

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL
EXECUTIVE MANAGEMENT TEAM'S REPORT TO CABINET

19th September 2018

UNIVERSITY GROWTH CORRIDOR

Submitted by: Executive Director, Regeneration and Development
Principal author: Economic Regeneration Officer
Portfolio: Planning and Growth
Ward(s) affected: Keele and Silverdale directly; and other adjacent wards

Purpose of the Report

To report on the vision and proposals which has been prepared for the 'University Growth Corridor', an area of land to the west of Newcastle substantially comprising the Keele University campus and the site of the former Keele Municipal Golf Course.

Recommendations

1. That the vision and proposals be approved and that the proposals be submitted for consideration for inclusion in the emerging Joint Local Plan.
2. That the views of the Economy, Environment and Place Scrutiny Committee, due to meet on 26th September 2018, be sought and reported to the next meeting of Cabinet.

Reasons

To help enable the continued growth and development of Keele University and the Science and Innovation Park and to provide for much needed development land for more high quality housing in the Borough.

To respond to both the needs and opportunities presented by the emerging Joint Local Plan and to demonstrate the potential appropriateness of the development in the context of the said Local Plan.

To assist the Council in its medium to long term asset management planning and capital programme funding.

1. Introduction and background

- 1.1 This report relates to plans for a 'University Growth Corridor', potentially accommodating around 1000 – 1200 new homes, 150 postgraduate student apartments and between 2000 and 3000 new high quality jobs, based around the expansion of Keele University (and its Science and Innovation Park) and the redevelopment of the former Keele Municipal Golf Course.

- 1.2 The Borough Council and its sub-regional partners (principally, the LEP and the County Council) are keen to support the further growth of Keele University and its Science and Innovation Park for a host of potential economic benefits – job growth, the quality of jobs, expenditure in the local area, the multiplier effect of contracts let and work carried out on behalf of the University or by science park businesses by local suppliers etc. The ‘Keele Deal’, an agreement made between the University, local partners and The Government (made in 2017), set out the case for major public investment in the University to help realise its further development. Furthermore, the local planning authority needs to meet projected housing needs for the next local plan period (2013-33). Taken together, there is therefore a strong logic in developing a coherent planned urban extension in the subject area to make provision for both the growth of the university and for new residential development, together with the necessary infrastructure investment which will serve the two. This is the basis for the proposals in the ‘University Growth Corridor’.
- 1.3 The former Keele Municipal Golf Course was, for a number of years, leased to and run by Keele Golf Centre Ltd., a private company with a background in running a number of golf courses around the country. However, the company went into voluntary liquidation and the course was unable to keep going as a commercial venture in spite of the Council’s attempts to interest other companies in taking over the business. Consequently, the Council made a decision in 2014 to explore the potential for development of this area through a comprehensive masterplanning process. In 2016, the Council’s Assets Policy Committee endorsed the principle of site disposal.
- 1.4 Following discussions with Keele University and Staffordshire County Council, it was decided to jointly commission expert consultants to prepare a long term vision for the development of this area, essentially covering the two main landholdings – i.e. the University’s campus and the former golf course (together with some smaller areas of adjoining land). This piece of work has now been completed.
- 1.5 The brief for the masterplan was set by the two principal landowners, Keele University and the Borough Council (in its role as landowner, rather than as local planning authority) together with Staffordshire County Council, and representatives of these three commissioning parties have made up the client team which has overseen the consultants’ work. It is important to note that the Borough Council’s Planning Policy team, on the other hand, has been kept apart from the process during the period of the commission in order to create a transparent separation between the Council’s roles of landowner and planning authority.

2. The Purpose of the Masterplan

2.1 The purpose of this masterplanning exercise was to:

- assess future options for the use or development of land within the area of study, which would be able to meet the Borough’s medium term development needs (potentially as a planned western urban extension);
- provide for the future expansion of Keele University and its Science and Innovation Park;
- identify the preferred future use of the former municipal golf course;
- provide an objective evidence base to justify the removal of land proposed for development from the Green Belt and;
- to put together a clear and comprehensive development proposal which could be considered as part of the preparation of the emerging joint local plan.

3. The Site

- 3.1** The area of land subject of the University Growth Corridor masterplan largely comprises the Keele University campus and the site of the former Keele Municipal Golf Course, together with adjoining land off Park Road, Silverdale, and is shown on the attached plan.
- 3.2** Most of the site lies in green belt and it will be necessary to remove the area of land from the green belt, through the Local Plan process, in order to allow the site to be developed. Helping to make the case for green belt release was one of the main aims of the masterplanning commission; see further commentary below.
- 3.3** There is also the matter of landscape and ecology. Valued landscape features within the masterplan area include important habitats, providing ecological diversity and the masterplan calls for the retention and protection of the water bodies and the woodland cover across the site. The setting of the Historic Park and Garden, based around Keele Hall and its Grounds, together with several listed buildings contained within the masterplan area also require to be treated carefully in the scheme design. Further sensitive factors affecting the way in which scheme design has been approached include the topography of the site and the views of the site in the wider landscape. Additionally the client group were keen to explore the potential for some form of Transport Hub as part of the transport infrastructure assessment in order to promote the use of public transport and minimise reliance on private motor cars.

