



**Powys Replacement
Local Development Plan (LDP)
2022-2037**

**Mid Wales Regional
Context and
Collaboration**

**Background Paper
July 2024**



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1. Introduction

This background paper has been prepared to support the preparation by Powys County Council (PCC) of the Powys Replacement Local Development Plan (RLDP) 2022-2037 which on adoption will supersede the Powys Adopted LDP (2011-2026)

This background paper considers the relationship between Powys and other local and national park authorities in the Mid Wales Region from a population, housing, and transport perspective and explains how the proposed Preferred Strategy for the Powys Replacement LDP is being considered within the regional context. The paper forms part of the evidence base for the Powys Replacement LDP, demonstrating that the plan accords with Test of Soundness 1 'Does the plan fit?' in respect of compatibility with neighbouring authorities and consistency with regional plans and strategies as well as PPW and Future Wales.

It is recognised that the preparation of a Strategic Development Plan (SDP) for Mid Wales will determine the future scale and growth of the region. However, the Powys Replacement LDP is currently being prepared in advance of a formal commencement of work on the SDP so the future direction and vision for the region are at this stage unknown. However, the issues considered in this background are matters that would need further consideration through the SDP process at the appropriate time.

2. Regional Context

2.1. Future Wales: the National Plan 2040 (2021)

Future Wales (published 2021) is the National Development Framework for Wales, forming the highest tier of Development Planning in Wales. Future Wales supports sustainable growth in all parts of Wales. Five Regional Growth Areas have been identified across Mid Wales, with two in Ceredigion, two wholly in the Powys Local Planning Authority (LPA) area, and one on the boundary between the Powys LPA area and the BBNPA. Overall the Mid Wales region has a combined population of 205,500.

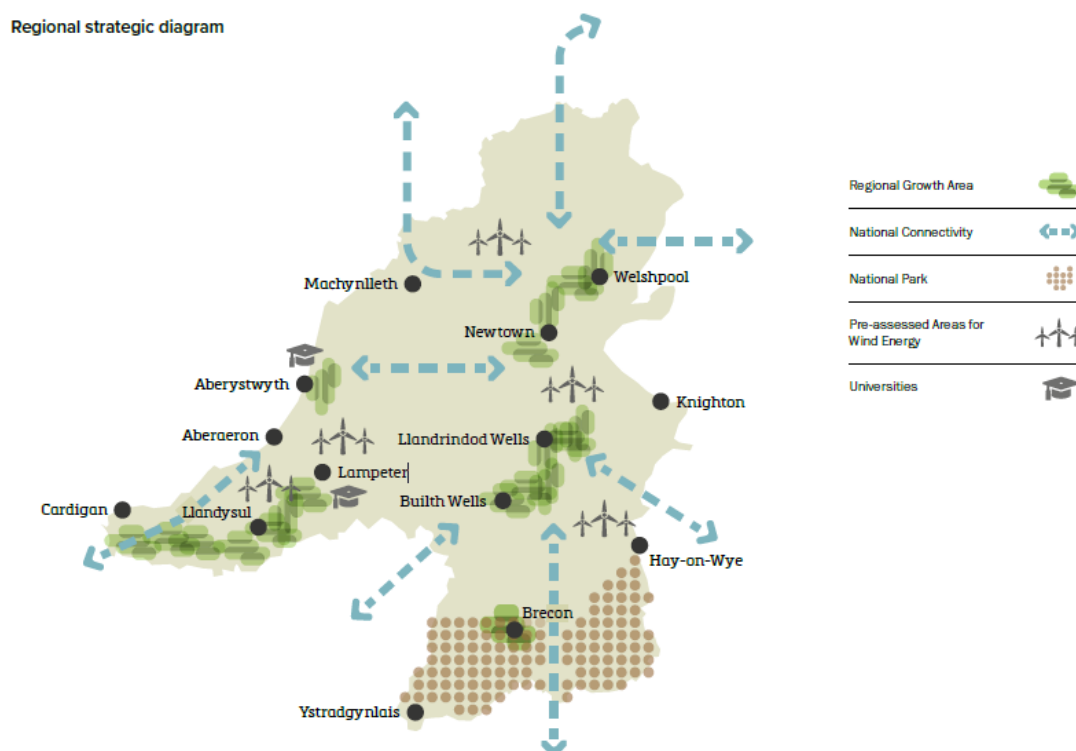
Policy 25 of Future Wales indicates that:

"The Welsh Government supports sustainable growth and development in a series of inter-connected towns across the region. Development in these Regional Growth Areas should meet the regional housing, employment and social needs of Mid Wales."

