

**NEWCASTLE-UNDER-LYME BOROUGH COUNCIL**

**EXECUTIVE MANAGEMENT TEAM REPORT TO THE CABINET**

**HEADING:** Joint Local Plan Preferred Options Consultation Document

**DATE:** 4 January 2018

**SUBMITTED BY:** Regeneration and Development Directorate

**PORTFOLIO:** Planning and Regeneration

**WARD(S) AFFECTED:** All

**Purpose of the Report**

1. To advise Cabinet on the completion and outcome of the public consultation on the 'Strategic Options' stage of the Joint Local Plan.
2. To provide an update on the plan-making process for the Newcastle-under-Lyme and Stoke-on-Trent Joint Local Plan and to seek approval to go out to public consultation on the Preferred Options Consultation Document.
3. To seek approval for the public consultation exercise to be carried out between 1<sup>st</sup> February 2018 and 1 March 2018, and confirm that the consultation will be carried out in line with the adopted Statement of Community Involvement.

**Recommendations**

1. That Cabinet notes the responses to the consultation exercise carried out on the Strategic Options Consultation Document, as detailed in the Strategic Options Consultation and Responses Document (Supporting Document 1), and summarised in the draft Preferred Options Consultation document and that the said document be included on the Joint Local Plan page of the Council's website.
2. That, subject to any issues arising from the Planning Committee, Cabinet agree to the publication of the draft Preferred Options Consultation document (Appendix 1) for public consultation purposes, in line with the methods of consultation set out in the adopted Statement of Community Involvement (SCI).
3. That a report be submitted to a subsequent meeting of the Cabinet on the results of the Preferred Options public consultation exercise (target of September 2018), to inform the next stage of the plan preparation in partnership with Stoke-on-Trent City Council.
4. That Cabinet delegates to the Executive Director Regeneration and Development, in consultation with the Cabinet Member for Planning and Regeneration, the authority to finalise the public consultation arrangements and associated documentation for the Preferred Options stage.

**Reasons**

To provide elected members with relevant information in respect of this matter and to facilitate the successful delivery of the Joint Local Plan.

The public consultation on Preferred Options is not a statutory requirement, but in accordance with section 155 of the NPPF 'early and meaningful engagement and collaboration with neighbourhoods, local organisations and business is essential.' The draft Preferred Options Consultation document does not set or propose Council policy and so the decision to approve it for consultation purposes falls to the Executive - the Cabinet.

## **1. BACKGROUND**

- 1.1** Cabinet has made previous decisions to prepare a Joint Local Plan with Stoke-on-Trent including the adoption of a Joint Statement of Community Involvement and undertaking public consultation on the Issues and Strategic Options consultation documents published as part of the local plan-making process, in February/March 2016 and July/August 2017 respectively.
- 1.2** The Joint Local Plan is a statutory development plan and is being prepared with Stoke-on-Trent City Council. The plan period is 2013 (the baseline year for all evidence) to 2033 and will eventually replace the adopted Joint Core Spatial Strategy 2006 - 2026 (which was adopted in 2009).
- 1.3** The Joint Local Plan should demonstrate that each local authority is planning positively to meet its development needs and is contributing to a sustainable pattern of development. In doing so it should seek to achieve a balance between social, economic and environmental objectives. Key considerations going forward will, therefore, be the impact of the plan on the local economy, social infrastructure, including education; health and social care and community facilities, as well as, the environment, including transportation; flood and water management; ecology.
- 1.4** The previous Joint Local Plan public consultation on Strategic Options ended on the 22 August 2017. Each representations has been taken into account in the development of the preferred development strategy, see section 2.3 below (full copy of the Strategic Options Consultation and Responses document is available on request or via the supporting documents link).
- 1.5** This next public consultation stage is to seek the community's views on the proposed preferred approach towards identified economic and housing development needs, as well as, identifying preferred site options and a retail hierarchy. It is important to clarify at this stage that no sites are being allocated for development; this does not happen until the Full Draft Joint Local Plan is produced and that is scheduled to be published for consultation in November and December 2018 (following a report to Cabinet in September).
- 1.6** The draft Preferred Options Consultation Document is to be considered by Planning Committee on 3<sup>rd</sup> January 2018. The recommendations of the Planning Committee will be reported to Cabinet via a supplementary report.
- 1.7** Stoke-on-Trent City Council's Cabinet will consider the draft Preferred Options Consultation Document on 4<sup>th</sup> January 2018, having first taken account of the views of their Planning Committee, scheduled to meet on 3<sup>rd</sup> January. The decision of the City Council Cabinet will be reported verbally to the Newcastle Cabinet meeting, also on 4<sup>th</sup> January, 2018.

