



Llywodraeth Cymru
Welsh Government

Eich cyf/Your ref **EN010007**

FAO: Kay Sully
National Infrastructure Planning
The Planning Inspectorate
Temple Quay House
Temple Quay
Bristol
BS1 6PN

12 February 2019

Dear Ms Sully,

EN010007 Wylfa Newydd Nuclear Power Station

Welsh Government (IP Number: 20011597) Deadline 5 Submission – 12 February 2019

- 1.1.1 The Welsh Ministers (hereafter referred to as Welsh Government) formally registered on 10 August 2018 as an Interested Party to the Wylfa Newydd Nuclear Power Station Development Consent Order (DCO) Application, submitted by Horizon Nuclear Power (hereafter referred to as Horizon).
- 1.1.2 Action Points arising from the Issue Specific Hearings held in January were issued by the Examining Authority on 25 January 2019, and responses to those actions relevant to the Welsh Government have been provided as part of this submission.
- 1.1.3 Appendix A of this submission provides Welsh Government's responses to the Examining Authority's Second Round of Written Questions, issued on 30 January 2019.

2 Langley Park

- 2.1.1 At Action Point 3 arising from the Issue Specific Hearing held on Monday 07 January 2019, the Examining Authority requested comments in response to the Langley Park School for Girls V Bromley LBC, Court of Appeal (Civil Division) 31 July 2009.
- 2.1.2 Welsh Government has no further comment or response in respect of this action.

3 Quantum of Tourism Stock Available

- 3.1.1 Action Point 4 arising from the Issue Specific Hearing held on Monday 07 January 2019 requests a Post Hearing Note setting out an agreement between Welsh Government, IACC and Gwynedd Council on the quantum of tourism stock available.

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

- 3.1.2 **Appendix A** of the Welsh Government's Deadline 4 Submission (REP4-053) comprises of the Joint Housing Paper (Welsh Government, Isle of Anglesey, Gwynedd and Conwy Councils). This paper highlights that there is disagreement with Horizon on their methodology for calculating 'headroom' in the tourism sector.
- 3.1.3 It is considered that Horizon's methodology for calculating 'headroom' in the tourism sector is flawed, and could result in virtually 90% of all commercial vacancies in the sector being rented by construction workers over the five years up to Y7Q4. This is unacceptable to Welsh Government.
- 3.1.4 Horizon's estimates rely almost wholly upon the unknown behaviour of the private owners of their own holiday caravans, and their willingness to forgo their holidays to rent their caravan out to construction workers.

4 Welsh Language

- 4.1.1 Action Point 8 arising from the Issue Specific Hearing held on Monday 07 January 2019 requests the shared understanding between the parties of the Levels 1 to 5 Framework for Welsh Language, as discussed in the hearing session, as well as what levels would be required by construction and operational workers at the Wylfa Newydd Power Station.
- 4.1.2 Horizon have prepared a post-hearing note in response to Action Point 8. This sets out their commitment to develop and implement a Welsh language skills competency framework which draws on a recognised model such as the Association of Language Testers in Europe (ALTE) levels.
- 4.1.3 Annex 1.3 of Appendix A to IACC's Deadline 4 submission (REP4-034), Appendix 1 of Gwynedd Council's Deadline 4 submission (REP4-032) and paragraph 2.1.3 of the Welsh Government's Deadline 4 Submission (REP4-053) confirm that there is agreement between Welsh Government and themselves that the speaking levels are based on the ALTE Framework, ranging from 0, no skills to 5, fluent.
- 4.1.4 It has also been agreed between the parties, that the definition of a Welsh speaker is an individual with spoken skills in Welsh at Level 3 or higher, as defined by the ALTE Framework (set out in the IACC and GC submissions referenced above).

5 Recruitment of Health Professionals

- 5.1.1 **Appendix C** of this submission sets out a post-hearing note on the recruitment of health professionals in North Wales and Anglesey as requested through Action Point 9 arising from the Issue Specific Hearing held on Monday 07 January 2019.

6 Park and Share Sites

- 6.1.1 Action Point 5 arising from the Issue Specific Hearing held on Tuesday 8 January requested further detail on the proposed Park and Share Sites promoted by the Welsh Government. This request was also made through Q2.11.1 of the Examining Authority's Written Questions issued on 30 January.
- 6.1.2 **Appendix D** of this submission consists of a summary of each of the four-proposed park and share sites and their status in the planning process.
- 6.1.3 This matter is still under discussion as part of the Statement of Common Ground process (under WG70) – Horizon have set out a commitment to use the park and Spare sites as part of the shuttle bus routes.

7 Third Menai Crossing and Cumulative Assessment

- 7.1.1 The text below is in response to Action Point 11 arising from the Issue Specific Hearing held on Tuesday 08 January 2019.

7.1.2 The following projects are currently being developed and therefore Welsh Government suggest that depending on the timing of these works there could be an impact on the construction programme of Wylfa Newydd, which should be acknowledged, as they will impact on the main supply route along the A55. Therefore, whilst at the present time the projects may not have been developed sufficiently to provide the level of environmental data to inform the cumulative assessment, the Applicant needs to take into consideration the risk they may add to the project and consider the necessary mitigation that may be required.

1) A55 The Third Menai Crossing – The preferred route' over the Menai Strait, was announced in October 2018 for a new bridge to be built the east of the existing Britannia Bridge, with work commencing after 2021. It is currently not possible to give an exact date as it is being assessed by the Design Commission for Wales, however PINs Notice has been sent out and there is current engagement with the market to decide the most appropriate form of contract to build the structure.

2) A55 Llanfairfechan and Penmaenmawr - Junctions 15/16 upgrade of junctions from roundabouts to grade separation. A55, timetable as follows:

- Contract Start Date: 15 Jan 18 (KS3/4)
- Contract Start Date: Winter 2021 (KS6)
- Contract completion: Spring 2023
- End of 3-year aftercare: Spring 2026

A55 Abergwyngregyn to Tai'r Meibion improvement - It was announced that the scheme would go ahead in July 2018, timetable as follows:

- Publication of draft orders: autumn 2016 (no statutory objections therefore no Public Local Inquiry)
- Enabling works contract commencement: late 2018
- Completion of enabling works contract: Spring 2019
- Start of main works construction: autumn 2019
- Completion of new section of trunk road: spring 2021

3) A494 Dee Crossing – Timetable:

- Work due to commence late 2020 with completion in 2022.

7.1.3 Horizon and Welsh Government have agreed that the list of projects assessed as part of the cumulative assessment of the Wylfa Newydd DCO Project is appropriate. However, it is also agreed that Horizon should continue to consider the potential effects of the projects listed above by the Welsh Government and have regard to ongoing potential traffic impacts. This will be best achieved through the monitoring and review mechanism overseen by the Transport Engagement Group.

8 Further Approvals and Control Documents

8.1.1 Since the Issue Specific Hearings held in January 2019, Welsh Government have been working with Horizon providing comments on the Control Documents and the S106 Agreement.

8.1.2 Considering the announcement by Hitachi on 17 January 2019, Welsh Government are currently working with Horizon to establish the right amount of detail required at this stage, and also to provide the certainty that there will be appropriate provisions through requirements to ensure the necessary detail and mitigation is delivered when a development at Wylfa Newydd progresses.

- 8.1.3 Welsh Government met with Horizon on 14 January 2019 and 23 January 2019 to discuss the section 106 agreement and Control Documents, respectively. Welsh Government provided comments on the draft S106 agreement and Control Documents to Horizon in advance of both meetings.
- 8.1.4 In addition, Welsh Government provided comments on the draft Phasing Strategy (V2.0) on 28 January 2019 and comments on the draft Code of Construction Practice (CoCP) (V2.0) on the 11 February 2019.

9 Examination Timetable

- 9.1.1 Following discussions at the Issue Specific Hearings, it is understood that Horizon will submit updated versions of the Control Documents at Deadline 5 (12 February 2019). Considering the timescales between Deadline 5 and Deadline 6 (19 February 2019), Welsh Government are concerned about the amount of time available to sufficiently review these updated documents, and may wish to raise further points in the Issue Specific Hearing on the draft DCO on Wednesday 06 March 2019

10 Issue Specific Hearings in March

- 10.1.1 Welsh Government will be attending the Issue Specific Hearings scheduled 04 – 08 March 2019. Details of attendees will be provided by 21 February 2019 in accordance with the timescale identified by the Examining Authority.

Yours sincerely,

James Hooker (MRTPI)

Wylfa Newydd Spatial Planning Manager, Welsh Government

Email: James.Hooker@gov.wales

Address: Welsh Government, Cathays Park, Cardiff, CF10 3NQ

Appendices

Appendix A: Responses to Examining Authority's Further Written Questions (issued 30 January 2019)

Appendix B: Arc4 Report (June 2017) commissioned by Cartrefi Cymunedol Gwynedd on behalf of the Wylfa Newydd Housing Partnership.

Appendix C: Post-hearing note on the recruitment of health professionals in North Wales and Anglesey

Appendix D: Summary of Park and Share Sites in Anglesey and Gwynedd

Appendix A

Responses to Examining Authority's Further Written Questions (issued 30 January 2019)

WYLFA NEWYDD NUCLEAR POWER STATION

Responses to Examining Authority's Second Round of Written Questions

DEADLINE 5 – 12 FEBRUARY 2019

Question Number	Examining Authority's Question	Welsh Government Response
Q2.4.4	<p>Article 2 – Maintain</p> <p>Alternative drafting has been proposed by IACC. Do IPs wish to comment?</p>	<p>In respect of the revised definition of “maintain”, Welsh Government notes that a judgement will still be necessary in respect of whether an effect is “materially different or materially new”. Welsh Government requests that additional wording is added to expressly limit any proposed works to the parameters assessed in the ES. Welsh Government did raise this matter during the ISH on the DCO (09 January 2019).</p>
Q2.4.10	<p>Article 82 Crown Rights</p> <p>Responses at D2 [REP2-375] and D3 [REP3-063] indicate that Applicant and WG are still in discussion regarding the approach to land identified in the B of Ref (National Assembly for Wales, Welsh Ministers and Secretary of State for Wales). At REP4-053, WG confirm that it has engaged with Horizon in regard to the matter of Welsh Government’s land interests within the Order Limits and that it welcomes the recent amendment to the Book of Reference, which now identifies Welsh Government’s interest under the Crown Land Section. 7.1.2</p> <p>However, Welsh Government state “<i>no formal approach has yet been made under S135 Planning Act 2008 seeking Welsh Government consent, and to date no consent has been given by Welsh Government. The position of the Welsh Government has been consistent in respect of Crown Land and this is set out in detail in the Welsh Government’s Written Representation (section 2.2) submitted at Deadline 2. This section includes the reason why the land vested in the name of National Assembly for Wales is to be treated as vested in Welsh Ministers (2.2.5) and comprises Crown Land....</i>”</p> <ol style="list-style-type: none"> Does the Applicant continue disagree with the need to obtain consent for each identified plot pursuant to s35 of PA2008? What is required to enable these differences of opinion to be overcome? 	<p>The Applicant’s legal team wrote to Welsh Government’s legal team on 31 January 2019 confirming that the Applicant now agrees with Welsh Government’s position in respect of Crown Land and formally requesting WG’s consent pursuant to S135 PA 2008. Welsh Government understands that the applicant will be submitting an updated Book of Reference at Deadline 5. Welsh Government is considering this request and will respond formally during the remainder of the Examination period.</p>
Q2.4.12	<p>PW2 – Wylfa Newydd CoCP</p> <p>Many IPs have raised concerns that should the detail of the CoCP not be agreed prior to the end of examination, than existing CoCPS and sub codes are treated as statements of principle/parameters and that further detail would need to be approved by IACC using pre-commencement requirements.</p> <ol style="list-style-type: none"> Could this approach create the possibility of an uncertain scheme which hasn’t been properly assessed? Would this approach to requirements be lawful, given Rochdale principles, and is reasonably intended to fix ‘finalised aspects’ at a later date? <p>In responding to this question, attention is drawn to paras 103 and 104 or pre-application guidance.</p>	<p>Welsh Government considers that it is possible for further detail to be approved pursuant to pre-commencement requirements in a lawful manner provided that adequate controls and mitigation measures are secured. Welsh Government consider that the following would be necessary:</p> <ul style="list-style-type: none"> The maximum parameters of the authorised development need to be fixed by the DCO at the time it is granted. Fundamental points of principle for each code or sub –code should either be listed in the DCO requirement as points which the final code must cover, or by cross-reference to relevant parts of the draft/ Framework Code/ sub-codes if these are sufficiently clear and robust or by separate specific DCO requirements (e.g. HGV numbers etc). The Applicant should seek to agree these key principles with stakeholders prior to the end of the Examination. The Code/ sub-codes and DCO must ensure that effects cannot go beyond those assessed in the ES. The final CoCP or sub-codes should be approved by IACC in consultation with relevant identified stakeholders. A reasonable judgement must be possible at the time the application is determined as to likely significant effects and the effectiveness of mitigation based on sufficient environmental information. Where there is a degree of uncertainty, then the judgement on effects and mitigation requirements both need to be based on a worst-case basis. Mitigation must be secured to mitigate this worst case.
Q2.4.14	<p>IPs have expressed concern in relation to their ability to keep track of progress with the proposed development and any changes. Should a Register of Requirements be included in the DCO as for example, was included in the A14 Cambridge to Huntingdon Improvement Scheme Development Consent Order as per text below:</p> <p><i>Register of requirements 22. —</i></p> <p><i>(1) The undertaker must, as soon as practicable following the making of this Order, establish and maintain in an electronic form suitable for inspection by members of the public a register of those requirements contained in Part 1 of this Schedule that provide for further approvals to be given by the Secretary of State.</i></p> <p><i>(2) The register must set out in relation to each such requirement the status of the requirement, in terms of whether any approval to be given by the Secretary of State has been applied for or given, providing an electronic link to any document containing any approved details.</i></p> <p><i>(3) The register must be maintained by the undertaker for a period of 3 years following completion of the authorised development.</i></p>	<p>Welsh Government welcome the opportunity for there to be transparent and prescribed monitoring process to show the approval of Requirements.</p>

Question Number	Examining Authority's Question	Welsh Government Response
Q2.4.17	<p>PW8 – Code of Conduct</p> <p>IACC, WG, NWP, and others want this to be part of DCO and not 'for information'. WG states "Fundamental importance that the DCO requires all mitigation strategies and control documents to be submitted for approval by the relevant body in consultation with any other relevant body specified so that it covers the right detail to secure mitigation and to be implemented and enforced." It proposes that approval should be via IACC in consultation with GCC and CCBC on basis that some of the mitigation will fall within responsibility of those authorities in addition to IACC.</p> <p>The Applicants position is that this would be prepared in accordance with the Workforce Management Strategy which would be a certified doc.</p> <ol style="list-style-type: none"> 1) Why does this approach not satisfy IACC, WG, NWP and others? 2) Or should PW8 provide details of how the Code of Conduct should be approved, monitored and enforced including in consultation with North Wales Police? 	<ol style="list-style-type: none"> 1) To be a control document, Welsh Government considers the drafting must be precise and enforceable. The version that was shared with Welsh Government prior to Deadline 5 (version 2.0) does not appear to be neither precise or enforceable in many respects. For example, using terminology such as "seeking", "discuss opportunities", "may", "as soon as possible", "establish a process", "encourage", "if appropriate", "as and when required to do so", "should seek", and "limited circumstances" fails to provide sufficient certainty. Welsh Government will comment further at Deadline 6 in respect of the formally submitted WMS. 2) In light of the uncertainty regarding the enforceability and details in the current WMS (Version 2.0), Welsh Government is of the view that PW8 should provide details of how a code of conduct would be approved, monitored, and enforced, including who should be consulted on its development.
Q2.4.31	<p>WN15 and WN 16 Construction and Operational Car Parking</p> <p>WG want Dalar Hir to be operational before construction commences and have 1,900 spaces by 2022.</p> <ol style="list-style-type: none"> 1) Should a new requirement be introduced, to provide minimum parking spaces linked either to phasing plan or increase in workers/ A specific maximum number /a commitment to a layout plan of the site allowing phased construction /and earlier occupation rather than waiting 18 months /EV charge points and various vehicle types 2) Should parking provision be more precisely defined? 3) Should design drawings be submitted for construction parking irrespective of whether these would be temporary facilities? 	<ol style="list-style-type: none"> 1) Yes. 2) Based on discussions between Welsh Government and Horizon's Transport Consultants, Steer (who met on 23 January 2019), the parking provision must be defined and controlled on the basis of 1,000 daily commuter spaces and 900 long-term parking spaces associated with the Temporary Worker Accommodation (TWA), as the Transport modelling has not assessed daily vehicle movements over 1,000 vehicles 3) Welsh Government would expect the design and layout of parking facilities to be secured via a DCO requirement and details to be submitted to and approved by Isle of Anglesey County Council (IACC), in consultation with other highway stakeholders (including Welsh Government as strategic highway authority).
Q2.4.42	<p>Application of Marine and Coastal Access Act 2009</p> <p>WG propose a new article as below.</p> <p><i>"Application of Marine and Coastal Access Act 2009 [43].—(1) This Order is subject to the provisions of Part 4 of the 2009 Act and any licence granted pursuant to that Part and is without prejudice to the powers of the Welsh Ministers under that Part. (2) No provision of this Order obviates the need to obtain a marine licence under Part 4 of the 2009 Act or to comply with the conditions of any marine licence and nothing in this Order in any way limits the enforcement powers in respect of a marine licence (3) In the event of any inconsistency between the provisions of this Order and a marine licence, then the terms of the marine licence shall take precedence."</i></p> <p>This goes further than the Swansea Bay DCO because it doesn't specifically identify the articles/powers/requirements relating to marine works and it deals with inconsistencies.</p> <p>Swansea Bay DCO Application of Marine and Coastal Access Act 2009 <i>16.—(1) Articles 17 to 19 are subject to the provisions of Part 4 of the 2009 Act and any licence granted pursuant to that Part and are without prejudice to the powers of the Welsh Ministers under that Part. (2) No provision of this Order obviates the need to obtain a marine licence under Part 4 of the 2009 Act or to comply with the conditions of any marine licence.</i></p> <p>What are the Applicant's views regarding inclusion of this Article in the DCO?</p>	<p>Welsh Government maintains its position in respect of this point [AS-016] and has no further comment to make at this stage. Welsh Government will, however, await the response from Applicant at Deadline 5, and reserves the right to provide further comments at Deadline 6, if considered necessary.</p>
Q2.4.43	<p>Schedule 19</p> <p>Does the Applicant wish to make any further comments regarding the proposal that the Welsh Government should be the appellate body as it is for planning applications?</p>	<p>Welsh Government maintains its position in respect of this point [AS-016] and has no further comment at this stage. Welsh Government will, however, await the response from Applicant at Deadline 5, and reserves the right to provide comments at Deadline 6, if considered necessary.</p>

