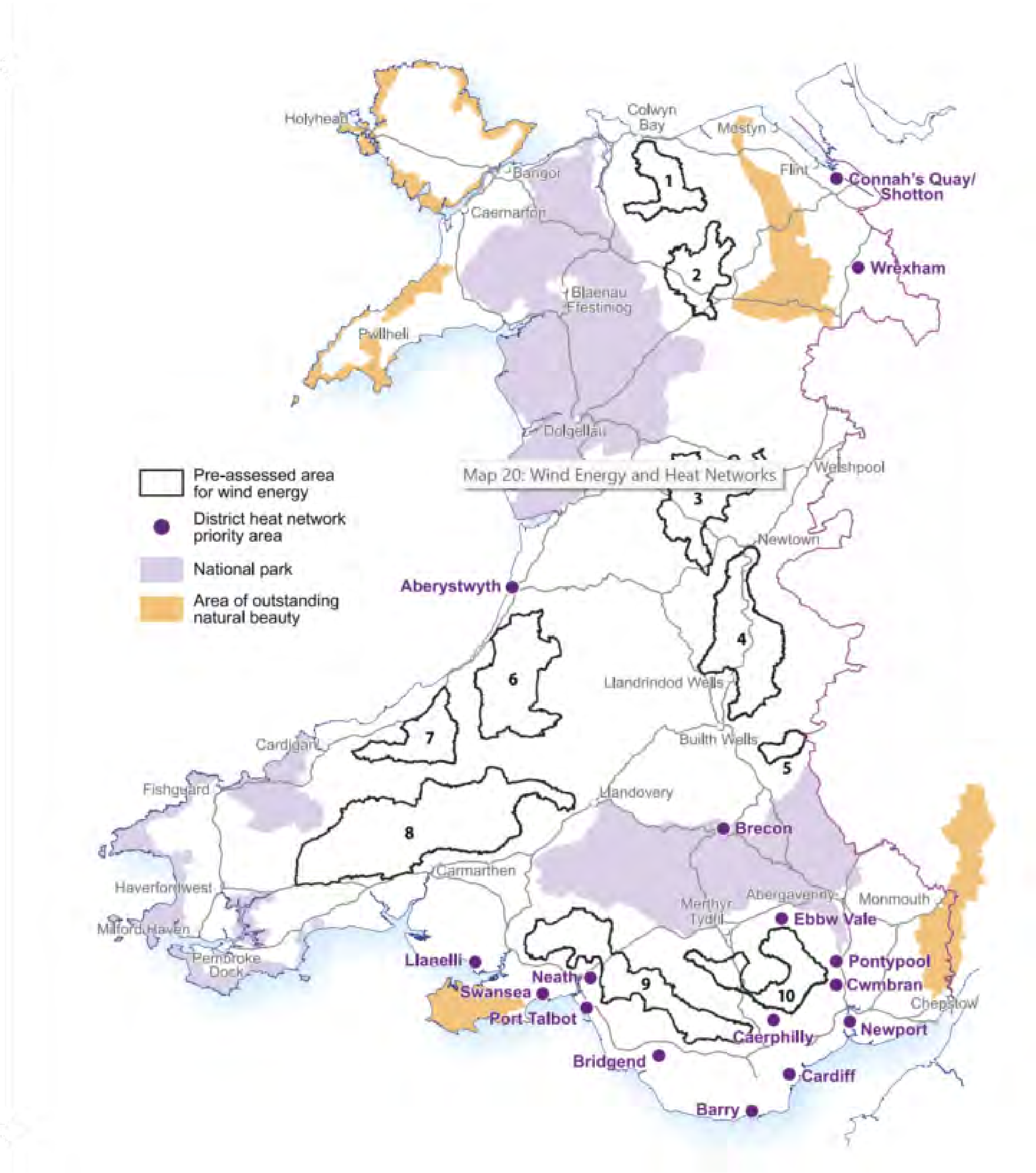
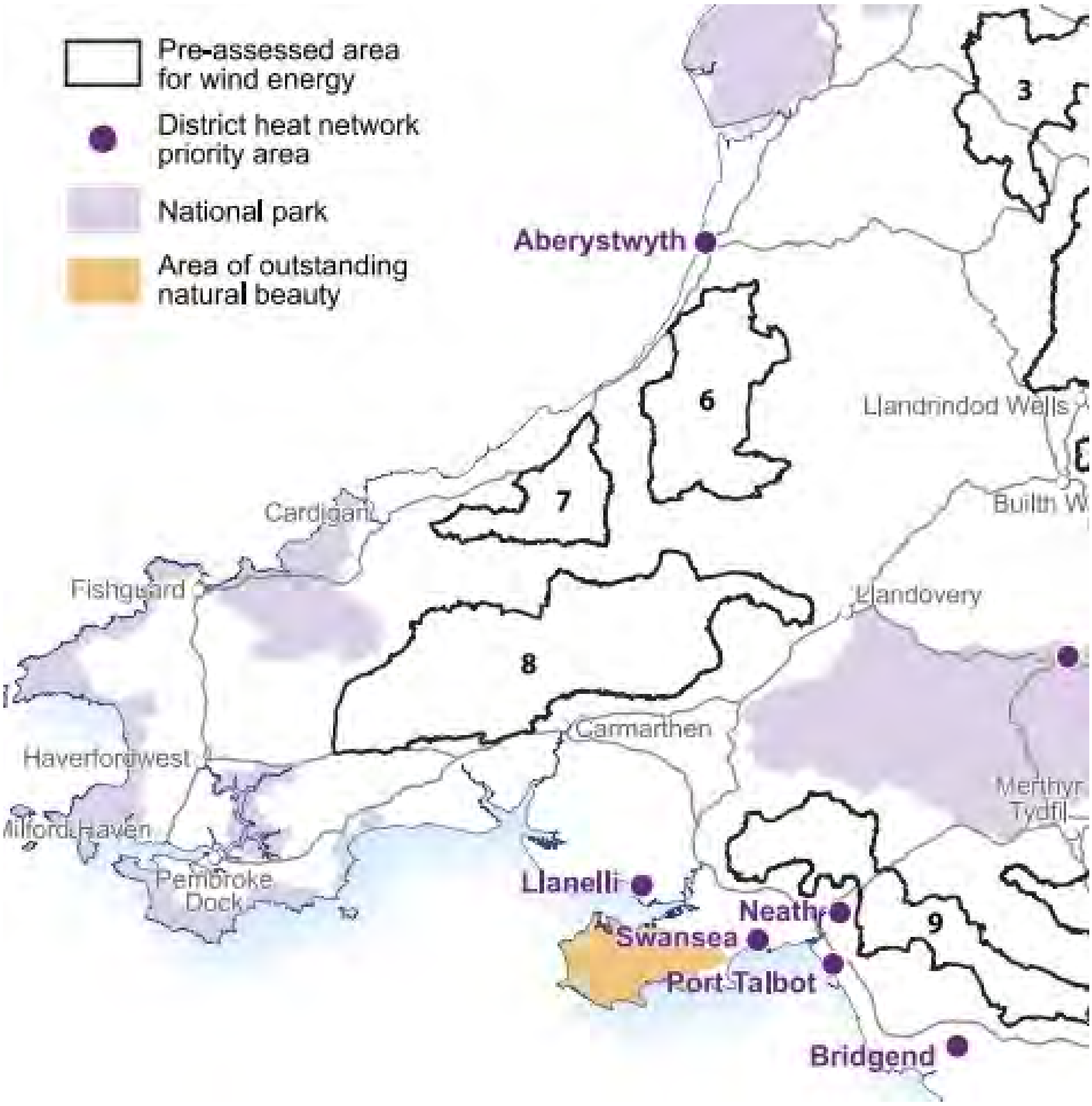


Figure 3.7 FW Renewable Energy Proposals covering NPT



3.11.3 The Council has commissioned consultants City Science Ltd to prepare a Renewable and Low Carbon Energy Assessment (RLCEA) for NPT. The first stages of the assessment have identified that our combined existing and proposed generation installed capacity for ground mounted solar photovoltaics, onshore wind, biomass, anaerobic digestion, energy from waste and hydropower is 530.1 (MWe). It is important to note that this figure is the total theoretical capacity, and not all areas identified for ground photovoltaics and onshore wind would be able to be built out in reality.

3.11.4 Figures 3.7 and 3.8 below outline the RLCEA's findings with regards to potential areas for ground mounted solar photovoltaics, and onshore wind opportunities.

Figure 3.8 RLCEA Figure 12.6 Onshore Wind Potential Areas

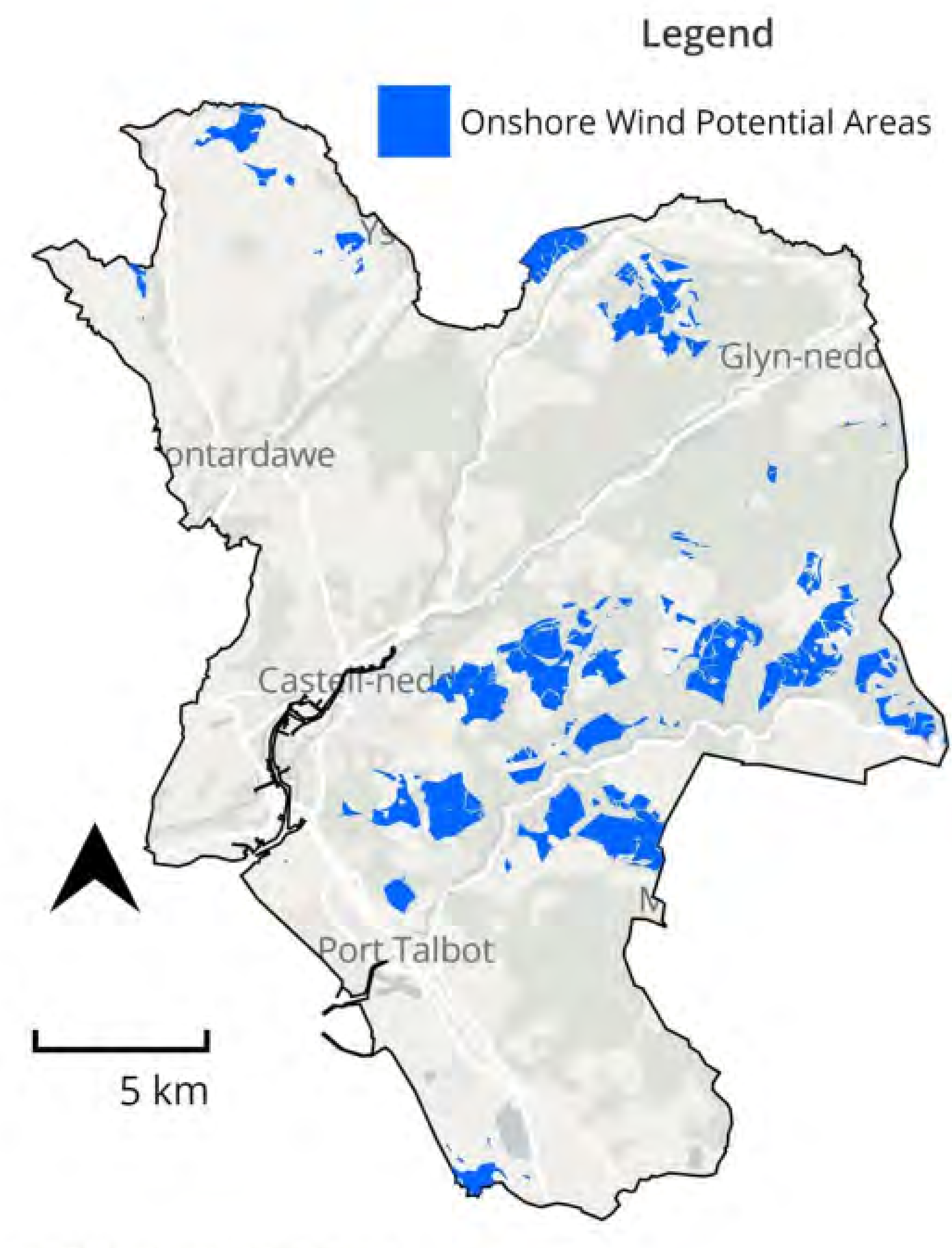
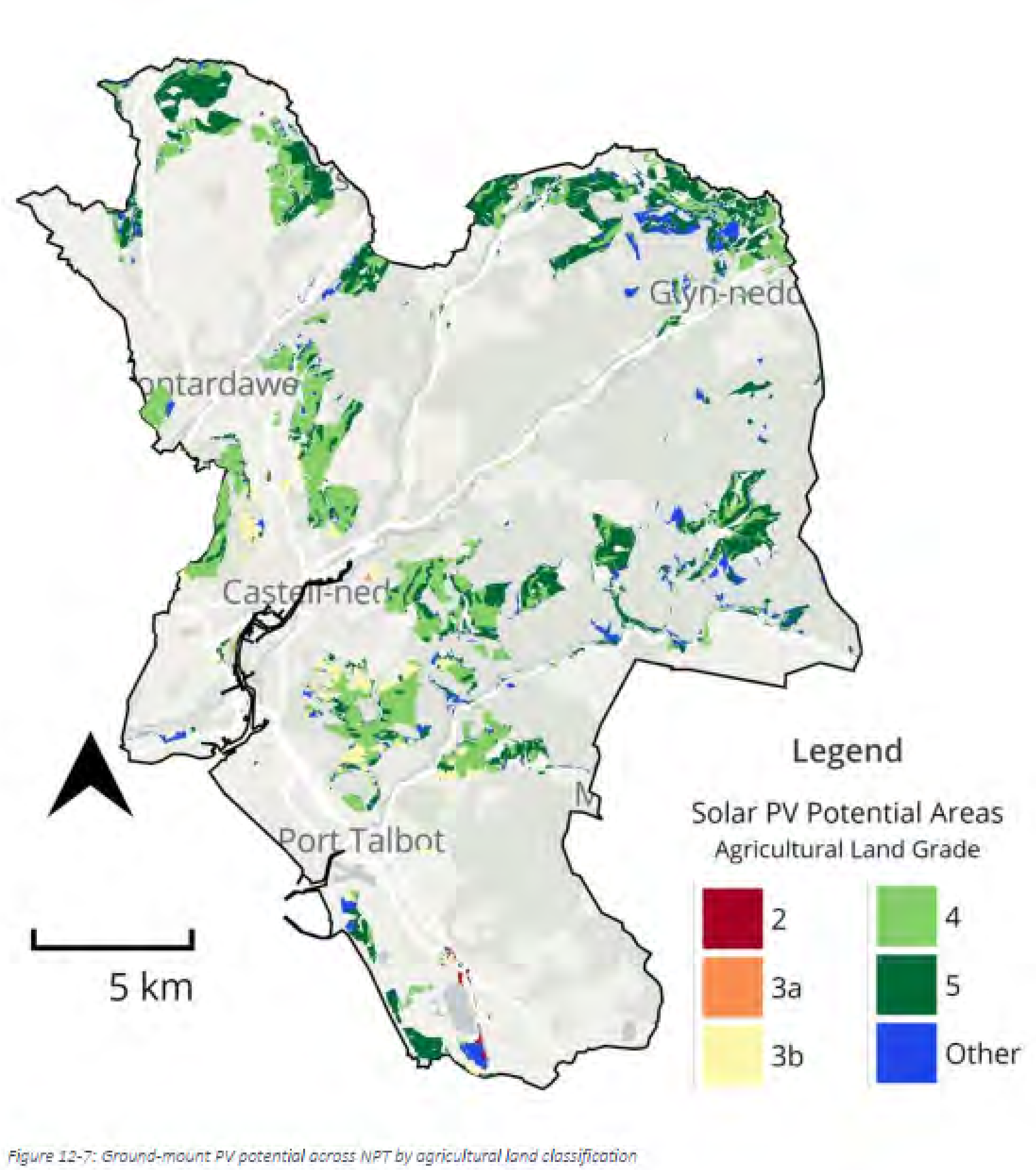


Figure 12-6: Potential onshore wind areas across NPT

Figure 3.9 RLCEA Figure 12.7 Solar PV Potential Areas with Agricultural Land Classification



3.11.5 In addition to the above potential opportunities and the potential MWe figure quoted, the RLCEA also looks at the potential Heat opportunities across NPT (figure 3.9). This is done by taking into account the candidate sites submitted in 2022, and 2023 alongside existing heat clusters. This work will allow the identification of heat clusters, and heat network focus zones.