The supporting text of Policy 25 notes that:

There is a need for a careful balance to be struck between what individual settlements in the region can provide and what people may have to access in neighbouring places. Decisions on the delivery of key services can have a profound effect on people's daily lives, particularly the less mobile, and it is essential these decisions are taken on the basis of a clear understanding of their impacts. As well as schools and health facilities, access to services like banks, post offices, libraries and shops has a real impact on people's daily lives in rural areas.

Figure 1: Future Wales: the National Plan 2040 – Regional Strategic Diagram for Mid Wales



Policy 26 recognises the need to support the economy of Mid Wales:

The Welsh Government supports the growth and development of existing and new economic opportunities across Mid Wales. The Welsh Government will work with local authorities, communities, stakeholders and businesses to ensure that its investments and policies support a strong regional economy. Strategic and Local Development Plans must develop policies that support agricultural and land based traditional rural enterprises; and provide a flexible framework to support the development of new, innovative and emerging technologies and sectors.

Future Wales also highlights the requirement for a Strategic Development Plan for Mid Wales, which addresses those issues that transcend local authority boundaries and should be co-ordinated and planned on the basis on the whole region. This includes housing, economic growth, digital and transport connectivity infrastructure.

3. Adopted Local Development Plans in the Mid Wales Region

3..1. Powys

The Powys LDP was adopted in April 2018 and covers the 15-year period 2011-2026. The adopted LDP sets out a housing requirement of 4,500 dwellings, which equates to 300 dwellings per annum, together with 49 hectares of land to meet employment needs. The adopted LDP

growth figure was informed by the 2011 Welsh Government population and household based projections.

The Powys Adopted LDP has an end date and will cease to be a development plan for the LPA area on 31 March 2026, but would remain as a material consideration in planning decision-making until superseded by the adoption of the Replacement LDP.

3.2. Ceredigion

The Ceredigion LDP was adopted in April 2013 and covers the 15-year period 2007-2022. The adopted LDP sets out a housing requirement of 6,000 dwellings, which equates to 400 per annum, together with 34 hectares of land to meet employment needs, distributed to Aberystwyth and the South of the County.

A Ministerial letter published 24 September 2020, during the Covid-19 pandemic, confirmed that LDPs adopted prior to 4 January 2016 will remain as development plans for the purpose of determining planning applications until replaced by a further LDP. Consequently, the adopted Ceredigion LDP has no end date.

3.3. Brecon Beacons National Park Authority

The Brecon Beacons National Park Authority (BBNPA) LDP was adopted in December 2013 and covers the 15-year period 2007-2022. The adopted LDP sets out a housing requirement of 1,990 dwellings which equates to almost 133 per annum, together with an allocation of 1.5 hectares of land to meet employment needs, although up to eight hectares exist within the supply.

As with Ceredigion, the BBNPA LDP was adopted prior to 4 January 2016 and so will remain the LDP for determining planning applications beyond its end date, until replaced by a further LDP.

4. Replacement LDP Strategies across Mid Wales

Fundamental to preparing a Replacement LDP, is to determine the most suitable level of growth for the plan to deliver over its plan period. Primarily, the level of growth refers to the scale of housing and employment growth and is influenced by social, economic and demographic evidence, needs and aspirations.

4.1. Powys

The **Preferred Growth Option** is the **Dwelling-led 10 Year scenario** which is based on an average annual build rate of 264 dwellings over the ten-year period 2012/2013 to 2022/2023. Employment growth is based on past take up rates at 1.6 hectares a year, plus an additional allowance of 0.4 ha per annum to better reflect an unconstrained market.

The anticipated average annual build rate has been rounded up to 265 dwellings, which results in a housing requirement of 3,975 dwellings (265 x 15 years) for the Replacement LDP. An important consideration has been to ensure that the identified need arising from the Local Housing Market Assessment (LHMA) has been met across the LPA area. For employment growth, the

Replacement LDP will provide 40 hectares of Class B employment land, which alongside other Replacement LDP policies supporting the foundational and rural economy, will serve an increase of 2,295 people into the labour force.

