

## Cheshire East Council: Local Plan Strategy – Submission Version

### Purpose of the report

a) To highlight the formal publication of the Submission version of the Cheshire East Local Plan Strategy for consultation purposes and to agree the content of a proposed joint response between Newcastle-under-Lyme Borough Council and Stoke-on-Trent City Council so that this can be taken into account by Cheshire East Council by the formal representation period deadline.

### Recommendations

**1) That the Committee endorse the content of this report and that it forms the basis of the Borough Council's formal joint response to the consultation on the Submission Local Plan Strategy within the required timescale.**

**2) That delegated authority is given to officers to agree a joint response to the consultation with Stoke-on-Trent City Council.**

### Reasons

The Cheshire East Local Plan Strategy is a Development Plan Document that will form part of the Local Plan for Cheshire East. It sets out the case for sustainable economic growth and will have implications for the management of development in Cheshire East up to 2030. This stage of consultation presents the final opportunity for the Borough Council to comment on the development strategy for Cheshire East prior to its submission for independent examination to the Planning Inspectorate. For the Borough Council's comments to be taken into account they must be submitted to Cheshire East Council by 25 April 2014.

## **1.0 Background**

1.1 Cheshire East Council has published its 'Local Plan Strategy – Submission Version' prior to its submission to the Secretary of State for formal Examination in Public later this year (possibly in the autumn). The Local Plan Strategy sets out the Council's case for sustainable economic growth and is the strategy that the Council wants to adopt to manage development in Cheshire East up to 2030.

1.2 The Borough Council, as a neighbouring authority, has been invited to submit representations on the Local Plan Strategy – Submission Version and accompanying documents. The formal representation period ends on 25 April 2014. If the Borough Council does not submit any representations then it loses any right to appear at the public examination stage.

1.3 Once the Plan has been formally submitted to the Planning Inspectorate, it will be assessed against the four 'tests of soundness' set out in Paragraph 182 of the National Planning Policy Framework and detailed in section 1.4 below. At this stage all representations must therefore focus on issues of **legal compliance** (e.g. that the duty to cooperate requirement has been complied with) and **soundness** and how the development strategy meets these tests.

1.4 The grounds of soundness are:

1. **Justified:** founded on a proportionate evidence base and the most appropriate strategy when considered against the reasonable alternatives;
  2. **Effective:** deliverable and based on effective joint working on cross boundary strategic priorities;
  3. **Consistent with national policy:** enabling the delivery of sustainable development;
  4. **Positively Prepared:** the plan should be based on a strategy which seeks to meet objectively assessed development and infrastructure requirements.
- 1.5 Copies of all documents can be accessed online at [www.cheshireeast.gov.uk/localplan](http://www.cheshireeast.gov.uk/localplan). A copy of the 'Key Diagram' showing the key strategic proposals will be made available in the Members room.
- 1.6 The Borough Council has been involved in discussions with Cheshire East Council for over two years and has made representations at each key stage of consultation in the production of their Local Plan Strategy. Key correspondence, including all minutes of meetings between the Cheshire East Council and the Borough Council relevant to duty to cooperate matters and all correspondence including letters of representation submitted to Cheshire East Council are set out in Cheshire East Council's 'Local Plan Strategy Duty to Cooperate Statement of Compliance Further Draft March 2014', which can be downloaded from the following address:  
<http://cheshireeast-consult.limehouse.co.uk/portal/planning/cs/sub>
- 1.7 Members will recall that the most recent consultation ended in December 2013 and related to the 'Pre-submission' version of the Local Plan Strategy. The Cheshire East Full Council report, dated 28 February, 2014 provides a detailed summary and assessment of all the issues raised by respondents to the consultation on the Pre-submission development strategy. The 'Submission Version' has been refined to reflect this consultation. However the strategic site proposals for Crewe and Alsager have not changed significantly. The most notable changes are the identification of a defined boundary for the proposed new settlement, near Crewe Hall and a significant reduction in the proposed size of the White Moss Quarry site allocation, on the edge of Alsager.

## 2.0 Summary of the Local Plan Strategy

- 2.1 Central features of the Local Plan Strategy, which have the most potential to impact on the borough and north Staffordshire Conurbation include:
- A growth led vision for Crewe, which includes the development of 50 ha of employment land;
  - Expansion of the South Cheshire/North Staffordshire Green Belt to ensure the long term separation of settlements;
  - A new urban extension in Alsager at White Moss Quarry;
  - Development of a new settlement in the vicinity of Crewe Hall, now referred to as the South Cheshire Growth Village;
  - An extension at Radway Industrial Park, Alsager;
  - Identification of an area which any future proposal for High Speed 2 (HS2 2) may impact on; and
  - A500 Barthomley Link road improvements.