Figure 3.10 RLCEA Figure 12.14 Energy Opportunities Plan of the NPT area

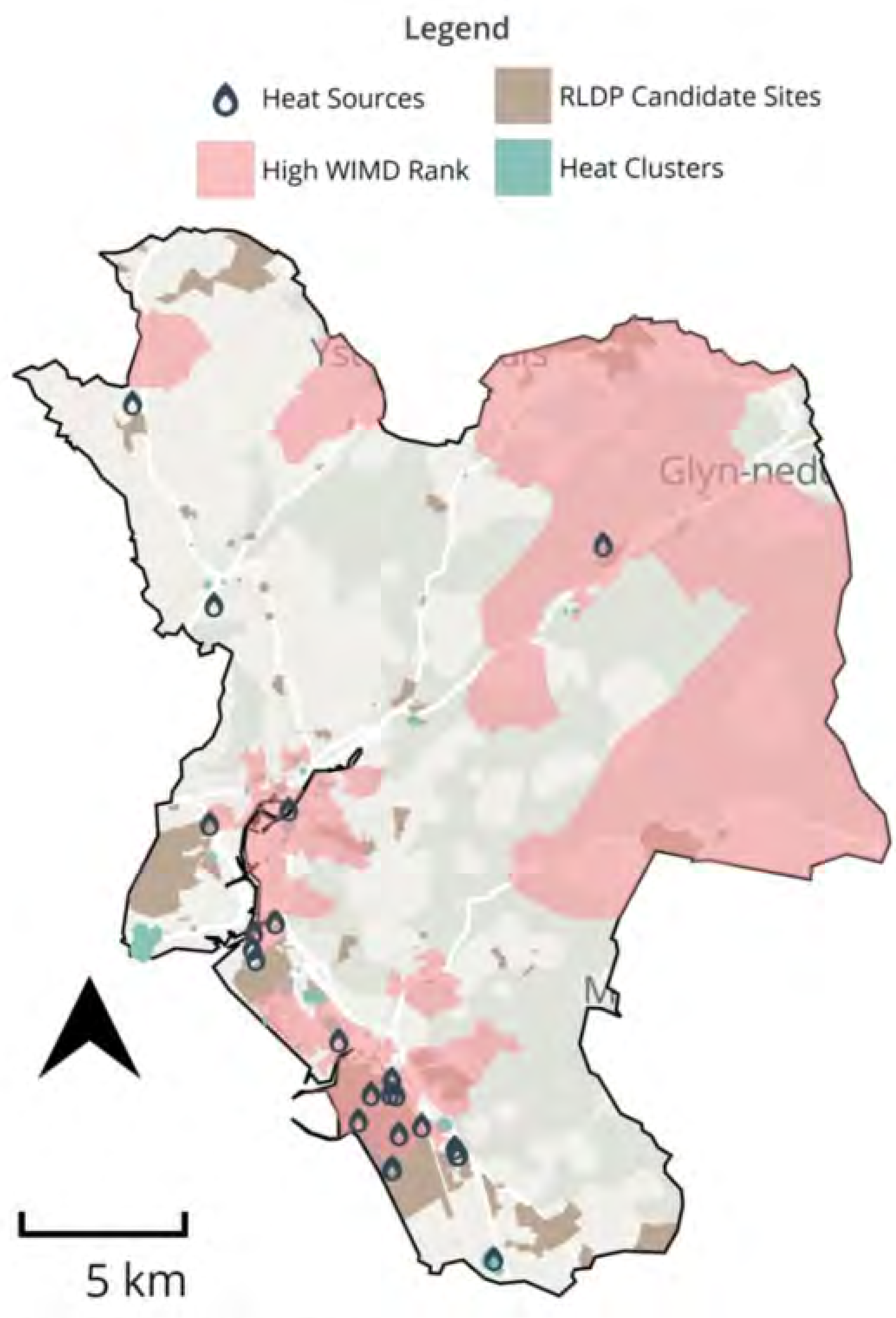


Figure 12-14: Energy Opportunities Plan of the NPT area

3.11.6 Another renewable energy consideration in the RLCEA is the potential for Building Integrated Renewables opportunities. Initial findings indicate that 44.7 GWhth/yr of biomass potential has been identified, and 1,077GWhth/yr of energy from heat pumps. This is in addition to 153 GWhe/yr for rooftop photovoltaics, and 15.6 GWhe/yr for micro wind generation. Again, these figures are a high level exercise, and indicate the total theoretical capacity that NPT could generate.

3.11.7 The next stages of the RLCEA is to identify opportunities for local areas of search and stand alone renewable energy allocations following the assessment of candidate sites. It will also consider the viability of district heat network delivery on key sites. This work will culminate in the setting of renewable energy targets in the Deposit RLDP.

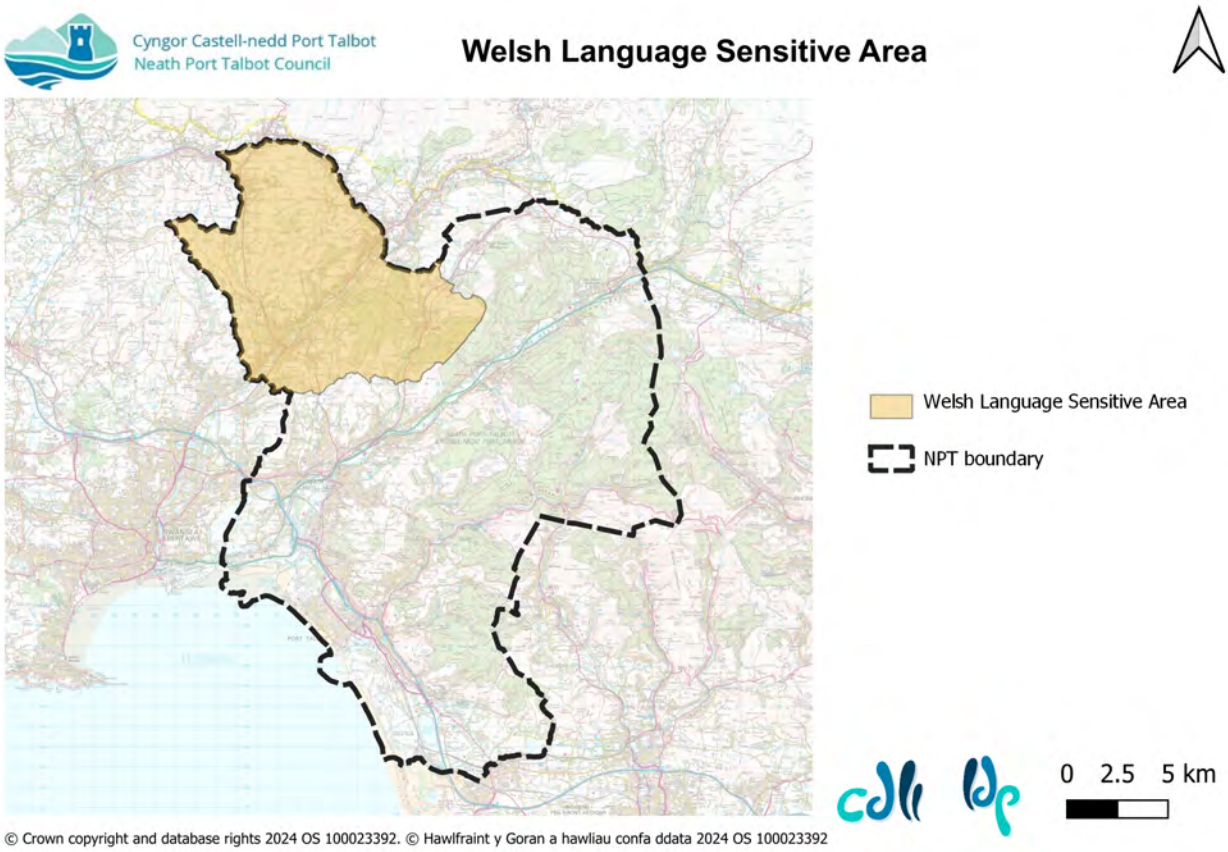
3.12 Welsh Language

3.12.1 NPT has a lower percentage of Welsh language speakers compared to the Welsh average as at the 2021 census (10% as opposed to 14% on average). This is also a lower level of Welsh speakers when compared to the results of the 2011 census and suggests that progress towards meeting the WG's target of 1 million Welsh speakers by 2050 is slow.

3.12.2 There are areas within the County Borough where the language is an integral part of the social fabric and an important element of day to day life. While these areas contain very high levels of Welsh speakers, the erosion of the language within these communities continues to be of concern.

3.12.3 To this end, the adopted LDP identifies Welsh Language Sensitive Areas in the Amman Valley, Swansea Valley, Pontardawe and the community of Crynant in the Dulais valley. The effectiveness of the approach taken in the current LDP is being reviewed and further detail is provided within the Welsh Language Topic Paper.

Figure 3.11 Welsh Language Sensitive Area



3.13 Candidate Sites Assessment

3.13.1 Following a call for candidate sites in March-May 2022 and in November-December 2023, together with the Urban Capacity Study, 470 sites were received for consideration and assessment in accordance with the Candidate Sites Assessment Methodology. 76 sites did not pass the Stage 1 initial Candidate Sites Assessment and a further 233 sites received a conclusion at the Stage 2 Detailed Candidate Sites Assessment that they were not considered suitable for development. This leaves 161 sites requiring further assessment to inform the deposit RLDP.

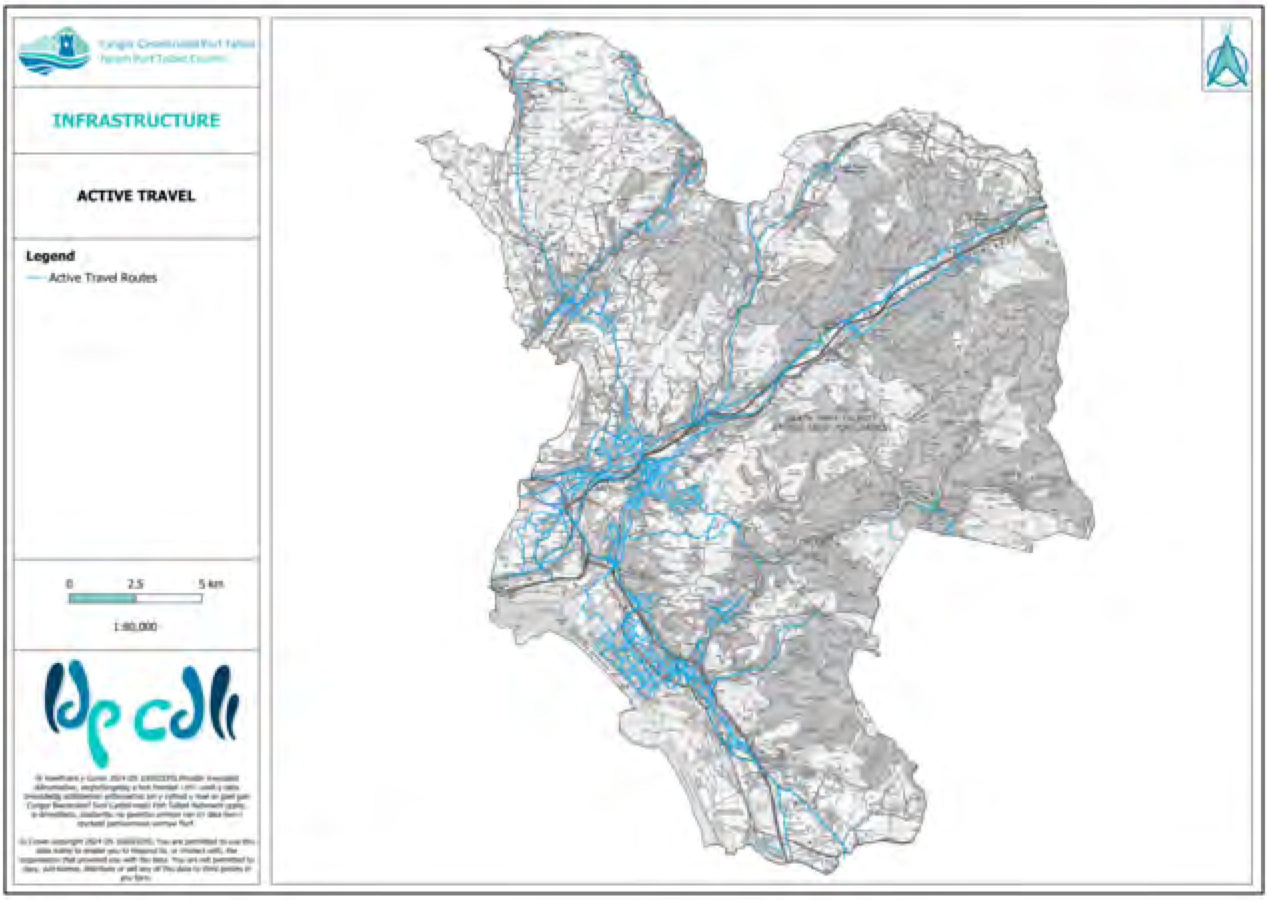
3.13.2 This assessment process combined with the sites considered as part of the Urban Capacity Study identified various opportunities for growth across the county borough which were fed into the development of growth and spatial options.

3.14 Infrastructure Capacity

3.14.1 The Council has worked with Transport for Wales and consultants WSP to prepare a Strategic Highway Assessment (SHA) of the strategic highway network. The SHA includes strategic traffic modelling to assess the potential impact of proposed housing and economic developments using the South West and Mid Wales Transport Model. This work includes both stage 1 and stage 2 assessment and further detail on the conclusions is provided in the SHA report and Transport Topic Paper.

3.14.2 Active Travel Network Maps have been considered as part of the candidate sites assessment process. The Council's most recent Active Travel Network Map (ATNM) was approved in 2022, this shows where walking and cycling routes already exist (Existing Routes) and where upgrades or brand new routes are anticipated for the next 15 years (Future Routes). As set out by WG, these routes should be within Neath, Port Talbot, Pontardawe, Croeserw, Cymmer, Brynamman, Gwaun Cae Gurwen, Blaengwrach, Glynneath, Cwmafan, Seven Sisters and Resolven.

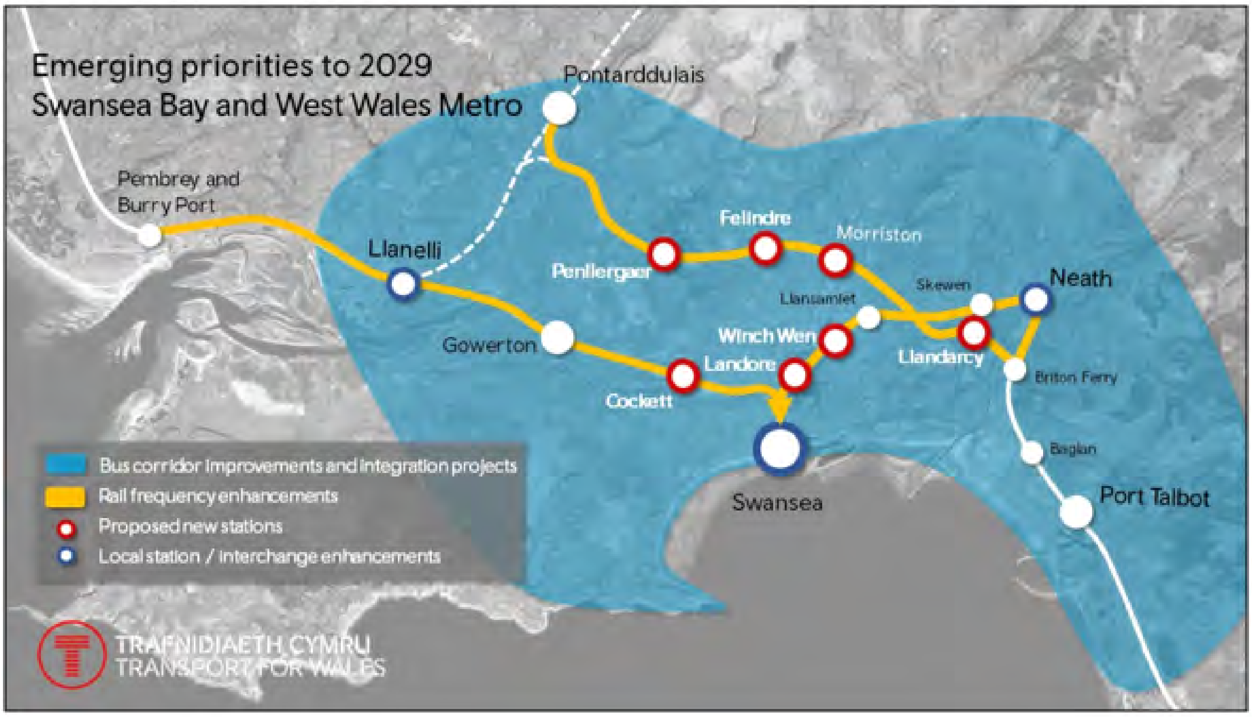
Map 3.1 Active Travel Routes in NPT



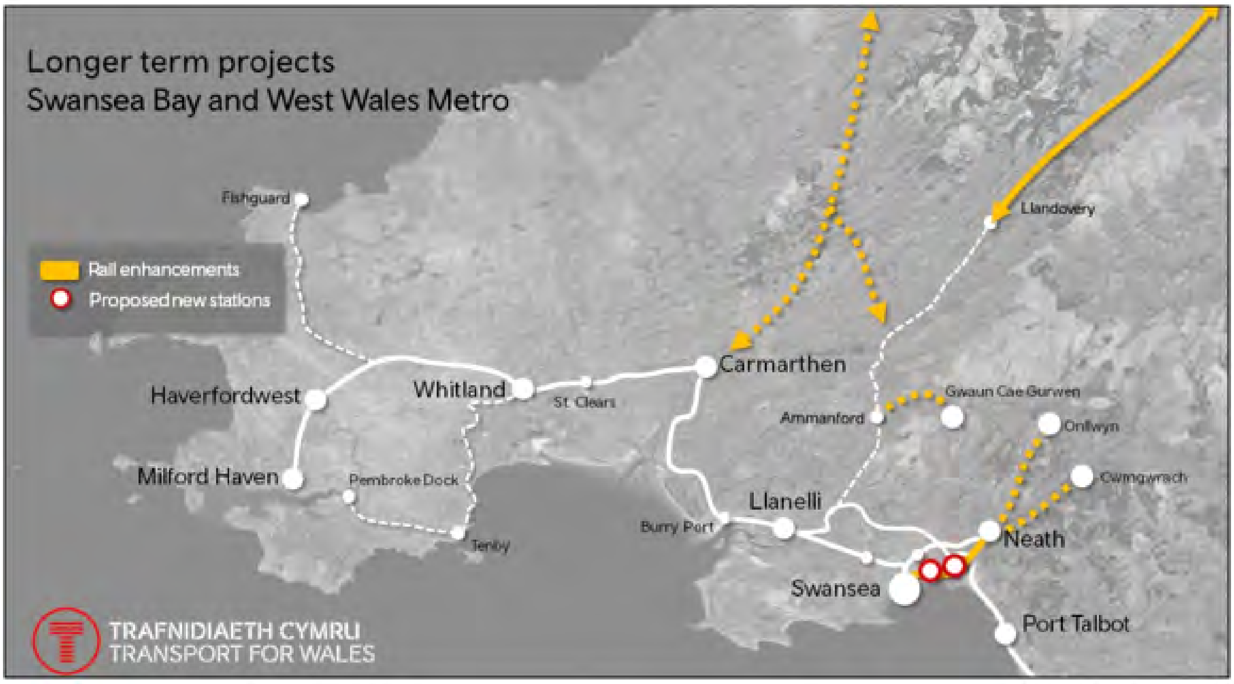
3.14.3 Supporting the aims of the Active Travel Act by supporting the delivery of the Integrated Network Map to encourage walking and cycling is identified as a key issue in the Infrastructure Delivery Plan. The priority actions and schemes for active travel provision set out in the NPT Active Travel Delivery Plan have also been taken into consideration.