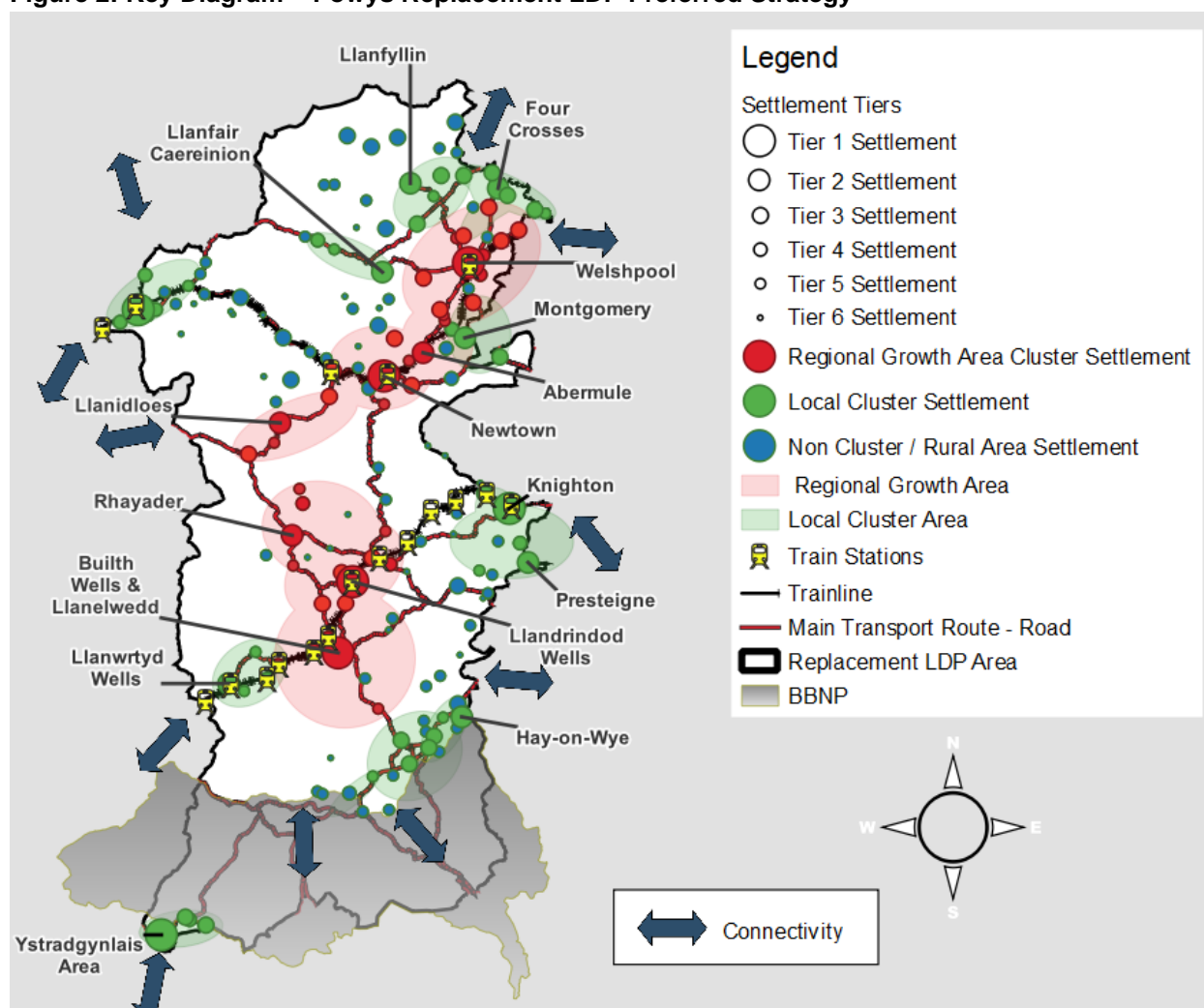
Overall, it is considered that the Higher Growth Option - Dwelling-led 10 Year scenario best reflects the levels of delivery achieved in recent years, and that it best supports the role of the Powys LDP area within the Mid Wales Region and the presence of its Regional Growth Areas.

The Preferred Spatial Option is The Regional Growth Area Spatial Option which is a focussed growth option that directs the majority of growth to the Regional Growth Areas. Lower levels of growth are enabled in other parts of the Plan area, in accordance with the sustainable settlement hierarchy, local aspirations and identified needs.

This strategic option was considered most appropriate as it best aligns with the policy requirements of Future Wales, Planning Policy Wales and Llwybr Newydd – the Wales Transport Strategy by focusing development in sustainable places that would reduce the need to travel and encourage the use of sustainable transport. This option will consider the capacity of settlements to accommodate development, rather than targeting development primarily to sites of a certain size or position in the settlement hierarchy.

The Preferred Strategy approach for Powys is presented in the Key Diagram (Figure 2).

Figure 2: Key Diagram – Powys Replacement LDP Preferred Strategy



In the south of the County, some important local centres which act as hubs for their wider surrounding areas are located within the area of the BBNPA, these being Brecon, Talgarth and Hay-on-Wye. This has been recognised through an analysis of settlements and how they function. More details are presented in the Cluster Analysis background paper.