Question Number	Examining Authority’s Question	Welsh Government Response
Q2.4.44	<p>Historic Environment – requirement for recording/assessment</p> <p>WG has proposed a new requirement. The following observations and comments are made as below:</p> <p>16 (2)” The scheme [submitted and approved - aren’t these words redundant?] must be in accordance with “</p> <p>16 (5) “Any archaeological investigations [implemented – isn’t this word redundant?] ...”</p> <p>16 (5) (b) ...”by Cadw in consultation with Cadw” [how does this work? clarify the different roles of Cadw here?]</p> <p>16(5) (b) ...” unless otherwise agreed with the IACC” [arguably if this tailpiece relates to the whole of the requirement this allows IACC to dispense with the need for the scheme altogether].</p> <p>Do IPs wish to comment?</p>	<p>It remains Welsh Government’s view that a requirement of this nature is required to secure the provision by the Applicant of a scheme to be approved for the recording and assessment of archaeological remains. It is recognised that the Applicant has made reference to providing Written Schemes of Investigation to include recording, assessment, analysis and publication, within Chapter D11 of the ES (APP-130).</p> <p>The requirement is needed to secure, not only the provision of such a scheme, but the detail and implementation of that scheme, which should be submitted by the Applicant, in accordance with the parameters of the ES, and be approved by the relevant planning authority in consultation with CADW.</p> <p>With regards to the comments raised by the ExA:</p> <ul style="list-style-type: none">• 16 (2)” The scheme [submitted and approved - aren’t these words redundant?] must be in accordance with “: Welsh Government is not aware that a Written Scheme of Investigation has been submitted/approved or included within Chapter D11 (APP-130) of the environmental statement.• 16 (5) “Any archaeological investigations [implemented – isn’t this word redundant?] ...”: This requirement relates to investigations for potential unknown archaeological assets. Therefore, the investigations agreed through the WSI will need to be implemented before work can continue.• 16 (5) (b) ...”by Cadw in consultation with Cadw” [how does this work? clarify the different roles of Cadw here?]: Welsh Government can confirm this is a typo. The text should read “by IACC in consultation with Cadw”.• 16(5) (b) ...” unless otherwise agreed with the IACC” [arguably if this tailpiece relates to the whole of the requirement this allows IACC to dispense with the need for the scheme altogether]: Welsh Government acknowledge that wording is incorrect and refer the ExA to the wording proposed in Welsh Government’s response to the ExA First Round of Questions (Deadline 3) (REP3-061). The following wording was proposed: <p>““WNXX – Archaeology</p> <p>(1) No part of the authorised development within the WNDA may commence until a written scheme of investigation for [that part] has been submitted to and, after consultation with CADW in its capacity as the relevant archaeological body, approved by IACC.</p> <p>(2) The scheme submitted and approved must be in accordance with Chapter D11 (App. Ref. 6.4.11) of the environmental statement and contain a detailed programme of remaining excavation work of [that part].</p> <p>(3) The scheme must identify any areas where further archaeological investigations are required and the nature and extent of the investigation required in order to preserve by knowledge or in-situ any archaeological features that are identified.</p> <p>(4) The scheme must provide details of the measures to be taken to protect record or preserve any significant archaeological features that may be found.</p> <p>(5) Any archaeological investigations implemented and measures taken to protect record or preserve any identified significant archaeological features that may be found must be carried out— (a) in accordance with the approved scheme; and (b) in consultation with CADW”.</p> <p>Consideration will need to be given to securing an appropriate mechanism through the S106 (or separate side agreement) to ensure that the commitments previously made by Horizon, to IACC, GAPS, and Cadw as part of an agreed archaeological strategy, in relation to completing post-excavation assessment, analysis and recording of the archaeological work undertaken to date is achieved. Discussions in relation to this matter are on-going and it is anticipated that clarification will be given on this matter before or at the ISH in March 2019.</p>
Q2.4.46	<p>Several IPs have expressed support for an Emergency Services Engagement Group.</p> <p>Do IPs wish to comment?</p> <p>If such a group were to be formed, how could this be secured in the DCO?</p>	<p>It is Welsh Government’s understanding that the Emergency Services Engagement Group will be secured through the S106. However, in relation to their role in developing the Community Safety Management Strategy (CSMS), Welsh Government considers that this will need to be done in collaboration with the Health and Wellbeing Engagement Group also.</p>

Question Number	Examining Authority's Question	Welsh Government Response
Q2.4.50	Provide an example of another project/S106 agreement where similar management mechanisms to the WNMPOP have been used.	Welsh Government is not aware of a similar project in which such an approach has been adopted. However, it is noted that through recent discussions with Horizon on 23 January 2019 and the review of the revised S106, that the WNMPOP proposal/approach has now been removed and superseded and no longer forms part of the Applicant's proposal. It is common for section 106 agreements to secure things such as "Transport Review Groups" for large developments which will review and then make either decisions or recommendations in relation to mitigation requirements. There continues to be a role for groups of this nature on key topic areas (which bring together key stakeholders) to be secured in the section 106 agreement in view of the lengthy nature of the development and wide-ranging impacts.
Q2.4.51	In the long term there would be an increase in revenue from Council and Business Tax should the DCO be consented. Would this be used to fund additional services required as a result of the development? At the ISH on the 7 January it was indicated that this would be reflected in the S106 as a number of the contributions sought would be for short term and/or interim measures to cover any shortfall in service provision that might arise before the increase in revenue could be delivered. Indicate which contributions this would apply to. Where a contribution is being sought to cover an existing service long term, why would this be necessary?	Business Rates are a devolved matter in Wales and are collected and centralised. Notwithstanding this, the business rates are unlikely to be fully liable until the Power Station is operational, which will be after the construction phase where the majority of impacts will occur. Therefore, Welsh Government's view is, and always has been, that the DCO process must secure the necessary and appropriate financial mitigation as agreed with HNP.
Q2.6.3	<p>Do the Applicant's responses to Historic Environment issues set out in Horizon's Response to the Welsh Government's WR [REP3-034] provide assurance that the technical and policy tests set out in EN1, EN6, Planning Policy Wales 10, Cadw's published Conservation Principles, Technical Advice Note (TAN) 24: Historic Environment and any other relevant legislation and guidance in respect of the Historic Environment and raised in the WR [REP2-367] have been met? Is the proposed additional mitigation adequate? With particular reference to:</p> <ol style="list-style-type: none"> 1) The substantial harm on Cestyll (Grade II) Registered Park and Gardens and Horizon's proposed mitigation strategy, including the request for a long term, secured and funded Conservation Management Plan covering the forthcoming statutory registered area boundary for Cestyll Gardens and including measures to mitigate impacts associated with the Grade II* Listed Felin Gafnan Corn Mill (Porth y Felin) (Asset 137), Grade II Listed Corn-drying house at Felin Gafnan (Asset 141), and Grade II Listed Mill house at Felin Gafnan, Cylch-y-Garn (Asset 144) to be prepared with and approved by Cadw. 2) Exclusion of the temporary sewerage treatment plant located within Essential Setting of Cestyll Gardens from the Environmental Impact Assessment. 3) The potential impacts and mitigation strategy for buried archaeology within and around the WNDA? 4) The mitigation and restoration strategy for historic buildings during construction and operation, including the Grade II* Listed Felin Gafnan Corn Mill (Porth y Felin) (Asset 137), Grade II* Church of St Padrig (Llanbadrig) (Asset 26) (where additional mitigation has been requested), Grade II corn drying house (Felin Gafnan) (Asset 141), Grade II Mill House (Felin Gafnan, Cylch-y-Garn) (Asset 144) and Cafnan House and associated outbuildings (Asset 181) and whether a commitment to restoring any historic buildings which are subject to damage during the construction activities has been made and secured? 5) The setting impacts on Trelignath Burial Chamber Scheduled Monument, including the scope and extent of any landscaping and planting measures undertaken and how they help screen the setting of the two scheduled monuments from the Logistics Centre and the long-term restoration plan for the site on completion of the project. <p>If not, why not and what needs to be done to provide the assurance needed?</p>	<p>Whilst it is acknowledged that the construction of the Temporary Laydown Area will result in the direct physical harm to the Kitchen Garden, which forms part of the Registered Park and Garden, the Applicant has failed to acknowledge, to date, that the use is temporary and that they own that part of the site, and therefore can control the mitigation / restoration in the longer term.</p> <ol style="list-style-type: none"> 1) Given the residual substantial harm to Cestyll Gardens Registered Parks and Gardens, it is Cadw's maintained position that the mitigation measures outlined in the Environmental Statement are not adequate. Whilst Welsh Government / Cadw, in principle, welcome the recent commitment drafted in the revised S106 for a Conservation Management Plan (CMP), Welsh Government remains concerned in respect of the proposed mechanisms set out in the S106 for securing the delivery of mitigation. In particular, the reliance on third parties not party to the agreement or the proposed provision of funds for unrelated, unspecified off-site measures. Nothing that has been suggested so far by the Applicant, in relation to mitigation, directly related to the part of the Registered Park and Garden that will be directly impacted (e.g. Cestyll Kitchen Garden). This concern was raised in paragraph 13.3.8 of Welsh Government's Written Representation (REP2-367), and also paragraph 13.3.20 in relation to the need for specific landscape measures to restore/enhance the former location of the Kitchen Garden. 2) In Horizon's response to Welsh Government's Written Representation, they provide further information regarding the assessments undertaken in relation to odour. However, Welsh Government's Written Representation (REP2-367), paragraph 13.3.25 also raised concerns regarding potential visual and noise impacts on Cestyll Gardens. Therefore, Welsh Government are not in a position to agree. 3) Please see Welsh Government's previous response to Q2.4.44. Consideration will need to be given to securing an appropriate mechanism through the S106 (or separate side agreement) to ensure that the commitments previously made by Horizon, to IACC, GAPS, and Cadw as part of an agreed archaeological strategy, in relation to completing post-excavation assessment, analysis and recording of the archaeological work undertaken to date is achieved. Discussions in relation to this matter are on-going and it is anticipated that clarification will be given on this matter before or at the ISH in March 2019. 4) Welsh Government understands from the updated s106 being submitted for Deadline 6, that the Applicant has now made provision to cover the cost of any damage that may be caused to these historic buildings during the construction period. 5) Welsh Government, in the Statement of Common Ground due to be submitted at Deadline 6, have identified that Requirement LC3 should include "in consultation with Cadw".

Question Number	Examining Authority's Question	Welsh Government Response
Q2.10.7	What should the minimum occupancy levels for the TWA be and how should they be secured?	<p>Welsh Government, Isle of Anglesey County Council (IACC), Gwynedd Council and Conwy Council submitted a Joint Housing Paper at Deadline 4. This note can be found at Appendix A of Welsh Government's Submission (REP4-053).</p> <p>Paragraph 1.22 of the Joint Housing Note states that <i>"there should be a commitment through the DCO (S106) to monitor occupancy to ensure that it does not fall below 85% for any phase at any time for a monitoring frequency to be determined"</i>. Welsh Government's expectation is that all 4,000 bed spaces are occupied, but as highlighted in the Joint Statement, WG, IACC and GC have indicated that they could accept an 85% threshold.</p> <p>Welsh Government's position is that pursuant to the section 106 agreement, Horizon should use reasonable endeavours to achieve 100% occupancy (the transport assessment work has assumed this and 15% of workers equates to 600 workers at peak), with contingency measures being triggered should this fall below 85%. The contingency measures and, ultimately, financial penalties in the event of repeat breach, need to be sufficient to incentivise compliance (if necessary by prompting the Applicant to significantly reduce the cost to workers of staying at the TWA). Welsh Government has suggested drafting on this to the Applicant for the section 106 agreement.</p>
Q2.10.13	At the ISH on 7 January 2019 you raised concerns regarding the actual turnover/availability of stock in the private rented sector indicating you thought it was less than that suggested by the Applicant. What evidence do you have to support this claim?	<p>The Joint Housing Paper, submitted by Welsh Government, IACC, Gwynedd Council and Conwy Council at Deadline 4 (Appendix A of REP4-053) highlights the areas of disagreement in respect of Horizon's methodology for calculating 'headroom' in the private rented sector (paragraph 1.28).</p> <p>Welsh Government presented their evidence on the Private Rented Sector in respect of the proposed Wylfa Newydd Nuclear Power Station in their Written Representation (REP2-367) at paragraphs 12.4.20 – 12.4.43. Appendix E to the Written Representation presented the research undertaken by Policy in Practice, which considered the impact of the Wylfa power station on low-income tenants.</p> <p>Arc4 have also carried out a review of the private rented sector in North Wales (June 2017) and considers the impact of the Wylfa Newydd project on the sector and the Key Study Area (KSA). Through this research, further assumptions were applied to the PRS data for the North Wales area, and concluded that there is a risk that the market would not be able to provide monthly supply that would build to the 900 bed spaces for the temporary workers (paragraph 6.13).</p> <p>A copy of the Arc4 Report (commissioned by Cartrefi Cymunedol Gwynedd on behalf of the Wylfa Newydd Housing Partnership, of which Welsh Government is part) has been provided at Appendix B.</p>
Q2.10.14	At the ISH on 7 January 2019 it was suggested that a portal monitoring where workers lived would be needed. Can you provide further detail of how this would operate, how often it would need to be updated, how it could be secured and what it would enable?	<p>Welsh Government's understanding is that an online portal would be developed as part of the Worker Accommodation Management Service (WAMS). This would provide opportunities to advertise various types of accommodation to workers and Horizon have indicated that contractually all workers will need to register with the WAMS and provide details of where they reside. In terms of monitoring and updating the WAMS, Welsh Government understand that Horizon propose that this would be overseen by a WAMS Oversight Board, and that it is now no longer proposed for there to be a Housing and Accommodation Engagement Group. In view of this, Welsh Government considers that in addition to IACC and Gwynedd Council, Welsh Government must be included on the Board.</p>
Q2.10.15	<p>Applicant can you:</p> <ol style="list-style-type: none"> 1) Provide further detail as to how the £10 million for the proposed Housing Fund was calculated. 2) Indicate when and for how long the fund would be available. 3) How would the Housing Fund enable the delivery of more empty homes than the current schemes run by the IACC and GCC? 4) How could the Housing Fund be pro-active rather than re-active in enabling the delivery of housing? <p>IACC and GCC can you:</p> <ol style="list-style-type: none"> 1) Advise whether the £10 million proposed would be sufficient and if not why not. 2) Indicate when you consider the fund should be available from and how long it should run for. 3) Indicate how you think the fund could provide the 'capacity enhancement boost' suggested by the Applicant. 	<p>Appendix B of the Welsh Government's Deadline 4 submissions (REP4-053) comprises the post-hearing note setting out the position on the draft S106 (submitted at Deadline 3, 18 December 2018).</p> <p>At paragraph 29, comments on Schedule 5 (Worker accommodation) of the draft S106 agreement, it is highlighted that IACC, Gwynedd and Welsh Government agree that the proposed quantum of the Housing Fund is currently insufficient.</p> <p>This agreement between the local authorities (including Conwy Council), is also highlighted in the Joint Housing Note submitted at Deadline 4 (Appendix A of REP4-053) – <i>"all parties are agreed that the aim should be to prevent people from losing their homes, not to 'mitigate' these losses"</i>; Horizon have proposed the Housing Fund to mitigate the effects of excess demand only after the event.</p>

Question Number	Examining Authority's Question	Welsh Government Response
Q2.10.18	<ol style="list-style-type: none"> 1) What could be the effect on accommodation availability on Ynys Môn if the provision of the TWA was delayed? 2) If the effect was thought to be negative would there be alternative arrangements or would there be a need for a Requirement to manage this situation? 3) If a Requirement was considered necessary please provide suggested wording. 	<ol style="list-style-type: none"> 1) The Local Authorities and Welsh Government have raised concerns relating to the phasing and delivery of the TWA and the potential for demand for 1,600 bed spaces in the private sector (paragraph 1.19, Joint Housing Statement). This Joint Statement and WG's previous representations detail WG's concerns in respect of the effect on availability of accommodation on Ynys Mon if provision of the TWA was delayed. WG maintains that position. 2) The Joint Housing Paper proposed an alternative phasing of the TWA (set out at Annex 1 to the Paper) that is considered necessary to avoid negative effects. This phasing is also considered to be more practicable and desirable, creating a more balanced demand for private sector accommodation, and therefore reducing the amount of additional supply required by spreading it out. Welsh Government have provided comments on Version 2 of Horizon's Phasing Strategy (REP4-014) highlighting that the Requirement for the Phasing Strategy needs to ensure that there are clear mechanisms to prevent certain activities happening for Key Mitigations have been implemented (i.e. First Nuclear Construction not to take place until the delivery of the MOLF). 3) A DCO requirement needs to secure a revised phasing strategy in relation to delivery of the TWA which addresses the matters set out above. It is understood the Applicant is preparing a revised phasing strategy and WG has shared its initial comments and concerns on this which WG expects the applicant to fully address in the next iteration. The DCO requirement and phasing needs to be worded in negative terms so that if the TWA is delayed, IACC can enforce to prevent further works being carried out or to prevent workers exceeding a certain number so that planning harm can be avoided. The phasing strategy and DCO requirement should not simply refer to timescales as these are very difficult to enforce in practice. As set out in its post-hearing note following the ISH DCO [Appendix A, REP4-053], WG also requires measures to be included in the section 106 agreement setting out both the Applicant's commitments to securing occupation of the TWA (once this is delivered in accordance with the phasing strategy) and the measures that will be taken if a minimum level of occupancy is not achieved.
Q2.10.19	Would a Supply Chain Action plan be required? If so what could it deliver, when would it be needed and how should it be secured?	<p>Welsh Government's vision for a Supply Chain Action Plan (SCAP) was set out at paragraph 7.3.12 to 7.3.16 of its Written Representation (REP2-367). It was also highlighted at paragraph 25 of Appendix B to the Deadline 4 Submission (REP4-053), that further detail and improvement on the SCAP is required.</p> <p>A draft SCAP was shared with Welsh Government (and other stakeholders) on 6 December 2018 by HNP.</p> <p>Welsh Government met with Horizon on 23 January 2019 to discuss the Control Documents, and the draft S106 Agreement. In the updated version of the S106 Agreement, the Principles of the SCAP have now been included, which include the need for Key Performance Indicators (KPIs) to be provided within those principles to provide comfort to Welsh Government.</p> <p>In light of the announcement made by Horizon on 17 January, Horizon confirmed that the final version of the SCAP will no longer be produced and annexed as part of the S106 as a final form document, and therefore it has been agreed with HNP that the SCAP will be secured as a final 'Scheme' through the section 106 agreement, reflecting the key principles set out in the section 106 agreement.</p> <p>It is WG's preference for a final Supply Chain Action Plan to be secured under the section 106 agreement, reflecting the key principles set out in the section 106 agreement. The SCAP will include positive off-site obligations and so this is best secured in the section 106 agreement.</p>