3.14.4 Rail service and network improvements including those planned as part of the South West Wales Metro have been taken into consideration. This includes work being undertaken to explore the potential for the development of new Metro stations and the re-opening of old rail lines. Outcomes of this work will feed into the development of the RLDP as and when they are published.

Map 3.2 South West Wales Metro Emerging Priorities to 2029



Map 3.3 South West Wales Metro Long Term Projects



3.14.5 An Infrastructure Delivery Plan (IDP) which covers physical, social, green and blue infrastructure has been prepared. The IDP evidences and summarises infrastructure requirements associated with the RLDP to ensure that any sites allocated in the RLDP are deliverable and not constrained by infrastructure improvements needed. The IDP reviews technical documents, sets out a baseline position and identifies key issues and trends affecting

NPT and the implications for both existing and future infrastructure provision. Further information on the infrastructure required to deliver the RLDP Preferred Strategy and in particular the potential key sites is provided in the initial IDP report.

3.15 Urban Capacity Study

3.15.1 The Urban Capacity study has been prepared to inform the identification of site allocations (in addition to those arising from Candidate Sites) and assist to demonstrate delivery of the windfall allowance in the RLDP. The study has sought to identify potential opportunities for residential development by considering:

- Vacant land within a settlement boundary;
- Subdivision of existing housing;
- Flats over shops;
- Empty homes;
- Previously developed vacant and derelict land and buildings (non-housing) i.e. underutilised/ derelict employment sites, petrol stations, public houses, hotels, community buildings;
- School closure programme/ public body disposal strategy;
- Open space surplus to requirements;
- Intensification of existing housing areas;
- Redevelopment of car parks; and
- Conversion of commercial buildings.

3.15.2 The methodology involved identifying sites within the settlement limit that represented either small scale infill opportunities or larger scale development opportunities and at the same time estimate the potential number of dwellings that could be developed. This involved the identification of:

- Sites with existing planning permission (either full or outline) and those that were under construction;
- Undeveloped/ greenfield land;
- Derelict land; and
- Opportunities for the intensification of existing areas (also known as ‘garden-grabbing’).

3.15.3 Further detail on the study methodology tasks and stages is provided in the Urban Capacity Study report.

3.15.4 The study identified 158 potential sites and concluded that there are opportunities to deliver housing growth in a number of different locations across the County Borough. The outcome of this study is that a number of further opportunities to help meet the preferred growth level (when chosen) have been identified.

3.16 Brownfield Land

3.16.1 As noted above, a key planning principal set out in PPW para 3.55 states that; '*Previously developed (also referred to as brownfield) land (see definition overleaf) should, wherever possible, be used in preference to greenfield sites where it is suitable for development*.'

3.16.2 Opportunities to deliver growth on brownfield land have been explored in a number of ways including:

- Identifying and reviewing sites with planning permission (deliverable landbank planning permissions) on brownfield land;
- Identifying and reviewing landbank allocations with potential to roll forward on brownfield land;
- Assessment of Brownfield Candidate Sites and Urban Capacity Study Sites.

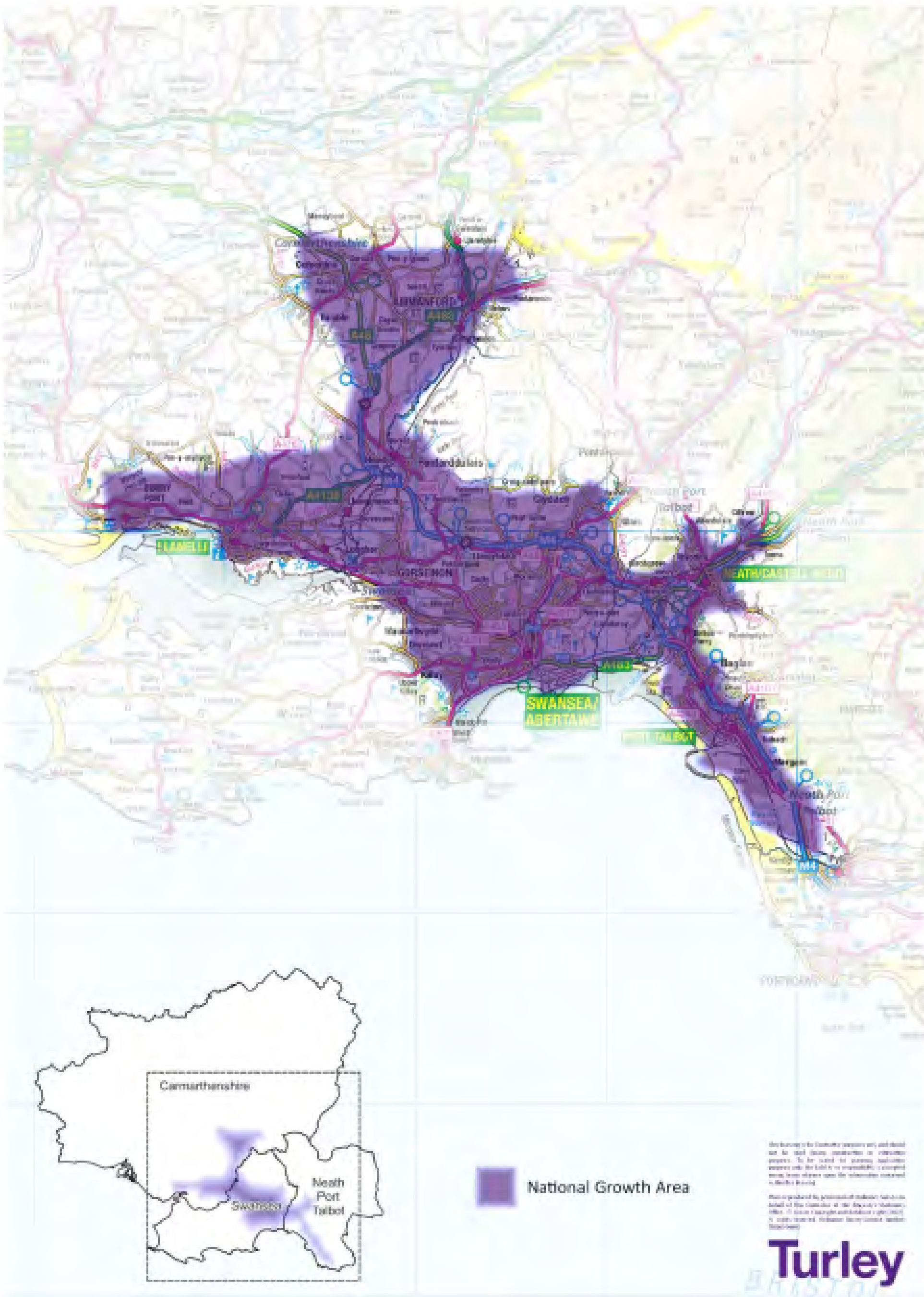
3.16.3 Furthermore, in accordance with PPW's approach set out in Para 3.44 the Council is required to explore all opportunities to meet housing growth on brownfield sites, including any opportunities outside of our authority area prior to identifying greenfield sites for development. Therefore, in May 2023 the Council wrote to all adjoining authorities to ask if they have identified any brownfield land opportunities that could help to meet our housing needs (as set out in the draft LHMA). Responses were received from RCT and Bridgend, however, neither were able to identify any opportunities to deliver housing on brownfield land to meet our housing needs in advance of greenfield development opportunities in our own authority.

3.17 National Growth Area

3.17.1 As explained in the policy context section, FW introduces the Swansea Bay and Llanelli NGA. The authorities of NPT, Swansea, Carmarthenshire and Pembrokeshire appointed Turley Consultants to undertake an assessment of the constraints and opportunities across the South West Wales planning region identified in FW in order to refine the spatial extent of the NGA to help to inform the production of RLDPs ahead of the South West Wales Corporate Joint Committee (CJC) defining the extent of the NGA as part of the preparation of the South West Wales SDP.

3.17.2 As part of this work, the following indicative boundary has been identified. It is envisaged that this will be refined as part of the CJC’s work to inform the preparation of the Strategic Development Plan (SDP).

Figure 3.12 An indicative spatial representation of a refined NGA spatial area



3.17.3 As shown in the figure above, the study concludes that the spatial extent of the NGA should be limited to the Coastal Corridor area as set out in the current Adopted LDP. This is in line with FW which says that national development should be focused around Neath, Port Talbot, the City of Swansea and Llanelli.

3.18 Neighbouring Authority / Regional Considerations

3.18.1 Engagement with NPTCs adjoining authorities and other authorities within the South West Wales region is an important part of plan preparation (as stated in paragraph 2.24 of the DPM). NPTC continues to engage regionally through a variety of means including:

- Attending POSW and the South West Wales Planning Officers Group meetings;
- Jointly commissioning evidence base studies such as the EHGA and LHMA with Swansea and the NGA Boundary Refinement and SFCA Stage 1 with all authorities in the SWW region;
- Sharing of methodologies such as that for the High Level Viability Study;
- Considering cross-border housing and jobs markets and travel to work patterns; and
- Correspondence with neighbouring authorities regarding opportunities for development on brownfield land.

4. Growth Options Considered

4.0.1 National planning guidance contained within the DPM requires the Council to engage on different growth options and alternatives. Together with consultants Turleys, SQW and Edge Analytics, the Council has modelled a number of growth scenarios to explore the level of housing and economic need that could arise in NPT over the 15 year Plan period (2023-2038), responding to the DPM by considering demographics, past trends and policy-based factors as well as the inter-relationship between housing and the local economy.

4.1 Identified Growth Scenarios

4.1.1 The 7 growth options identified are set out below:

Table 4.1.1 Growth Scenarios

Growth Scenario	Homes (Per Annum)	Homes Plan Period	Homes Plan Period (including 10% Flexibility)	Jobs (Per Annum)
1. Adjusted Core	130	1,950	2,145	121
2. Baseline Employment	161	2,415	2,657	130
3. Adjusted Supplementary	232	3,480	3,828	237
4. Average 15 year Past Delivery Rate	238	3,570	3,927	Not available
5. PG-Long Term	261	3,915	4,307	181
6. WG 2018 Principal Projection	285	4,275	4,703	152
7. Housing Need (LHMA)	296	4,445	4,890	Not available

4.1.2 A summary description of each growth option is provided below and explained in more detail in the following growth options analysis section.

4.1.3 The **'Adjusted Core Scenario' (Option 1)** adjusted the baseline forecast and made some moderate economic growth assumptions arising from the Celtic Freeport designation and other potential investment opportunities.

4.1.4 The **Baseline Employment (Option 2)** used the Cambridge Econometrics forecast, taking the macroeconomic trend, providing a 'base-case' which accounted for historic trend data, sectoral breakdowns and national trends.

4.1.5 The '**Adjusted Supplementary Scenario' (Option 3)** is the most positive economic forecast which reflects a more ambitions assumption around future investment and assumes a higher level of growth arising from further investment opportunities associated with the Freeport.

4.1.6 The **Average 15 year Past Delivery Rate (Option 4)** presents a dwelling-led growth scenario, which shows the average rate of build over the 15 year period 2008/09 – 2022/23, which equates to 238 homes per annum.

4.1.7 The **Population Growth (PG) Long-term (Option 5)** re-bases the WG official Principal Projection to take into account mid-year estimates for 2019, 2020 and 2021 and assumes population growth will perpetuate the trends of the previous 10 years.

4.1.8 The **WG 2018 Principal Projection (Option 6) i**s modelled using the Principal Variant of the WG Official 2018-based Projection. The principal projection is based on the demographic trends of the previous 5 years.

4.1.9 The **LHMA (Housing Need) (Option 7)** considers the housing need in the draft 2023 Local Housing Market Assessment (LHMA), based on the WG 2018-Based Principal Projection and covers the period 2021-2036. The LHMA identified a backlog of affordable housing need of 542 dwellings per annum to be met over the first 5 years of the Plan. Together, the market and affordable housing needs over the 15 year period equate to 4,445 homes.

4.1.10 Under delivery of housing during the adopted LDP period has had implications for existing residents; with younger adults living in increasingly larger households. Turley's have taken this into consideration when modelling future projections by making an adjustment to Household Membership Rates (HMR), (the rate at which population is converted into households). The adjustment would provide an uplift in housing need, assuming the development of additional homes would allow hidden households to make a choice to form their own households. Options 1-3, 5 and 6 include this adjustment.

4.1.11 All options are presented above including a flexibility allowance which is set at 10% as suggested as the starting point in the DPM. This has been done for illustrative purposes at this stage to give a more accurate picture of the potential housing requirement figure arising from each growth option.

4.1.12 In order to present economic growth options in terms of jobs rather than employment, an increase of 2.98% was added to the employment figures presented in the EHGA to account for double jobbing which is the long-term average rate of double jobbing.

4.2 Growth Options Analysis

4.2.1 In analysing the growth options, the following elements have been considered in the evidence base as set out below:

- The regional fit is set out in the Tests of soundness self assessment paper;
- The appropriate level of flexibility allowance is detailed in the Population and Housing Topic Paper.

4.2.2 In arriving at the identified growth scenarios set out above, the following scenarios were considered:

- Adopted LDP planned level of growth;
- Demographic Led growth;
- Economic Led growth;
- Policy Led (HMR adjustment) growth; and
- Dwelling Led growth.

4.2.1 Adopted LDP

4.2.1.1 Initially the Adopted LDP 2011-2026 planned level of growth was reviewed but as noted in the Council's AMRs, RR and EHGA, discounted as inappropriate given recent low levels of growth delivered for housing and mis-matched positive jobs delivery. This is likely to have had a knock-on impact in terms of:

- Affordable and Market housing availability;
- Increases in house prices;
- Increased household size;
- Workforce availability;
- Employment premises availability (constraining economic development);
- Commuting levels;
- Worse than anticipated population growth; and
- Worsening affordability of housing.

4.2.1.2 The adopted LDP growth strategy was based on an economic led scenario which was derived from the 2008-based household projections. Following the 2011 Census, subsequent projections have been published by the WG in 2011, 2014 and the latest set of projections, the 2018 based which were last updated in August 2021. This subsequent evidence has consistently shown that the population has not grown as much as anticipated in the 2008-based projections, making it inappropriate to roll forward a growth scenario linked to such out-of-date demographic evidence. Furthermore, the 2008-based projection does not cover the whole of the replacement plan period 2023-2038 as it only projects as far as 2033.

4.2.1.3 The housing build rates anticipated in the adopted LDP have not been achieved and this has been considered further as part of the dwelling led scenarios.

4.2.1.4 The adopted LDP included a number of large strategic sites (such as Coed Darcy) which have not delivered as many units anticipated within the plan period to date. This demonstrates that the current approach should not be replicated in the RLDP.