## **2. ISSUES**

- 2.1** Consultation on the preferred growth and site options (Preferred Options Consultation document attached as Appendix 1) is an informal stage in the preparation of the Joint Local Plan aimed at giving a further opportunity for the community to comment on the area's future development strategy.
- 2.2** The consultation document sets out the preferred options in respect of housing and economic growth and preferred site options for housing and employment. It also presents the retail and leisure evidence in terms of a hierarchy of centres and proposals for the amendment of some centre boundaries. The draft Preferred Options Consultation document covers the following subject areas:
1. Preferred Development Strategy and Options
  2. Key Strategic Developments
  3. Green Belt
  4. City, Town and Other Centres
  5. Natural and Rural Environment
  6. Waste and Minerals (Stoke-on-Trent only)
  7. Climate Change
  8. Infrastructure
  9. Character Areas

### **Strategic Options Consultation**

- 2.3** The previous stage of the plan preparation was the Strategic Options Consultation, which was approved in June 2017, and was subject to formal public consultation in accordance with the Joint Statement of Community Involvement. This resulted in 140 respondents sending in representations. The results of the consultation exercise and the officer response thereto are contained within the Strategic Options Consultation and Responses Document (Supporting Document 1), which is available on request or via the supporting documents link. The general emerging themes have been taken into account and reflected in the draft Preferred Options Consultation document. The feedback has helped to refine the draft vision, aims and objectives of the Joint Local Plan and has been taken into account in the development of the preferred development strategy. In broad terms, the need for growth is accepted, however, there are differences of opinion about where this is accommodated between stakeholders (especially residents and developers). Having listened to the different comments and in the light of the Joint Local Plan's supporting evidence the draft Preferred Options Consultation document now aims to set out the Councils' preferred approach to development.

### **Government Consultation Paper – Planning for the Right Homes in the Right Places**

- 2.4** In September, 2017, the Government introduced the "Planning for the right homes in the right places" consultation, which, amongst other proposals, included a standardised methodology for calculating housing need. The proposed approach is based on a formulaic approach where the starting point is a demographic baseline from which an uplift is applied, where appropriate, to account for market signals (i.e. the affordability of homes). This would effectively form a minimum housing requirement for local authorities. However, the consultation does include proposals to allow local authorities to plan for growth if local circumstances support the case for doing so.
- 2.5** Given that the results of the Government's consultation are not expected to be published until March 2018 and any housing figure derived from the introduction of a standard national formula is therefore not yet fixed the Councils have received legal

advice that it would not be appropriate at this stage to take such a housing figure into account.

- 2.6** In respect of housing the draft Preferred Options consultation document, therefore, relies on evidence in the published Strategic Housing Market Assessment (SHMA) Review 2017, which recommended that housing growth is aligned with the area's economic growth potential. However the plan making process is flexible enough to make adjustments once firm details are received from Government and this will be taken into account as appropriate at later stages.

### **3.0 Draft Preferred Options Consultation Document**

- 3.1** This next stage in the plan making process sets out the preferred growth options in respect of housing and business development needs and the preferred sites to accommodate these needs. It also proposes a new retail hierarchy. The representations received as part of this consultation will be taken into account as part of the preparation of the Full Draft Plan, the next stage in the plan making process, when sites will be formally proposed to be allocated for development and new development management policies will be proposed.