Question Number	Examining Authority's Question	Welsh Government Response
Q2.10.21	<div>1) Provide a copy of the terms of reference for the Job Skills and Implementation Plan (JSIP).</div> <div>2) Explain how the plan would be secured and delivered.</div> <div>3) Explain who, given the integrated nature of the job market in the area and the extent of the DCCZ, would be involved with the delivery of the JSIP?</div>	<div>1) For Horizon to provide a copy of the Terms of Reference / respond</div> <div>2) For Horizon to respond</div> <div>3) Welsh Government has previously highlighted (Appendix B of REP4-053) that the Jobs and Skills Implementation Plan (JSIP), which is currently proposed as an Annex to the S106 Agreement, will be approved by IACC, but done so in consultation with Welsh Government and other key stakeholders (i.e. Grwp Llandrillo Menai). Welsh Government is responsible for post 16 education and funds Grwp Llandrillo Menai. Both Welsh Government and IACC consider the college has a fundamental role to play in delivery of the JSIP and that this is where the bulk of the skills fund is likely to be directed in accordance with an agreed JSIP. Welsh Government will await a response from Horizon at Deadline 5, and provide further comments, if necessary, at Deadline 6 (19 February). There is a need for the JSIP to be agreed and secured early (well in advance of commencement of development) so that local people are given the skills necessary to compete for early jobs. Welsh Government may well provide funding for early years skills training to support the project prior to implementation of the development. The Applicant's financial obligations in relation to skills would not be triggered until Implementation (as defined in the section 106 agreement) yet future local workers will need to be given the skills much sooner so that they are in a strong position to secure the early jobs. It is important this is done in accordance with a plan in a coordinated manner. Welsh Government would therefore like the Applicant to liaise and agree the JSIP with Welsh Government prior to this being submitted to IACC for formal approval. Suggested drafting has been provided to the Applicant on this in respect of the section 106 agreement.</div>
Q2.10.22	<div>Applicant can you:</div> <div>1) Provide further detail as to how the £10 million for the proposed Employment/Skills fund was calculated.</div> <div>2) Indicate when and for how long the fund could be available and what could it be used for.</div> <div>IACC, GCC and WG can you:</div> <div>1) Advise whether the £10 million proposed would be sufficient and if not why not.</div> <div>2) Indicate when you consider the fund should be available from, how long it should run for and what it would be used for.</div>	<div>1) Welsh Government presented evidence at the Issue Specific Hearing on Tuesday 8 January the Skills Fund (proposed by Horizon in their draft S2016, submitted at Deadline 3) will not be sufficient for pre- and post-16 education and training. The £10 million proposed by Horizon would be over the life of the project and would not be sufficient to provide the required volumes of additional post-16 provision that will be needed as a consequence of the Wylfa Newydd development. To put into context, Welsh Ministers currently provide £41 million per year for post-16 education at Grwp Llandrillo Menai. Welsh Government has calculated that a fund of £21 million (for construction period) for post-16 provision only is necessary. This is based on the Hardisty Jones Associates report (Appendix B of REP2-367) which has been used to calculate the funding requirement for training. It is noted that Welsh Government do not expect Horizon to fund what would be routine training during the operation period (hence the fund estimated for construction period only). This fund would provide suitable provision to address the needs of the project, and to address backfilling to overcome the risk of displacement.</div> <div>2) Welsh Government consider that the Employment/Skills Fund should be available during the Construction Phase, and available on an annual basis. Ideally, the fund would be available before Implementation, and will be used to deliver the Jobs and Skills Implementation Plan (JSIP). The skills fund should be used to deliver the JSIP (once agreed) and it is anticipated that much of this fund will be used to fund enhanced targeted training by Grwp Llandrillo Menai in accordance with the JSIP. Welsh Government expects to continue to fund Grwp Llandrillo Menai itself alongside the developer contributions sought. In addition, due to the need for early action and the fact that the Applicant is not prepared to make substantial contributions prior to implementation, Welsh Government is considering providing early years funding prior to Implementation of the DCO to help ensure local people have the skills required at the time construction jobs are first created. This is subject to an adequate Skills Fund being committed by the Applicant and a robust Jobs & Skills Implementation Plan being secured early in the section 106 agreement in collaboration with Welsh Government.</div>

Question Number	Examining Authority's Question	Welsh Government Response
Q2.10.23	<p>WG - At the ISH on 8 January 2019 you indicated that you would prefer the use of Key Performance Indicators (KPIs) rather than targets for jobs and employment can you:</p> <ol style="list-style-type: none"> 1) Explain why you consider KPIs would be better than targets. 2) Indicate what KPIs you consider would be appropriate and how they would need to be secured. 3) Outline what would happen in the event of a KPI not being met? <p>IACC can you:</p> <ol style="list-style-type: none"> 1) Explain why you prefer the use of targets. 2) Indicate what targets you consider would be appropriate and how would they need to be secured. 3) Outline what would happen in the event of a target not being met? 	<p>Welsh Government considers that the inclusion of key performance indicators would provide more detailed and effective monitoring.</p> <p>Such Key Performance Indicators could include (but are not limited to): -</p> <ul style="list-style-type: none"> • 'X' number of home-based people within the construction workforce and living within the 90 minute DCCZ; • Number of home-based workers skilled to level 4 or higher and employed in a role that requires skills at level 4 or higher on Wylfa Newydd; • People serving apprenticeships as a proportion of the workforce; • Number of women recruited through the WNESS; • Number of jobs safeguarded through the WNESS; • Number of employees who were currently unemployed prior to working on Wylfa Newydd. <p>Welsh Government would expect the JSIP to be secured and delivered through provisions in the s106. The JSIP should include appropriate Key Performance Indicators in order to monitor and modify the Plan, if required. Welsh Government would expect the Jobs and Skills Engagement Group to be undertaking and monitoring delivery of the JSIP and suggesting any changes which may be required to Horizon.</p>
Q2.10.25	Do 'local', 'visitor' and 'worker' need to be defined? If they do what and where should these definitions be located?	<p>Welsh Government sought a response from Horizon in relation to the definition of a 'local' construction worker and a 'visitor' to Wylfa Newydd at paragraph 6.3.6 of their Written Representation (REP2-367). Horizon have stated that they will consider the definition of 'worker' and 'visitor' (paragraph 1.8.55 of REP3-034)</p> <p>WG's maintain its position in respect of seeking a requirement that sets the maximum number of workers allowed on site at any one time (in accordance with the ES). The DCO should define "worker" and "visitor" for clarity and monitoring purposes.</p> <p>It remains WG's position that the definitions of "visitor" and "worker" should be defined in the DCO, which should be linked to the maximum parameter assessed and therefore should be included as a DCO requirement.</p> <p>The figure of 9,000 construction workers is a key maximum parameter for the purposes of mitigation requirements.</p>
Q2.10.35	Provide details for the number of people who annually use the Welsh Costal Path (WCP) and what the WCP contributes to the economy of both Ynys Môn and North Wales.	<p>Through correspondence with Natural Resources Wales, it is understood that there are no recent figures for the Wales Coastal Path (WCP) specifically. However, in 2014 it was estimated that there were 43.4 million day-visits to the Welsh coast, where walking was an activity (please note, this is all coastal walking, and not just WCP) (Source: Great Britain Day Visits Survey 2014).</p> <p>Using this figure and the WCP Visitor Survey 2015, Cardiff Business School have estimated a Gross Value Added to the Welsh economy of £271.4 million for whole trips and £24.9 million whilst walking on the coast.</p>

Question Number	Examining Authority's Question	Welsh Government Response
Q2.10.37	<p>You have suggested the need for targets for the number of Welsh speakers that would be employed both during construction and operation.</p> <ol style="list-style-type: none">How would this be secured?Should the target apply to homebased workers?If it is would be secured through a Requirement how would Welsh speaker be defined?What should happen if the target was not met? <p>Operationally you have suggested a target of 100% Welsh speakers with a minimum requirement of 85%.</p> <ol style="list-style-type: none">Is this realistic?Can you provide an example of another business or organisation that is required to achieve a similar proportion of Welsh speaking staff and has it been achieved?What should happen if the target was not met?	<p>Welsh Government has not proposed that an approach should be adopted to stipulate that a certain number of posts should be reserved for Welsh speakers, rather certain categories of post.</p> <p>Welsh Government have concentrated our efforts on referring to the development of (i) the Welsh language skills competency framework and (ii) the Welsh language skills assessment tool which will in turn decide how many posts will have various levels of Welsh language skills requirements attached to them.</p> <ul style="list-style-type: none">- Horizon have committed to developing the Welsh Language Framework and the Tool. These must be in place before Horizon proceeds to appoint any further staff in the future.- The Welsh Language and Culture (WL&C) Engagement Group must be part of the work of developing these tools and must be able to approve them.- The WL&C Engagement Group should also look at the language skill level requirements of known posts before they are advertised. Horizon should provide a list of known jobs / job description so that they can be assessed all at once. When new posts are created, the WL&C Engagement Group could discuss the requirements of those posts online without the need to meet face to face. They would bring a level of much needed independence and expertise to the process.- The WL&C Engagement Group should also be consulted to discuss suitable avenues for advertising posts that have Welsh language skills attached to them. <ol style="list-style-type: none">The commitment to provide certain categories of jobs as Welsh essential should be identified and secured through a revised Workforce Management Strategy, on the basis that this Strategy is still forming a certified Control Document.A target has been allocated for the employment of home based workers by Horizon with no detail of their Welsh language skills requirements. Seeing that the DCCZ is such a vast area, the numbers / percentage of Welsh speakers within those areas vary immensely with part of the area over the border into England. Therefore, saying that a certain amount of posts should be allocated to home based workers is not sufficient if the aim is to ensure that a certain amount of posts should be reserved for Welsh speakers. It would be better to apply the above framework / tool to ensure that posts where possessing Welsh language skills is essential in order to be able to undertake the role are reserved for Welsh speakers. We would of course expect Welsh speakers to apply for posts where there are no Welsh language skills requirements and those Welsh language skills would bring added value.Following the Issue Specific Hearings held in January, IACC has drafted a note on behalf of themselves, Gwynedd and Welsh Government explaining how a Welsh speaker is to be defined.Welsh Government have not requested a target.

Question Number	Examining Authority's Question	Welsh Government Response
Q2.10.38	<p>Applicant – please set out/signpost where it can be found, your proposed monitoring strategy for the Welsh language including how frequently monitoring would be undertaken; what area the monitoring would cover; who would review the monitoring; what actions would result from the monitoring and how the monitoring would be secured/funded.</p> <p>IACC, GCC and WG please set out how frequently you consider monitoring should be undertaken; what area should be monitored; who should review the monitoring; what actions should result from the monitoring and how you would want to see the monitoring secured/funded.</p>	<p>How frequently you consider monitoring should be undertaken?</p> <p>Welsh Government suggests that the s106 should restrict the developer from commencing the DCO unless and until a Welsh Language and Culture Strategy (including arrangements for monitoring) has been agreed in advance with the Welsh Language and Culture Engagement Group. As a minimum monitoring should be quarterly throughout the construction period.</p> <p>Monitoring should focus on many areas – not limited to the below:</p> <ul style="list-style-type: none"> - Where do individuals / families choose to live? - What impact have the newcomers had on the local communities where they choose to live for example - has the language of community groups recently changed from Welsh to bilingual / English? - Which schools do the children attend? - Are the children able to immediately access immersion provision locally? - Are the pupil to teacher ratios adhered to at all times within the immersion centres? - What is the immersion uptake and in which areas / centres? - Are posts that have Welsh language skills attached to them always successfully filled? - What percentage of the workforce possess Welsh language skills (and at what level), including contractors and apprentices? - Delivery against the Welsh Language and Culture Mitigation and Enhancement Measures. - Expenditure against the relevant funds for example the Community Translation Service. - The impact that any materials / training provided to raise awareness of the Welsh language have in reality on workers (including contractors) and their dependants. <p>What area should be monitored?</p> <p>The Key Study Area. Anglesey and Gwynedd should be monitored in great detail with Conwy subject to less stringent monitoring due to the fact that it is further away from the development site and should therefore not feel the impact to the same degree.</p> <p>Who should review the monitoring?</p> <p>The Welsh Language and Culture Engagement Group.</p> <p>What actions should result from the monitoring?</p> <p>This depends what is being monitored for example:</p> <ul style="list-style-type: none"> - If children who have moved to the area are not able to access immersion education without delay, funds must be released to ensure that the capacity of the immersion service is immediately increased. - If the newcomers are having a detrimental effect on the use of the Welsh language in communities (for example the use of the Welsh language within community groups), greater use should be made of the Community Translation Fund, Community Officers should plan suitable interventions and the Welsh Language Officer should ensure that efforts are prioritised to deal with the situation. <p>How you would want to see the monitoring secured/funded?</p> <p>Through the S106.</p>
Q2.10.40	<p>You have raised concerns regarding the robustness of the Welsh Language Impact Assessment (WLIA) – was the scope of the WLIA agreed with you prior to submission?</p>	<p>Welsh Government was previously an observer of the independently chaired Welsh Language Steering Group. The group was developed by Horizon to guide the Welsh Language Impact Assessment (WLIA) process.</p> <p>Welsh Government have previously stated that they welcome the mitigation measures proposed in the WLIA (specifically within the WLCMES), which have been developed with the Steering Group, but have raised concerns relating to the detail of the delivery, timing and monitoring of the mitigation measures proposed (paragraphs 5.3.9 to 5.3.27 of REP2-367).</p>

Question Number	Examining Authority's Question	Welsh Government Response
Q2.11.1	Provide further details of the proposed park and share sites including: 1) Their location and capacity. 2) Whether the sites already exist or are in the process of being consented/constructed? 3) If sites are subject to consent/construction an indication of when they would be available for use. 4) Whether workers would be charged to use the facilities and if so what the rates would be. 5) How would workers be encouraged/required to use these sites? 6) Are the proposed sites to be used by workers car sharing or would they be directly connected to the WNDA? 7) How would the park and share sites be linked to the current application?	See Appendix C of the Welsh Government's Deadline 5 Submission in response to questions 1, 2 and 3. This is also as a response to Action Point 5 arising from the ISH held on Tuesday 8 January. 4) Proposed strategy for Public charging has not yet been decided, as consideration needs to be given to creating a conditional mass first. 5) The final draft Statement of Common Ground, due to be submitted at Deadline 6, now provides a commitment (WG70) for Horizon to route buses through these Park and Share sites from Year 1, allowing workers who choose to use the sites to connect to buses for onward journey to the WNDA.
Q2.11.3	What is the maximum vehicle size that could cross the Menai Bridge?	The vehicle restrictions on the Menai Bridge are as follows: <ul style="list-style-type: none"> Maximum height: 15'6" / 4.7 metres Maximum width: 8'6" / 2.6 metres
Q2.11.4	What would be the stacking arrangements for HGVs on the mainland in the event of Britannia Bridge closing?	The Applicant has made reference to lay-bys being able to accommodate 100-150 HGVs along the A55 with the inference that these are all available to Horizon traffic. Welsh Government considers that these facilities would be full in a very short time period whenever there is a prolonged closure (e.g. more than 1 hour) of the bridge. The ExA should note that Britannia Bridge has been closed to HGVs approximately 6 times in the last 6 weeks due to adverse weather. It is not always possible to forewarn about closures due to weather events. Consequently, it is not clear what alternative arrangements for stacking are being proposed, and therefore, all additional HGV traffic will be added to the queues that will develop on the inside lane of the A55, which will reduce the capacity of the network.
Q2.11.5	1) Are Abnormal Indivisible Loads (AILs) required by law to be escorted by Police in Wales? 2) If they are not, is the Applicant proposing to use the Police or another organisation to escort the AILs? 3) Would an AIL management plan be required? 4) How would AILs be managed prior to the opening of the MOLF and the improvements to the A5025?	1) North Wales Police to respond. 2) HNP to respond. 3) Welsh Government have requested that there is a DCO Requirement (for HNP to submit an AIL management plan to IACC to be approved by IACC in consultation with North and Mid Wales Trunk Road Agent (NMWTRA) for an Abnormal Indivisible Load (AIL) Management Plan (paragraph 9.5.3 of REP2-367; paragraph 33 of Appendix B of REP4-053). 4) Welsh Government consider that the AIL Management Plan would set out the detail for Early Years management of AILs, prior to the opening of the MOLF. The Management Plan would be approved by IACC in consultation with the NMWTRA.
Q2.11.6	Would an early year's strategy for highways movements, including any necessary arrangements that may arise if the MOLF or highways works were delayed, be required? If yes could this be delivered by a suitably worded requirement?	Through the Statement of Common Ground (SoCG) process, Welsh Government and Horizon have discussed the Early Years Strategy, particularly the strategy to deal with construction traffic prior to the operation of the Park and Ride, MOLF, Logistics Centre and the Site Campus (WG61 of the SoCG). Welsh Government consider that the transport impacts in the early years are acceptable provided that the travel strategy monitoring process specified in the Code of Construction Practice (either as agreed prior to conclusion of DCO consenting process, or, if not, secured through DCO requirement) is implemented and that sufficient funds are available to mitigate potential transport impacts.
Q2.11.8	The proposed level and location of parking is predicated on a significant number of workers car sharing. However, the levels of car sharing at Hinkley Point C are below those originally estimated. 1) How would the necessary levels of car sharing be secured? 2) Should it be secured through a Requirement? 3) What should happen if the necessary levels are not achieved?	2) It remains WG's view that this is best secured within the Section 106 agreement as it relates to off-site matters and positive steps required by the Applicant. If through monitoring the car sharing levels are not being achieved then the section 106 agreement should require contingency measures to be implemented/ action plan agreed and, in the event of repeat failure, the payment of financial penalties. This is a standard approach for travel plan commitments within section 106 agreements for major developments. The obligation should require compliance with key travel plan commitments on which the ES and mitigation plan are based. The commitments in the current travel plan are not considered sufficiently precise and enforceable. The DCO requirements or section 106 should either therefore require approval of a new travel plan and detail the specific obligations to be included and/or set out key obligations which must in any event be complied with on the face of the DCO requirements.
Q2.11.16	The pre-commencement works proposed would be quite wide ranging and would require a significant number of vehicle movements. Would these works need to be managed and if so how should this be secured?	Yes, the pre-commencement works would need to be managed. Welsh Government has already raised concerns about the proposed definition of works that could be included as "preparatory operations" (e.g. pre-commencement works). Therefore, relevant management plans (e.g. AIL management plan) need to be in place. If any pre-commencement works require consent, Welsh Government would expect suitable management plans to be submitted and approved to IACC in consultation with relevant stakeholders.

Question Number	Examining Authority's Question	Welsh Government Response
Q2.11.17	The traffic proposals are predicated on the basis that the majority of 'bulk materials' would be delivered by the MOLF. 1) Does 'bulk material' need to be defined and if so what should the definition be? 2) Explain whether the 60% target for bulk materials would be from day 1 of the opening of the MOLF or would this be cumulative across the construction period as a whole? 3) How would this be monitored and what would happen if the target was not achieved?	This is a matter for Horizon to respond. Welsh Government has set out its concerns about the delays to the MOLF, in their Written Representation (paragraph 9.4.58 of REP2-367) and maintains that position.
Q2.11.18	NWP advocate the need for a construction traffic management plan and an operational traffic management plan. 1) Do you agree? 2) If not, why not? 3) If you do agree what should the plans control and how should they be secured?	1) Yes, Welsh Government have highlighted the need for a Construction Traffic Management Plan at paragraph 9.5.3 of their Written Representation (REP2-367). 2) n/a 3) The traffic management plans will aim to control all construction and operational traffic, and should be delivered through Requirements, which would be approved by IACC, and in consultation with Welsh Government and North Wales Police. The Code of Construction Practice sets out the principles for what the CTMP should contain.
Q2.13.7	Would the AM and PM peak for commuter traffic change/extend as a result of the proposed shift patterns for workers and if so what effect would this have on the conclusions of the Transport Assessment/traffic modelling, with particular reference to Britannia Bridge?	Welsh Government understand from Horizon's proposed consultation that their suggested amendment to shift patterns would constitute a non-material change, therefore, Welsh Government would expect Horizon to be able to confirm that their traffic modelling has included these timescales.
Q2.13.16	1) Any comments with regards to the proposed change to workers HGV movements? 2) With regards to the proposed change would it result in a material or non-material change to the application? Please explain your reasoning.	Welsh Government has provided a response to Horizon's consultation. The commitment to ensure that HGV movements will not exceed the thresholds is welcomed (comment on response to Q11.1.6, REP3-061). Further clarity on how this will be secured through the DCO Requirements or the S106 Agreement is required.
Q2.13.22	1) Any comments with regards to the proposed change to working hours? 2) With regards to the proposed change would it result in a material or non-material change to the application? Please explain your reasoning.	Welsh Government has provided a response to Horizon's consultation.
Q2.14.7	You [REP2-367] are seeking a contribution to the proposed third Menai crossing. Can you: 1) Explain on what basis a contribution is being sought? 2) Explain how such a contribution would meet the S106 tests? 3) Detail how much the contribution would be.	Welsh Government's position is that if the necessary transport mitigation and controls (identified in our Deadline 4 representation (REP4-053)) are adequately secured then no such contribution will be required. However, if this is not achieved, then the only way to increase the capacity of Britannia Bridge would be through the earlier delivery of the Third Menai Crossing. In such a scenario, Welsh Government considers that it would be necessary for there to either be a negatively worded DCO requirement (preventing Wylfa Newydd works until the bridge has been delivered – however, the current timescale for the third bridge is not clearly defined) or a financial contribution towards the cost of delivering the bridge within the S106 agreement (where there would be a commitment for Welsh Government to use funds within a defined timescale or they would be returned to the applicant). However, Welsh Government remains confident that agreement can be reached over the control measures.
Q2.15.3	In response to FWQ14.0.3(b) the Applicant stated: 'Horizon's internal management arrangements will ensure that design of configured structures, systems and components follows a robust multi-disciplinary design review process as the project progresses'. [REP2-375]; however best practice in achieving good design in all the devolved nations emphasises the use of design codes and the value of independent expert external design advice Would there be merit in establishing: 1) Design codes that build on the Design and Access Statement; and 2) A Design Quality Review Panel (using the auspices of the Design Commission for Wales) to provide advice on design quality and sustainability through the detailed design and construction phases of the project? If so how might these initiatives be secured through the dDCO?	Where appropriate requirements relate to specific design elements, they should go for approval by IACC in consultation with Design Commission for Wales.