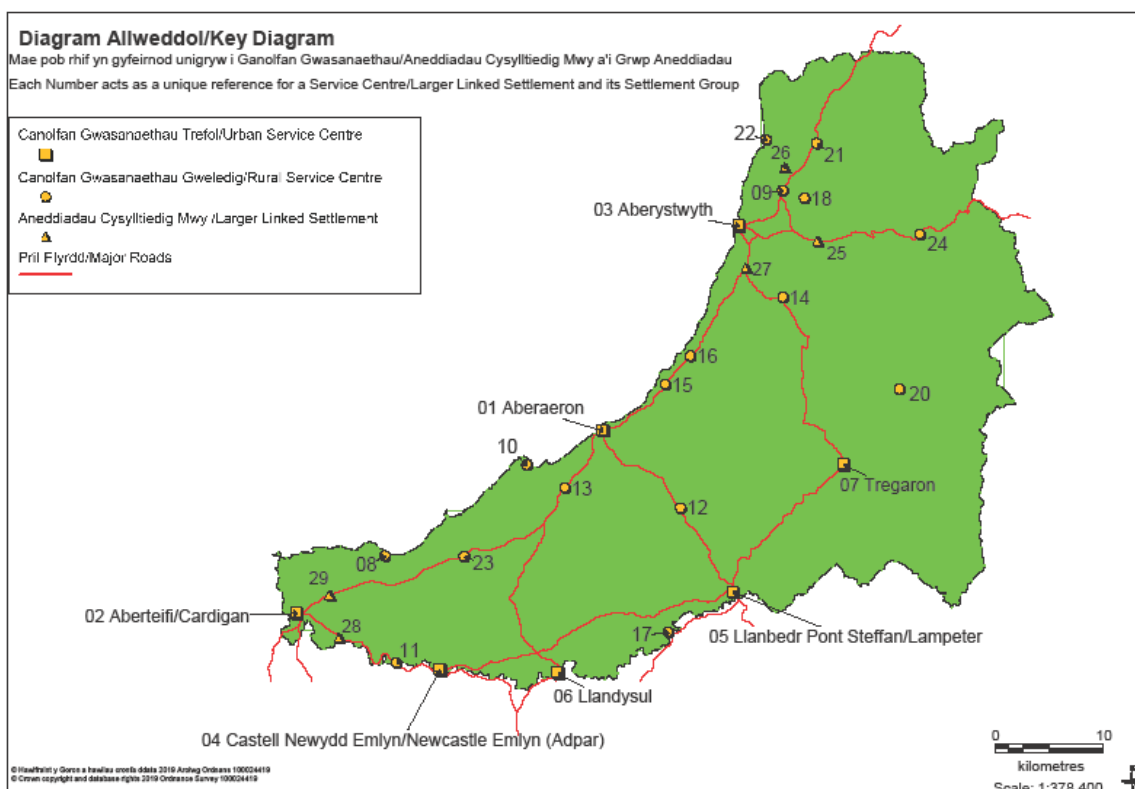
Powys has housing commitments (sites with planning permission) totalling 1410 dwellings and an anticipated windfall of 1,454 dwellings, which with completions since the start of the plan period (1 April 2022), means there will be a requirement for approximately 1,343 new dwellings on allocated housing sites. Allowing for a flexibility allowance of 21% and given the existing supply the requirement for new sites to be allocated is less than in the Powys Adopted LDP.

4.2. Ceredigion

The Preferred Strategy of Ceredigion Replacement LDP for the period 2018-2033 was consulted on June- September 2019. It identified a housing requirement of 2,437 dwellings based on the 2014 Principal Projection for population, with growth focussed in in the Urban and Rural Service Centres, with associated Linked Settlements. The Urban Service Centres would accommodate 55% of the growth.

This approach is presented in the Key Diagram (Figure 3). Of note in Ceredigion, are the cross-boundary linkages with settlements along the boundary with Carmarthenshire in the south. One Carmarthenshire settlement, Llanybydder, is recognised as an important centre for residents in Ceredigion.

Figure 3: Key Diagram – Ceredigion Replacement LDP Preferred Strategy



Due to the issues of phosphate levels in riverine catchments designated as Special Areas of Conservation, which affects the Afon Teifi in the south of the County, it has been necessary to pause preparation of the Replacement LDP until a resolution of this issue can be found.

4.3. Brecon Beacons National Park Authority

The BBNPA First Replacement LDP for the period 2018-2033 was withdrawn by the National Park Authority on 7 June 2024 in accordance with the Planning and Compulsory Purchase Act 2006 (Section 66A) and the Town and Country Planning (Local Development Plan) (Wales) Regulations 2005 (Regulation 26).