#### **Evidence**

- 3.2** Additional evidence, which has recently been prepared to inform the Preferred Options, is the Joint Green Belt Assessment, the Draft Stoke-on-Trent Green Space Strategy, and the Councils' 2017/18 development monitoring, which includes 5 year housing supply statements for both Newcastle-under-Lyme and Stoke-on-Trent.
- 3.3** A sustainability assessment has also been prepared to support the draft Preferred Options Consultation document. This sets out high level impact and issues to be addressed (this has tested all proposals against a set of economic, environmental and social sustainability objectives). The results of the appraisal are set out in a Sustainability Appraisal Report (Supporting Document 2), together with a non-technical summary.

#### **Preferred Growth Strategy**

- 3.4** The proposed preferred growth option is Scenario C, as set out in the Strategic Options consultation document. This will deliver an identified need for a minimum of 199 hectares of employment land and 27,800 new homes between 2013 and 2033 across the plan area, with some potential uplift to help deliver wider economic aspirations, flexibility and choice where they can be demonstrated to be deliverable during the plan period.
- 3.5** This preferred option accords with the economic development strategies of both Councils and the Stoke-on-Trent Staffordshire Local Enterprise Partnership and is aimed at addressing two very significant issues:
- A population that is generally getting older and consequently with fewer people of a working age, and;
  - The Councils have not been building enough housing to meet demand over a sustained period of time. A direct consequence of this has been a growing disparity between supply and demand.

The shortage of market housing provision has exacerbated the shortage of affordable housing. As a result there is a need to build 242 affordable homes in NUL per annum (210 Stoke) over the next five years to clear the backlog (or shortfall) and meet newly arising need. Once the backlog is addressed the requirement would be reduced to 199 in Newcastle-under-Lyme per annum (66 Stoke-on-Trent).

- 3.6** The consequences of these problems in the housing market can be summarised as follows:
- Low wage economy unable to afford increasing house prices;
  - Young people unable to form households;
  - Fewer working age people living in the area;
  - Continued out migration of graduates and the economically active;
  - Lack of a skilled workforce constraining investment and economic growth and;
  - Deficiency in high value jobs particularly in the knowledge economy and entrepreneurial sectors.
- 3.7** To address these issues the preferred development strategy aims to achieve a step change in the housing market and the local economy, through the delivery of a minimum of 17,372 jobs by 2033 across the plan area, including 6,654 in Class B sectors (offices (other than financial and professional services for the public), light industry, general industry and warehousing).
- 3.8** To support the creation of Class B jobs it is proposed to provide a minimum of 199 ha across the plan area, plus a 15% buffer (229 ha) to provide choice and flexibility in the market.
- 3.9** Newcastle-under-Lyme's contribution to the employment land supply is 62.53 ha. Within the Borough this leaves a shortfall of 5.5 ha, while Stoke-on-Trent benefits from a surplus of 36 ha, against its identified need of 131 ha. Therefore, across the functional economic area (plan area) there is no shortfall in the supply of employment land. Nevertheless, Newcastle-under-Lyme still has the potential to support the creation of at least 7,613 jobs including at least 4,437 in the Class B sectors.
- 3.10** The agreed apportionment of the housing requirement is 11,720 and 16,080 homes for Newcastle-under-Lyme and Stoke-on-Trent respectively.