Appendix B

Arc4 Report (June 2017) commissioned by Cartrefi Cymunedol Gwynedd on behalf of the Wylfa Newydd Housing Partnership.

Review of the Private Rented Sector in North Wales

Cartrefi Cymunedol Gwynedd

Review of the PRS in the Wylfa Key Study Area

June 2017

Main Contact: Helen Brzozowski
Email: Helen.brzozowski@arc4.co.uk
Telephone: 0800 612 9133
Website: www.arc4.co.uk

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Please note that in this report some of the tables include rounded figures. This can result in some column or row totals not adding up to 100 or to the anticipated row or column 'total' due to the use of rounded decimal figures. We include this description here as it covers all tables and associated textual commentary included. If tables or figures are to be used in-house then we recommend the addition of a similarly worded statement being included as a note to each table used.

This report takes into account the particular instructions and requirements of our client. It is not intended for and should not be relied upon by any third party and no responsibility is undertaken to any third party.

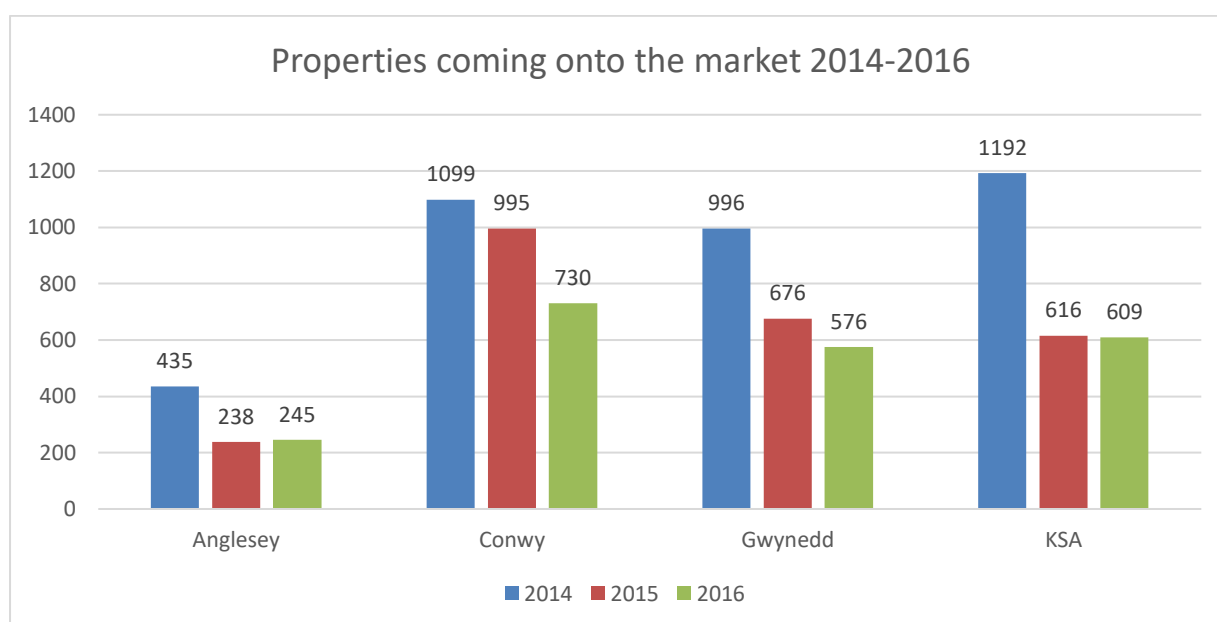
arc⁴ Limited accepts no responsibility or liability for, and makes no representation or warranty with respect to, the accuracy or completeness of any third party information (including data) that is contained in this document.

1. Introduction

- 1.1 Wylfa Newydd Housing Partnership has been set up to have an oversight of all likely housing related issues that arise due to the proposed development of the Wylfa Newydd Nuclear Power Station on Anglesey.
- 1.2 Cartrefi Cymunedol Gwynedd (CCG) on behalf of the partnership commissioned arc⁴ to undertake a review of the Private Rented Sector in the region (Isle of Anglesey, Gwynedd and Conwy), to understand the possible capacity, impact and role the sector will play in addressing the additional capacity required as a result of key economic developments within the area.
- 1.3 The review investigated various aspects of the housing market, both within the Key Socio-economic Areas identified by Horizon in their Pre-Application Consultation (most likely to be affected by the Wylfa Newydd project) and any secondary impacts beyond this area.
- 1.4 The work has been in two parts. The first is a baseline review of the private rented sector in Anglesey, Gwynedd and Conwy. The second element of the work is to compare these findings with previous assumptions made about the sector by Horizon and to consider the potential impact of the forecast work numbers on the development of the private rented sector, demand and rent levels and consider the main impacts and secondary impacts.
- 1.5 At the inception meeting, the brief was slightly extended to consider how the workforce may be rehoused and to consider the potential scope for individuals to provide individual rooms in their homes.
- 1.6 The report, presents the overall findings for each authority and considers the impact of the Wylfa Newydd project. Separate reports are available for detailed baseline information (at ward level) for each authority.
- 1.7 The data includes approximately 80-95% of the market in most locations in the UK. However, this can be lower in more rural locations where properties are not advertised through Zoopla and where there are more properties let unconventionally through individual landlords by 'word of mouth' classifieds and new platforms such as Gumtree. Therefore, any units coming onto the market should be considered as the minimum number available and may not necessarily provide a full overview of the market. Some locations may be under-represented within the analysis.

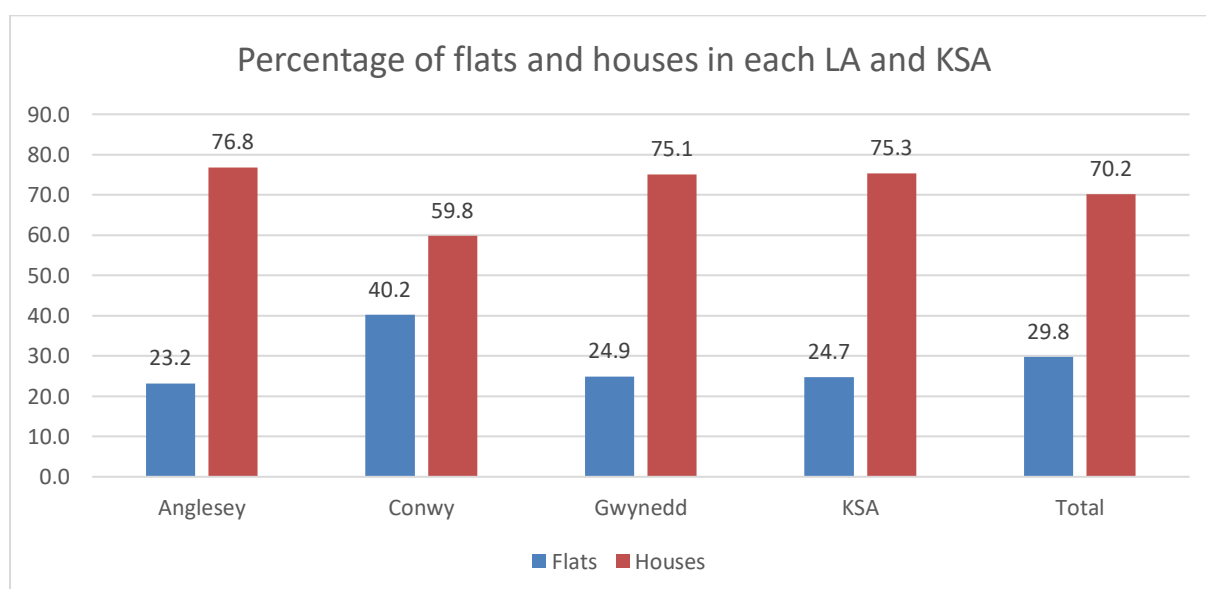
2. The baseline market

- 2.1 The Census confirms that the private rental markets in Anglesey and Conwy are both larger than the Welsh average at 16.6% and 18.2% respectively. Gwynedd is smaller at 9%. The markets are focused around the Menai Bridge and the South of Anglesey toward the mainland; Bangor and Caernarfon in Gwynedd; and fuelled by the student market and the coast around Llandudno in Conwy although this stretches across to Colwyn Bay, Abergele and Conwy.
- 2.2 The PRS in terms of numbers and prevalence is the location close to Wylfa Newydd is weaker. This means that people will probably have to travel to secure PRS accommodation and the proximity to the A55 the mainland will be potentially an attractive proposition due to the range of other services.
- 2.3 The markets are buoyant (popular) with the largest number of properties coming onto the market, through Zoopla, in Conwy and Gwynedd (in Bangor where it is described by agents as “booming” buoyed by the large student market “as much as 70%”), although the focus of this report is toward the northern parts of the authorities which form part of the KSA. Fewer properties come onto the market in Anglesey. However, for all markets there is a trend to fewer properties coming onto the market in the past 3-years and this has led to low turnover (churn) levels.
- 2.4 This could be happening for a number of reasons:
 - Potentially, many tenancies coming onto the market are not being managed by conventional landlords and therefore not being picked up by Zoopla as managed through professional letting agencies; and/or
 - The PRS is being used as a longer-term tenure option and households are settled.
- 2.5 Agents confirmed that although house prices have fallen across the three authorities since 2008, buying a home remains outside the range of many first-time buyers due to high prices and the deposits needed. This, and the lack of available social housing, has seen many households turn to the rental market.

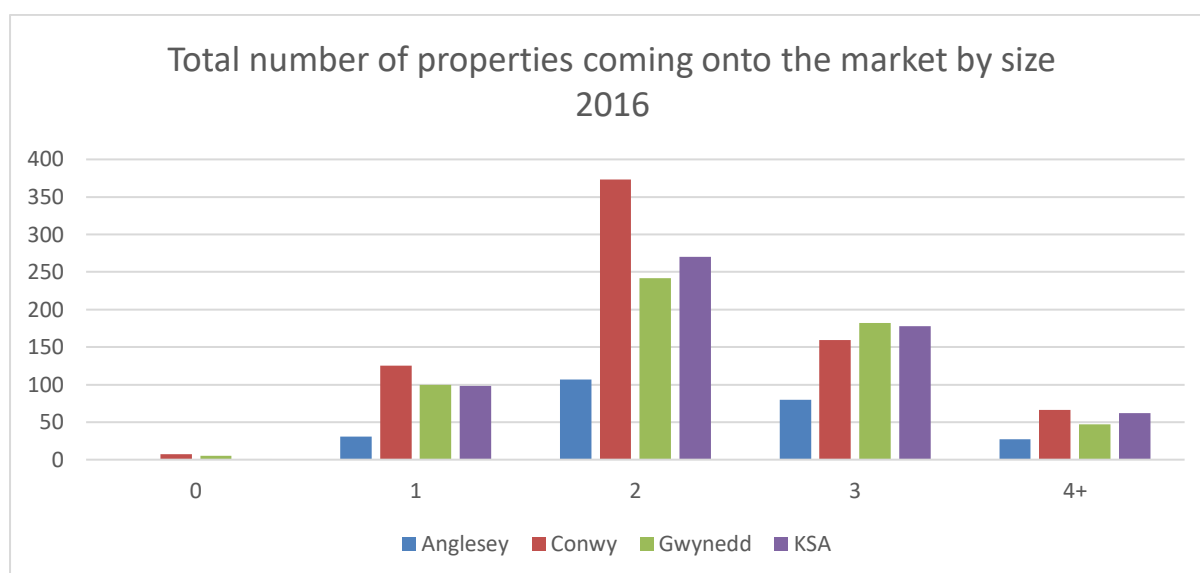
Chart 2.1 The property offer

Source: Zoopla

- 2.6 Re-let supply is mostly 2 and 3-bedroom houses, although in Conwy there is a larger market for flats, particularly around the KSA area. There are also larger properties in all authorities (4 bed +). Horizon confirmed that it is assuming that a maximum of 2 workers will share accommodation. Evidence for Hinkley Point confirms that 3 workers shared property at during construction, see Appendix A. Long term project managers and senior staff both from the UK and beyond were expected to seek premium rented housing and possibly re-locate their families. There will be a demand for all property sizes.

Chart 2.2 Percentage of flats and houses coming onto the market in each LA and KSA

Source: Zoopla

Chart 2.3 Total number of properties coming onto the market by size 2016

Source: Zoopla

- 2.7 The assumptions made by Horizon for housing temporary workers in the market rented sector is that workers will share accommodation and therefore bed spaces rather than units of accommodation are considered below.
- 2.8 Horizon confirmed *'We expect a high level of sharing – workers are driven by driving down the cost of what is effectively a second home so will overwhelmingly share. They get an allowance of £38 per night to cover accommodation and food etc. so will seek to spend the minimum they can for the accommodation part. Most non-home based workers will come with contractors, i.e. alongside colleagues so sharing will be very straightforward.'*
- 2.9 Whilst evidence from Hinkley Point confirms that up to 3 workers shared, we have continued to assume that 2 workers will share to work within Horizons assumptions and to provide a 'worst-case' scenario
- 2.10 The information is based on the average number of units coming onto the market per year (2014-2016). This is based on Zoopla data and therefore is the minimum number of units available. Bed spaces are based on the number of bedrooms in a property.
- 2.11 Table 2.1 assumes that 6,505 bed spaces could be available each year, 1,940 of these within the KSA. On the revised assumptions of 2 workers only sharing, Table 2.2, estimates that 4,902 bed spaces could be available of which 1,457 would be in the KSA. These figures assume that all bed spaces coming onto the market would be available to temporary workers which will not be the case given then current demand for property in the existing market. There will be demand for whole properties to support families; However, Hinkley Point found that this was more likely for longer term project managers and senior staff rather than temporary workers.

Table 2.1 Minimum number of bed spaces in the market per year (based on an average from 2014-2016)												
	1 BF	2 BF	No of bed spaces	3 BF	No of bed spaces	2 BH	No of bed spaces	3 BH	No of bed spaces	4+ BH	No of bed spaces	Total
Anglesey	24	37	74	8	24	8	16	91	273	100	400	811
Conwy	130	208	416	32	96	249	498	193	579	88	352	2071
Gwynedd	80	64	128	19	57	210	410	208	624	96	384	1683
KSA	79	99	198	18	54	222	444	235	705	115	460	1940
Total	313	408	816	77	231	689	1368	727	2181	399	1596	6505

Source Zoopla

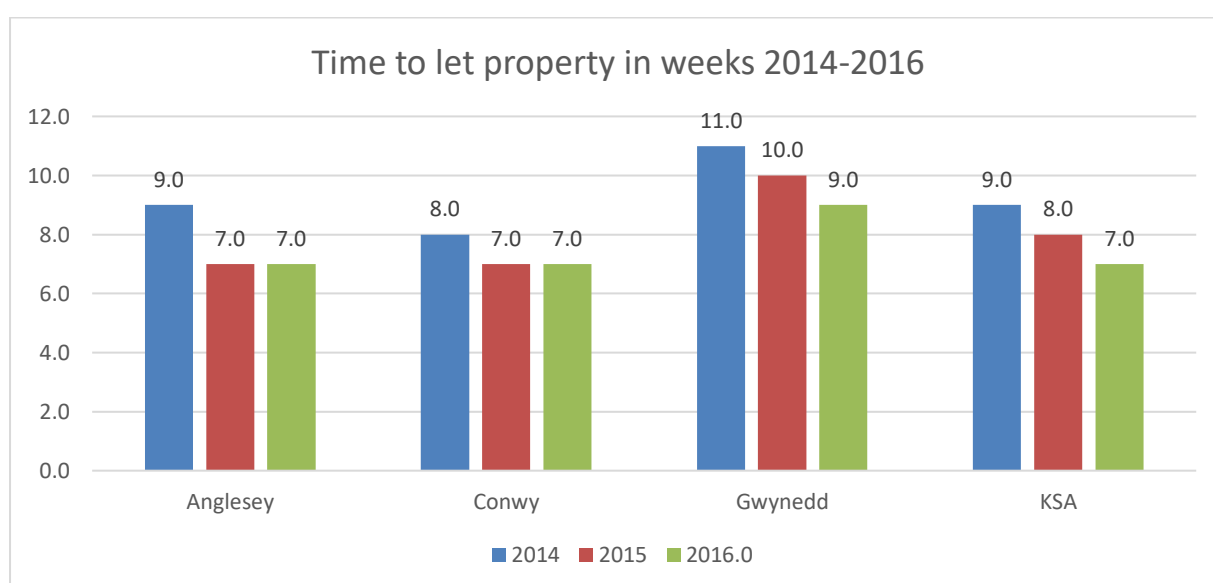
Table 2.2 Minimum number of bed spaces in the market per year assuming only 2 workers share property (based on an average from 2014-2016)												
	1 BF	2 BF	No of bed spaces	3 BF	No of bed spaces	2 BH	No of bed spaces	3 BH	No of bed spaces	4+ BH	No of bed spaces	Total
Anglesey	24	37	74	8	16	8	16	91	182	100	200	512
Conwy	130	208	416	32	64	249	498	193	386	88	176	1669
Gwynedd	80	64	128	19	38	210	410	208	416	96	192	1264
KSA	79	99	198	18	36	222	444	235	470	115	230	1457
Total	313	408	816	77	154	689	1368	727	1454	399	798	4902

Source Zoopla

Location demand and turnover of tenants

- 2.12 The rental market performs well across each of the areas but especially so in Bangor where it is described as “booming”. However, the market in Bangor is also sustained by the large number of people who have bought larger properties as second homes which has created a shortage of larger family accommodation.
- 2.13 Popular areas tend to be:
- Anglesey – Holyhead, Trearddur Bay, Menai Bridge and towards the centre of the island;
 - Gwynedd – Bangor;
 - Conwy - The coastal strip, Conwy, Llandudno.
- 2.14 The time taken to let a property can indicate how popular a particular property type is, how popular an area is or whether a property is in good condition. It can also indicate an undersupply/oversupply of a particular property type. The time to let a property is a very useful measure of the health of the rental market and this section considers how long it took for property to be let after coming onto the market. The data is shown in weeks and includes an assumed notice period of 4 weeks and time taken to effect a tenancy agreement.
- 2.15 Generally, properties are letting quickly; Conwy and Anglesey in particular and this is impacting on the KSA. This confirms, as do agents, that property here is popular, there is little ‘slack’ in the market for increased demand unless supply increases too. This means that lettings to construction workers will displace local residents from the market. The implications of this are considered later.