4. Summary of the Proposals Contained in the Masterplan

- 4.1** The masterplan has been arranged under the following main headings: Site context; Economic context; Planning context; Masterplan vision; the case for Green Belt release and; Market attractiveness / Viability.
- 4.2 Site Context**
The site context explains the key constraints and influencing considerations which have guided the thinking in terms of the overall developability of the site.
- 4.3 Economic Context**
The economic context is hugely significant because this is one of the main drivers for seeking to exploit the development potential of this unique location. A specialist consultancy was commissioned to assess the current and forecast economic impact of the University (including the Science and Innovation Park) on the North Staffordshire area the key conclusions of which are as follows:
- The total quantified economic contribution of Keele University to Newcastle-under-Lyme and Stoke-on-Trent is £160 million in Gross Value Added (GVA) and 3,420 Full Time Equivalent (FTE) jobs. To put this into context, these contributions alone are equivalent to 1 in every 40 FTE jobs within the areas.
 - Keele University is a major employer with over 2,000 staff, equivalent to 1,750 full-time equivalent (FTE) jobs. This makes the University one of the largest employers in the area, alongside the NHS and local government. Further, the University's direct employment has been growing significantly in recent years.
 - Importantly, a large number of these direct jobs at the University are high value, high skilled positions for the local economy: around 40% of University employees are academics, with the remaining a mix of managerial, professional and support staff. The average annual salary for a full-time employee at the University is 60% higher than the average pay for residents in Newcastle-under-Lyme borough.

- Keele University is also a significant income generator through its teaching and research, as well as wider activities. In 2014/15 it reported over £134m in annual income. The associated direct Gross Value Added created by Keele University amounted to over £81m.

Members should be aware that the potential economic benefits are expected to be realised over a longer time horizon than the housing outcomes; realistically, over 25 years. The key objective at this time is to demonstrate the vision for economic growth for the purposes and to lay the foundations to enable it through the Local Plan process.

4.4 Planning Context

The Planning context section of this piece of work focussed upon the needs and opportunities for economic growth (including housing) in this location as a contribution towards the Borough-wide Local Plan targets. It refers to key extracts from the Preferred Options consultation document. In particular it identifies the subject land having the potential to:

“not only contribute to the most sustainable pattern of development but will also strive to strengthen key knowledge based employment sectors creating a more diverse economy and improving the rate of graduate retention. This is essential if we are to succeed in transforming the low-skill nature of the sub-regional economy and regenerating the local housing market. It also provides a once-in-a-generation opportunity to create a unique synergy between housing and employment.”

It goes on to say that it is necessary to:

“investigate in more detail the potential of this location to support the development of approximately 2,500 houses, identify specific infrastructure requirements and how this could successfully be integrated with a 12.5 ha expansion of the Science and Innovation park as well as highly sensitive landscapes, such as the Grade II Registered Historic Park and Garden at Keele and ancient woodland.

In addition it considers that it would be possible to:

“create co-located working and living environments to create a unique community of housing, open space, social infrastructure, education and employment as a sustainable form of development. The new community would also have excellent access to high-quality sports and recreation facilities at the University campus thereby promoting healthy lifestyles and would easily be able to access a wide range of services and facilities within Newcastle Town Centre, which is extremely well connected by public transport.

Such a development also presents an opportunity to consider providing high quality employment and high quality housing on ‘garden settlement’ principles where land value capture provides an income stream to meet the costs of the necessary infrastructure investment and for the long-term stewardship of shared assets.”

4.5 Vision

The next section sets out a vision for the subject area taking account of the above context; it identifies the potential to establish a new sustainable urban settlement comprising a mix of land uses including education, business and residential, also making provision for the expansion of the University and its Science and Innovation Park.