### **Preferred spatial strategy and broad locations**

- 3.11** The preferred option for the broad location of employment and housing development is a hybrid of Options 4 (Combined Urban, Suburban and Rural Villages) and 6 (Combined (Option 4) + Major urban extension in to the Green Belt ) which were set out at the previous Strategic Options consultation stage. This focuses development within the urban area mainly around key urban centres and, as far as possible on brownfield land, or on green space no longer required to meet open space standards. However, Newcastle-under-Lyme's urban area is heavily constrained by Green Belt making the delivery and identification of sites to meet the Borough's development needs more challenging.
- 3.12** Of Newcastle-under-Lyme's 11,720 dwelling apportionment, the preferred option indicates that only 9,621 (includes 1,080 completions) of these can be accommodated within the urban area, rural area and in sustainable urban extensions. Through the Joint Local Plan, the Borough Council is seeking to promote a significant mixed-use development in the Green Belt at Keele, as it is considered a strong case for "exceptional circumstances" can and should be made. This development has the potential to contribute significantly towards the development needs of the Borough and plan area, to support Keele University's growth ambitions and associated economic growth in the same location. In total this development accounts for 9% (21% of the Borough's) of the Joint Local Plan's housing supply requirement. Urban extensions are also proposed at Kids Grove, Holditch and Talke, bringing the total amount of development proposed within land currently designated as Green Belt to less than 11% (26% of the Borough's) of the Joint Local Plan's housing supply requirement. The full list of sites are shown in the

draft preferred options consultation document, at its 'Appendix 2 Preferred Options Sites'.

- 3.13** A deliberate attempt has been made to limit the extent of incursion into the Green Belt to protect its integrity by focussing development in these four areas. Similarly the protection and enhancement of the countryside has been given due consideration. In this respect the housing sites beyond the Green Belt in the open countryside reflect existing commitments.
- 3.14** This leaves a shortfall in Newcastle-under-Lyme of 2,099 new homes. Consequently, your officers have approached Stoke-on-Trent City Council to see if it can accommodate this shortfall. Stoke-on-Trent has identified capacity for 16,892 dwellings, which is 812 dwellings above their apportionment of the supply. However, these additional homes act as a buffer to ensure flexibility of the sites coming forward. If this buffer is taken into account in helping to meet the housing requirement across the plan area this still leaves a residual shortfall of 1,287 dwellings. Options around meeting the residual shortfall are presently under consideration and these include identifying additional capacity within Newcastle-under-Lyme (potentially going further into the Green Belt or open countryside than the draft Preferred Options Consultation document currently sets out); identifying additional capacity within Stoke-on-Trent (above the additional 812 dwellings already taken into account; however this will be largely dependent upon the viability of development within Stoke-on-Trent); and also finally consideration of asking neighbouring Local Planning Authorities if they can accommodate the residual shortfall within their areas. It is hoped that some or all of these strategies will result in the identification of the means to meet the Borough's shortfall.

### **City, Town and Other Centres**

- 3.15** The draft Preferred Options Consultation document brings forward proposals to support a centres first approach and aims to make sure the centres are in the right locations to accommodate an appropriate level of retail development. This involves establishing a hierarchy of centres from strategic centres through to neighbourhood centres and proposes a town centre boundary for Newcastle Town Centre. It also acknowledges the position regarding out of town shopping centres where policies will ensure that these will be tightly controlled and must remain complementary to, and not compete with, the hierarchy of centres.

### **Gypsy and Traveller Sites**

- 3.16** The Joint Local Plan is required to address the accommodation needs of Gypsy and Travellers and transit provision. At this stage a site selection methodology has been agreed between the two authorities and work is ongoing to identify how these needs can be met. Therefore at this stage the Councils will not be consulting on any preferred sites. However, to ensure that early and meaningful engagement is maintained it is proposed to arrange a separate consultation exercise on this specific matter in early summer 2018 (to feed into the Draft Plan stage). This will be important as a failure to transparently engage and consult with stakeholders on strategy development could undermine the 'soundness' of the JLP.

### **Natural and Rural Environment**

- 3.17** The draft Preferred Options Consultation document outlines the position to protect the landscape and townscape, historic environment and green and open space. Individual strategies will outline where any proposed changes might be desirable (especially to deal with areas which create problems rather than add value) with quality being the under-pinning ambition.

### **Infrastructure**

- 3.18** The preferred options growth is about making sure the City and Borough are sustainable in the plan period up to 2033 and in particular being able to accommodate population and employment growth. This will present challenges in terms of infrastructure including education, health, transport and utility services. Work has commenced on infrastructure planning and will be reflected in the Draft Local Plan. The local plan process greatly assists service planning in understanding potential demands going forward and partnership working with key stakeholders is vital to making sure all requirements are understood and met.