Chart 2.4 Time to let property in weeks 2014-2016



Source: Zoopla

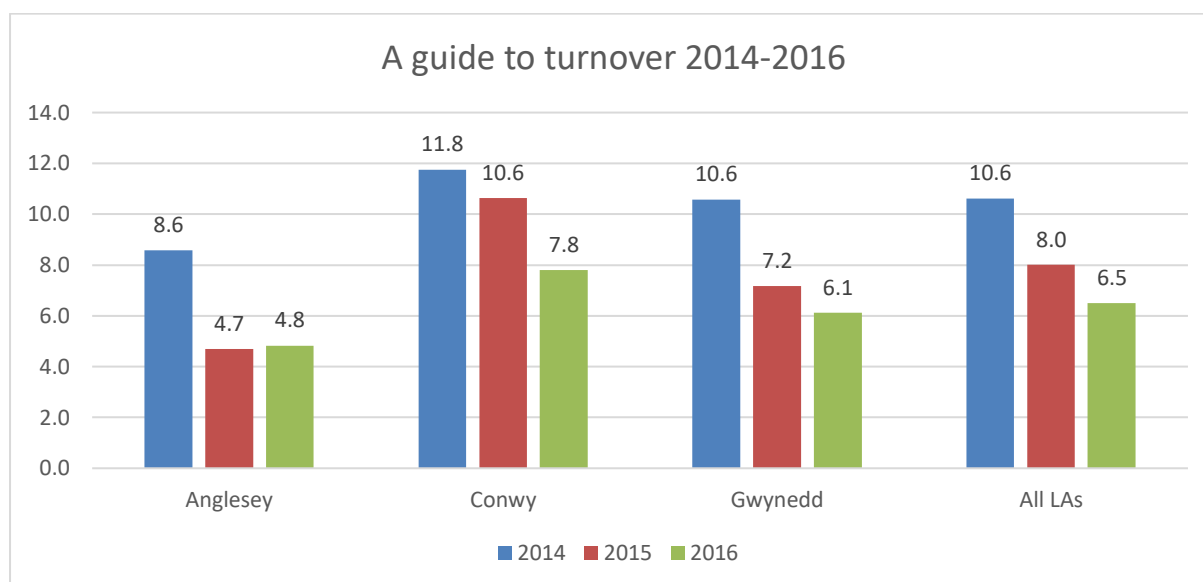
- 2.16 Table 2.3 illustrates the time to let different property types. In Anglesey, flats are particularly popular and are letting almost immediately. Houses let at around 2-3 weeks across all locations. In the KSA property lets at around 7 weeks and this has improved over the past 3 years.

Table 2.3 The time to let different property types 2014-2016				
Location	Dwelling Type	2014	2015	2016
Anglesey	Flat	9.0	7.0	4.0
	House	8.0	6.5	7.0
Conwy	Flat	9.0	8.0	7.0
	House	7.0	7.0	6.0
Gwynedd	Flat	10.0	10.0	9.0
	House	11.0	10.0	8.0
KSA	Flat	8.0	8.0	7.0
	House	9.0	8.0	7.0

Source: Zoopla

Properties in high demand

- 2.17 Agents confirmed that, the most sought-after properties are 3-bedroom and larger family homes. Whilst 1 and 2-bedroom properties perform less well, there is still sufficient demand. In some areas, especially Conwy, this demand appears to be on the increase.
- 2.18 Turnover or churn is a useful guide to demand; where property is popular and the private rented sector is providing long term housing options, turnover tends to be lower as households remain in their properties for longer.
- 2.19 Whilst the data on turnover is useful it is only a guide; it does not include all lettings that come onto the market as many are marketed through the classified advertisements, by word of mouth or are let directly by the landlord.
- 2.20 Chart 2.5 shows turnover for the past 3 years. Clearly, fewer properties are coming onto the market and temporary workers will have to rely more on markets outside of Anglesey, but potentially within the KSA. This turnover based on Zoopla is low.
- 2.21 Low turnover could be one of the reasons why rent levels are increasing in many locations and for many different property types.

Chart 2.5 A guide to turnover 2014-2016

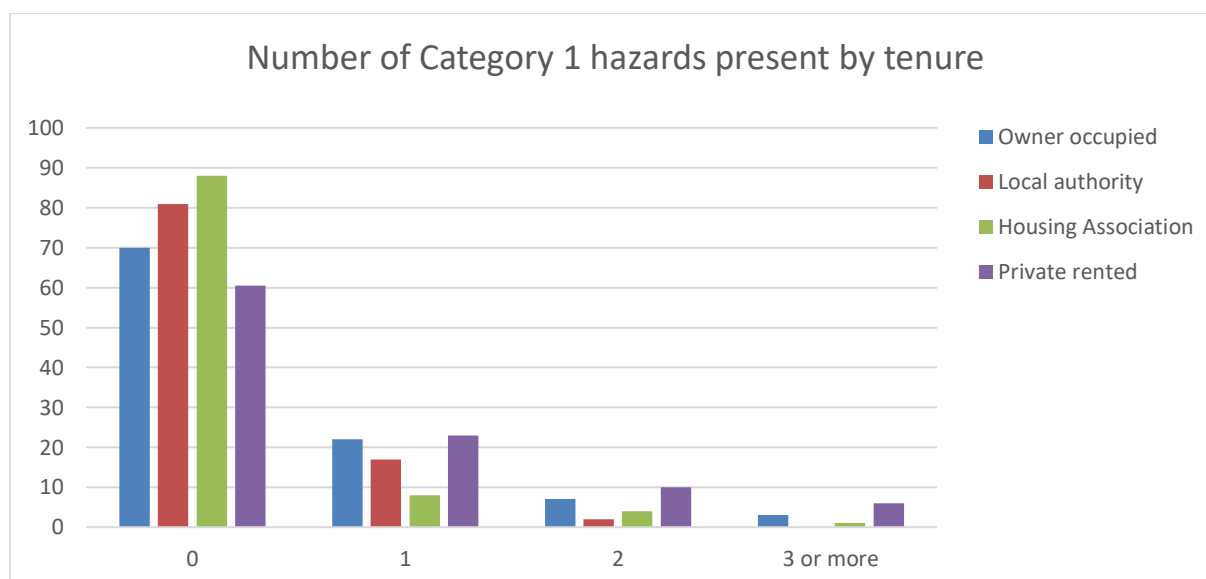
Source: Zoopla

Housing in the private rented sector that is unsuitable

- 2.22 It is important to recognise that the private rented sector houses a large proportion of tenants for whom their home is unsuitable. This is an important issue for households that need to move as opposed to those moving for a lifestyle reason, as lettings to construction workers will reduce the overall supply available to local households.
- 2.23 Household surveys such as that conducted by Anglesey reveal a wide range of factors that render existing housing unsuitable. These include overcrowding, support needs and mobility problems due to ill health or disability, affordability and disrepair.
- 2.24 The findings of a household survey reported in Anglesey's Local Housing Market Assessment update 2016 describe the reasons for unsuitability. It is noteworthy that the household survey undertaken by Anglesey revealed that around one quarter of households living in unsuitable accommodation cited the need to move because their tenancy is ending and a similar number because their housing is too expensive. No similar information has been found for Conwy or Gwynedd.
- 2.25 The number of households living in the private rented sector is significant. In Anglesey around 1,000 households or 20% of those living in the private rented sector were living in unsuitable housing. No similar information has been found for Conwy or Gwynedd.
- 2.26 We investigated data published by Welsh Assembly Government and found that specialist collection of relevant data has been discontinued. In 2010 the following report was published which included an assessment of hazards by tenure. This is not the same measure as unsuitability but the factors measured could render a dwelling unsuitable. It is noteworthy that across Wales just over 20% of private rented sector households were assessed as having category 1 hazards. This supports the findings of the Anglesey survey and suggests it would not be unreasonable to assume that around

20% of the private rented sector across the 3 council areas are either unsuitable or have category 1 hazards.

Chart 2.6 Living in Wales 2008 – Housing Health and Safety Rating System

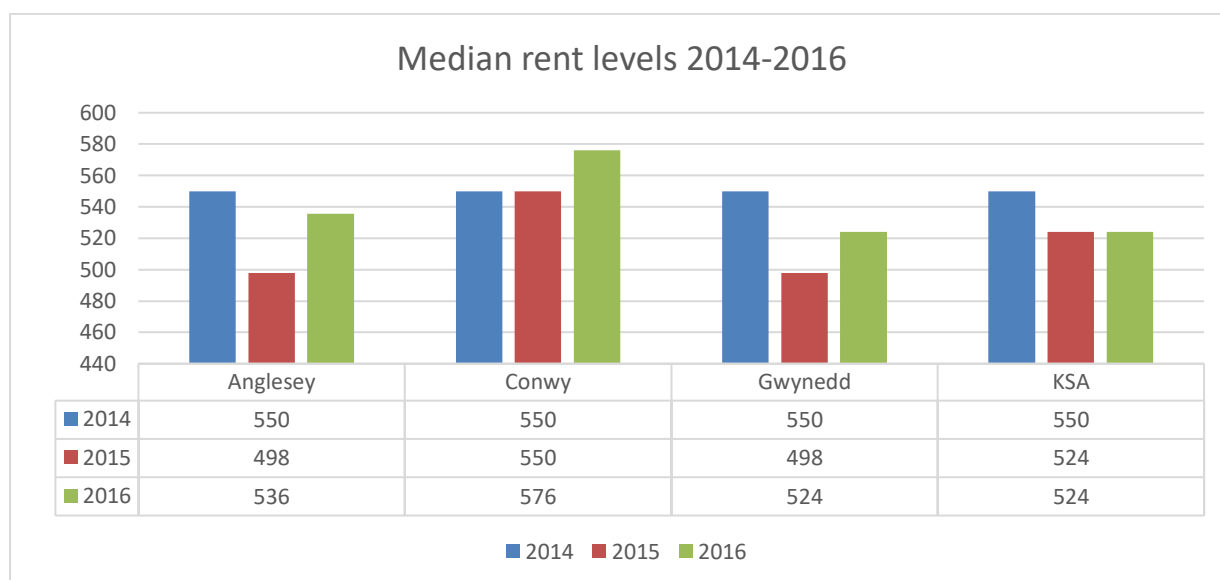


Source: Welsh Assembly Government

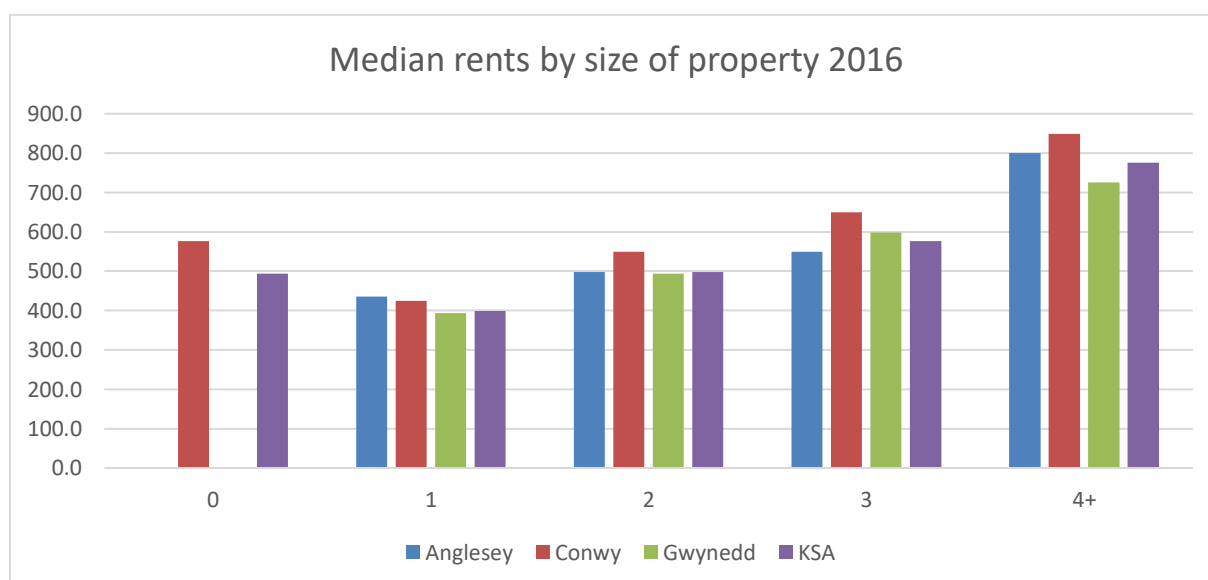
- 2.27 However, some households need not move home as a result and problems can be overcome, for example repairs can be carried out or adaptations can be provided. The report estimates that a net 1,678 households need to move to more suitable housing. It is estimated that some 618 households cannot afford market housing, leaving approximately 1,000 households who need to move to more suitable market housing. It is suggested that these will continue to rely upon the private rented sector as they would otherwise be living as home owners.

Rent levels

- 2.28 Chart 2.7 shows median rent levels in each authority in the past 3 years. Agents confirmed similar figures and that rent levels are generally increasing. Chart 2.8 shows rental values for different property sizes. Rent levels are highest in Conwy.

Chart 2.7 Median rent levels 2014-2016

Source: Zoopla

Chart 2.8 Median rents by size of property 2016

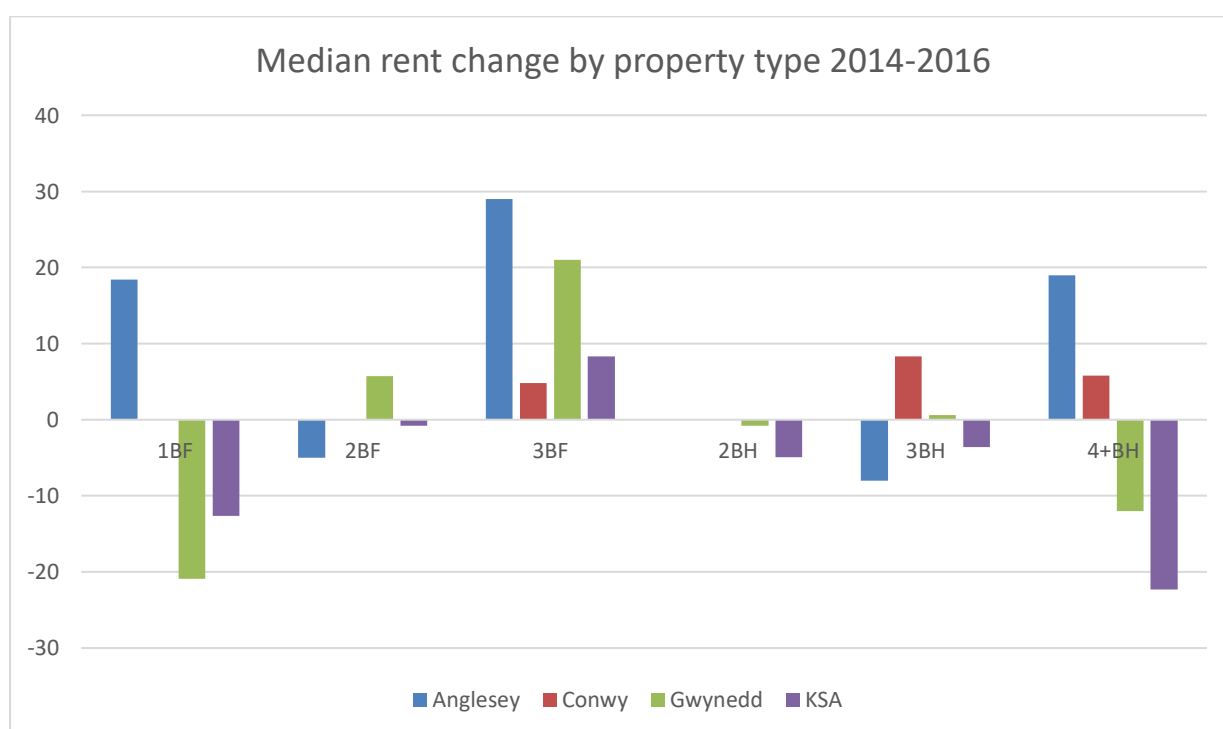
Source: Zoopla

- 2.29 Rent levels vary considerably between location and property type and this is reflected in the individual baseline reports. Table 2.4 illustrates rent levels over the last 3 years by property type and number of bedrooms; agents are correct, popular property types have recorded increases in many locations but it is not consistent.

Table 2.4 Rent levels by property type and number of bedrooms 2014-2016				
2014	Anglesey	Conwy	Gwynedd	KSA
1BF	377	425	477	451
2BF	498	524	524	498
3+BF	596	537	485	576
2BH	498	550	498	524
3BH	598	624	594	598
4+BH	671	802	862	999
2015	Anglesey	Conwy	Gwynedd	KSA
1BF	396	399	377	399
2BF	451	524	455	477
3+BF	676	524	498	598
2BH	479	550	498	498
3BH	524	650	550	576
4+BH	750	849	836	789
2016	Anglesey	Conwy	Gwynedd	KSA
1BF	446	425	377	394
2BF	522	524	494	494
3+BF	676	563	587	624
2BH	498	550	494	498
3BH	550	676	598	576
4+BH	799	849	750	776

Source: Zoopla

Chart 2.9 Median rent change by property type 2014-2016

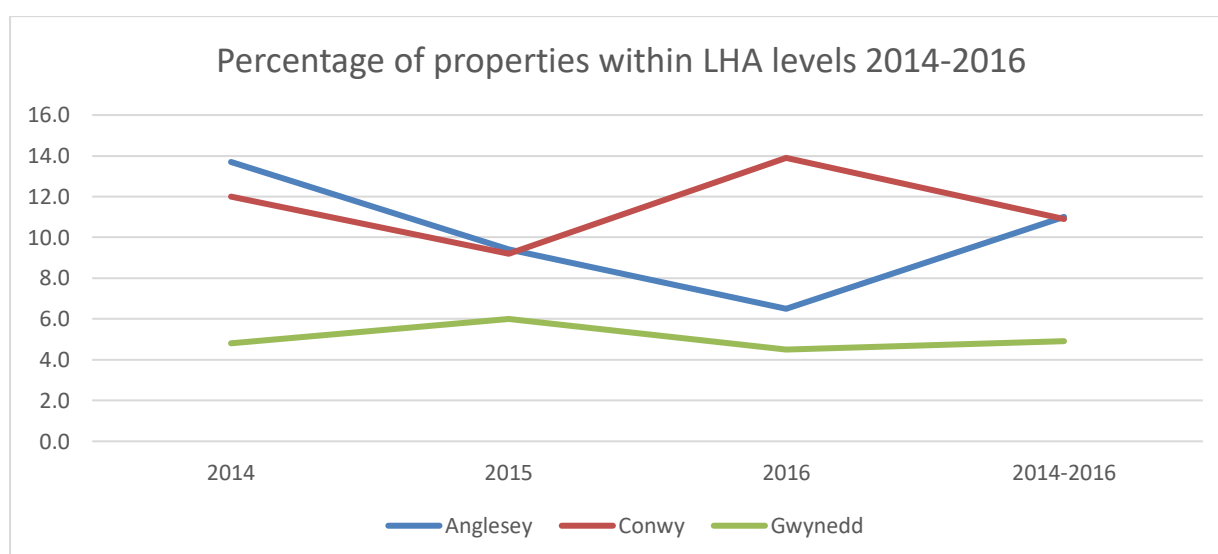


Source: Zoopla

Affordability

- 2.30 Chart 2.10 illustrates the percentage of lettings that came onto the market that were within Local Housing Allowance (LHA) levels in 2014-2016
- 2.31 This is not a particularly affordable market. Low proportions of properties are within LHA levels, although there are likely to be more at rent levels just above. Experience tells us landlords charge between 10-20% above LHA levels knowing that households will find the additional rent. However, elsewhere where we have analysed markets, these figures are closer to 25-30%.
- 2.32 It may also confirm that many of the lower value properties are being let through alternative mechanisms to professional letting agents. It is those households reliant on the local housing allowance market that is likely to be displaced if temporary workers require rental properties and are prepared to meet increased rent levels.