4.2.1.5 This means that the adopted LDPs growth strategy is no longer considered fit for purpose. A summary of the adopted LDPs growth strategy and delivery to date is provided below for context:

Table 4.2.1.1 Adopted LDP Growth Strategy and Delivery

Adopted Plan	NPT LDP 2011-2026
Homes (per annum)	520
Homes Plan Period	7,800
Homes Plan Period (incl 12.31% flex)	8,760
Jobs (per annum)	257
Jobs Plan Period	3,850
Homes Plan Period Delivered up to 2022/23 (average per annum)	2,559 (213pa)
Jobs Plan Period Delivered up to 2019 (average per annum)	5,100 (567pa)

4.2.2 Demographic-Led

4.2.2.1 The Welsh Government (WG) guidance requires us to use the local authority household projection figures as a fundamental part of the evidence base (DPM Para 5.34). In this context, PPW is clear to recognise that "household projections provide estimates of the future numbers of households and are based on population projections and assumptions about household composition and characteristics. Certain elements of the projections, such as births and deaths, will remain relatively constant throughout the plan period. However, other elements, such as migration and household formation rates, have the ability to influence outcomes significantly. Planning authorities need to assess whether the various elements of the projections are appropriate for their area, and if not, undertake modelling, based on robust evidence, to identify alternative options" (Para 4.2.7)

4.2.2.2 In line with national policy, the most recent official projections from the WG have been considered in the EHGA, these being based to 2018 and including 'high' and 'low' variants, alongside the principal projection. Further demographic projections have also been modelled that take account of the additional population estimates and trends now available to 2022. Together, the following demographic-led scenarios have been developed:

1. WG 2018-Based Projection High Variant: modelled using the Higher variant of the WG official 2018-based household projections. It assumes a higher level of population growth based on high fertility, life expectancy and migration assumptions.
2. **WG 2018-Based Projection Principal Variant (Option 6):** modelled using the Principal variant of the WG official 2018-based household projection, which is based on demographic trends of the last 5 years; It is important to consider this variant in the regional context as it has also been used to formulate the housing need for the South West Wales region set out in FW.
3. Population Growth (PG) Long-term trend (exc. Unattributed Population Change (UPC)):This re-bases the WG Official Principal projection to take into account mid-year estimates for 2019, 2020 and 2021. It assumes that population growth will perpetuate the trends of the previous 10 years, rather than the previous 5 years factored into the official projection, and it also includes migration assumptions drawn from the long-term (21 years) Mid Year Estimates (MYE) data. This scenario excludes the UPC.
4. **Population Growth (PG) Long-term (Option 5):** This re-bases the WG Official Principal projection to take into account mid-year estimates for 2019, 2020 and 2021. It assumes that population growth will perpetuate the trends of the previous 10 years, rather than the previous 5 years factored into the official projection, and it also includes migration assumptions drawn from the long-term (21 years) Mid Year Estimates (MYE) data.
5. WG 2018-based Projection Low Variant: modelled using the lower variant of the WG official 2018-based household projections. It assumes a lower level of population growth based on low fertility, life expectancy and migration assumptions.

4.2.2.3 The table from the EHGA below shows the number of extra residents and homes needed according to the growth scenarios.

Table 4.2.2.1 EHGA Table 8.2 Population growth and homes needed to support investment-led scenarios

Scenario	Extra residents 2023 to 2038	Homes needed per annum
High 2018-based	8,900	293

Scenario	Extra residents 2023 to 2038	Homes needed per annum
Principal 2018-based	5,313	197
Long-term trend (exc. UPC)	4,778	185
Long-term trend	4,470	171
Employment-led supplementary adjusted	4,424	142
Employment-led baseline	1,777	80
Low 2018-based	245	71
Employment-led core adjusted	836	46

4.2.2.4 Re-basing the projections involved adjusting the 2018-based projection to factor in subsequently published mid year population estimates for 2019, 2020 and 2021.

Figure 4.1 EHGA Revision of Historic Population Estimates

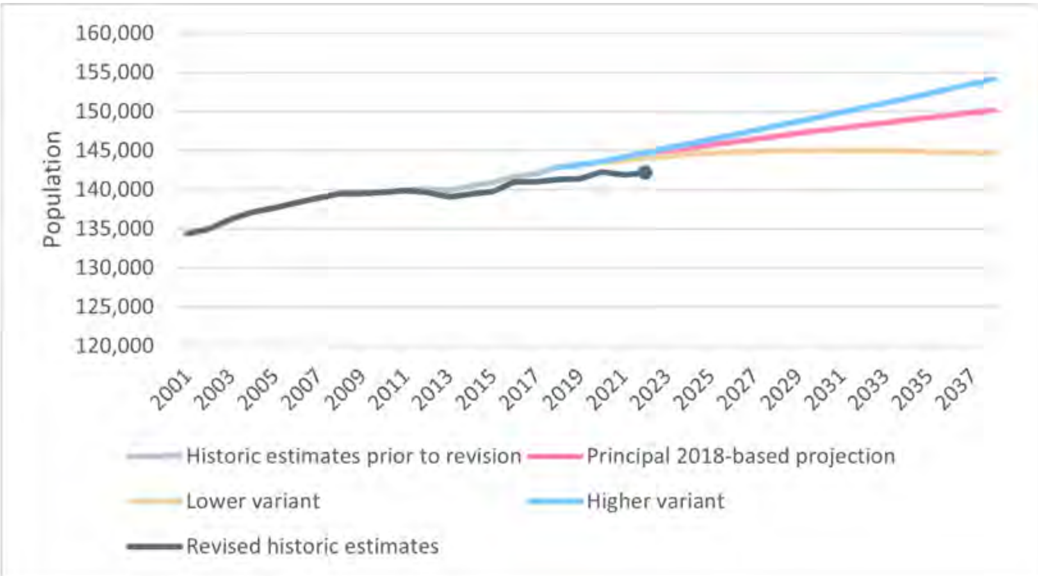
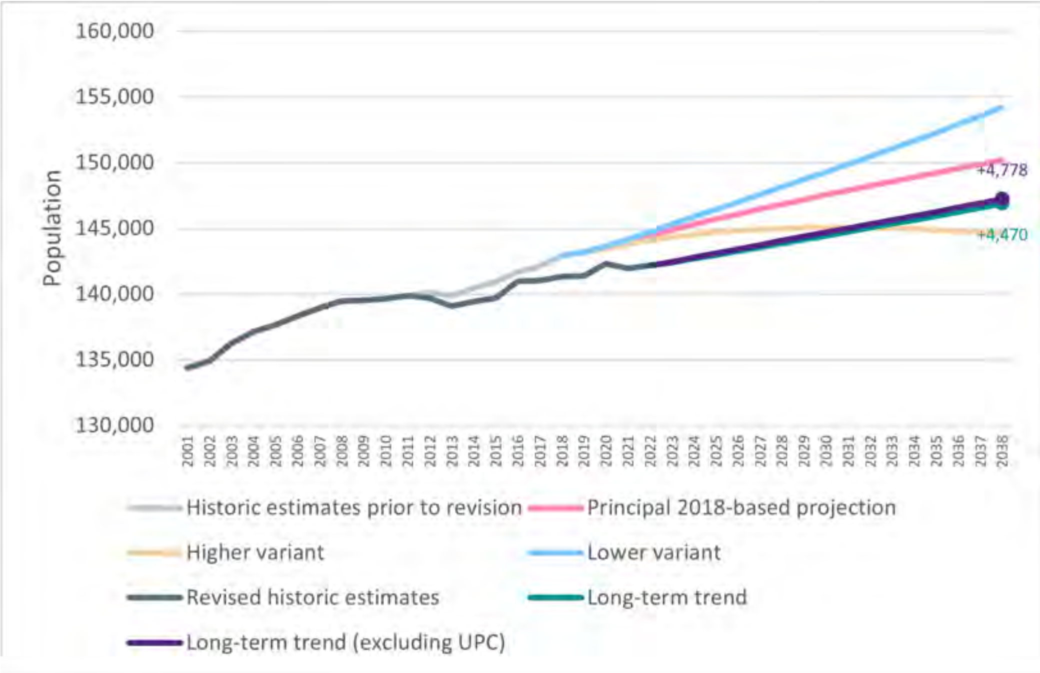


Figure 4.2 Impact of rebasing the official projections (as indicated in the EHGA)



4.2.2.5 Of these scenarios, the following were not taken forward as growth scenarios for the consultation for the reasons set out below:

- High Variant 2018-based projection - Following the HMR adjustment, this would require the delivery of 293 (382 with HMR adjustment) homes per annum which is significantly in excess of past build rates and considered un-realistic.
- Long-term trend (excluding Unattributed Population Change) - It was considered most appropriate to include unattributed population change in order to provide the most accurate picture of population growth.
- Low Variant 20118-based projection - This would result in similar number of homes being required as the employment base-line.

4.2.3 Economic-Led

4.2.3.1 In line with the DPM, an assessment of likely economic growth has been undertaken. In line with national guidance, Turleys and SQW reviewed macroeconomic baseline forecasts from the three leading forecast houses: Cambridge Econometrics, Oxford Analytics and Experian and developed NPT specific scenarios:

1. **Employment-led Baseline (Option 2):** The forecast from Cambridge Econometrics was identified to be the preferred macroeconomic trend, being most representative of a ‘base-case’ following the consideration of historic trend data, sectoral breakdowns and earlier evidence-based studies. This anticipates a steady growth in jobs which is significantly slower than recent historic trends.
2. Revised Employment-led Baseline: Following the TATA Steel transition announcement, SQW re-modelled the employment-led baseline (Cambridge Econometrics) forecast to account for losses likely to arise following the TATA steelworks transition based on current information. This showed a sharp fall in total jobs, with a very slow return to

growth from 2027 onwards following the anticipated implementation of a new electric arc furnace. This scenario would have resulted in no growth but a loss of on average -168 jobs per annum over the plan period.

4.2.3.2 Given known planned local investments, the Council's corporate emphasis on economic recovery, the general churn in the employment market and the TATA Steelworks transition, planning for decline is not considered to be an appropriate growth scenario and has therefore not been taken forward as an option. Instead, two economic recovery scenarios; the 'adjusted core and 'adjusted supplementary' were modelled:

1. **Adjusted Core (Option 1):** Having reviewed recent economic performance and announcements relating to TATA Steelworks and the Celtic Freeport, the potential for economic growth in NPT over the RLDP Plan period to 2038 was re-modelled taking into account anticipated job losses and gains. This scenario includes economic growth assumptions arising from opportunities associated with the Celtic freeport designation and other investments. The potential freeport growth accounted for is from within the scope of the current Freeport Outline Business case (OBC). Modest assumptions regarding other major projects/investments were also accounted for. This scenario shows recovery to the baseline position towards the end of the plan period.
2. **Adjusted Supplementary (Option 3):** A further scenario was modelled factoring in a further more positive economic recovery outlook arising from anticipated future investment with the most up to date information publicly available at the current time. This scenario assumes higher growth arising from further investment opportunities outside of the scope of the current OBC where the likelihood of them coming forward is more uncertain at the present time, but reflective of the scale of land being promoted for development through the RLDP and of current on-going discussions that are taking place. This scenario shows growth exceeding the baseline by the end of the plan period and delivering a positive level of growth.

Table 4.2.3.1 EHGA Table 6.3 Summary of scenarios (jobs per annum, 2023-2038)

Scenario	Jobs per annum
CE Baseline Economic Forecast	130
Revised Baseline	-168
Core adjusted	121
Supplementary adjusted	237

4.2.3.3 In considering the economic led growth scenarios set out above it should be noted that all are below previous economic trends. SQW stress the very significant economic uncertainty at present due to the potential negative implications in the short-to-medium term with the proposed steelworks transition and associated supply chain impacts, as well as the ongoing dependency on key parts of the manufacturing sector and it's vulnerability. Separate recognition is made of the potential constraints on labour market supply, given the reduced capacity to further increase economic activity rates, where these have shown pronounced increases over recent years to align more closely with the UK average.

4.2.4 Household Membership Rate Adjustment

4.2.4.1 The WG recognises the potential for policy decisions to have an impact on housing need. The EHGA explored a number of policy led-options including:

- More firmly supporting job growth that could arise from planned investments and the freeport by choosing an adjusted employment/jobs led scenario as set out above;
- Addressing one consequence of past-under supply of housing that has seen younger adults living in increasingly large households or living at home for longer, with the official projections 'baking in' this trend and assuming that this will continue. The approach would be to provide additional homes to help change this situation.

4.2.4.2 The latter has been explored by making an adjustment to Household Membership Rates (HMR), the rate at which population is converted into households. The HMR adjustment targets the younger age groups (age 25-29 and 30-34) who are most likely to have been affected and are likely to aspire most to form independent households given the opportunity to do so. The HMR adjustment allows for a partial return to the HMR trends of the 2008-based projections over the course of the RLDP period. This adjustment would in theory assume that the development of additional homes would allow younger so called hidden households to make a choice to form their own households where this is their aspiration. However, in reality this will be subject to the affordability of the new homes. This adjustment has facilitated an evidential based scenarios (Options 1-3, 5 & 6) where the future projections are unconstrained accounting for demographic trends.

4.2.4.3 The EHGA considered in detail the population growth, homes needed and jobs supported to support the demographic and investment led scenarios both with and without the application of a HMR adjustment.

Table 4.2.4.1 EHGA Table 8.3 Impact of alternative assumptions on household membership rates

Scenario	Jobs supported per annum	Homes needed per annum without adjustment	Homes needed per annum with adjustment
High 2018-based	211	293	382
Principal 2018-based	152	197	285
Long-term trend (exc.UPC)	196	185	276
Long-term trend	181	171	261
Employment-led supplementary	237	142	232
Employment-led baseline	130	80	161
Low 2018-based	88	71	157
Employment-led core adjusted	121	46	130

4.2.5 Dwelling-Led

4.2.5.1 Past build rates have been considered and used to analyse various growth options. The average build rate of the plan period to date (12 years), the average 5, 10, 15 and 20 year past build rates and the median plan period and 20 year past build rates and their potential growth levels to be delivered over the plan period if replicated are set out below:

Table 4.2.5.1 Past Build Rates

Past Build Rate Scenario	Homes (per annum)	Homes Plan Period
Average 5 year Past Delivery (2018/19 - 2022/23)	177	2,658
Average 10 year Past Delivery (2013/14 - 2022/23)	198	2,969
Average plan period to date (12 years) Past Delivery (2011/12 - 2022/23)	213	3,199
Average 15 year Past Delivery (2008/09 - 2022/23)	238	3,570
Average 20 year Past Delivery (2003/04 - 2022/23)	259	3,885
Median plan period to date (12 years) Past Delivery (2011/12 - 2022/23)	259	3,885
Median 20 year Past Delivery (2003/4 - 2022/23)	285	4,275

4.2.5.2 Recent trends in the delivery of jobs has also been analysed. The AMRs monitors workplace based employment data which is available for the period 2001-2019. The average number of jobs delivered over the plan period to date where data is available 2011-2019 is 567 jobs per annum. Over a longer term 15 year period 2005-2019, 433 jobs per annum have been delivered and over the term of the dataset 2001-2019, 633 jobs have been delivered per annum. This provides an indication of past economic performance experienced in the County Borough, however it is considered unlikely that that would be replicated in the future during the RLDP period.

4.2.5.3 In the context of the above, it is also useful to note the delivery of housing and jobs in NPT over the existing LDP period (2011-2026) set out in Table 4.2.5.1 above.

4.2.5.4 Having considered the various past delivery rates set out above, one was chosen to be taken forward as a dwelling-led growth option. The chosen past delivery rate scenario reflects the same term of an LDP plan period (15 years) and covers all of the adopted LDP plan period to date (12 years).

4.2.5.5 **Average 15 year Past Delivery Rate (Option 4):** This option calculates the average annual build rate of a 15 year period from 2008/09 - 2022/23 which equates to 238 homes per annum. This is a longer term build rate which factors in years where the annual build rate was higher than experienced in recent years. Given that higher annual build rates have been achieved in the past (e.g. 410 homes were delivered in 2010/11), it helps to give a more accurate picture of an aspirational but achievable build rate for the RLDP.

4.2.5.6 The DPM suggests that an affordable housing led scenario should be developed using the affordable housing need calculated through an LHMA. Such a scenario would need to calculate the level of housing growth required to meet the all of the affordable housing needs in their entirety during the plan period. This is complicated by the LHMA itself incorporating several of the demographic scenarios which creates a circularity that the DPM doesn't appear to recognise, possibly due to it having been issued almost a year before the LHMA guidance was itself updated with the introduction of the LHMA Tool. Each of the 5 scenarios presented in the draft LHMA is linked to one of the demographic projections, creating an inherent consistency that arguably needs to develop further affordable housing led scenarios. These could only be justified to take account of the existing need for affordable housing, which is initially added on to the newly arising need, generated by projections, and assumed to be cleared within five years. This cannot necessarily justify a higher rate of overall housing provision, however, because the households who are generating this existing need are largely already housed and would actually vacate housing if affordable homes were to be provided [Only 6% of the households on Tai Tarian's housing register in July 2022 were homeless, with the majority assumed to therefore be currently living in properties]. An affordable led scenario has therefore not been developed due to the complex interrelationship between the overall need for housing and the need for affordable housing. Instead, the LHMA which identifies need for both market and affordable housing has been included as a growth option.

4.2.5.7 **Housing need (LHMA) (Option 7):** This option considered the level of housing need identified in the draft LHMA 2023. The LHMA is also based on the WG 2018-Based Principal Projection and covers the period 2021-2036. The assessment identified a backlog of affordable housing need of 542 dwelling per annum to be met over the first 5 years of the LHMA period, and a newly arising affordable housing need of 66 dwellings per annum. Together, the market and affordable housing needs over the 15 year period equate to 4,445 homes. As this scenario is underpinned by the WG 2018 Principal projection, it is considered reasonable to assume that the jobs growth associated with this scenario would be similar to that of option 6.