### **Character Areas**

- 3.19** To support the planning process and to assist with infrastructure planning and engaging with stakeholders, especially the community, the overall plan area has been divided into smaller so-called character areas (20 across Newcastle-under-Lyme and Stoke-on-Trent). The relevant key development proposals in each character area are illustrated in a series of maps appended to the draft Preferred Options Consultation document, see Appendix five referring to the Character Areas. There have been some technical difficulties labelling some of the site option proposals. This map formatting issue will be resolved prior to the start of the public consultation exercise. However, the complete list of preferred housing and employment site options is provided in Appendix two of the Consultation document 'Preferred Options Sites.'

### **Duty to Cooperate**

- 3.20** As the plan making process move towards more firm proposals, it is essential that we maintain dialogue with neighbouring authorities and key statutory stakeholders to identify any issues and how these are to be responded to. These will be captured in separate memorandum of understanding documents and an overarching Statement of Common Ground. This will include a memorandum of understanding and Statement of Common Ground between Newcastle and Stoke-on-Trent given the significance of preparing a joint local plan across joint housing and economic function areas and the Joint Advisory Group (representatives from both authorities) have been closely involved in preparing this document. This aspect of plan making is assessed at the examination stage.

## **4.0 OPTIONS CONSIDERED**

- 4.1** The first option is to comply with statutory requirements and produce a Local Plan.
- 4.2** The alternative option is to not to produce a Local Plan. This would have potentially serious consequences in that the Council would not be fulfilling its statutory duty and the Department of Communities and Local Government would need to take steps to make sure this requirement was fulfilled. In addition, the local plan process makes sure the Council has the lead role in guiding and supporting the long-term development of the area. It is felt that the adopted Core Spatial Strategy does not provide the necessary policy framework to meet future housing and economic needs.
- 4.3** Both the Strategic Options Consultation and Preferred Option stages are non-statutory, but important in introducing what the Joint Local Plan aims to achieve over its plan period 2013 – 2033. Essentially they represent the 'front door' to the Local Plan process and, in accordance with section 155 of the NPPF, help to ensure that 'early and meaningful engagement and collaboration with neighbourhoods, local organisations and business' takes place.

## **5.0 PROPOSAL**

- 5.1** The preferred option for the broad location of employment and housing development is a hybrid of Options 4 and 6 set out in the Strategic Options consultation. For Stoke-on-Trent this is Option 4 (Combined Urban, Suburban and Rural Villages) and for Newcastle-under-Lyme this is Option 6 (Combined (Option 4) + Major urban extension in to the Green Belt to the west of Newcastle-under-Lyme), with the commitment that the extent of incursion into the Green Belt and Countryside will be kept to a minimum to ensure delivery of its requirements. The full list of sites are shown in the preferred options consultation document.
- 5.2** Subject to approval, the intention is to go out to public consultation on the preferred growth strategy and site options between 1st February 2018 and 1 March, 2018. The document includes a set of consultation questions which will also be set out in a consultation response form which will be available via the website alongside the consultation document and supporting evidence. The Preferred Options Consultation document is site specific and notices will be posted in addition to the usual consultation arrangements. Consultation will be carried out in line with the adopted Statement of Community Involvement.
- 5.3** Following the consultation exercise on the Preferred Options Consultation document all responses will be considered by both Councils and a response to each representation produced and reported back to each respective Cabinet in September 2018. The responses will help to inform the production and approval of a Draft Joint Local Plan. The Draft Joint Local Plan will be the subject of consultation in late autumn 2018 before the plan is then re-considered in light of further representations made, finalised and then submitted to the Secretary of State for independent examination. The independent examination on the final submission plan will be carried out by a government appointed inspector, to determine whether the plan is sound and have been prepared in line with national planning policy and the duty to co-operate. Anyone who makes a representation during the preparation of the Joint Local Plan (at any stage) will be kept informed of the plans progress and invited to make further comments.