A schematic layout showing the broad content of the masterplan is appended to this report. The principal elements of this are:

- An eastern expansion of Keele Science and Innovation Park by a further 17.7 hectares of additional development land for business and science park uses, sufficient to provide space for up a million square feet (90,000 sq. m.) of additional academic and employment space, potentially leading to a further 2600 jobs in high value sectors of employment such as ICT, health and medical technologies, energy technologies and applied research.
- A “densification” of the central core of the University campus. This would entail some selective intensification generally where car parks or ageing buildings already exist rather than designations of new sites at the core of the campus. 8 hectares of land potentially providing space for up to 24,000 sq. m. (260,000 sq. ft.) of additional university academic buildings are proposed. (While additional job numbers are not specified, a 30% expansion of the university could lead to up to 500 additional jobs). This is aimed at creating a denser, more ‘urban’, feel to the campus in which some of the ageing post-war buildings are replaced by modern and better designed buildings for teaching, administrative and research purposes.
- Two areas of land are proposed for renewable energy generation on land to the south of the Science Park and on land to the south-west of cemetery Road. The indicative proposals reflect the University’s stated objectives regarding carbon reduction and to support the implementation of the university’s leading edge SMART Energy programme.
- The provision of about 1,000 houses at low density (in the context of the overall site area) on the site of the former municipal golf course, aimed at attracting more high value housing to the Borough, retaining key landscape features, where possible, such as copses, hedgerows and areas of woodland and taking account of the site’s topography and wider landscape setting. A further 200 houses would also be provided on adjacent land off Park Road, Silverdale.
- Undergrounding of the line of electricity pylons (at least where they pass through the university campus) which would have the effect of both enhancing the landscape and would also provide more unencumbered land for development.
- The provision of a new two-form entry primary school within the site of the former municipal golf course to accommodate the educational requirements of the growing (and almost certainly younger) residential population.
- The provision of 150 postgraduate apartments on land to the south of the Science and Innovation Park.
- The provision of a small convenience store to the north of the A525 (Keele Road) to serve the day to day needs of the new residents.
- An important feature of the masterplan is the provision of a network of ‘green infrastructure’, creating walking routes within both the University campus and the proposed residential parts of the scheme, linking and making use of existing copses, water bodies and other natural features to create an attractive walking environment.

- While the land to the north of Keele Road is unquestionably well located and would be attractive for higher income housing, the intention will be to create a mixed community of high quality housing. It should be borne in mind that 'executive housing' only forms a relatively small portion of the overall North Staffordshire housing market and over 50% of new builds in the area are three bedroom 'mid-market' houses. Furthermore, Borough Council planning policy requires 25% of the overall housing provision to be made in the form of tenure blind 'affordable housing'. Of this 15% is likely to comprise socially rented housing and 10% in the form of shared equity.
- The other key aspect of the vision for this area is to explore the potential for some form of transport hub as part of the transport infrastructure arrangements in order to reduce commuters' dependency on car-borne movement. It should be noted that the overall site's impact on the local transport network will be modelled as part of the Local Plan process in order to determine any specific requirements for junction improvements, etc.).

4.6 Green Belt

Most of the land subject of the masterplan lies within the green belt and in planning for development in the University Growth Corridor it will be necessary to make the case for the removal of this land from the green belt to allow its development. With this in mind, a detailed case will need to be made to justify the inclusion of the University Growth Corridor as a proposal in the emerging Local Plan. This case forms part of the consultant's report and will be an essential part of the presentation to the Planning Inspector when the Joint Local Plan is discussed at the local Plan Examination in Public.

4.7 In summary, the case for removing the land from the green belt is based on:

- The need to respond to forecast requirements for employment and housing in the emerging Local Plan;
- The critical need to raise the performance of the North Staffordshire economy and the role which an expanded Keele University and Science Park can play in achieving this;
- Demonstrating the deliverability of the proposal given the weight the Government places on viability and deliverability when assessing the soundness of local plans;
- Addressing and mitigating concerns about any harm which might result from the development of the Newcastle Western Extension, and;
- Creating a demonstrably sustainable and accessible form of development, such that should the Local Plan Inspector be persuaded that there is a need to look beyond the existing built up area to meet part of the future growth needs of the Stoke / Newcastle area, then this site would form the most sustainable and accessible development option.

4.8 Viability and Deliverability

A key requirement of the masterplan brief was to demonstrate that the development proposed would be both viable and deliverable. This is order to help persuade the two local planning authorities to include the scheme in the Joint Local plan. The point being that it would be in no-one's best interest to include proposals in the local plan which are not going to come forward, for instance, due to abnormally high site preparation costs, lack of market interest or the unwillingness of a landowner to bring land forward for development.

- 4.9** BDP have tackled this by undertaking a high-level viability assessment which has reviewed the additional costs, over and above normal site preparation costs and the cost of internal infrastructure in bringing the land forward for development and assessing the values of the development proposed. Important amongst these costs are the likely off-site drainage and highway improvements which will be necessary, such as road widening, the provision of new pedestrian crossings, remodelling of existing junctions and making financial provision for subsidising bus services, all of which could be required as part of a Section 106 Agreement on which a planning application(s) might depend. As part of the joint Local Plan process all potential development sites will be subjected to transport modelling assessment but as part of the masterplanning process some preliminary assumptions have been made. Another important 'abnormal' development cost particular to this development site is the placing underground of the electricity pylons as they pass through the eastern side of the university campus. As well as removing a blight on the landscape, this would also result in the creation of more viable and attractive development land.
- 4.10** At this stage the consultants concluded that the overall development is both viable and deliverable.