- 2.2 The Plan for Cheshire East maintains the commitment to provide a minimum **27,000** new homes and **300 hectares** of employment land and follow the medium growth strategy. This development is split across Cheshire East and remains focused on Crewe (7,000 homes) and Macclesfield (3,500) as the two main urban centres. Large development levels are also identified for the key service centres of Congleton (3,500) and Alsager (1,600). Appendix A: *Proposed Growth Distribution* of the Local Plan Strategy Submission Version provides a summary of the proposed growth distribution and also includes the latest completion and commitment (developments that already have permission) figures. When account is taken of the completion and commitment figures the total new homes to be delivered by 2030 increases by 6% to **29,128** (Table A.6 *Housing Distribution: Totals*). Similarly the employment land figure increases, albeit to a much lesser extent, to **353.63** hectares. (A.12 Employment Land Distribution: Totals).
- 2.3 A 'stepped' approach towards delivery of development over the plan period 2010-2030 is set out in Policy PG 1 *Overall Development Strategy*. It is proposed to deliver an average 1,350 dwellings per annum rising from 1,200 per annum in the first phase (2010-2015) to 1,500 in the last phase (2025-2030). To help manage this delivery the take up of land the Local Plan Strategy indicates how each strategic will be phased across the 20 year plan period.
- 2.4 It should also be noted that a further allowance of 500 dwellings has been added during the period 2021- 2030 to help meet the housing needs of High Peak Borough Council a neighbouring authority within the Peak District National Park (not included in the average 1,350 dwellings). This increases the **proposed housing requirement** to **27,500** dwellings. Cheshire East Council has agreed to this on the basis that they consider they have a high synergy with High Peak Borough Council and that the amount of housing is within the parameters of the medium growth strategy.
- 2.4 Members may also wish to note that through a series of detailed discussions with Cheshire East Council, based on our duty to cooperate, it has been established that the Borough Council and none of the other authorities in north Staffordshire are in a position to assist in accommodating Cheshire East's housing requirements.
- 2.5 High Speed 2
- 2.6 The Local Plan Strategy and supporting material now includes clear statements on High Speed Rail (HS2). As Members are no doubt aware the Government's current plans for HS2 include a route through Crewe Station with a partial connection to the West Coast mainline. This is identified as a key strategic driver over the latter part of the plan period and central to the long term growth objectives for Crewe.
- 2.7 Apart from identifying an area which the HS2 infrastructure may impact on, the Local Plan Strategy does not include any specific development proposals directly related to HS2. However, it is stated that "*the HS2 Project will prove decisive in supporting the case for higher growth levels to the south, in preference to the north of the borough.*" It is further acknowledged that it is likely that this development will be centred in and around Crewe, Alsager and Congleton and consequently section 15.21 of the Submission Version Plan states that, any future proposal for HS2 may trigger a review of the Local Plan.

- 2.7 Cheshire East Council in their 'High Growth City' document acknowledge the likelihood of significant further growth in close proximity to the boundary with north Staffordshire beyond 2030 should a HS2 Hub Station with a direct interchange become reality. In your officers' opinion, this could lead to previous proposals, which have been rejected by Cheshire East Council, such as the new village at Barthomley, and associated employment areas along the A500 corridor, being reconsidered. The joint consultation response and discussions relevant to the duty to cooperate will seek clarity on this very important matter and raise an objection to the possibility of further extensive growth in and around Crewe and Alsager. Certainly the risk of 'super growth' raise the stakes, in terms of the potential harm to north Staffordshire's economic development, should the current HS2 route go ahead.