Chart 2.10 Percentage of properties within LHA levels 2014-2016



Source: Zoopla

- 2.33 Table 2.5 shows the monthly Income required for rent to be within 30% of household net income based on 2016 rent levels. Whilst different property types will have different results, generally, Conwy is the most expensive market followed by Anglesey.

Table 2.5 Affordability by Local authority and the KSA			
	Median rent 2016 pcm	Monthly income required to be within 30% of household gross income £	Annual gross income £
Anglesey	536	1,785	21,420
Conwy	576	1,920	23,040
Gwynedd	524	1,747	20,960
KSA	524	1,747	20,960

3. Agent feedback

General feedback

- 3.1 Agents told us that although re-sale house prices have fallen across all 3 areas since 2008, buying a home remains outside the range of many first-time buyers due to high property prices relative to local incomes and the deposits needed. This, and the lack of available social housing, has seen many of these households turn to the rental market.
- 3.2 An unfurnished tenancy is the norm (95% of the market) and is the preference for tenants, landlords and agents – some of whom actively discourage landlords from providing furnished tenancies due to the added expense of maintaining damaged furniture. Unfurnished tenancies tend to perform better and are generally let within 2-3 weeks. It can take as long as 2 months to let some furnished tenancies.
- 3.3 Tenancies are typically 6-month assured shorthold tenancies with the tenant responsible for their own bills. Bangor's student population means some landlords are more inclined towards all-inclusive rental agreements.
- 3.4 Over the past 3 years or so, rents have risen steadily driven by the increased demand for rented accommodation and the impact of the *rent smart scheme* (landlord registration) which has upped the quality of properties coming onto the market. Agents are also more selective about the properties they take on their books which also maintains rents at a certain level.
- 3.5 The typical profile of private tenants and the typical rents they pay are shown in Table 3.1 below.

Table 3.1 Profile of tenants, properties sought and rent levels				
Property type	Target market	Rent		
		Anglesey	Bangor	Conwy
Studios	Single person	£300-£350		
1 bed flat	Single people or young couple	£325 - £375	£500-£560	£350-£425
2 bed flat	Single people / Couple with a child / young couple saving for a home / People from the RAF base (Anglesey)	£350 - £400	£500-£650	£400-£500
2 bed house	Single professional / Young couple wanting the extra space or with a child / People from the RAF base (Anglesey)	£350 - £450	£550-£650	£450-£550
3 bed house	Family with children / Students (Bangor)	£475 - £600	£750-£850	£550-£800
4+ bed house	Students (Bangor) / larger families	£550-£900	Up to £1,000	£650-£1,000

- 3.6 The affordability of rents appears to be an issue especially for households on lower incomes or on benefits. Some landlords will specify 'no DSS' whilst others shy away from tenants on Universal Credit fearing the implications of *rent-direct*. Landlords accepting tenants on benefits will take a month's deposit and / or a guarantor who can cover the full rent.
- 3.7 Rent arrears don't appear to be much of a problem with agents reporting less than 3% arrears (although some seemed uncertain about the exact figure). Tenants generally clear arrears within 3-4 or "a few" weeks.
- 3.8 It is worth pointing out that the areas in question are large and interviews weren't reflective of the whole of each area. Agents were encouraged to provide "average" figures or guesstimates.

4. Comparisons of the baseline findings to the Horizon reported information

- 4.1 We now consider whether the private rented sector can deliver the bed spaces that are be required from the private rented sector.

The number of bed spaces that are required

- 4.2 The latest projected take-up of accommodation in the PRS over the early years of the project is outlined below: it may yet change if the timing of the Temporary Worker Accommodation (TWA) changes.

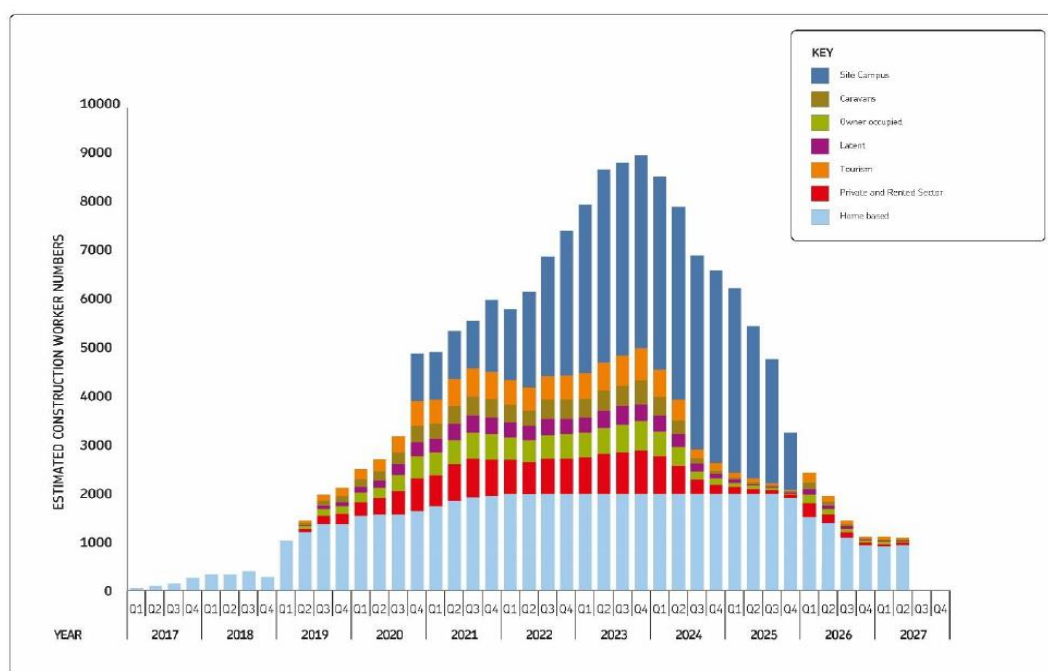
Table 4.1 Projected bed space requirements from the PRS						
Year	2019	2020	2021	2022	2023	2024
Ave PRS demand for the year	120	445	750	710	830	455
Year-end demand (bed spaces)	222	684	774	736	900	455

Source: Horizon

- 4.3 The following is a screenshot from Horizon's stage 3 consultation document 2017.

Chart 4.1 Horizon estimates of the distribution of the workforce across accommodation types

Figure 5-1 Likely distribution of construction workforce across accommodation types



Worker accommodation by accommodation type

- 4.4 The temporary worker's campus accommodation starts to come on-stream in year 3. The rate of growth in demand for the private rented sector grows and then overall demand dips between years 3 & 4 before reaching a peak in year 5. It would be helpful to see the tabulation of data shown in the table as we believe that much of the feasibility of private rented sector supply depends upon monthly supply. It would also be helpful to understand the anticipated churn in the workforce which will have an effect on churn in the private rented sector itself.

PRS Availability assumptions from Horizon

(Horizon assumptions in grey boxes)

Horizon's baseline assessment suggests that there are 21,700 bed spaces within the PRS and the KSA. This is as defined from the Census therefore it excludes potential supply from second homes and spare rooms.

The split is:

- Anglesey North – 1,910 bed spaces
- Anglesey South – 4,660
- Anglesey West – 4,110
- Menai Mainland (with the KSA) – 11,017

A majority of these bed spaces will be needed by people already reliant upon this sector to meet their housing need – a segment of demand that has historically grown.

There is, nevertheless, a vacancy level. The Communities and Local Government 2014-2015 English Housing Survey calculated the level of vacancy by tenure based on properties' previous occupancy. This research established the existence of significant variations across tenures as detailed below:

Owner-occupied: 3.3% of properties vacant;

Social rented: 3.7% of properties vacant (Council and Housing Association); and

Private rented: 11.1% of properties vacant.

These vacancy levels exist even when there is a significant housing need and when local authorities have housing waiting lists. The existence of need in one part of the market does not demonstrate that there is a shortage of housing overall or that there is no additional capacity that could be used in some sectors.

It is also important to note the degree of annual turnover (or churn) of the housing stock. The Census 2011 records the number of households that lived at the same address one year ago. The smaller the number of households recorded as living at the same address implies a greater level of churn. Table 4.2 shows the proportion of households by tenure which were not at their current address a year ago (i.e. the inverse). The greater the rate or percentage, the more dynamic the market is considered to be.

The table shows that overall around 13% of households had moved in 2011 across North West Wales. There is little variation of average for all households within the individual counties. However, at a tenure level, there are however significant variations. Owner-occupation shows the lowest level of churn, with social rented accommodation showing levels of movement broadly similar to area average. The private rented sector shows a much higher level of churn. The rate of private rented sector churn also varies across the counties with Gwynedd having a particularly high rate (42%) which may reflect the high proportion of student households.

Table 4.2. Rate of churn by tenure 2011

	Anglesey	Conwy	Gwynedd	North west Wales	Wales
All households	12	13	14	13	12
Owner occupied	7	7	8	7	6
Social rented	12	13	13	13	12
Private landlord or letting agency	35	35	42	38	40

Source: Horizon

Comparisons for the private rented sector based on the same measure, using data from the Census 2001, suggest that the rate of churn has increased markedly over a ten-year period which may reflect Government policies aimed at addressing more housing needs through this form of tenure⁴⁷. The results for the private rented sector within counties (wholly or partly) within the KSA in 2001 were as follows:

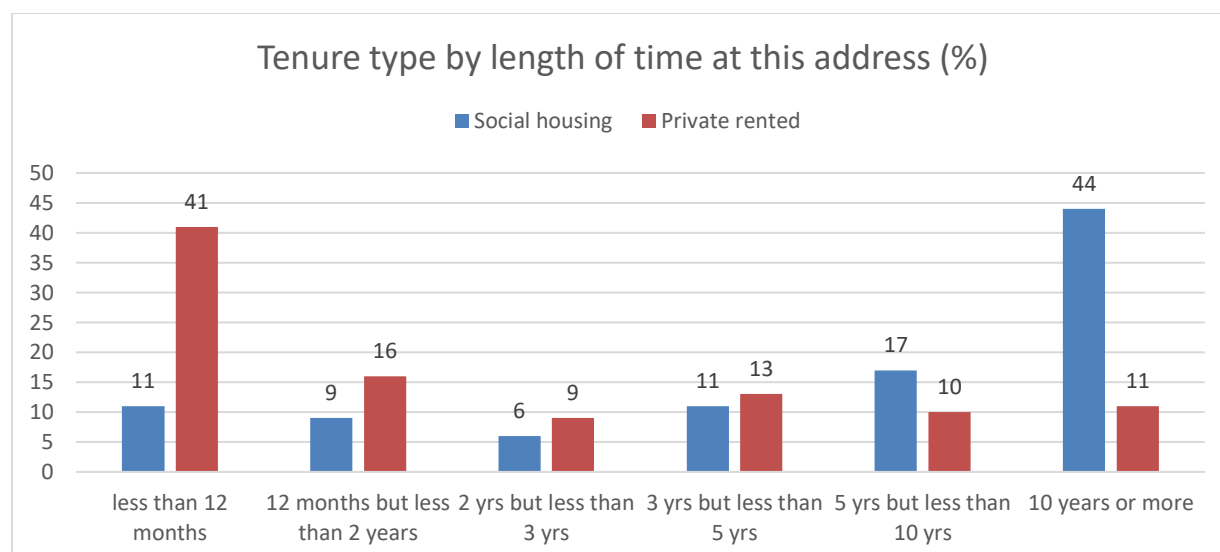
- Isle of Anglesey: 30% of households had moved within the last 12 months;
- Gwynedd: 36% of households had moved within the last 12 months;
- Conwy: 31% of households had moved within the last 12 months.

4.5 Regarding the above box, we find that Horizon:

- Does not show how the figure for bed spaces has been arrived at and the reasonableness of the estimate in relation to the number of dwellings in the private rented sector; we understand it is based on a definition of habitable rooms which usually includes more than just bedrooms
- Is right to refer to vacancy rate and churn/turnover as important factors;
- May have benefited from explaining that vacancy rate and churn are two separate factors and should not be confused; A vacancy rate is the number of homes empty at a point in time, churn or turnover is the number of units coming onto the market for letting each month/year
- Could have focused their narrative to table 4.2 more clearly to explain that the importance of this table is the varying amount of churn across the local authorities.

- 4.6 We would add that supporting evidence can be found in the national survey for Wales 2014-15 which contains the following chart.

Chart 4.2 National Survey for Wales, 2014-15 Accommodation and energy saving measures



Source: National survey for Wales

- 4.7 The chart supports the finding that high levels of churn can be expected in the private rented sector across Wales. This is survey based information. The survey found that 41% of households had lived at their present address for less than 1 year.

Using Gwynedd as a worst-case benchmark of 42% (Table 4.2), this means that an average of 3.5% (i.e. 42% divided by 12 representing the months of the year) of all private rented properties are turning over in each month. This would be the absolute minimum vacancy level required for the market to function effectively. Assuming compatibility of the datasets involved this would suggest headroom equivalent to 7.6% of capacity (Vacancy rate of 11.1%-3.5%)

This would suggest the existence of an overall headroom of 1,649 bed spaces. This implies that workers' take up of fewer than 1,649 bed spaces could take place without prejudicing the functioning of the market based on 2011 data concerning stock. It should be noted that based on 2001 data, the headroom would have been 1,390 bed spaces indicating that headroom has increased.

It should be noted that no attempt has been made to apply an affordability test on the accommodation or determine the impact of non-market factors e.g. landlord preference concerning tenant status. Insufficient information exists to determine how landlord preference might work at present and an affordability test is unworkable if a unit is supported by multiple workers sharing the costs of one unit. It should also be noted that no such test was applied at Hinkley Point C.

Horizon has assumed that temporary workers will be prepared to commute up to one hour per day to the site and have therefore created a potential catchment geography for worker's accommodation within the Key Socio Economic Area or KSA.

- 4.8 Regarding the above box, we find that Horizon has confused the reader in the first paragraph in the use of turnover or churn and vacancies.
- 4.9 Horizons explanation may have assisted the reader more if it had explained that it is basing its estimate on the vacancy rate (i.e. the English Housing Survey estimate) of 11.1%. of the housing stock. Horizon correctly argues that a proportion of these vacancies (empty homes) will not be available to the market as they are in the process of being returned to the market after becoming vacant/empty. We will call these transactional vacancies. Without them the market could not function. However, Horizon bases its estimate of these vacancies as one twelfth of the churn i.e. one-month supply of the annual churn.
- 4.10 So, whilst we would not argue with the transactional rate per-se, we would question the relevance of the use of the English Housing Survey vacancy rate. We think it would be simpler to assume that the transactional vacancy rate is 3% which is the same as applies to social lettings.
- 4.11 Our approach to assessing the volume of bed spaces available from the market is based upon churn and is considered below.

Horizon construction worker's accommodation strategy

- 4.12 The following statement within Horizon's accommodation strategy published in 2016 enables us to consider the affordability of the options open to construction workers, which is considered later in the report.

Affordability

- 4.7 Under the National Joint Council for the Engineering Construction Industry workers can receive a daily allowance of £37.10 per night to cover subsistence costs including accommodation and food and drink. Assuming £25 of this is for accommodation, a worker staying in the area for four nights a week would have £100 to spend on accommodation.
- 4.8 The IACC's Local Housing Market Assessment states that lower quartile rents for two bedroom dwellings are between £450 and £500 per month across Anglesey and between £475 and £525 for three bedrooms. This equates to £104 - £115 per week for two beds and £110 - £121 per week for three beds. Workers will be able to afford these rents if they are staying for an average minimum of four nights per week and sharing. In practice, many workers will work 11 days on and three days off so would have higher allowances, increasing the affordability of this type of accommodation.
- 4.9 However, the allowance would not be enough to afford some types of tourism accommodation (especially hotels and bed and breakfasts). This type of serviced accommodation is typically more expensive and the vast majority will be unaffordable for workers who are subject to the union agreement. Some serviced accommodation will still be used – either by higher paid workers who receive different allowances or where the cost is low enough to be affordable to construction operatives.

Source: Horizon accommodation strategy stage 2

- 4.13 The peak demand during the construction phase for the private rented sector is 900 bed spaces; this is in the context of peak demand for all sources of accommodation of around 9,000 bed spaces;
- 4.14 According to Horizons assumption's there is likely to be capacity for 900 bed spaces. This is based on an assumption that the 11.1% vacancy rate aligns from the English Housing Survey and evenly across all authorities. However, a significant proportion of the supply is likely to already be required in the market and will impact upon local households who are already, or plan to, become private rented sector tenants;
- 4.15 The unknown is the level of rent for Horizon's campus accommodation which may impact on demand for the private rented sector depending on whether it is higher or lower. The daily allowance for construction workers enables them to afford local rents on a shared basis.

Is it feasible for the rental market to deliver a maximum of 900 bed spaces?

- 4.16 The required bed spaces need to come from within the KSA. In table 4.3, the (minimum) average number of bed spaces available over the past 3 years is broken down by house type and number of bedrooms. Note that this estimate is based on Zoopla transactions spaces but it is the minimum number that come onto the market.

Table 4.3 Minimum bed space availability

	Average total number of units 2014-2016	Total no of bed spaces assuming full use of bedrooms	Total no of bed spaces assuming max 2 sharing
1 bed flat	79	79	79
2 bed flat	99	198	198
3 bed flat	18	54	36
2 bed house	222	444	444
3 bed house	235	705	470
4+bed house	115	460	230
Total	768	1940	1457

Source: Zoopla

- 4.17 We must be clear about the assumptions of supply as there is no definitive answer to the question *'how much supply does the private rented sector produce, on average in a year?'* The problem is that whilst we have a good estimate of lettings by Zoopla affiliated agents, we have no information on the number produced by the private rented sector as a whole. Further we have no information about the willingness of landlords to accommodate construction workers or how accommodation pricing will affect demand.
- 4.18 Unlike Horizon, we therefore base our estimates on churn. The vacancy rate used by Horizon is a snapshot of vacancies/empty homes at a point in time. We consider churn to be a better measure as a dwelling may become available more than once a year. Churn is measured by the census and records the proportion of households that were not at the same address a year ago.
- 4.19 We work up from a worst-case scenario and start by analysing the situation in Anglesey. This is because we assume that the first choice of construction workers seeking private rented sector housing will be for Anglesey itself.
- 4.20 The Anglesey baseline report tells us that using 2011 census information, there were approximately 5,000 households living in the private rented sector. The rate of churn (annual turnover) for the private rented sector in Anglesey is 35% (table 4.2). Thus, the estimated number of re-lets per annum arising in Anglesey is around 1,750 (5,000 x 35%).
- 4.21 In the following estimates, like the Horizon estimates, we accept that a proportion of the market needs to be empty at any time to allow the market to operate (transactional vacancies) and we have assumed a 3% rate for transactional vacancies, based on the accepted rate in the social housing sector.
- 4.22 In the left hand table, we describe an exceptional scenario of demand assuming that the that the vacancy rate would fall. It is possible that the churn would decrease as there would be less choice for people to move to and construction workers would sublet or agree successive tenancies for new workers coming to the project as the skill balance changes.
- 4.23 Aside is the estimate of annual supply using the assumption values quoted above.