The National Park Authority aims to agree a Delivery Agreement with the Welsh Government for a replacement LDP by the end of the financial year 2024/25.

5. Housing Completion Rates across Mid Wales

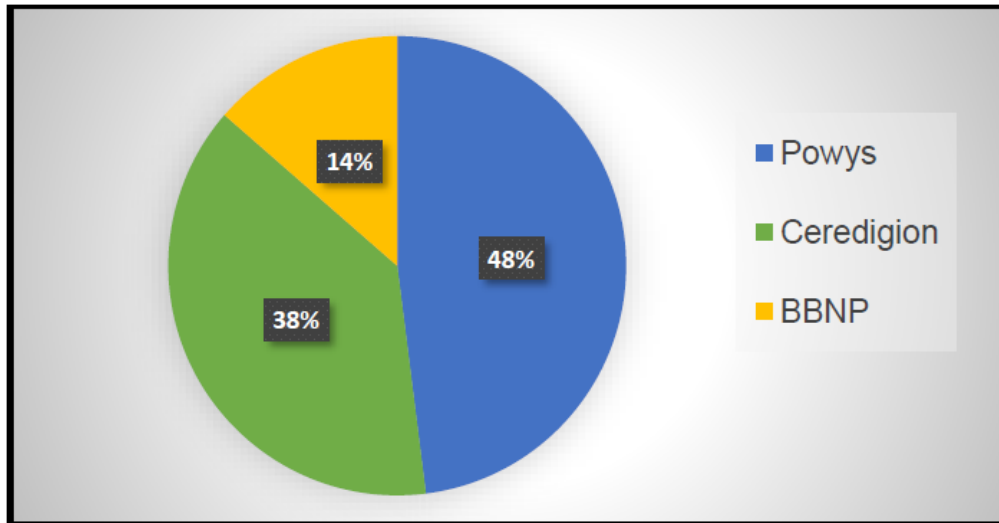
With the Ceredigion Replacement LDP paused and that of the BBNPA withdrawn, an assessment of build rates has had to be informed by data from the Powys Annual Monitoring Reports and the AMRs of the other authorities. In the absence of any other data, consideration is given to the Housing Requirement Figures in the adopted BBNP and Ceredigion LDPs. These are detailed in Table 1. It is worth noting that at the time of preparation for the two adopted LDPs (from 2007 up to adoption in 2013), population projections were anticipating a higher percentage of population growth, than what has been projected since and was recorded in the 2021 Census. This accounts for why the two Housing Requirement figures are disproportionately high compared to the Powys Adopted LDP (2011-2026), which was prepared based on a different set of population projections.

Table 1. Housing Provision and Completions in the Adopted Ceredigion and BBNPA LDPs.

	Ceredigion	BBNPA (not all within Powys)
Dwelling Requirement (2007-2022)	6,000	2,045
Housing Provision Figure (2007-2022)	6,544	1,990
Dwelling Completions (2007-2022)	2,881	1,026
Average Build Rate (2022-2027)	192	68

Analysing dwelling completion rates across Powys, Ceredigion and the BBNPA area, gives an average completion rate of approximately 500 dwellings a year across the Mid Wales Region, of which 48% are in the Powys LPA area (Figure 4). However, it needs to be noted that not all of the BBNPA area completions are within the County of Powys and in the Mid Wales Region.

Figure 4: Mid Wales Region Average Housing Completion Rate Across a 15 Year Period per Local Planning Authorities.



Source: LPA Annual Monitoring Reports

Note: BBNPA includes data outside the Mid Wales region.

6. Cross Boundary Matters in Mid Wales

6.1. Mid Wales Growth Deal

The Mid Wales Region was invited by the UK Government and the Welsh Government in 2017 to develop a Growth Deal. The Growth Deal seeks to play a key role alongside a range of other strategies and investments from the public and private sector to bring prosperity to the communities and businesses of the region.

In January 2022, the Final Deal Agreement of the Mid Wales Growth Deal was signed by the Welsh Government, UK Government, Powys County Council and Ceredigion County Council. It marked the commitment of all partners to deliver the Mid Wales Growth Deal, a ground-breaking partnership bringing a combined investment of £110 million from UK and Welsh Government, which is expected to lever in significant additional investment from other public and private sources maximising the impact in the Mid Wales region.

The proposals set out to Government demonstrate the potential outcomes that are achievable in Mid Wales by 2032 through Growth Deal investment:

1. To create between 1,100 and 1,400 new jobs in Mid Wales through the Growth Deal.
2. To support a net additional GVA uplift of between £570 million and £700 million for the Mid Wales Economy through the Growth Deal
3. To deliver a total investment of up to £400 million in the Mid Wales Economy through the Growth Deal.