## **6.0 REASONS FOR PROPOSAL**

- 6.1** This consultation on the Preferred Options document forms part of the Regulation 18 process in the preparation of the Joint Local Plan which is a statutory development plan and is being prepared with Stoke-on-City Council. The Council has signed up to an agreed plan making programme which seeks to get a full plan through the examination process and adopted.

## **7.0 OUTCOMES LINKED TO CORPORATE PRIORITIES**

- Creating a clean, safe and sustainable borough.
- Creating a healthy and active community.
- A borough of opportunity.

## **8.0 LEGAL AND STATUTORY IMPLICATIONS**

- 8.1** The Local Plan is a statutory requirement and needs to conform with the requirements set out within the Planning and Compulsory Purchase Act, 2004 ("the 2004 Act") and the Town and Country Planning (Local Planning) (England) Regulations 2012 ("the 2012 Regulations").
- 8.2** Once adopted, the Local Plan will replace the adopted Core Spatial Strategy, 2009 and saved policies of the Newcastle-under-Lyme Local Plan 2003 - 2011.
- 8.3** The National Planning Policy Framework and the National Planning Practice Guidance, containing guidance on how to prepare a Local Plan, have been taken



into account in the preparation of this report together with the legal requirements as set out in 2004 Act and the 2012 Regulations.

- 8.4 Regulation 18 of the 2012 Regulations require the Council as the Local Planning Authority to consult on draft proposals for the local plan and to consider any representations received.

## **9.0 EQUALITY IMPACT ASSESSMENT**

- 9.1 There are no equality or EIA impacts arising as a result of this report. As part of the preparation of the Joint Local Plan an Equality Impact Assessment will be carried out.

## **10.0 FINANCIAL AND RESOURCE IMPLICATIONS**

- 10.1 The costs of the public consultation exercise are provided for in the Planning Policy Team budget.

## **11.0 MAJOR RISKS**

- 11.1 These include:

- Failure to provide robust evidence base for the emerging joint Local Plan.
- Failure to meet the timetable for the preparation and adoption of the Joint Local Plan.
- Failure to transparently engage and consult with stakeholders on strategy development.
- Failure to agree with Stoke-on-Trent City Council.

## **12.0 SUSTAINABILITY AND CLIMATE CHANGE IMPLICATIONS**

- 11.1 Whilst there is no direct impact, the Local Plan provides the framework to support key initiatives through the sustainability assessment. In particular, open space, green infrastructure; quality environment and air are integral to this framework and overall health and wellbeing.

## **13.0 KEY DECISION INFORMATION**

- 12.1 The proposals would impact directly upon all wards of the Borough, and is included in the Forward Plan.

## **14.0 EARLIER CABINET/COMMITTEE RESOLUTIONS**

- 13.1 Cabinet March 2014  
Cabinet January 2016  
Cabinet June 2017

## **15.0 LIST OF APPENDICES**

- Appendix 1 – Newcastle-under-Lyme and Stoke-on-Trent Draft Preferred Options Consultation Document

## **16.0 SUPPORTING DOCUMENTS**

- Supporting Document 1 - Strategic Options Consultation and Responses Document
- Supporting Document 2 – Preferred Options Consultation- Sustainability Appraisal

## **17.0 BACKGROUND PAPERS**

- Strategic Options Consultation Document July 2017
- Strategic Housing Market Assessment (July 2015) and Update June 2017.
- Strategic Housing Land Availability Assessment 2017
- The Employment Land Review – December 2015
- Newcastle-under-Lyme 5 Year Housing Land Supply Statement – August 2017
- Stoke-on-Trent 5 Year Housing Land Supply Statement – November 2017
- Stoke-on-Trent Annual Planning Monitoring Report - November 2017
- Draft Stoke-on-Trent Green Space Strategy 2017-2033
- Draft Technical Papers for Housing, Employment and Green Belt