4.2.5.8 Whilst the economic growth for this Housing need (LHMA) option has not been specifically modelled, it is considered reasonable that this would correspond with the jobs growth modelled for Option 6 - WG 2018 Principal projection, as the same household projection (which drives jobs growth) has been used in the LHMA. This is not an affordable housing led scenario as suggested by the DPM.

4.2.6 Advantages and Disadvantages

4.2.6.1 The advantages and disadvantages of each growth option are considered below:

Table 4.2.6.1 Advantages and Disadvantages

Growth Scenario	Advantages	Disadvantages
1. Adjusted Core	• Achievable housing build rate considering past trends.	• Unable to meet affordable housing needs resulting in greater needs for other forms of accommodation.

Growth Scenario	Advantages	Disadvantages
	• Young/hidden household needs are factored in. • Takes into account economic recovery associated with TATA steelworks transition, Celtic freeport and other planned investments.	• Lower forecast for housing completions and recent historic trends. • Wouldn't meet full economic growth potential. • Potentially constrained labour workforce due to low housing growth. • Potential for greater out-commuting due to constrained aspirational economic opportunities. • Calculation method does not factor in housing needs identified in FW. • Not economically ambitious enough given past trends.
2. Baseline Employment	• Achievable housing build rate considering past trends. • Young/hidden household needs are factored in.	• Unable to meet affordable housing needs resulting in greater needs for other forms of accommodation. • Lower forecast for housing completions and recent historic trends. • Potentially constrained labour workforce due to low housing growth. • Potential for greater out-commuting due to constrained aspirational economic opportunities. • Calculation method does not factor in housing needs identified in FW. • Economic baseline based on macroeconomic trends which mimics national picture and not locally specific. • Impact of TATA Steelworks transition, Freeport and other investments not factored in.
3. Adjusted Supplementary	• Achievable but ambitious housing build rate considering past trends. • Young/hidden household needs are factored in.	• Unable to meet affordable housing needs resulting in greater needs for other forms of accommodation. • Calculation method does not factor in housing needs identified in FW.

Growth Scenario	Advantages	Disadvantages
	• Takes into account economic recovery associated with TATA steelworks transition, Celtic freeport and other planned investments. • Optimistic economy recovery supporting local, regional and national economic aspirations. • Potential to increase economically active labour force from increased housing provision. • Potential to reduce out-community through employment provision opportunities.	• Not economically ambitious enough given past trends. • Reliant on Freeport and other investments being delivered within the plan period.
4. Average 15 year Past Delivery Rate	• Achievable housing build rate derived from past trends. • Potential to reduce out-community through employment provision opportunities.	• Calculation method does not factor in housing needs identified in FW. • Not economically ambitious enough given past trends. • Impact of TATA Steelworks transition, Freeport and other investments not factored in. • Doesn't take into account the relationship between housing and jobs. • Not linked to economic outlook.
5. PG-Long Term	• Young/hidden household needs are factored in. • Based on a long-term stable trend of population growth. • Derived from WG 2018 Principal Projection therefore consistent with FW Regional Housing Need.	• Unable to meet affordable housing needs resulting in greater needs for other forms of accommodation. • Impact of TATA Steelworks transition, Freeport and other investments not factored in.
6. WG 2018 Principal Projection	• Young/hidden household needs are factored in. • Derived from WG 2018 Principal Projection therefore consistent with FW Regional Housing Need.	• Unable to meet affordable housing needs resulting in greater needs for other forms of accommodation. • Potential for greater out-commuting due to constrained aspirational economic opportunities. • Impact of TATA Steelworks transition, Freeport and other investments not factored in.

Growth Scenario	Advantages	Disadvantages
7. Housing Need (LHMA)	• Derived from WG 2018 Principal Projection therefore consistent with FW Regional Housing Need. • Has the potential to make the most positive contribution towards meeting the existing unmet and newly arising affordable and market housing needs over the plan period.	• Not linked to economic outlook. • Would require majority of suitable housing land opportunities identified to be taken forward. • Not an Affordable-housing led scenario.

4.3 Converting Jobs to Employment Land

4.3.1 The section above sets out the Growth options with associated jobs numbers. In order to translate these into employment land needs, Turley's have looked at various factors including stock losses and vacancies.

4.3.2 This process involved the assignment of different sectors to B use classes before jobs are converted into floorspace and then floorspace is translated into land requirements. The methodology is summarised in Figure 4.3 below and explained in detail in the EHGA:

Figure 4.3 Process of Estimated Employment Land Requirements

4.3.3 The table below sets out the assumptions used for translating the economic sectors into the planning use classes:

Table 4.3.1 EHGA Table 7.1 Sector to Use Class Matrix

Sector	Offices B1	Industrial B2	Warehouse B8	Non-B
Agriculture etc.	0%	0%	0%	100%
Mining and quarrying	0%	0%	0%	100%
Manufacturing	0%	90%	10%	0%
Electricity, gas and water	0%	0%	0%	100%
Construction	0%	0%	5%	95%

Sector	Offices B1	Industrial B2	Warehouse B8	Non-B
Retail and distribution [Distribution includes retail employees working in shops, who account for the vast majority of those working in this broad sector in NPT]	0%	0%	20%	80%
Transport and storage	0%	0%	75%	25%
Accommodation and food services	0%	0%	0%	100%
Information and communications [Within NPT, the majority of jobs in this broad sector involve computer programming, consultancy or information services, and are therefore assumed to require offices]	80%	0%	0%	20%
Financial and business services	80%	0%	0%	20%
Government services [Around 30% of these jobs in NPT relate to public administration, which are assumed to require offices, with the rest relating to education, health and residential care and therefore assumed to require other types of premises]	30%	0%	0%	70%
Other services [This sector appears to be broadly comprised of sport and personal services in NPT, none of which are considered likely to require employment land]	0%	0%	0%	0%

Source: Turley analysis

4.3.4 The table below shows the impact of applying the assumptions above to the economic led growth scenarios:

Table 4.3.2 EHGA Table 7.2 Total job growth when assigning sectors to use classes (2023 to 2038)

Scenario	Additional jobs	Offices (B1)	Industrial (B2)	Warehouses (B8)	Total B uses	Non-B
CE Baseline	1,957	710	-725	147	132	1,825
Revised baseline	-2,521	258	-2,925	-407	-3,074	554
Core adjusted	1,813	1,043	-2,110	22	-1,045	2,858
Supplementary adjusted	3,560	1,382	-1,751	189	-180	3,740

Source: CE; SQW; Turley analysis

4.3.5 In order to convert the job growth into floorspace, the various densities published for different types of offices, industrial premises and warehouses have been respectively aggregated and averaged as follows:

- **Office** – general office (corporate; professional services; public sector; technology; media and telecoms; finance and insurance) and call centres;

- **Industrial** – light industrial, industrial and manufacturing; and
- **Warehouse** – regional distribution and "final mile" distribution centre.

4.3.6 The employment densities associated with the above a provided below:

Table 4.3.3 EHGA Table 7.3 Employment densities (sqm GEA per full time equivalent employee)

Office	Industrial	Warehouse
13.3sqm	44.8sqm	73.5sqm

Source: Homes and Communities Agency; Turley analysis

4.3.7 Applying the employment densities to the estimates of future change in Full Time Equivalent (FTE) employment provide an indication of the amount of additional employment floorspace that could be required to support future job growth in NPT:

Table 4.3.4 EHGA Table 7.4 Employment space needed to accommodate forecast growth (2023 to 2038)

Scenario and measure	Offices (B1)	Industrial (B2)	Warehouses (B8)	Total (B)
CE Baseline				
Additional jobs	710	-725	147	132
Additional FTE jobs	581	-705	117	-7
Floorspace (GEA)	7,715sqm	-31,600sqm	8,601sqm	-15,284
Revised baseline				
Additional jobs	258	-2,925	-407	-3,074
Additional FTE jobs	193	-2,847	-391	-3,045
Floorspace (GEA)	2,558sqm	-127,569sqm	-28,706sqm	-153,716sqm
Core adjusted				
Additional jobs	1,043	-2,110	22	-1,045
Additional FTE jobs	846	-2,054	-2	-1,210
Floorspace (GEA)	11,234sqm	-92,030sqm	-121sqm	-80,916sqm
Supplementary adjusted				
Additional jobs	1,382	-1,751	189	-180
Additional FTE jobs	1,128	-1,704	150	-426
Floorspace (GEA)	14,986sqm	-76,355sqm	11,008sqm	-50,361

Source: HCA; CE, SQW; Turley analysis

4.3.8 In accordance with WG guidance, a past take up scenario linked to past building completions was also considered. The Council's monitoring indicates that – before accounting for losses – an average of **4,874sqm** of employment space has been completed throughout

NPT since the start of the current plan period, capturing the recovery from the last recession and the pandemic (2011-23). Around two thirds of this was office space, with less warehousing and industrial space developed over this period. The table below shows the impact of extrapolating past take up over the plan period.

Table 4.3.5 EHGA Table 7.5 Extrapolating past take-up (sqm; 2023 to 2038)

Scenario	Offices (B1)	Industrial (B2)	Warehouses (B8)	Total (B)
Past take-up (2011-23)	48,945	8,865	15,285	73,095
CE Baseline	7,715	-31,600	8,601	-15,284
Supplementary adjusted	14,986	-76,355	11,008	-50,361
Core adjusted	11,234	-92,030	-121	-80,916
Revised baseline	2,558	-127,569	-28,706	-153,716

Source: Council monitoring; Turley analysis

4.3.9 The EHGA recognises that an approach based on part-take up is backward-looking and will have been affected by increasingly limited employment space availability. Therefore an allowance for additional space to increase availability to a healthier rate was identified. The allowances applied were benchmarks that can be reasonably based on the upper quartile rates recorded as for offices (4.1%), industrial premises (3.9%) and warehouses (8.9%).

Table 4.3.6 EHGA Table 7.6 Allowing for improved availability (sqm; 2023 to 2038)

Scenario	Offices (B1)	Industrial (B2)	Warehouses (B8)	Total (B)
Improved availability	49,318	28,214	28,256	105,788
Past take-up (2011-23)	48,945	8,865	15,285	73,095
CE Baseline	7,715	-31,600	8,601	-15,284
Supplementary adjusted	14,986	-76,355	11,008	-50,361
Core adjusted	11,234	-92,030	-121	-80,916
Revised baseline	2,558	-127,569	-28,706	-153,716

Source: Council monitoring; Turley analysis

4.3.10 The EHGA also sets out an allowance for losses over the adopted LDP period indicated by the Council's monitoring.

Table 4.3.7 EHGA Table 7.7 Impact of replacing all losses or half (sqm; 2023 to 2038)

Scenario	Offices (B1)	Industrial (B2)	Warehouses (B8)	Total (B)
Replacing all losses	**+16,155**	**+23,445**	**+525**	**+40,125**
Improved availability	65,473	51,659	28,781	145,913
Past take-up	65,100	32,310	15,810	113,220
CE Baseline	23,870	-8,155	9,126	24,841
Supplementary adjusted	31,141	-52,910	11,533	-10,236
Core adjusted	27,389	-68,585	404	-40,791
Revised baseline	18,713	-104,124	-28,181	-113,591
Replacing half of all losses	**+8,076**	**+11,723**	**+263**	**+20,063**
Improved availability	57,396	39,937	28,519	125,851
Past take-up	57,023	20,588	15,548	93,158
CE Baseline	15,792	-19,877	8,863	4,778
Supplementary adjusted	23.064	-64,633	11,270	-30,299
Core adjusted	19,312	-80,308	142	-60,854
Revised baseline	10,636	-115,846	-28,443	133,654

Source: Council monitoring; Turley analysis

4.3.11 In order to plan positively for future employment growth, an allowance for choice and flexibility has also been considered and modelled. An allowance of 7.5 years was applied and the impact is shown in the table below:

Table 4.3.8 EHGA Table 7.8 Allowing for choice and flexibility (sqm; 2023 to 2038)

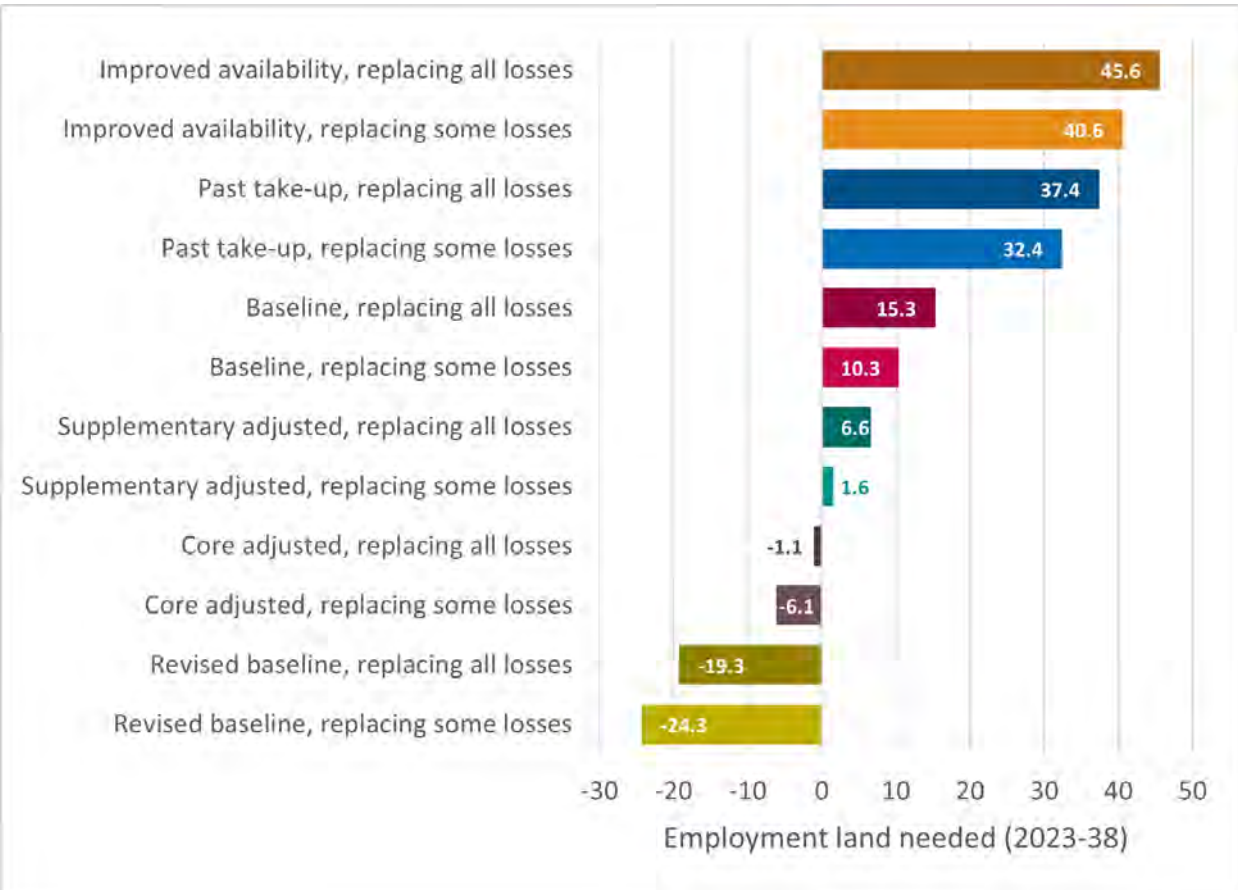
Scenario	Offices (B1)	Industrial (B2)	Warehouses (B8)	Total (B)
Buffer (7.5 years' historic take-up)	+24,473	+4,433	+7,643	+36,548
Improved availability replacing all losses	89,946	56,092	36,424	182,461
Improved availability replacing some losses	81,868	44,369	36,161	162,398
Past take-up replacing all losses	89,573	36,743	23,453	149,768
Past take-up replacing some losses	81,495	25,020	23,190	129,705
CE Baseline replacing all losses	48,342	-3,722	16,768	61,388
CE Baseline replacing some losses	40,265	-15,445	16,506	41,326
Supplementary adjusted replacing all losses	55,614	-48,478	19,175	26,311

Supplementary adjusted replacing some losses	47,536	-60,200	18,913	6,249
Core adjusted replacing all losses	51,862	-64,153	8,047	4,244
Core adjusted replacing some losses	43,784	-75,875	7,784	-24,306
Revised baseline replacing all losses	43,186	-99,691	-20,538	-77,044
Revised baseline replacing some losses	35,108	111,414	-20,801	-97,106

Source: Council monitoring; Turley analysis

4.3.12 Using a default plot ratio of 40%, floorspace was converted into employment land requirements.

Figure 4.4 EHGA Figure 7.3 Total employment need needed in each scenario (2023 to 2038)



Source: Turley analysis

4.3.13 Further analysis of evidence to apply alternative plot ratios to allow for the prospect of higher density office development and locally specific plot ratios was also undertaken.