### **3.0 Local Plan Strategy - Assessment of Soundness**

- 3.1 Cheshire East Council, through its Local Plan, has an obligation to set guidelines and levels for new development and to allocate appropriate sites to meet objectively assessed needs.
- 3.2 Members may recall that at previous consultation stages the Borough Council has not objected to the overall level of growth and development, which is both considered to be reasonable in relation to the evidence on meeting the objectively assessed housing need whilst also allowing for continued economic growth and is consistent with the approach advocated through the National Planning Policy Framework at the national level. The proposal to accommodate an additional 500 dwellings to assist High Peak Council meet their housing requirement is considered to be a modest increase, within the parameters of the medium growth strategy, and as such is unlikely to undermine our urban regeneration effort. The reduced scale of development in the vicinity of Crewe and Alsager (as set out in the Pre-submission Strategy reported to Members in December 2013 and maintained in the Submission Version), now includes a proposed reduction in the total number of dwellings at White Moss Quarry from 750 to 350. This together with a clear commitment to designate an area to the south, east and west of Crewe as Green Belt and the proposal to take a 'stepped' approach to annualised housing targets, as set out in Policy PG1 *Overall Development Strategy* have all helped officers to form a view that the Local Plan has been 'positively prepared'.
- 3.3 Nevertheless the concern expressed, last time relating to a risk of overprovision of housing land in certain areas, remains. Cheshire East Council has included a buffer of 5% in accordance with National Planning Practice Guidance but it has only included a limited allowance for brownfield 'windfall' development (unforeseen sites) in the overall supply calculations in relation to Crewe urban area and Macclesfield. When an allowance is made for windfall development over the whole of the plan period, in line with the windfall allowance within Cheshire East's 5 year housing land supply figure, the likely provision of housing could increase beyond the 29,128 figure (completions, plus commitments, plus strategic sites and future site allocations) somewhere closer to 33,000-33,600. This would represent a 20%-22% overprovision on the 27,500 medium growth strategy and would actually exceed the 32,000 units proposed in the high growth scenario which Cheshire East Council say they have rejected. To put it simply the failure to include an appropriate allowance for windfall developments (contrary to National Planning Practice Guidance) means that Cheshire East Council is potentially at risk of significantly over providing.

- 3.4 Whilst it is acknowledged that there is a need to provide additional sites to ensure competition and choice it is noted that the justification for the inclusion of the sites such as the South Cheshire Growth Village focuses around the necessity to meet need in a high demand area. However, given the potential level of overprovision this does not appear to be justified, especially as windfall development will provide some extra flexibility.
- 3.5 Officers remain concerned about the effectiveness of the strategy due to the large volume of speculative planning applications that Cheshire East Council is experiencing. For example the White Moss Quarry Site, which has been given an allocation of 350 new homes, is currently the subject of an application for 1,000 new homes. The application (13/4142N), which was reported to Members of the Borough Council's Planning Committee last December is currently undetermined, but should the development be permitted, or allowed at appeal, there does appear to be a genuine risk of overprovision against the housing target. Furthermore while the proposal to phase some development to come forward during the last phase of the plan period (2025 – 2030), is an approach which should support the regeneration of north Staffordshire, it could be undermined if planning applications are determined on appeal (possibly as a result of successfully challenging Cheshire East Council's assertion that they have a 5 year housing land supply). Officers therefore consider for the Local Plan Strategy to be sound that Cheshire East Council need to clearer about what is intended to happen in terms of the strategic allocation sites, should a significant amount of speculative housing be permitted prior to the adoption of the Local Plan. However, Cheshire East Council are at a relatively advanced stage in the preparation of their Local Plan Strategy and it is noted that the National Planning Practice Guidance now supports and recognises the fact that prematurity may provide a reason for refusal where the proposal is significant and it would prejudice a Local Plan which is at an advanced stage.
- 3.6 Furthermore, officers are concerned that there is a risk of overprovision of employment land, although to much lesser degree than housing. Policy PG 1 proposes to make provision for a minimum 300 hectares of employment land in support of the job led growth strategy. According to Cheshire East Council this is realistically attainable. Officers do not disagree that this is an appropriate figure, especially since the current completions and employment land supply require a further **182.9 hectares** to be found (as stated in Table 8). However, Table A.12 states that there will be provision of **353.63 hectares** over the plan period. Again it is recognised that a degree of flexibility is required to deal with future economic changes, increases in employment land losses, or increased demand, as well as, a level of choice for the market, but this would represent an overprovision of circa 18% on the level proposed in policy PG1 and is 8.4% above the top of the range that Cheshire East Council's Employment Land Review identified as being necessary to meet future need. This would again exceed the medium growth scenario advocated by the Local Plan Strategy, and whilst it would not in this instance provide the level of land required to hit the high growth output targets (unlike the residential supply) it would still represent significant overprovision.
- 3.7 There is therefore a very real chance that whilst the strategy to meet the objectively assessed needs of Cheshire East for housing and employment is positively prepared, the overprovision of land will not only have significant additional detrimental impact on north Staffordshire, but that it will undermine the Cheshire East Council's overall development strategy set out in Policy PG1. These inherent conflicts would lead officers to believe that unless the

aspects of housing and employment discussed above are not explained properly and if necessary rectified, then the Local Plan Strategy, in this regard, is not justified or effective and is therefore unsound.