Table 4.4 Estimating annual supply Anglesey

Estimate of worst case scenario supply			Estimate using current values		
Anglesey	Inputs	Outputs	Anglesey	Inputs	Outputs
Stock	5,000		Stock	5,000	
Churn factor	20%	1,000	Churn factor	35%	1,750
Transactional vacancies	2%	100	Transactional vacancies	3%	150
Estimated net annual supply tenancies		900	Estimated net annual supply tenancies		1,600
Assume 10% is 1 bed		90	Assume 10% is 1 bed		160
Bed space to letting ratio of 2 based on 810 units	2	1,620	Bed space to letting ratio of 2 based on 1,440 units	2	2,880
Estimated annual supply bed spaces		1,710	Estimated annual supply bed spaces		3,040
Estimated supply of bed spaces per month		143	Estimated supply of bed spaces per month		253

- 4.24 Our worst case estimate of annual supply from all sources within Anglesey alone is a minimum of 1,710 bed spaces per annum based upon a supply of 1,000 homes equivalent to 143 bed spaces per calendar month.
- 4.25 Our standard estimate of annual supply from all sources within Anglesey alone is a minimum of 3,040 bed spaces per annum based upon a supply of 1,750 homes equivalent to 253 bed spaces per calendar month.
- 4.26 We consider this a minimum supply because:
- We have not factored in growth in the private rented sector since 2011;
 - We have not factored in the apparent trend that the rate of churn is increasing.
- 4.27 However, as noted in paragraph 4.4 it is not the annual number of vacancies that is critical to supplying the needs of Horizon's workers but the monthly supply. The importance of the monthly supply is that it is the available supply to meet both growth in the number of workers and churn within the workforce as workers leave, contracts end or a difference balance of skills is needed.
- 4.28 Horizon assumes that the headroom (all vacancies minus transactional vacancies) will be available to construction workers. We think there is a risk to making this assumption as we have demonstrated a high level of need exists for local people in unsuitable housing. There is no local evidence to suggest that in general, landlords will prefer construction workers to local residents. A recently published survey of landlords serving the Hinckley C area supports this.
- 4.29 The annual or monthly supply available to construction workers must be reduced to take account of continuing lettings to local people. There is no evidence to support assumptions about the factor to apply so we suggest that a worst-case scenario is 10% of lettings being available to construction workers which translates into supply of 14 to

25 beds paces per month. This means that Anglesey would not accommodate enough construction workers in its private rented sector.

4.30 If the proportion rose to 50% the monthly supply would be between 72 and 127 bed spaces per month. The rate of 127 per month might be adequate.

4.31 We now apply the same method of estimating supply to Gwynedd and Conwy.

Table 4.5 Estimating annual supply Gwynedd

Estimate of worst case scenario supply			Estimate using current values		
Gwynedd	Inputs	Outputs	Gwynedd	Inputs	Outputs
Stock	4,241		Stock	4,241	
Churn factor	20%	848	Churn factor	42%	1,781
Transactional vacancies	2%	84	Transactional vacancies	3%	127
Estimated net annual supply tenancies		764	Estimated net annual supply tenancies		1,654
Assume 10% is 1 bed		76	Assume 10% is 1 bed		165
Bed space to letting ratio of 2 based on 687 units	2	1,375	Bed space to letting ratio of 2 based on 1,489 units	2	2,978
Estimated annual supply bed spaces		1,451	Estimated annual supply bed spaces		3,143
Estimated supply of bed spaces per month		121	Estimated supply of bed spaces per month		262

Table 4.6 Estimating annual supply Gwynedd

Estimate of worst case scenario supply			Estimate using current values		
Conwy	Inputs	Outputs	Conwy	Inputs	Outputs
Stock	500		Stock	5,000	
Churn factor	20%	100	Churn factor	35%	175
Transactional vacancies	2%	10	Transactional vacancies	3%	15
Estimated net annual supply tenancies		90	Estimated net annual supply tenancies		160
Assume 10% is 1 bed		9	Assume 10% is 1 bed		16
Bed space to letting ratio of 2 based on 810 units	2	162	Bed space to letting ratio of 2 based on 144 units	2	288
Estimated annual supply bed spaces		171	Estimated annual supply bed spaces		304
Estimated supply of bed spaces per month		14	Estimated supply of bed spaces per month		25

4.32 The following table summarises the above tables and provides an estimate for the KSA

Table 4.7 Summary of estimated supply

Assumptions:	Annual supply		Monthly supply		Monthly supply 10%		Monthly supply 50%	
	Worst case	Standard	Worst case	Standard	Worst case	Standard	Worst case	Standard
Anglesey	1,710	3,040	143	253	14	25	72	127
Gwynedd	1,451	3,143	121	262	12	26	61	131
Conwy	171	304	14	25	1	3	7	13
Totals	3,332	6,487	278	540	27	54	140	271

- 4.33 There are some further sensitivities to the supply estimates that are about the price of accommodation.
- 4.34 On the demand side, Horizon has made estimates of bed-spaces from home based workers and campus dwellers and these are each significantly higher than the estimated requirement from the private rented sector.
- 4.35 Our concern is take up of campus accommodation which will be influenced by price. Whilst it is possible that the choice will be a matter of preference and convenience rather than economics, we have to consider that if campus accommodation is perceived as more expensive than private rented sector accommodation there will be more demand for private rented sector accommodation. This equation might be negated if landlords re-price on the basis of the campus prices. In which case this may price local households out of the private rented sector market. Horizon confirm that the rent will be less than the workers' allowance but that they may also use the price to manage demand. They expect it to be popular (partly because it is on-site, partly the service level) and contractors have confirmed that, but if it isn't, then Horizon will need to reduce the cost.
- 4.36 Overall, we find that when applying further assumptions not used by Horizon, there is a risk that for the market not to be able to provide monthly supply that would build to the 900 bed spaces for temporary workers, the potential impacts on the market are considered in section 5.
- 4.37 A summary of the different methodologies used by Horizon and arc4 in this chapter are compared in appendix B

5. Possible impacts on the development on the PRS supply, demand and rent levels

- 5.1 As part of this work, estate/letting agents have been consulted on the potential impact of the Wylfa project, on the development of the private rented sector.
- 5.2 The feedback has been consistent from agents. We also consider the impacts in the context of wider housing market dynamics.

Agents' views on implication of the Wylfa Newydd Power Station

- 5.3 Agents were universal in their agreement that the rental market would be able to cope with the impacts of the proposed Wylfa Newydd power station. The further away from Anglesey, the less impact the power station is predicted to have on the market. Councils were concerned that agents may not fully understand the numbers involved.
- 5.4 This is primarily because the estate and lettings agents expect the workforce to be mainly local and "there isn't much appetite for commuting" amongst locals.
- 5.5 Agents believe the full implications of the project are largely unknown. They haven't had much involvement in discussions. Agents in Anglesey and Bangor believe they have an important role to play in managing the market especially as they:
- understand the market;
 - have a lot of customers and landlords on their lists and are in regular contact; and
 - can help to give best advice to manage expectations and impacts.

Anglesey

- 5.6 The power station is something that local agents believe is desperately needed to energise the sales market and to give a boost to the rental market. Even though agents believe there is enough slack in the current market to meet the increased demand they expect more homes will come on the rental market as local speculators see the investment opportunity and buy second homes to let. There is a suspicion that this has already started to happen in Holyhead. It is unclear whether agents are fully aware of the scale of requirements (these were explained) but the feedback was consistent.
- 5.7 Agents confirmed that local B&Bs housed workers when the wind-farms were being constructed locally and it is believed that this will happen with the power station.¹ At that time, there wasn't a significant increase in rents. The power station is on a bigger scale and is expected to be longer term. Agents expect rents to go up initially but these should settle once landlords get a feel for the new market.
- 5.8 It is unknown how many owners of holiday homes will rent their properties on assured shorthold tenancies or longer leases. The seasonal nature of their trade and their clientele is normally expected to generate more income than letting at market rents. If

¹ The Council considers this comparison to be flawed as it was a much smaller development

rents were to increase beyond expectations, then larger numbers of holiday homeowners may seek to cash in. Caravans and second homes may come into play but it is still early days and the market is uncertain.

- 5.9 We were told that local homeowners 'aren't in the habit' of renting rooms. This isn't expected to change significantly although there will always be some who will see the opportunity.

Gwynedd

- 5.10 While the greatest impacts of the power station on the markets will be felt in Anglesey, agents believe the sales market in Bangor could benefit, mainly through investors buying properties with the specific intention of renting them to workers on the island. However, it is unlikely that workers will want to travel that far to work.
- 5.11 The Dafydd Hardy estate agent's office in Anglesey has already started to house some of the security staff and senior executives working on the project. They haven't had any similar requests in Bangor.

Conwy

- 5.12 These estate and lettings agents expect the work in Anglesey to have little impact on the local market of either sales or lettings. Impact of the project is expected to reach maybe as far as the coastal strip and Menai Bridge.
- 5.13 A few workers may be prepared to commute to the island but their impact on the market will be negligible.
- 5.14 There are a number of potential impacts that are now specifically considered.

The impact on rent levels

- 5.15 As mentioned in the previous chapter, there are uncertainties about price and its impact upon demand:
- If campus prices are perceived as higher than private rented sector lettings, demand will shift from campus accommodation until market forces restore balance;
 - If private rented sector rents rise, even temporarily, some households will be priced out of the rental market, especially those claiming top-up benefits such as housing benefit, and demand for affordable housing will rise;
 - Some landlords may choose to offer a student model of pricing - rent per room rather than a residential rent. If it is perceived as cheaper than campus living, then demand will increase overall for private rented sector residential lettings where a landlord is willing to rent to either a local resident or a construction worker.

Impact on the wider housing market

- 5.16 Our scenarios suggest that between 1,753 and 3,468 re-lets will be shared between local residents and construction workers on an annual basis across the KSA.

Table 5.1 Summary of estimated supply: homes		
	Annual supply	
Assumptions:	Worst case	Standard
Anglesey	900	1,654
Gwynedd	763	1,654
Conwy	90	160
Totals	1,753	3,468

- 5.17 This will impact on two groups of households in particular, newly forming households and households living in unsuitable housing who may be displaced by construction workers.

Newly forming households

- 5.18 It is possible that the household group most severely affected by this supply will be newly forming households. This is because although existing households may need to move due to their existing home being unsuitable they nevertheless have a home. It is unlikely that newly forming households will be allocated social housing unless they are low income and have an urgent housing need.
- 5.19 The Isle of Anglesey Local Housing Market Assessment update, 2016, indicates that between years 2015 and 2026 the household population in the county is going to increase by 2,420, which equates to 220 households per year. The report estimates the fraction that will require affordable housing and market housing but does not distinguish between home ownership and private renting. However, further evidence in the report indicates an approximate 70%:30% market to affordable split affecting new households. If we apply a factor equivalent to the size of the private rented sector (16.6%) to the overall number of new households able to afford market housing, we arrive at a broad estimate that $220 \times 70\% \times 16\% = 25$ households per annum may encounter difficulty in finding suitable market housing to rent per annum. Cumulatively this is equivalent to 150 newly forming households over the peak 6-year construction phase.

Displacement of existing households

- 5.20 In chapter 2, we noted that a large proportion of the private rented sector houses people who are living in unsuitable accommodation. Around 1,000 tenants need to move to more suitable housing and could afford to do so if suitable accommodation is available.

- 5.21 The impact of demand from construction workers will reduce the choice available to these tenants. Demand overall will increase and put upward pressure on rents. This may result in more families living in unsuitable housing due to affordability or tenancies ending. These factors are a large proportion of those in unsuitable housing in the first place.
- 5.22 Landlords may be reluctant to renew tenancies if they perceive they are able to charge higher rents to the construction workers.
- 5.23 However, churn is enabled by supply. We have no information about the amount of churn likely to be due to construction workers fulfilling their contracts and moving onto their next job.

The availability of affordable accommodation within the sector

- 5.24 It is inevitable that reduction of supply in the private rented sector for newly forming households and those in unsuitable housing will increase demand for affordable housing.
- 5.25 The Census 2011 evidences very little shared ownership housing. Since the census, products such as Help to Buy and discounted sale products have been developed and have helped 1000's of households achieve home ownership.
- 5.26 A strategy open to the Anglesey Council is to enable a greater supply of affordable home ownership to house low income working households who would otherwise be unable to access even the private rented sector due to demand from construction workers.
- 5.27 The option exists for the Council to seek funding from Horizon to fund low cost home ownership or even construction for market rented housing as part of a S106 agreement.

The potential for additional landlords to invest in the market

- 5.28 In 2016 the government introduced fiscal measures to level the playing field between investors and first-time buyers. Agents told us that this resulted in a peak in such investment before the deadline and investor acquisitions have fallen meanwhile.
- 5.29 The investor will be guided by the return of investment. There is also churn to consider and the fact that peak demand will occur over a relatively short span of 5 years.
- 5.30 It is unlikely that investment supported by a buy to let mortgage (BTLM) will result in significant returns after mortgage repayments are taken into account. Further, some BTLM terms and conditions, and insurance conditions, would preclude a business model based upon accommodation being shared or sub-let.
- 5.31 Churn is a factor because of turnover in the workforce and the balance of skills needed will change over the construction period. Excessive churn will detract from returns due to vacancy periods and repair costs.
- 5.32 Further, local landlords will have to consider furniture and equipment which is more associated with student than residential lettings.

- 5.33 Some landlords will be loyal to their traditional market especially if the tenancy is stable, long term and providing a reliable return on investment.
- 5.34 We conclude that there are many reasons why local landlords may not choose to increase the size of their portfolio specifically for the construction project. The investor most likely to be attracted is the larger business that can self-fund and is experienced in the student market.

The impact on the sector when the project completes

- 5.35 The successor to the construction phase is the operational phase which, according to Horizon, amounts to around 1,000 workers. These will be employed in capacities ranging from scientific staff, management, technical and unskilled staff.
- 5.36 Clearly each group will have aspirations and expectations for its housing. Anglesey and the KSA has a wide-ranging housing offer in terms of price, tenure and lifestyle. However, there is a specific shortage of affordable housing located close to the site and low-cost home ownership opportunities affordable or otherwise.
- 5.37 Demand for private rented sector housing will remain high after the construction phase due to latent demand from households displaced from the market seeking to move to more suitable housing.

The role of a social letting agency

- 5.38 This paper has demonstrated that there is likely to be significant private rented sector displacement as a consequence of the construction phase. There is a risk that households unable to access social lettings will be priced out of the residential letting market. Social lettings agencies work with private landlords and lease accommodation from them which they then let to households in housing need.
- 5.39 Some landlords are happy to engage with such agencies as they are guaranteed an income and the tenancy is managed professionally. There are plans to introduce such an agency and this project is likely to underpin demand and scale.

6. Conclusions and recommendations

The markets

- 6.1 This report has successfully used available published data to investigate the capacity of the private rented sector to house construction workers and the implications of doing so. It has also identified that Horizon's accommodation requirements and investor's responses could play out differently according to the price of campus and private rented sector accommodation.
- 6.2 The markets in Anglesey, Gwynedd and Conwy are growing (according to agents) and popular. The market in Anglesey is relatively small; the largest number of properties coming onto the market, through Zoopla, are in Conwy and Gwynedd (in Bangor where it is described by agents as "booming" buoyed by the large student market "as much as 70%"). However, for all markets there is a trend to fewer properties coming onto the market in the past 3-years and this has led to low turnover/churn levels; far lower than the national survey for Wales 2014-15 would confirm:
- Potentially, many tenancies coming onto the market are not being managed by conventional landlords and therefore not being picked up by Zoopla as managed through professional letting agencies; and/or
 - The PRS is being used as a longer-term tenure option and households are settled.
- 6.3 Re-let supply is mostly 2 and 3-bedroom houses, although in Conwy there is a larger market for flats, particularly around the KSA area. There are also larger properties in all authorities (4 bed +). It is likely that all property sizes will be required but an assumption has been made that a minimum of 2 people will share property; no allowance has been made for households requiring the whole property but this would reduce the number of bed spaces available. Using the minimum number of units coming onto the market each year, Zoopla estimates that 4,902 bed spaces could be available of which 1,457 would be in the KSA; this supply needs to support existing demand and new demand created from the Wylfa project.
- 6.4 The data and agents confirm that generally, properties are letting quickly; Conwy and Anglesey in particular and this is impacting on the KSA. This confirms, that property here is popular, there is little 'slack' in the market for increased demand unless supply increases too. This means that lettings to construction workers will displace local residents from the market.
- 6.5 This is not a particularly affordable market, low proportions are within LHA levels. It may also confirm that many of the lower value properties are being let through alternative mechanisms to professional letting agents. It is those households reliant on the local housing allowance market that is likely to be displaced if temporary workers require rental properties and are prepared to meet increased rent levels. Affordability is unlikely to be an issue for temporary workers.
- 6.6 The PRS in terms of numbers and prevalence is the location close to Wylfa Newydd is weaker. This means that people will probably have to travel to secure PRS accommodation and the proximity to the A55 the mainland will be potentially an attractive proposition due to the range of other services. The evidence suggests that under-occupied homes are unlikely to be any significant source of accommodation.

The potential to house temporary workers?

- 6.7 Horizon has based its estimates on the vacancy rate and has estimated the existence of an overall headroom (all vacancies minus transactional vacancies) of 1,649 bed spaces in the market after making an allowance for vacancies that are needed to enable the market to work. It estimates that if workers' take up of fewer than 1,649 bed spaces could take place without prejudicing the functioning of the market based on 2011 data concerning stock. Horizon also notes that based on 2001 data, the headroom would have been 1,390 bed spaces indicating that headroom has increased; potentially suggesting that headroom may have increased since 2011 if headroom is increasing between censuses. This is based on an 11.1% vacancy rate from the English Housing Survey and applied evenly across all authorities.
- 6.8 Horizon bases its assumptions using the Gwynedd market which may not be the best option given that it is a student based market and landlords are unlikely to leave this market to house temporary workers because student markets are likely to be more profitable.
- 6.9 The vacancy rate used by Horizon is a snapshot of vacancies at a point in time. We consider that churn is a better basis for estimating supply as a dwelling may become available more than once a year. Churn is measured by the census and records the proportion of households that were not at the same address a year ago. We have also estimated the monthly supply as we consider this to be a more realistic approach given the churn in the workforce and Horizons projected need to increase supply over several years to its peak level. We have also considered that Anglesey would be the first choice of construction workers so we have looked at Anglesey's supply separately as well as the KSA as a whole.
- 6.10 We also take into account the needs of local people and for this reason we are sceptical about the extent to which the estimated supply will be let to construction workers. The annual or monthly supply available to construction workers must be reduced to take account of continuing lettings to local people. There is no evidence to support assumptions about the factor to apply so we suggest that a worst case scenario is 10% of lettings being available to construction workers which translates into supply of 14 to 25 bed spaces per month. This means that Anglesey would not accommodate enough construction workers in its private rented sector.
- 6.11 If the proportion rose to 50% the monthly supply would be between 72 and 127 bed spaces per month. The rate of 127 per month might be adequate.
- 6.12 When Conwy and Gwynedd is added in the 50% figures for the KSA range from 140 to 271 per month. The role of Gwynedd is critical in delivery of units and whilst this market is buoyant, it is very much focused on students; whether landlords will 'switch' markets is unknown.
- 6.13 Overall, we find that when applying further assumptions not used by Horizon, there is a risk that for the market not to be able to provide monthly supply that would build to the 900 bed spaces for temporary workers
- 6.14 We consider this a minimum supply because we have not factored in growth in the private rented sector since 2011.