Table 4.3.9 EHGA Table 7.11 Impact of 32% plot ratio assumption for land needed (ha; 2023 to 2038)

Scenario	Offices (B1)	Industrial (B2)	Warehouses (B8)	Total (B)
Improved availability, replacing all losses	28.1	17.5	11.4	57.00
Improved availability, replacing some losses	25.6	13.9	11.3	50.7
Past take-up, replacing all losses	28.0	11.5	7.3	46.8
Past take-up, replacing some losses	25.5	7.8	7.2	40.5
CE Baseline, replacing all losses	15.1	-1.2	5.2	19.2
CE Baseline, replacing some losses	12.6	-4.8	5.2	12.9
Supplementary adjusted, replacing all losses	17.4	-15.1	6.0	8.2
Supplementary adjusted, replacing some losses	14.9	-18.8	5.9	2.0
Core adjusted, replacing all losses	16.2	-20.0	2.5	-1.3
Core adjusted, replacing some losses	13.7	-23.7	2.4	-7.6
Revised baseline, replacing all losses	13.5	-31.2	-6.4	-24.1
Revised baseline, replacing some losses	11.0	-34.8	-6.5	-30.3

Source: Council monitoring; Turley analysis

4.3.14 The EHGA states that; 'Over the plan period, the forecasts above indicate that growth in the industrial sector in NPT is likely to be driven by manufacturing industries, who can be expected to predominantly require factory/production units (B2 uses). Growth in the storage and distribution sectors can be reasonably expected to generate demand for warehousing and logistics hubs (B8 uses). Demand for offices (B1 uses) is expected to be generated by Government, financial and business services, as well as IT firms.'

4.3.15 To summarise, after making allowances, and converting floorspace into land using standard assumptions, it has been estimated that up to 45.6ha of employment land could be needed to support a continuation of recent take-up trends, adjusted to account for limited availability while also replacing losses and adding a margin of choice and flexibility. This could though rise as high as 57.0ha if land is developed at a lower density, as the Council's monitoring suggests is often the case in NPT.

4.3.16 Further analysis linking to the planned level of employment land is provided in the Employment Topic Paper.

5. Spatial Options Considered

5.0.1 This section will look at the various spatial options considered. These are:

- Option A – Continue with the existing Adopted LDP Strategy;
- Option B – Dispersed growth across the authority;
- Option C - National Growth Area and Sustainable Transport Infrastructure;
- Option D – Building on key opportunities in the Valleys;
- Option E - Town Centre First approach; and
- Option F – Hybrid option of Option C and Option D.

5.1 Option A - Continue with the Adopted LDP Strategy

5.1.1 The Adopted LDP divided the County Borough into eight spatial areas, comprising the two towns of Neath and Port Talbot and the surrounding areas of the Afan Valley, Amman Valley, Dulais Valley, Neath Valley, Pontardawe and Swansea Valley. It then grouped these into two strategic planning areas:

- **The Coastal Corridor** (comprising the two main urban towns and supporting communities of Neath and Port Talbot); and
- **The Valleys** (comprising the Afan Valley, Amman Valley, Dulais Valley, Neath Valley, Pontardawe and Swansea Valley).

5.1.2 The **Coastal Corridor** contained the main centres of population, infrastructure and facilities and benefits form easy access to the M4 making the area more attractive in terms of investment for business, commercial and residential development.

5.1.3 **The Valleys** were more rural in nature with more limited scope for development due to topography and more limited access to the main arterial transport routes (rail and M4).

5.1.4 **The current LDP strategy** therefore aimed to "*facilitate growth within NPT, with a focus on the Coastal Corridor whilst reinvigorating the valley communities".*

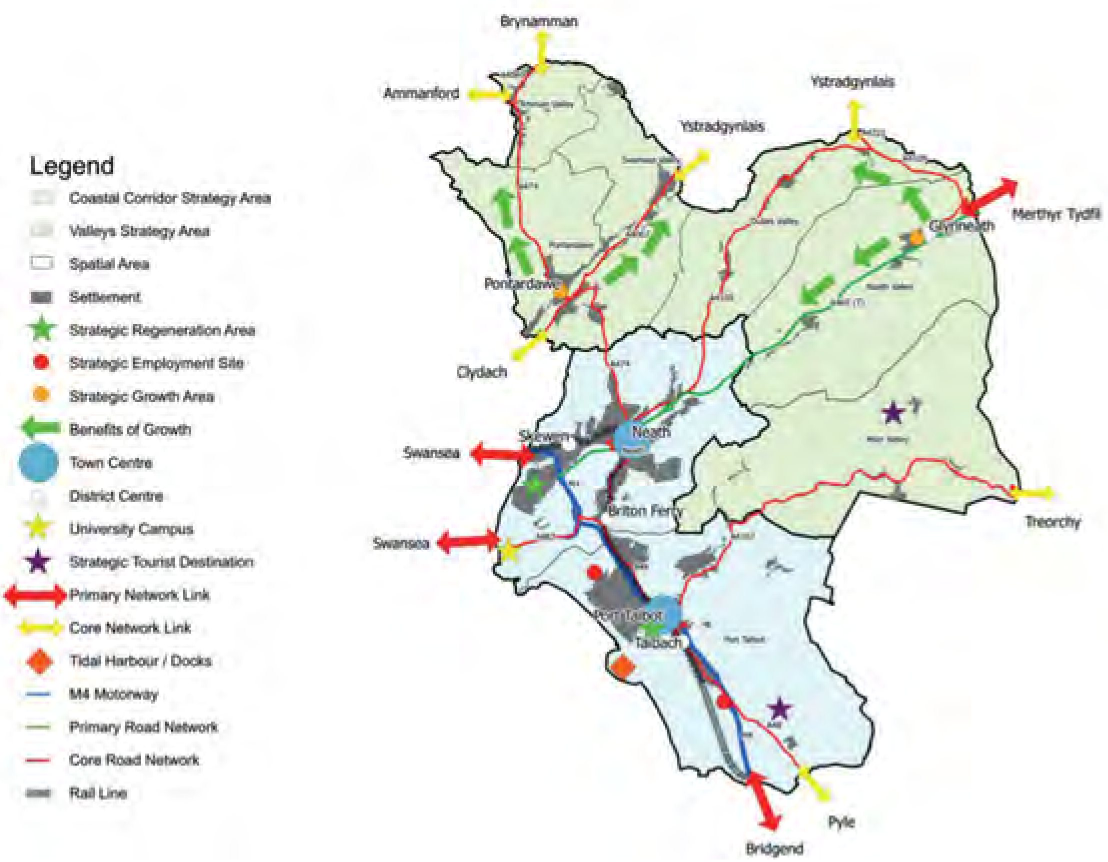
5.1.5 Specifically, this meant:

- Focusing development along the Coastal Corridor and in the urban areas of Neath and Port Talbot, in recognition of the important role these settlements play within the wider context;
- Maximising the benefit of market interest along the Coastal Corridor and stimulating growth through the delivery of strategic employment sites and strategic regeneration areas;
- Identifying Pontardawe and the Upper Neath Valley as strategic growth areas in the Valleys which will create a mechanism to co-ordinate investment and ensure the benefits of growth and regeneration are shared more widely throughout the Valley communities; and
- Providing a flexible approach to development within the Valley communities.

5.1.6 The level of growth was based on an economic-led scenario which was aspirational and aimed to maximise job growth within the local economy.

5.1.7 The spatial strategy recognised the need to ensure appropriate infrastructure is already in place or could be provided to accommodate the level of growth identified. An integral part of the strategy was therefore to deliver new infrastructure to support allocations and future growth. The strategy supported a number of key infrastructure projects that were considered essential to delivering a number of strategic allocations, including housing, employment and regeneration sites.

Figure 5.1 Option A - Continue with the Adopted LDP Strategy



5.1.8 The key advantages and disadvantages of this strategy are summarised below.

Advantages

- Allowed for differences in strategy between valleys and coastal communities;
- Key infrastructure improvements delivered – Port Talbot Parkway Station and Integrated Transport hub; Baglan Energy Park Link Road; Harbour Way and Ffordd Amazon;
- Provides continuity; and
- Would provide growth in sustainable areas that have access to facilities.

Disadvantages

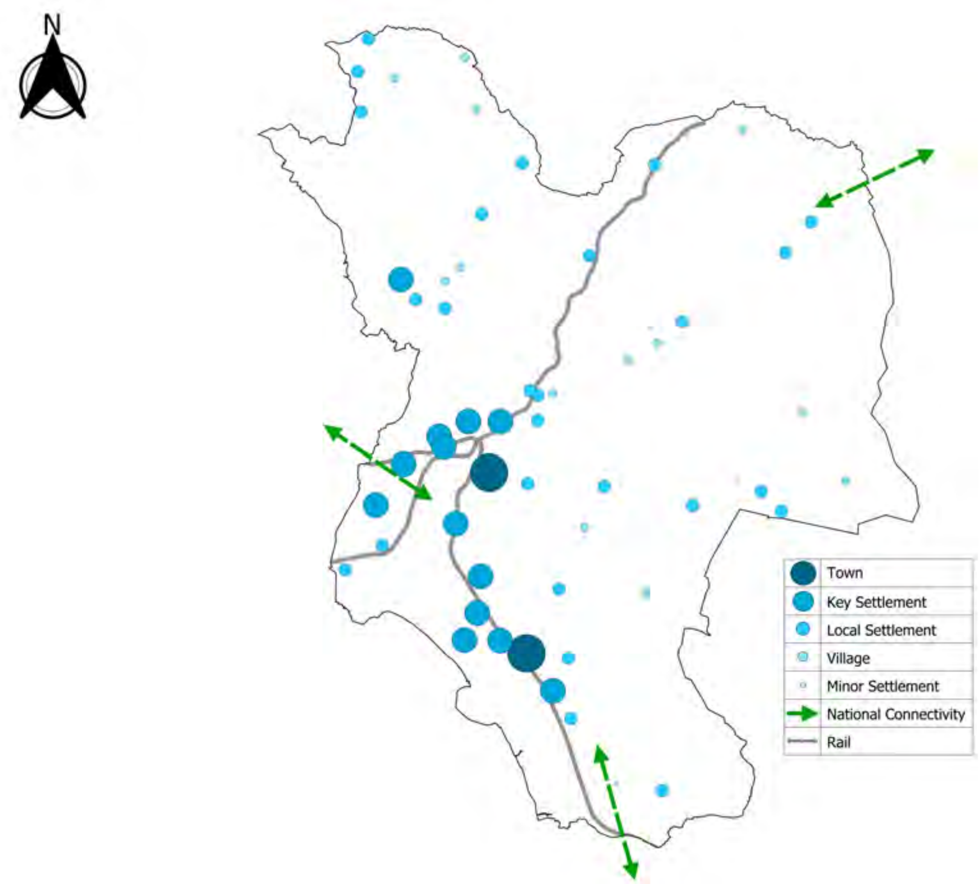
- Key strategic regeneration areas still have not come forward as anticipated (e.g. Coed Darcy, Harbourside, Baglan Bay);
- Jobs growth has been higher than anticipated during the plan period, however uptake of strategic employment sites has been low;
- Level of housing delivered falls short of the annual build rate of 520 and is around 213 per annum; and
- Growth points around Glynneath and Pontardawe have not been realised as anticipated (Residential and Tourism).

5.2 Option B - Dispersed growth across the Authority

5.2.1 This option focuses on growth occurring across the authority – from towns through to minor settlements as identified in the settlement hierarchy set out in the background paper (as noted in table 3.5.1 above). This would be through a series of small to medium sites with no reliance on individual large scale strategic sites .

5.2.2 The key infrastructure requirements are likely to encompass schemes across the County Borough.

Figure 5.2 Option B - Dispersed growth across the Authority



5.2.3 The key advantages and disadvantages of this strategy are highlighted below:

Advantages

- Dispersal strategy that targets development across the whole County Borough proportionate to the size of each existing settlement;
- Would help support facilities in existing settlements, particularly in rural areas;
- Would not rely on one individual large-scale strategic site;
- Focused on a proportionate sustainability assessment; and
- There is potential for smaller settlements to become bigger and for them to become more sustainable through the inclusion of additional local every day facilities or to sustain their existing facilities.

Disadvantages

- Viability of sites may mean that sites do not come forward;
- Dispersed development growth may lead to a greater reliance on the private car due to limited active travel provision in the more rural parts of the authority and a mismatch between co-location of homes and jobs;
- There may not be suitable sites in all settlements identified;
- Growth would be predominantly on greenfield sites;
- Could lead to small scale piecemeal development;
- Some rural areas could be disadvantaged as they would not all benefit from additional housing or growth to attract additional facilities;
- Infrastructure requirements could be likely to be across the whole authority;
- There could be limited services within lower tier settlements; and
- No consideration would be given to the character and environmental constraints of the settlement.

5.3 Option C - National Growth Area and Sustainable Transport Infrastructure

5.3.1 This spatial option would see growth in accordance with the existing LDP strategy where the majority of the growth is located in the Coastal Corridor; albeit a more tempered approach given the lower than anticipated delivery rates of the Adopted LDP.

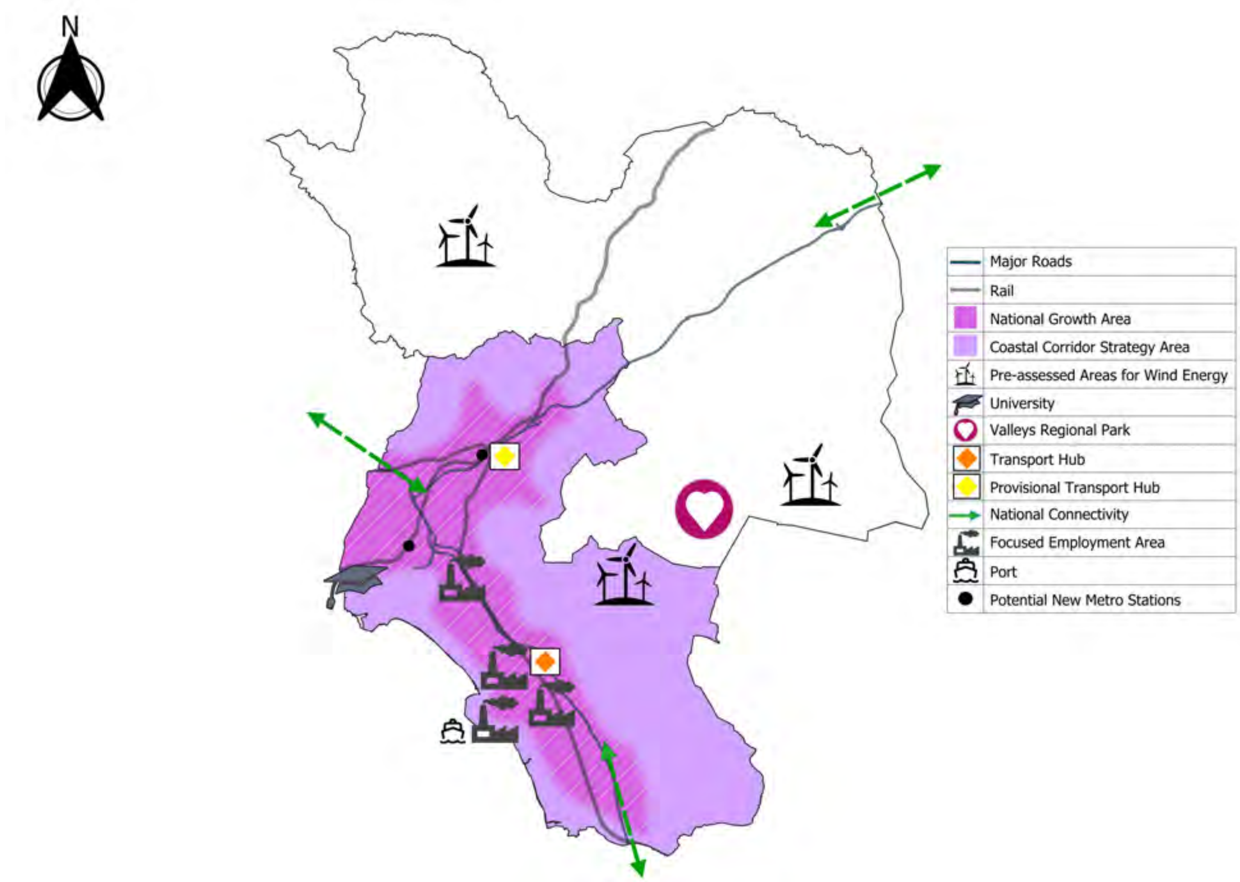
5.3.2 Key features would include:

- Focused development in line with the in line with the NGA;
- Focused employment growth across the NGA through the development of the Freeport, the Port, Harbourside and Baglan Energy Park;
- Valleys growth will also occur to complement the job creation along the NGA, however this will be proportionate to size, role and function of existing settlements;
- Maximising the benefit of market interest along the NGA and stimulating growth through the delivery of strategic employment sites;
- Opportunities to meet local needs will be support in the rest of the county;
- Co-location jobs and homes in the Coastal Corridor to reduce commuting;
- Sustainable patterns of development; and
- Building on developments from Adopted LDP to provide opportunities for expansion of industry and knowledge economy, green growth (net zero).

5.3.3 Key infrastructure requirements:

- Encouraging investment opportunities focussed in the NGA to support the South Wales Industrial Cluster (SWIC), the Celtic Freeport status, the Port of Port Talbot, and the Swansea Bay City Deal aspirations;
- This may include improvements relating to the South West Wales Metro, M4/A465 Junction, Active Travel Network, A465 Glynneath corridor (links to midlands) and other infrastructure requirements as identified as further studies are undertaken; and
- Building on developments from the Adopted LDP – Swansea University Bay Campus, Baglan Energy Park, and Harbourside spin off development providing opportunities for expansion of industry and knowledge economy, green growth (net zero).