It is important that the economic aspirations of the Growth Deal are reflected in the LDPs of the LPAs across the Mid Wales Region and that sufficient land is allocated, with an appropriate policy framework to support implementation.

6.2. Population Projections across Mid Wales

Using the Welsh Government’s (WG) 2018 Population Projections a comparison can be made between the expected population growth over the Replacement LDP plan period (up to 2037) for the County of Powys (including the BBNP) and for Ceredigion. These update the projections used in the preparation of the adopted LDPs for Ceredigion and BBNPA.

It should be noted that in addition to these projections, other projections for Powys have been prepared and considered in the Powys Demographic Evidence (2024) that provide alternative results.

Figure 5. Welsh Government 2018 Population Projections for Powys (including BBNP)

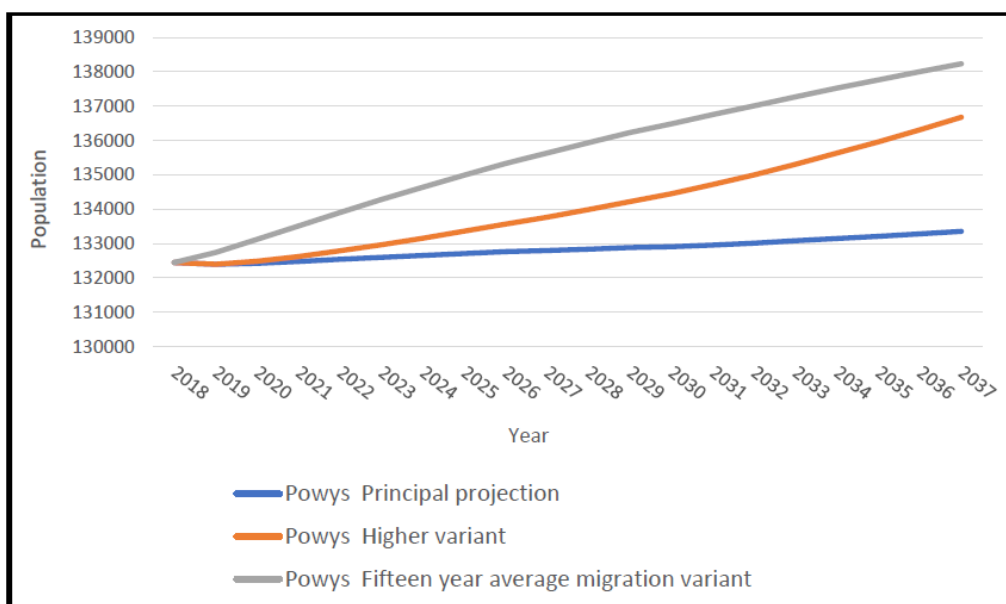
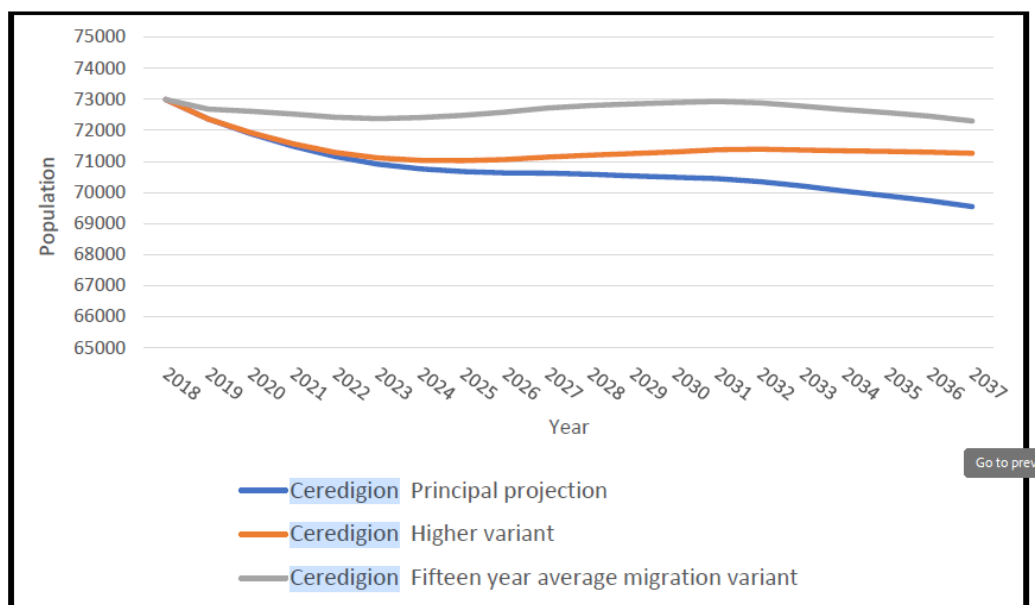