6.15 We suggest that there are some key sensitivities on the supply side:

- The rate of churn;
- Transactional vacancies
- Percentage of the 'headroom' taken by the existing market
- An assumption of bed spaces per property; and
- Pricing of the campus accommodation.

The wider impact

6.16 Agents were universal in their agreement that the rental market would be able to cope with the impacts of the proposed Wylfa Newydd power station. The further away from Anglesey, the less impact the power station is predicted to have on the market. It is unclear whether agents are fully aware of the scale of requirements (these were explained) but the feedback was consistent.

6.17 Wider impacts have been outlined which focus on:

6.18 The potential for rents to increase and for some households to be priced out of the markets; this is like to increase demand for affordable housing; as with Hinkley Point. The option exists for the Council to seek funding from Horizon to fund low cost home ownership or even construction for market rented housing as part of a S106 agreement and this should be included to be in place. Some landlords may choose to offer a student model of pricing - rent per room rather than a residential rent.

6.19 The impact on newly forming households; although existing households may need to move due to their existing home being unsuitable they nevertheless have a home. It is unlikely that newly forming households will be allocated social housing unless they are low income and have an urgent housing need. We estimate that 25 households per annum may encounter difficulty in finding suitable market housing to rent per annum. Cumulatively this is equivalent to 150 newly forming households over the peak 6-year construction phase.

6.20 The impact of demand from construction workers will reduce the choice available to these tenants living in unsuitable accommodation. Demand overall will increase and put upward pressure on rents. This may result in more families living in unsuitable housing due to affordability or tenancies ending. Landlords may be reluctant to renew tenancies if they perceive they are able to charge higher rents to the construction workers. These factors are a large proportion of those in unsuitable housing in the first place.

6.21 We conclude that there are many reasons why local landlords may not choose to increase the size of their portfolio specifically for the construction project. The investor most likely to be attracted is the larger business that can self-fund and is experienced in the student market.

6.22 Demand for private rented sector housing will remain high after the construction phase due to latent demand from households displaced from the market seeking to move to more suitable housing.

- 6.23 There are plans to introduce such an agency and this project is likely to underpin demand and scale.

Next steps

- 6.24 Further information is needed to support several key assumptions:
- the number of lettings made directly by landlords;
 - the willingness or ability of landlords to make accommodation available through re-lets or by acquiring additional housing;
 - to what extent landlord interest extends into neighbouring authorities.
- 6.25 In our experience, an on-line survey of landlords is an effective method of communicating with landlords. Such a survey could cost-effectively inform the following research questions:
- What is the profile of landlords in terms of the size of their portfolio and the location of their property?
 - What proportion of landlords let directly or exclusively use letting agents?
 - What is the turnover of the housing stock owned by landlords that let directly?
 - In what circumstances and to what extent are landlords willing to invest in additional housing?
 - How many plan to dis-invest, how many dwellings and why?
 - How many landlords plan to let to construction workers and what supply would they provide?
 - Would landlords prefer to let to construction workers or to local residents? and
 - Would landlords be willing to let to households who claim benefits and would they be willing to work with a social lettings agency.

Recommendations

- 6.26 That the Council undertake a comprehensive landlord survey as outlined in next steps

Appendix A Evidence from Hinkley Point

The following is an abstract taken from the Mendip, Sedgemoor, South Somerset and Taunton Dean Strategic Housing Market Assessment 2016

The National Landlords Association (NLA)

A senior official of the NLA provided important high level insights into the impact on the private rented sector of the Hinkley point project. He explained that the private rented sector market had many segments and some would be affected more than others. He distinguished between those engaged for the construction project and the balance of skills needed as the project progresses and those needed to operate and maintain the plant.

He explained that an influx of French and Chinese engineers and construction workers was anticipated together with others from across the UK. He described a scenario whereby these workers would be relatively well paid and would seek various kinds of accommodation.

This was economically driven in that 3 construction workers sharing a self-contained dwelling at £500 pcm would have weekly accommodation costs of £38 per week each (plus food and utility charges). These arrangements would be much more cost effective than cheaper hotels and Bed and Breakfast even if proprietors were willing to offer discounts.

The market will be sensitive to the price charged by EDF for its 3 accommodation campuses.

Long term project managers and senior staff both from the UK and beyond were expected to seek premium rented housing and possibly re-locate their families.

The representative cautioned against the local authorities reacting negatively to a large number of workers sharing previously self-contained accommodation. There was concern about putting barriers in the way If the private rented sector was to deliver the temporary housing needed for the Hinkley project. He drew attention to the Government's recent changes to taxation measures affecting landlord's stating that his members felt that this would reduce landlords' willingness to increase supply. He cautioned that rents would rise if additional supply did not become available and this would affect local households especially those on low income.

Landlords' Survey

The Somerset West Private Sector Housing Partnership requested landlords on its contact list to take part in a short online survey devised and managed by us. The aim of the survey was to understand how the sector was preparing to responding to the Government's fiscal changes, effective April 2016 and understand the extent to which landlords were gearing up for additional demand on the sector due to the Hinkley Point project. As some landlords have portfolios that go beyond the study area boundary landlords were asked to respond with regard to the part of their portfolio that was within a 30-mile radius of Hinkley Point. Local authorities outside this radius were offered a separate survey targeted on their circulation list but none decided to participate.

40 landlords participated in our survey and after examining the information we have 36 complete and valid responses. The survey was designed to be qualitative and a random sample was not employed so numbers should not be extrapolated.

40% of landlords that participated told us they were based in Somerset or Devon. Smaller groups of landlords were based in South Wales with individuals based in London, the Midlands, Gloucestershire and one overseas.

Between them they had 225 properties within a 30-mile radius of Hinkley Point equivalent to 463 bed spaces. Landlords told us that they had in total 89 dwellings in Bridgwater. Portfolios ranged from 1-170 but most landlords had portfolios in single figures. 10 Landlords told us that over the last 5 years they had increased the size of their portfolio and 25 told us that their portfolio had remained roughly the same. Only 1 landlord told us that he had disinvested to some extent. Reasons given for increase were: investment opportunity, converted an existing property and because of good returns and capital growth compared to stocks and shares. Reasons given for disinvesting were: bad tenants, red tape, frustration with the local authority and advice agencies, high cost of maintenance, the tax regime and old age. Note that some landlords not considering disinvestment also made these remarks.

Landlords seeking to invest were targeting Taunton, and Bridgwater with Minehead to a lesser. Landlords seeking to disinvest cited Bridgwater and Burnham-on-sea but not Taunton. Reasons cited for choosing these locations for investment included: understand the market, local to home, great demand, low house prices. Three of the eight landlords targeting growth said demand from the Hinkley project was the main factor. The only reason for disinvestment in the towns mentioned was due to 'the ludicrous changes to taxation'. It is noteworthy that disinvestment was not linked to the place.

Taking investment, disinvestment and past performance of their portfolio into account, landlords estimated that there would be 284 vacancies over the next 5 years.

Two thirds of landlords told us that they would let as self-contained dwellings the balance saying that they would let as shared accommodation or a mixture of the two. However, 21 landlords said they would allow a lead tenant to accommodate colleagues and friends. Half the landlords said they would let unfurnished; the others would let as furnished or part furnished.

Twenty-two landlords told us they would let to tenants directly. Five used agents to let but not manage, five would use agents to let and manage. Seven landlords would consider benefit claimants as tenants 17 would not. Ten said they would decide on a case by case basis.

Of landlords likely to increase their portfolio four said they anticipated that they would be new build; 6 would convert existing dwellings and the balance would be re-sale housing. Landlords told us that growth was likely to take the form of houses and flats, a smaller proportion of homes with shared amenities. No one anticipated offering studio apartments.

Only two landlords identified that they had difficulty to let dwellings. They estimated that it they would take between 12 and 30 weeks to let.

Twenty-one landlords told us that they had registered with EDF and nine had not. Three said they were considering doing so. 4 landlords had let to construction workers engaged on preliminary project for Hinkley Point. All had been multi-let houses.

Finally, landlords were invited to expand on their responses or express any views or suggestions that they would wish the local authorities to consider. The remarks are shown below:

Realistically I'm not pinning any hopes on Hinkley C tenants but rather investing in a generator!

Our rental properties overlap different council areas and we are accredited landlords with Sedgemoor for example but not with others. Please could they all be working together with same criteria if within the Hinkley catchment area. All of our properties are subject to AST agreements and we would require 2 months' notice to serve a notice on existing tenants to accommodate Hinkley workers, if appropriate. I am personally looking for long term white collar workers from Hinkley point like we have had before.

In view of the Chancellor's attack on landlords of privately rented property we will not invest in any more property. All our property is less than 5 years old and is in very good condition.

Funding should be made available for landlords who rehouse local residents on benefits. Support for these landlords should be made available

Bad experience with non-paying tenants, they tell me they were advised by CAB to stay put until evicted also same advised from housing authority. If this is true I don't know, but if it is? Put me right off renting. The excuses from them everyone from granddad being mug and having a stroke to father being diagnosed with cancer. I must have lived a very sheltered life as I have never been used to people like this and I don't want to have to

Stop changing policies. It's difficult enough to follow existing ones without changing people departments etc.

We would have expected to increase our portfolio, but with the changes in taxation coming up we will be reducing our portfolio instead.

Have had no enquiries from the Somerset lets website or from Hinckley Point Accommodation Office direct. They have all come from word of mouth or Spareroom.co.uk. They should be better advertised or combined with other providers.

Accommodation most suitable for single and short-term occupancy/possibly for short-term construction workers. French spoken.

The spare room market

We also undertook on line investigations into the spare room market. According to Spareroom.co.uk, as at late February 2016 there was around 400 spaces available throughout the study area. However, the largest choice was available in the main towns:

Bridgwater – 61

Taunton – 62

Yeovil – 43

There were a handful of spaces available in each of the market towns. It was notable that a high proportion of these were in the rural areas surrounding the market towns.

Our Landlord Survey suggests that this is the preferred route for enquiries from Hinkley Point workers engaged on preliminary projects.

Based on our experience of other towns we suggest that the spare room market is not a major part of the local housing market. The market appears to assist professionals seeking an alternative to hotels and guest houses.

Appendix B A comparison of the Horizon and the arc4 method of assessing capacity.

Factor	Horizon	arc4
Headline method	An analysis based upon private rented sector vacancy rates in England applied to the KSA applied annually.	An analysis based upon private rented sector churn in the each of the 3 counties presented annually and monthly and aggregated to KSA
Reason for the choice of method	There is no single source of information about private rented sector supply. Vacancy rates provide a benchmark.	Ditto, but churn is the preferred measure as dwellings can become vacant more than once a year and Wales has generally a very high churn rate in the private rented sector.
Key factor	Vacancy rate of 11.1% applied across the KSA (English housing survey)	Churn rate of 35% 35% and 42% applied separately to the 3 areas (census 2011)
Key assumptions	Not all vacancies are available for letting and a factor is applied derived from the churn rate.	Not all vacancies are available for letting and a factor is applied based upon social letting vacancy rates.
	Both rates used are the same order of magnitude and have little impact on the overall result.	
Further assumptions	<p>That there will be demand from local construction workers across the KSA.</p> <p>Dwellings will provide 2 bed spaces</p>	<p>That demand will be mainly focussed initially on Anglesey.</p> <p>Dwellings will on average produce less than two bed spaces.</p> <p>Vacancies apply to dwellings not bed spaces</p>

Outcomes	Assumes that there is headroom to accommodate local households and construction workers.	Identifies several factors to suggest that local households have important needs that are being met by the private rented sector and it is unsafe to assume that landlords will choose to let to construction workers
Key risks	<p>Failure to take up campus accommodation will have a disproportionately adverse effect on demand for the private rented sector.</p> <p>The price of campus accommodation could be pitched at a level unacceptable to construction workers and accordingly drive up private rented sector rents.</p>	

Appendix C

Post-hearing note on the recruitment of health professionals in North Wales and Anglesey



WYLFA NEWYDD NUCLEAR POWER STATION

Recruitment of Health Professionals in North Wales and Anglesey

This update has been prepared as a response to **Action Point 9** and arising from the Issue Specific Hearing (ISH) held on Monday 7 January 2019, and those discussions relating to Health and Wellbeing matters.

As it is expected that 2,000 of the workers will be home-based and there is low unemployment in the region the expectation of movement from existing employers has been predicted. 900 posts will be for site services, security and clerical management. The Health Impact Assessment (HIA) (APP-429) refers to labour churn (see section C.9) but this is also referred to as displacement. Horizon have committed to supporting backfilling through the Employment and Skills Service. Horizon has advised that their workforce planning is currently set out to be delivered through the Jobs and Skills Implementation Plan secured through Schedule 4 of the draft section 106 which has been shared with Welsh Government.

There are already staffing challenges within the health and social care sector in North Wales and there is concern that workers will move into higher paid roles on the Wylfa Newydd site. This will be very difficult for the sector to mitigate due to lack of the appropriate skills and low levels of unemployment in the area. Horizon have previously disagreed with this assumption but have made provision within the most recent draft section 106 for onward payment of £50,000 each for Betsi Cadwaladr University Health Board (BCUHB) and Public Health Wales for staffing and workforce planning to minimise the impacts of labour churn on its staff, payable by the Developer prior to implementation. Welsh Government supports this in principle, however it will be for BCUHB and Public Health Wales to agree these figures.

Loss of care workers could also impact on services for the local population and this will need to be considered in relation to impact and monitoring arrangements. This could also present safeguarding issues as inexperienced people move into these roles or existing providers seek to continue to provide care with less staff. Consequently, the Health and Wellbeing Engagement Group should be identified in the section 106 to work in collaboration with the Emergency Services Engagement Group on the development of the Community Safeguarding Management Strategy, in order to reduce and manage this risk.

Public Health Wales have advised that they are still carrying significant vacancies affecting service delivery despite having relied on agency locums. This is also the case for care/health care support staff working in hospitals and communities (care/residential homes). If there is significant displacement it would significantly exacerbate impact on the care sector and will have negative outcomes for health.

It is understood from the Issue Specific Hearings that Horizon has acknowledged that skills and training support can extend beyond the main construction and civil engineering sector in order to provide a mechanism to address the risk of displacement. Health and social care needs to be captured within this training and should be included within the Jobs and Skills Implementation Plan. It is also important to recognise that BCUHB is a major employer within the region and should therefore be invited to have a greater involvement in the Jobs and Skills Engagement Group.

Appendix D

Summary of Park and Share Sites in Anglesey and Gwynedd

WYLFA NEWYDD NUCLEAR POWER STATION

Proposed Welsh Government Park and Share Sites

This update has been prepared as a response to **Action Point 5** and arising from the Issue Specific Hearing (ISH) held on Tuesday 8 January 2019, and those discussions relating to Traffic and Transport matters. This paper is also in response to **Q2.11.1** of the Examining Authority's Further Written Questions issued on Wednesday 30 January 2019.

Welsh Government is concerned that Horizon will not achieve an overall average level of car sharing of 2.0 workers per vehicle, which is dependent on achieving an average of at least 1.5 workers per car at the Park and Ride facility at Dalar Hir, and an average of at least 3.0 workers per car at the Wylfa Newydd Development Area (WNDA). It is noted that both Hinkley Point C Nuclear Power Station and Sizewell C Nuclear Power Station assume a much lower project-wide car share factor of 1.6 workers per vehicle.

The combination of the forecasted density of workers, the rural character of Anglesey and Gwynedd, and the emphasis on car sharing imposed by Horizon will inevitably lead to workers making informal arrangements to meet each other near the A55 and A487 trunk road corridors and then drive to Dalar Hir or WNDA car parks.

Isle of Anglesey County Council and Gwynedd Council are proposing the implementation of four new Park & Share sites which could assist with the Horizon Travel Plan and which could be provided in advance of, rather than reacting to parking problems if/when they arise.

Four Park and Share sites have been identified:

- A5025 Menai Bridge: Land at Four Crosses, to the west of Menai Bridge;
- A55 Gaerwen: Parcel of land at Gaerwen adjacent to A55 J7;
- A55 Bangor: Parc Bryn Cegin, Llandygai, at A55 J11; and
- A487 Caernarfon Bypass: Parcel of land adjacent to the proposed A487 Caernarfon-Bontnewydd Bypass at Cibyn.

Figure 1 below illustrates the location of these four sites.

Table 1 illustrates further detail about the planning application which have been submitted by either Isle of Anglesey County Council or Gwynedd Council in relation to the four Park and Share sites.



Figure 1: Location of proposed Park and Share sites



Table 1: Summary of Proposed Park and Share Sites

PARK & SHARE SITE	LOCATION	LOCAL AUTHORITY	PARKING PROVISION	PLANNING PROCESS	OBSERVATIONS AND COMMENTS
A5025 Menai Bridge (Four Crosses)	Located opposite Four Crosses Inn at A5025/B4020, 1.1km east of A55 J8	Isle of Anglesey County Council	109 cars (including seven disabled spaces)	Granted consent September 2018, App No. 39LPA1046/CC	This site could be used by those workers living in the rural areas around Menai Bridge and Bangor where it would be unrealistic to provide a bus service within 600m of their accommodation.
A55 Gaerwen	Located close to A55 J7 and the Menai Science Park (M-SParc), 3.5km west of Llanfairpwll and 1km east of Gaerwen	Isle of Anglesey County Council	100 spaces	Planning application anticipated in early 2019	It could function as a Park & Share site for Wylfa Newydd and could also be served by Horizon buses, either with a dedicated service from the site or by diverting passing worker bus services off the A55 expressway to call into the site to and from the Wylfa Newydd Development Area. Could provide contingency for Dalar Hir Park and Ride (i.e. if part of that site was flooded).
A55 Bangor (Parc Bryn Cegin)	Located Llandygai, on the outskirts of Bangor and 900m from A55 J11	Gwynedd Council	187 spaces (including 11 parking spaces with electric car charging facilities, 20 motorcycle spaces and 12 disabled bays)	Planning consent granted September 2018, App No. C18/0684/16/R3	Intended to provide a dedicated hub for commuters to share lifts to and from their workplaces. This site could be used as the start/end point or as a calling point for a Horizon bus service between Bangor and Wylfa Newydd. Also has a longer-term potential to provide for Park & Ride into Bangor, and to encourage Park & Share in the A55 and A5 corridors.



PARK & SHARE SITE	LOCATION	LOCAL AUTHORITY	PARKING PROVISION	PLANNING PROCESS	OBSERVATIONS AND COMMENTS
A487 Caernarfon (Cibyn) (Delivered as part of the A487 Caernarfon-Bontnewydd Bypass)	Located immediately east of the Cibyn Industrial Estate and 2.0km from the centre of Caernarfon. The car park would have a direct link onto the Caernarfon Bypass which links to the A55 and A5, and the A487 to the south.	Gwynedd Council	187 spaces (including six electric charging points, four motorcycle spaces and eight disabled spaces, sheltered cycle parking, and a bus stop and shelter)	Planning consent granted December 2018, App No. C18/0744/23/R3	The car park will be accessible to Horizon workers living south and east of Caernarfon, on the Llyn Peninsula, along the A487 corridor towards Porthmadog and into Snowdonia. The site could be used as a terminus for a Horizon shuttle bus service, collecting workers using the Cibyn site and then other workers in Caernarfon before continuing to Wylfa.