Figure 5.3 Option C - National Growth Area and Sustainable Transport Infrastructure



5.3.4 The key advantages and disadvantages of this strategy are summarised below:

Advantages

- Developing areas that are already identified in the upper tiers of the settlement hierarchy;
- Growth of international, national and regional significance;
- Conformity with Future Wales;
- Maximises Green Growth opportunities in the coastal area;
- Directs the majority of growth to most sustainable locations with active travel and public transport infrastructure; and
- Ability to further spread Active Travel to the valleys.

Disadvantages

- Development would only be focused around key areas; and
- Only a limited amount of growth occurring in the valleys so opportunities like the Wildfox Adventure Resort and the Global Centre of Rail Excellence (GCRE) are overlooked.

5.4 Option D - Building on key opportunities in the Valleys

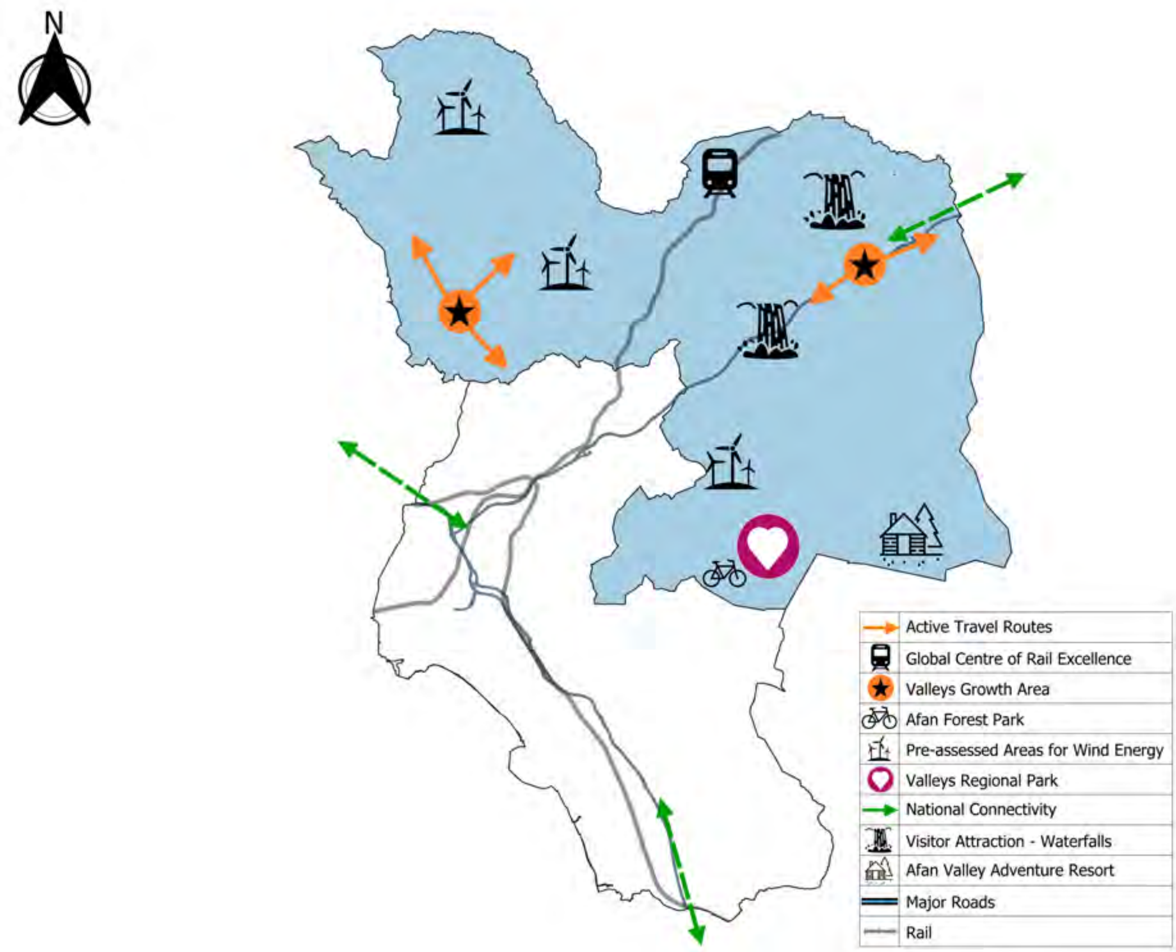
5.4.1 A focus on the valleys to deliver innovative and visionary development. This means:

- Identifying focus areas for growth delivery in each valley and how benefits from each key location will be dispersed;
- Key rural regeneration areas will be identified around Afan Valley Adventure Resort, GCRE, the Levelling up projects and other green growth opportunities (such as wind farms, battery storage projects) where the scale of the proposals has the potential to have a major impact on the area. Projects of national and international significance will act as a catalyst for long term opportunities;
- 1st class broadband infrastructure will facilitate a step change in working patterns allowing people to working from home in a beautiful and active area, making the valleys more attractive places to live and work;
- Heritage and tourism projects and opportunities such as Neath Heritage Valley, Mountain biking in Afan Forest, and numerous waterfall walks will help develop the valleys as a destination and to take advantage of their location as gateways to the Bannau Brycheiniog National Park;
- Identify Pontardawe and surrounds as a growth area; and
- Identify Glynneath as a potential for connectivity due to the improvement works ongoing to the A465.

5.4.2 To deliver this, the following infrastructure requirements are needed:

- Rural Regeneration Sites including: GCRE including innovation campus, Wildfox Adventure Resort, Neath Heritage Valley, Levelling up project, waterfall country);
- Key Infrastructure: A465 corridor (links to midlands);
- Expansion of Active Travel Network into the Valleys;
- Green growth renewable energy developments (Wind, Solar, Battery Storage); and
- Broadband infrastructure and flexible policy approach to promote home working.

Figure 5.4 Option D - Building on key opportunities in the Valleys



5.4.3 The key advantages and disadvantages are summarised below:

Advantages

- Regeneration of valleys communities which have lacked investment for long periods;
- Encourages further related industry investments;
- Makes the most of valley economic assets; and
- Maximising opportunities that the large scale developments could bring.

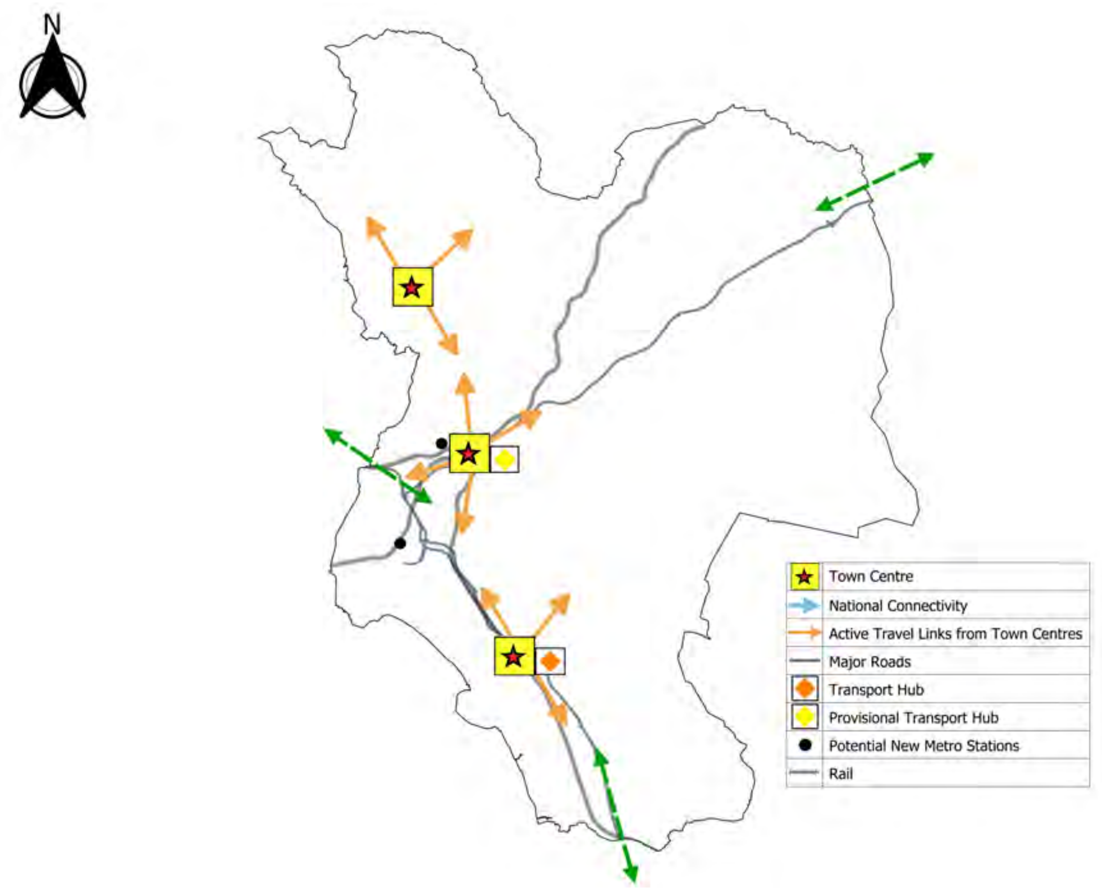
Disadvantages

- Does not accord with Future Wales policy 28 in that plans should recognise the NGA as the focus for strategic and economic growth
- Does not acknowledge the economic strength and importance of the Coastal Corridor;
- Limited housing developer interest in the valleys may limit the number of properties built;
- Active travel linkages more limited;
- Locational mismatch of homes and jobs which may encourage more commuting;
- Viability remains marginal across NPT, particularly in some communities; and
- Housing not delivered in areas of greatest need.

5.5 Option E - Town Centre first approach

5.5.1 This option takes forward the approach set out in Future Wales and PPW that all development should be in town centres first.

Figure 5.5 Option E - Town Centre First Approach



5.5.2 The key advantages and disadvantages of this strategy are summarised below:

Advantages

- Creation of sustainable town centre environments containing a mix of complementary and interdependent uses, including housing, community facilities and, where appropriate, employment, as well as retail and commercial leisure;
- Reducing the need to travel through colocation of housing, infrastructure and services, and increasing the potential for realising Active Travel benefits; and
- Reusing vacant / underutilised town centre sites and premises and undertaking redevelopment where necessary.

Disadvantages

- Town centres within NPT are constrained by flooding and other constraints;
- Opportunities for only small scale developments;
- Major infrastructure investment required to successfully deliver e.g. existing road re-routing;

- Reusing vacant / underutilised town centre sites would require public sector intervention and public-private sector collaboration which has time and viability constraints; and
- Lack of suitable development sites in town centres.

5.6 Option F - Hybrid option of Option C and Option D

5.6.1 To facilitate a sustainable distribution of growth to support innovative green developments in both the Coastal Corridor and the Valleys areas. This would include:

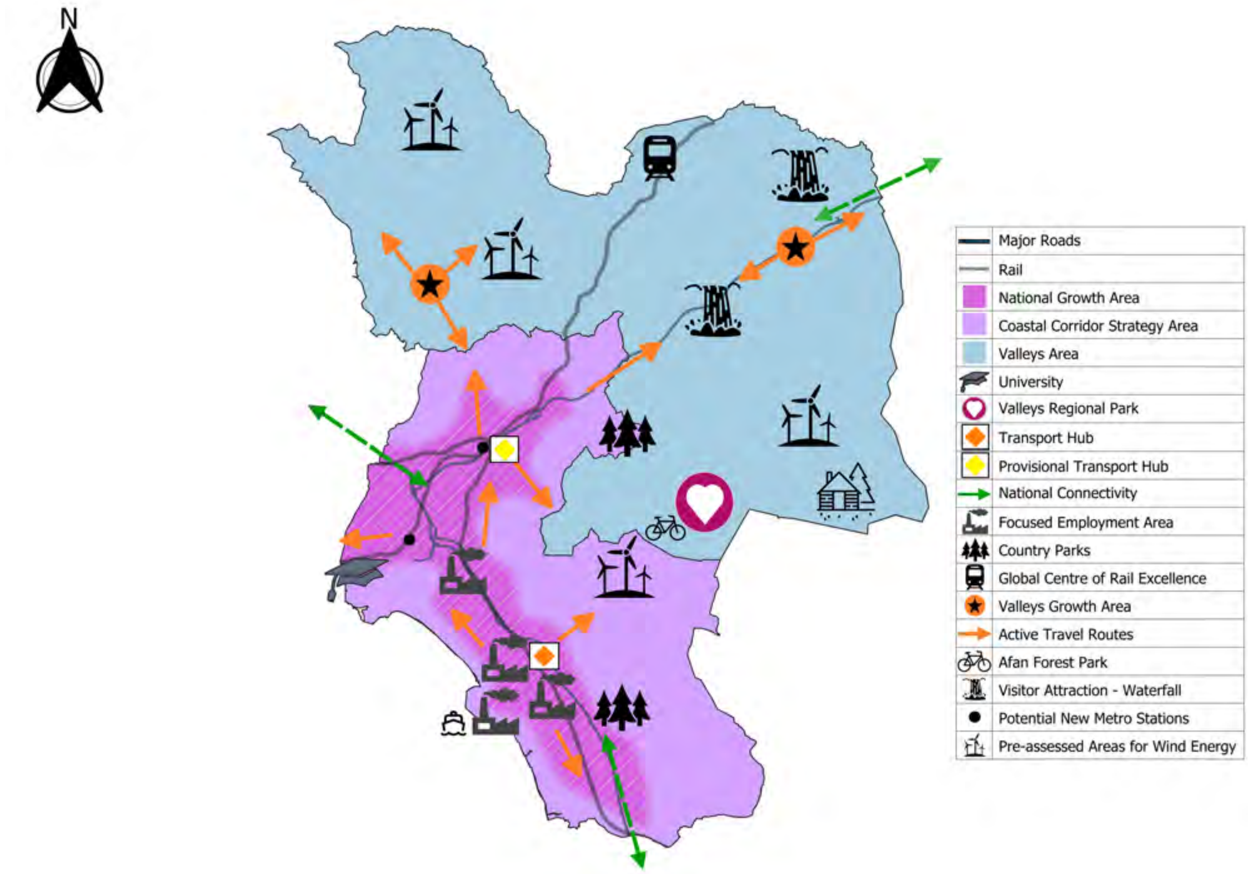
- Focused development in line with the NGA;
- Focused employment growth across the NGA through the development of the Freeport, the Port, Harbourside and Baglan Energy Park;
- Valleys growth will also occur to complement the job creation along the NGA, however this will be proportionate to size, role and function of existing settlements;
- Maximising the benefit of market interest along the NGA and stimulating growth through the delivery of strategic employment sites;
- Opportunities to meet local needs will be support in the rest of the county;
- Co-location jobs and homes in the NGA to reduce commuting;
- Building on developments from Adopted LDP to provide opportunities for expansion of industry and knowledge economy, green growth (net zero);
- Identifying focus areas for growth delivery in each valley and how benefits from each key location will be dispersed;
- Key rural regeneration areas will be identified around Afan Valley Adventure Resort, GCRE, the Levelling up projects and other green growth opportunities (such as wind farms, battery storage projects) where the scale of the proposals has the potential to have a major impact on the area. Projects of national and international significance will act as a catalyst for long term opportunities;
- 1st class broadband infrastructure will facilitate a step change in working patterns allowing people to working from home in a beautiful and active area, making the valleys more attractive places to live and work;
- Heritage and tourism projects and opportunities such as Neath Heritage Valley, Mountain biking in Afan Forest, and numerous waterfall walks will help develop the valleys as a destination and to take advantage of their location as gateways to the Bannau Brycheiniog National Park;
- Identify Pontardawe and surrounds as a growth area; and
- Identify Glynneath as a potential for connectivity due to the improvement works ongoing to the A465.

5.6.2 Key infrastructure requirements:

- Encouraging investment opportunities focussed around the NGA to support the South Wales Industrial Cluster (SWIC), the Celtic Freeport status, the Port of Port Talbot, the Swansea Bay & Llanelli NGA and the Swansea Bay City Deal aspirations;
- This may include improvements relating to the South West Wales Metro, M4/A465 Junction, Active Travel Network, A465 Glynneath corridor (links to midlands) and other infrastructure requirements as identified as further studies are undertaken;
- Building on developments from the Adopted LDP – Swansea University Bay Campus, Baglan Energy Park, and Harbourside spin off development providing opportunities for expansion of industry and knowledge economy, green growth (net zero).
- Build in tourism and supporting growth and opportunities that are coming forward, such as GCRE, Afan Valley Adventure Resort, Biking in Afan Fforest, Heritage Valley Levelling up project; Gnoll Country Park, waterfall country and Gnoll Country Park will help develop

NPT as a destination and to take advantage of our location as a gateway to Bannau Brycheiniog National Park;
- Green growth renewable energy developments (Wind, Solar, Battery Storage); and
- Broadband Infrastructure and flexible policy approach to promote home working.

Figure 5.6 Option F - Hybrid option of Option C and Option D



5.6.3 The key advantages and disadvantages of this strategy are summarised below:

Advantages

- Directs the majority of growth to most sustainable locations with active travel and public transport infrastructure;
- Co-location of homes and jobs to reduce commuting and promote active and healthy lifestyle;
- Housing delivered in areas of greatest need and to meet local needs; and
- Regeneration of valleys communities which have lacked investment for long periods.