Figure 6. Welsh Government 2018 Population Projections for Ceredigion



The WG 2018 projections for Powys (including BBNP) show that the principal, higher variant and 15-year migration projections predict a modest population growth for Powys. This varies from between a growth of 816 people, under the principal projection, for the Replacement LDP plan period (2022-2037) and a growth of 4,330 people in Powys under the 15-year migration projection. However, it should be noted that the projections in the Powys Demographic Report (2024) forecast a slightly higher population increase in the BBNP compared to the Powys Replacement LDP area. Looking at the same time period for Ceredigion, the WG 2018 projections forecast a decline in the population. This ranges from a decline of 1,607 people, under the principal projection and a decline of 120 people under the 15-year migration projection.

6.3. Phosphorous Sensitive Riverine Special Area of Conservation (SAC) Catchments

There are restrictions in place (2024) relating to the impacts of phosphorus on sensitive SAC catchments in the Mid Wales Region. NRW issued Interim Planning Advice in December 2020, which has been updated and is kept under review, which requires new development within the affected SAC catchments to achieve phosphate neutrality.

Within the Powys LPA area, the Regional Growth Area Tier 1 settlements (as identified in the Replacement LDP Preferred Strategy) within a phosphorus sensitive SAC catchment are Llandrindod Wells and Builth Wells. These are both settlements that are subject to imminent improvements to their Wastewater Treatment Works (WwTW) by Dwr Cymru/Welsh Water (DCWW), which will enable new development within these settlements to achieve phosphate neutrality. For more information on how the Replacement LDP is considering phosphorous sensitive SAC catchments please see the Phosphate Position Statement, published as part of the evidence for the Replacement LDP.

The Teifi Valley Regional Growth Area in Ceredigion is also constrained by this issue. However, improvements are planned to the WwTW in Cardigan and Lampeter over the next few years (2025-2030) which will enable new development within these settlements to achieve phosphate neutrality.

The River Usk, which flows through the heart of the BBNPA area, is also impacted by this issue. Advance work has been possible by DCWW to improve WwTWs at Llanfoist (Abergavenny) and Brecon, which will also support new development to achieve phosphate neutrality.

With ongoing work by DCWW and the catchment-specific Nutrient Management Boards, more certainty is being provided over time that the Phosphorus issue can be addressed in a way that facilitates development.

Powys, Ceredigion and the BBNPA are all working collaboratively with NRW, Welsh Government, DCWW, and other Councils across Wales where development is similarly constrained in river SAC catchments due to phosphates, as well as a wide range of stakeholders. It is the aim of each authority to work proactively to find and implement solutions which will improve the water quality of the River SACs, to ensure that phosphate levels are brought within their target compliance levels. Additionally, work is being undertaken to find solutions that will allow new developments to come forward, provided it can be evidenced with certainty that any new development is phosphorus neutral.

6.4 Travel to Work and Commuting

The latest data available for statistics on commuting in Powys (including BBNPA), the Mid Wales region and Wales is shown in Table 3 below. Following the Covid-19 pandemic, these statistics from 2023 will somewhat reflect the 'new normal' with a mix of home and office working. The data is for the County of Powys as a whole, including the area of Powys within the BBNPA area.

For Powys, the 2023 data shows that 85.3 percent of Powys's resident population was also employed in the County. This shows a significant level of containment of employment within the County, reflective of its wide geography and the distance to larger employment nodes. This is also reflected regionally, with 87% of the Mid Wales region's population also employed in the region. The below figures are based on the 2011 Census commuting patterns, adjusted and updated using data from the Annual Population Survey (UK Wide) and the annual Welsh Labour Force Survey. Therefore, the data is an estimate based on surveys and thus subject to a margin of error, particularly for smaller labour markets.

Table 3: – County of Powys Commuting, 2023

Area	Out-Commuters (No.)	In-Commuters (No.)	Live and Work in Area (No.)	Percentage who Live and Work in area as a Percentage of the Total Employed, (%)
Powys (inc. BBNP)	8,700	12,100	50,300	85.3
Mid Wales	12,300	16,700	82,400	87.0
Wales	81,800	31,600	1,383,200	94.4

Source: Welsh Government, 2024

A significant proportion of out-commuting from Powys was to England, and specifically the West Midlands. In total, it is estimated that 4,400 workers commuted out of Powys to outside of Wales

in 2023, 93.2 percent of which go to the West Midlands. This compares to 4,300 workers who commute to everywhere else within Wales.