#### **4.0 Duty to Co-operate**

4.1 Section 33A of the Planning and Compulsory Purchase 2004 Act (introduced by section 110 of the Localism Act 2011) imposes a duty on local planning authorities to cooperate with neighbouring authorities and other parties on strategic issues of common interest in preparing local plans. This duty to co-operate pervades all stages of local plan preparation. A specific requirement is placed upon the Inspector appointed by the Secretary of State to consider whether the local planning authority has complied with its duty to co-operate. If the Inspector considers that the local planning authority has not complied with that duty, then the Local Plan Strategy will fail, irrespective of whether it is found to be “sound” in other respects.

4.2 Over the course of the evolution and development of the Local Plan discussions have taken place between the Borough Council and Cheshire East Council, regarding strategic cross border priorities and possible impacts of the growth targets. Other Staffordshire authorities including Stoke-on-Trent City Council, Staffordshire Moorlands District Council, and Staffordshire County Council have been engaged in a number of these discussions. In this respect Officers consider that the preparation of the Local Plan Strategy is legally compliant.

4.3 In relation to the issues raised at the Pre-submission consultation stage, by both the Borough Council and Stoke-on-Trent City Council, Cheshire East Council consider that the use of windfall assumptions (in the order of 750) and buffer figures is clarified in the Local Plan Strategy - Submission Version, but, as can be seen above, officers consider that further clarification on this matter is required. However, it is accepted that material changes to the Local Plan Strategy have been made, which seek to address a number of the issues raised, for example both the South Cheshire Growth Village and the White Moss Quarry site have been reduced in size.

4.4 Issues which remain outstanding relate to migration patterns, travel to work areas and the cross boundary road and transport implications related to development at Crewe, Alsager and Congleton, as well as, HS2. Cheshire East Council intends to address this through on going joint working and will consider travel to work patterns as Census data is released. The justification to Policy CO 1 *Sustainable Travel and Transport* has been strengthened to specifically refer to pursuing improved transport connections with Staffordshire, although it is acknowledged by Cheshire East Council that further investigations of the impact of proposals on cross – boundary road and transport links is required.

4.5 It is in the Borough Council's interests that Cheshire East Council has a plan in place to positively guide development decisions as soon as practically possible. Continuing dialogue with Cheshire East Council will therefore be necessary to resolve all outstanding issues and to ensure that the Local Plan Strategy does not work to undermine local regeneration objectives.

#### **5.0 Next Steps**

5.1 Consultation on the Submission Core Strategy ends on 25 April 2014. It is proposed that a joint response is prepared with the City of Stoke-on-Trent if

members at both authorities come to a similar view, based on this report and any other points members feel are relevant.

- 5.2 Cheshire East Council will submit all representations received during the representation period to the Secretary of State for consideration by a Planning Inspector, following which more detailed work will commence on a Site Allocations and Development Policies and Waste Development Plan Document.
- 5.3 Cheshire East Council are in the process of drafting a Memorandum of Understanding with the purpose of demonstrating that they have complied with the duty to cooperate, pursuant to section 33A of the Planning and Compulsory Purchase Act, 2004, as amended, for submission to the Examination in Public of the 'Local Plan Strategy'.
- 5.4 In accordance with the Borough Council's Constitution a report on this matter will be submitted to the Council's Cabinet in due course. Your officers will use the preparation of this document as a means of engaging positively with representatives at Cheshire East, with the aim of:
  - Establishing what the authorities agree on;
  - Pinpointing the relevant areas of disagreement; and
  - Identifying what future work the two authorities are committed to with a view to resolving outstanding issues and concerns.

This dialogue will also serve a dual purpose of informing the preparation of the joint Local Plan with Stoke-on-Trent City Council.

### **Background Papers**

- Cheshire East Local Plan Strategy Submission Version March 2014
- 'Local Plan Strategy Duty to Cooperate Statement of Compliance
- Further Draft March 2 Cheshire East Local Plan: Pre-Submission Core Strategy 014
- Cheshire East Council Full Council Report, February 2014
- 'All Change For Crewe' document
- Local Plan Strategy Overview document
- Cheshire East Local Plan: Pre-Submission Core Strategy
- Newcastle-under-Lyme and Stoke-on-Trent Core Spatial Strategy
- National Planning Policy Framework, March 2012
- National Planning Practice Guidance, March 2014
- Newcastle-under-Lyme Borough Council Planning Committee Report, December 2013