Disadvantages

- Viability remains marginal across NPT, particularly in some communities;
- Would mean development on some greenfield sites, some of which may have biodiversity, landscape or agricultural importance.

6. Engagement

6.0.1 In order to inform the determination of a preferred strategy option, engagement with key stakeholders on the growth and spatial options was held through a number of workshops held during April and May 2024. In addition to this, an informal public consultation was held between 14 May 2024 and 5 June 2024 into the wider Key Issues, Vision, Objectives, Growth and Spatial Options.

6.0.2 In accordance with the DA, the engagement workshops were held with Elected Members, the RLDP working group, and a stakeholder workshop to which the following consultees were invited; specific consultation bodies, general consultation bodies, Key stakeholder group, the Citizens Panel and PSB. These were also open to members of the public who are on the RLDP database.

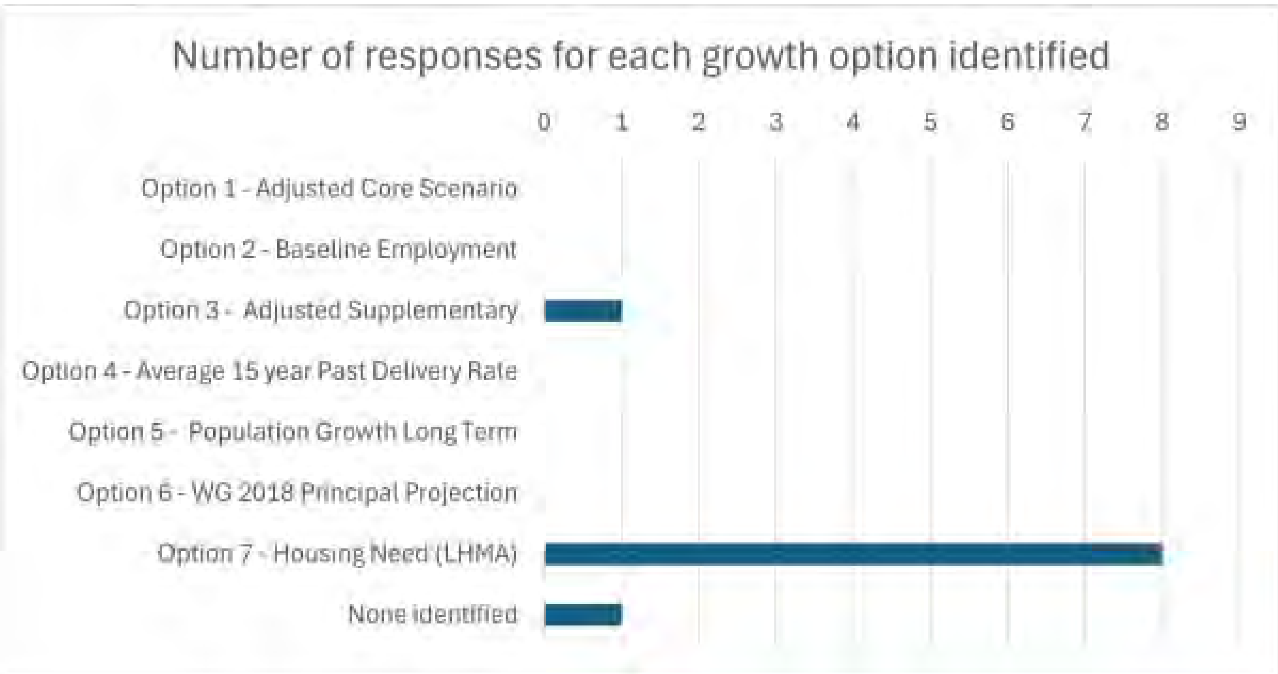
6.0.3 All workshops encouraged representations to be made to the Council during the consultation period. In total, 25 representors made 75 duly made representations to the Council within the consultation period on the various questions asked, and a further 2 representors submitted late representations.

6.0.4 This section outlines the key themes obtained from this informal consultation, with regards to the growth and spatial options aspect. Twelve questions were asked and the response to the most pertinent questions is summarised below.

6.1 Growth Options Comments - Summary

6.1.1 Feedback received in response to the most growth option is provided in the figure below:

Figure 6.1 Number of responses for each Growth Option identified



6.1.2 Further comments were received suggesting the following:

- That growth areas such as Pontardawe are promoted;

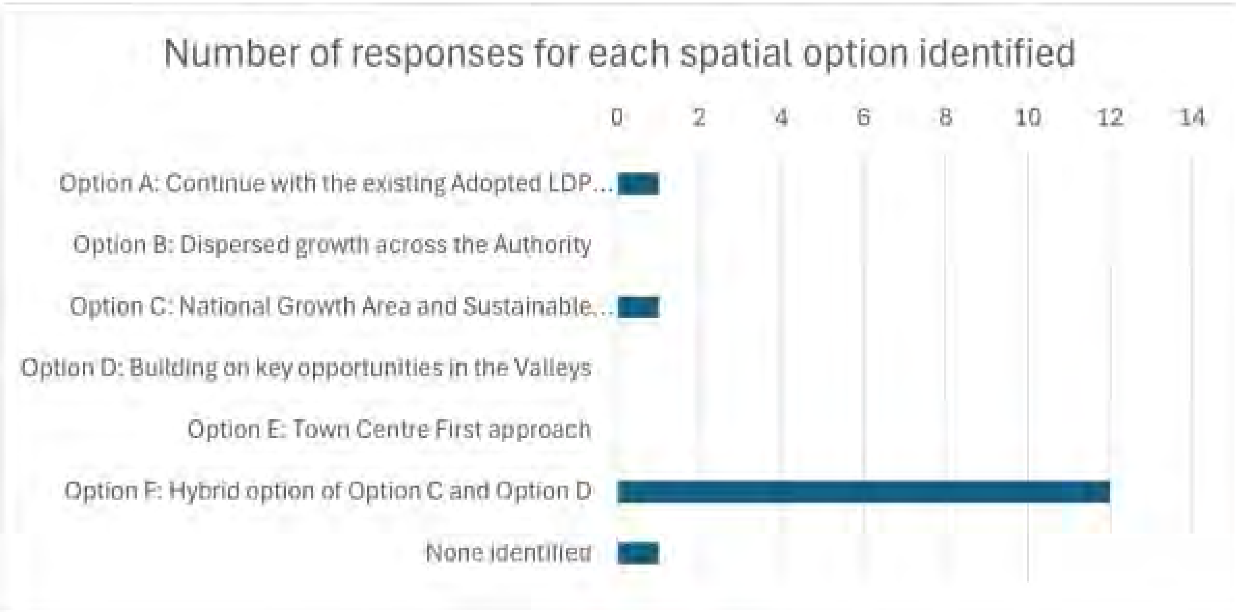
- That growth facilitates homes and jobs for local people whilst also protecting the Welsh language;
- That higher levels of growth are explored to reflect economic drivers;
- That Option 3 Adjusted Supplementary balances current economic transition issues with growth arising from new economic investment with attendant new housing growth;
- Further explanation of how the environmental implications, climate and nature emergency objectives will be addressed by the growth options through the ISA and HRA;
- That a higher level of growth be explored in order to deliver approximately 20% of the south west wales regions housing need of 25,600 set out in FW; and
- That the level of growth is seen as a minimum which doesn't preclude the development of large scale brownfield sites such as Coed Darcy in the future.

6.1.3 Looking more closely at the results obtained in the figure above, option 7 was the most popular option. However, the majority of respondents supporting option 7 was two agents, acting on behalf of candidate site promoters.

6.2 Spatial Options Comments - Summary

6.2.1 Feedback received in response to the most appropriate spatial option is provided in the figure below:

Figure 6.2 Number of responses for each Spatial Option identified



6.2.2 Further comments were received suggesting the following:

- Option F represents a community based response yet reflects the role of the County Borough in the National Growth Area plans;
- Option C accords more closely with Future Wales and the key planning principles set out in Planning Policy Wales, relating to growing the economy in a sustainable manner by directing the majority of growth to most sustainable locations with active travel and public transport infrastructure. The M4 corridor provides a key arterial route and should be maximised to support future development proposals. Development should be spread along the length of the corridor to achieve a sustainable distribution of growth; and

- Option C and F are the Spatial Strategies that best implement the vision within the National Development Framework (NDF) by clustering new development around existing sustainable hubs and in or near sustainable locations.

6.2.3 As evidenced above, Option F is the preferred spatial option.

7. Integrated Sustainability Appraisal

7.0.1 An Integrated Sustainability Appraisal (ISA) of the growth and spatial options has been undertaken by consultants Stantec UK. The results of the assessment are provided within the ISA report which is being consulted upon alongside the Preferred Strategy.

8. Preferred Option

8.0.1 Having considered the policy requirements, the evidence base and the engagement feedback, the preferred growth and spatial options are set out below.

8.1 Preferred Growth Option

8.1.1 The growth options considered and consulted upon covered a range of scenarios to deliver between 2,145 - 4,890 homes and 1,815 - 3,555 jobs over the plan period 2023-3038.

8.1.2 The preferred growth option would be Option 3. Adjusted supplementary to meet a need for 3,480 homes by making provision for 4,176 (including 20% Flexibility Allowance) homes and 3,555 jobs over the plan period. The employment land needs associated with this option would equate to 57Ha of employment land.

8.1.3 The preferred option is considered to be the best way by which the plan can respond to the key issues facing our County Borough in accordance with the objectives of the Council's corporate plan to help stimulate economic growth and support economic recovery during a time of unprecedented economic flux. It will provide a balanced approach to providing sufficient jobs and homes in accordance with WG policy and guidance.

8.1.4 Neath Port Talbot is embarking on a period of significant change in the economic context, hence it is considered appropriate to pursue an economic-led scenario which seeks to address the forthcoming changes, albeit that the outlook is tempered with uncertainty. The TATA announcement brings the likelihood of direct job losses, but also wider implications which will manifest in indirect and supply chain job losses and subsequent changes to commuting patterns.

8.1.5 In determining the preferred level of growth, the most accurate picture of changing demographic trends taking into account more recent mid year estimates has been considered. The WG 2018-based principal projection has been proven to be over-estimating population growth by the latest MYE 2022. The housing provision to be planned for with the inclusion of a 20% flexibility allowance (4,716) will aim to exceed housing needs according to the PG Long term trend (3,915).

8.1.6 Meeting the level of housing needs according to the LHMA model within the RLDP period, which includes a substantial backlog of affordable housing need (542 per annum in the 1st 5 years) and doesn't take into account the economic context, would be difficult. However, the preferred option does seek to address housing needs of younger hidden households by factoring in a HMR adjustment.

8.1.7 The level of housing growth proposed is considered to be ambitious yet deliverable following detailed consideration of past build rates given that it exceeds the 5, 10, 15 and 20 year average past build rates (See Table 4.2.5.1) and demonstrates regional fit as set out in the Test of soundness self assessment paper. This aligns with the development industries ability to deliver homes and the assumptions on the speed of delivery considered in the high level viability study. It will facilitate opportunities for a range of housing developments of varying sizes.

8.1.8 The numbers of homes to be planned for under the preferred growth option will meet housing needs given the relatively high level of flexibility allowance (20%) to be applied. The level of flexibility applied results in the identification of an aspirational level of growth which takes into account the economic context.

8.1.9 The preferred level of growth aligns with the outcome of the candidate sites assessment and the ability to identify sufficient opportunities for delivery considering deliverability, environmental (flooding, biodiversity etc) and infrastructure constraints (roads review, limited Council budget for new highways/improvements).

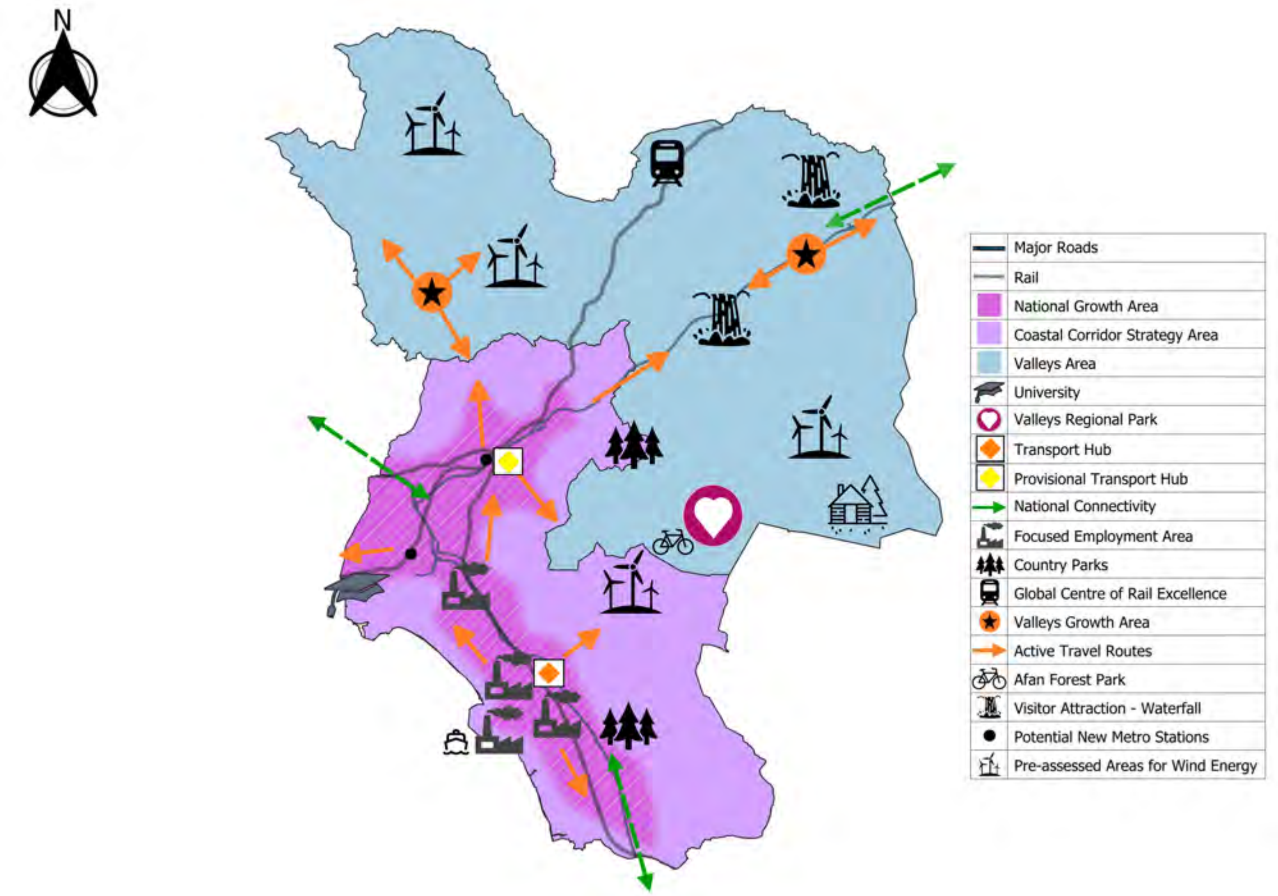
8.2 Preferred Spatial Option

8.2.1 The evidence provided through the various engagement programmes indicates that **Option F: Hybrid option of Option C and Option D** is the Council's preferred spatial option. This option provides the most sustainable growth option in line with the NGA, whilst also capitalising on the future investments in the Valleys area.

8.2.2 This option:

- Focusses development in line with the NGA;
- Focusses employment growth across the NGA and reflects the opportunities through the development of the Freeport, the Port, Harbourside and Baglan Energy Park;
- Supports Valleys growth to complement the job creation within the NGA, which will be proportionate to size, role and function of existing settlements;
- Maximises the benefit of market interest in and around the NGA by stimulating and providing opportunities for growth through the delivery of strategic and key employment sites;
- Provides opportunities to meet local needs throughout the County Borough;
- Assists in the co-location of jobs and homes in the NGA to reduce commuting;
- Builds on developments from the Adopted LDP to provide opportunities for the expansion of industry and knowledge economy, green growth (net zero);
- Identifies focus areas for growth delivery in each valley and how benefits from each key location will be dispersed;
- Identifies key rural regeneration areas, such as around Wildfox Adventure Resort, GCRE, the Levelling up projects and other green growth opportunities (such as wind farms, battery storage projects) where the scale of the proposals has the potential to have a major impact on the area. Projects of national and international significance will act as a catalyst for long term opportunities;
- Will assist in the provision of 1st class broadband infrastructure and will facilitate a step change in working patterns allowing people to work from home in a beautiful and active area, making the valleys more attractive places to live and work;
- Will support heritage and tourism projects and opportunities such as Neath Heritage Valley, Mountain biking in Afan Forest, and numerous waterfall walks. It will help to develop the valleys as a destination and to take advantage of their location as gateways to the Bannau Brycheiniog National Park;
- Identifies Pontardawe and surrounds as a growth area; and
- Identifies Glynneath as a potential for connectivity due to the improvement works ongoing to the A465.

Figure 8.1 The Preferred Spatial Option



8.2.3 The visual representation of the preferred spatial option above will be further developed into a key diagram to be set out in the preferred strategy.

Click on the QR code below
for further information

Cyngor Castell-nedd Port Talbot
Neath Port Talbot Council