In terms of in-commuting, the main importer of labour into Powys was the West Midlands at 5,100 workers. This was followed by 2,700 workers from South-west Wales. In total, 12,100 commuters came into Powys for work, whilst 8,700 out-commuted, giving a net negative flow of about 3,400 workers out of the County on average in 2023.

6.5. Mid Wales Area Statement (March 2020)

The Environment (Wales) Act 2016 required Natural Resources Wales (NRW) to prepare and publish regional statements, referred to as “Area Statements”, for the areas of Wales that it considers appropriate for the purpose of facilitating the implementation of the national Natural Resources Policy. Area Statements outline the key challenges facing the respective region, what collectively can be done to meet those challenges, and how natural resources can be better managed for the benefit of future generations.

The Powys LPA area is within the region covered by the Mid Wales Area Statement, which also includes the LPA areas for Ceredigion and BBNP (within Powys). It sets out the following five themes for the Mid Wales area:

- Improving biodiversity – responding to the nature emergency.
- Sustainable land, water and air.
- Reconnecting people and places – improving health, well-being and the economy.
- Forest resources – managing timber resources effectively.
- Climate emergency – adaptation and mitigation.

Area statements are a key piece of evidence for LPAs to consider in preparing their LDPs. They provide evidence of environmental and natural resources issues and should be used as part of the evidence base for the Replacement LDP and when fulfilling the LPA’s duty to maintain and enhance biodiversity in exercising its planning functions.

7. Regional Working

7.1. Regional Collaboration on Evidence

Powys does not exist in isolation to other local and national park authorities and interacts with them regionally on a range of strategic matters including LDP preparation. As a member of the Mid Wales Region, Powys works alongside Ceredigion County Council and the BBNPA to consider policy issues that affect the region.

To date, Powys has worked collaboratively with the other authorities in the region and beyond in respect of preparing joint evidence for Replacement LDPs and will continue this collaboration on other ongoing projects.

Completed and ongoing collaborations include:

- Strategic Flood Consequences Assessment
- Regional Sites and Premises Study to support the Mid Wales Growth Deal

- Regional Technical Statement for Minerals (all Mid- and South Wales authorities)
- Regional Waste Planning Monitoring Report (Mid Wales and South-west Wales)
- Development viability model for high-level and site-specific viability assessments
- Agreeing principles of Local Housing Market Assessment for the region

Collaboration and liaison with other local authorities will continue as Replacement LDP plan preparation progresses including joint commissioning or collaboration where appropriate.

7.2. Mid Wales Corporate Joint Committee (CJC)

The Mid Wales Corporate Joint Committee (CJC) was established in April 2021 by statutory instruments made under the Local Government and Elections (Wales) Act 2021. It is an indirectly elected body made up of leaders of the local authorities across the region. The CJC has powers relating to economic well-being, strategic planning and the development of regional transport policies.

For planning, a Strategic Development planning Sub-committee has been appointed to carry out initial work on preparing a Strategic Development Plan (SDP) for the region. Work is ongoing to identify resources to prepare a Delivery Agreement to submit to Welsh Government to initiate the SDP preparation process.

7.3. Regional Engagement

During the preparation of the Powys Replacement LDP Preferred Strategy, there has been regional engagement and sharing of evidence which has been commissioned and prepared by Powys, which otherwise may not be identified as regional collaboration. This has been carried out to seek initial feedback and to support in principle for the approach taken by the LPA. A log of direct engagement (not including consultation responses) is provided in Appendix 1.

8. Conclusion

This background paper provides an overview of how the Powys Replacement LDP is fitting with National Policy and how the LPAs of the Mid Wales Region are working together to align strategies and evidence. Further details are available in specific papers which form the evidence base underpinning the Preferred Strategy.

Appendix 1 - Log of Regional Collaboration Contacts

Date	Authority	Activity	Feedback
December 2022	BBNPA	Candidate Site Submissions	
August 2023 – March 2024	BBNPA / CCC	Regional LHMA Working Group (Local housing authorities with Planning Policy input)	Yes
January 2024	BBNPA/CCC	Powys Growth Options On-line Workshop	Yes
March 2024	BBNPA	Powys Spatial Options Workshop	Yes
March 2024	CCC	Powys Spatial Options Workshop	Yes
February 2024	BBNPA	Powys Settlement Clusters Background Paper	Yes
June 2024	BBNPA	Growth Options Paper	Yes
June 2024	BBNPA	Spatial Options Background Paper	Yes
June 2024	CCC	Growth Options Paper	No
June 2024	CCC	Spatial Options Paper	No