5. Implementation and Timescales

- 5.1** This masterplan is intended to influence the content of the Joint Local Plan, the next stage of which is the preparation of a draft Local Plan. It will probably be 2020/21 before the said plan will be placed before 'Examination in Public' where it may be challenged by both local interests, e.g. neighbouring local authorities, rival developers or concerned local residents and by Government (to consider alignment with Government Planning Policy). The Plan may then be modified by the Government Inspector before it is adopted by the two local planning authorities. Assuming that the adopted Local Plan makes provision for the removal of land from the green belt, planning applications can then be drawn up for both the extension of the Science and Innovation Park and for the development of the proposed new housing. Only then can site preparation work begin. Development itself may therefore be five years away. As the one exception to this, Keele University will be submitting plans for its renewable energy proposals ahead of the local plan and will therefore need to make the case for development within the green belt unaided by an adopted local plan.

6. Consultation on the Masterplan

- 6.1** Substantial public consultation has already been carried out on the broad content and location of the proposals in the masterplan as this comprised a significant feature of the 'Preferred Option' draft of the Joint local Plan. As a result of that consultation the proposals in the masterplan area have been revised and the number of houses proposed for development on the site of the former Keele Municipal Golf Course has been reduced significantly from around 1800 to an estimate of between 1000 and 1200 units. This has been carried out through a reduction in the proposed density of development and also through a more thorough evaluation of the site's landscape and topography. It is in the nature of local plan proposals to apply indicative densities when approximating site capacity, but a more detailed masterplanning process provides the opportunity for a more fine grained assessment of a site. The effect of this is that a substantial part of the former golf course site is proposed to be retained as woodland and other areas of publicly accessible open space. Unavoidably this will also result in a lower financial receipt for the landowner (Newcastle Borough Council) but will unquestionably result in a more appropriate and better quality scheme overall.

6.2 As a supplement to the consultation on the Local Plan Preferred Option, the new administration was keen to engage local members and the Parish Councils in this matter so the portfolio holder for Planning and Growth and officers have held two engagement meetings with representatives of Silverdale and Keele Parish Councils and local ward councillors. The first, in mid-July, was in the form of a briefing and at that it was agreed to then hold a more thorough 'workshop' with the consultants and representatives of the steering group. This took place on 21st August and the issues raised have been taken into account in the masterplan now before you.

7. Scrutiny Review

7.1 The Portfolio Holder and Leader have proposed that the masterplan be reported to Scrutiny Committee in order to enable wider political engagement and input; this will take place on 26th September. A representative of the Planning consultants, BDP, will be in attendance to answer technical questions.

8. Outcomes Linked to Corporate Priorities

8.1 This initiative falls within the Council's priority of Creating a Borough of Opportunity, primarily helping to enable new high quality jobs at the University and at the Science and Innovation Park and by providing new land for high quality housing.

9. Financial and Resource Implications

9.1 The Borough Council's financial contribution toward the cost of preparing this masterplan will be funded from within the budgetary provision previously made.

9.2 The possible sale and development of land in Borough Council ownership, made more likely by the approval of this masterplan, would also have financial implications for the Borough Council, but it is difficult to place a value to this at this stage. For reasons cited earlier the development of the land in the Council's interests is likely to be at least five years away.

9.3 The critical milestone will be the successful removal of the land from the Green Belt designation through the Local Plan process. As the Council moves closer to that time it will be necessary to begin more detailed analysis and negotiations with the University of Keele about delivery timescales along with the apportionment of both contributions to abnormal costs and net capital receipts.

10. Major Risks

10.1 Three major risks could stand in the way of agreeing or delivering this masterplan:

- 1.** In the event that the Borough Council's feels unable to support it, in its role as local planning authority
 - Likelihood – low to medium in the context of the widely recognised need for growth in terms of both employment and housing.
 - Impact – high
 - Mitigation – seek to ensure that a robust set of arguments is put forward to justify the necessary land to be taken out of the Green Belt and by making modifications to the proposals contained in the draft masterplan which might be considered unacceptable.

2. In the event that the Borough Council is unable to convince a Planning Inspector, at the Local Plan Examination in Public, of the need or justification for taking the land out of the green belt to allow its development.
 - Likelihood – medium (see above)
 - Impact – high
 - Mitigation – aside from those above, none within this local plan timeframe. A fresh attempt to take the land out of the green belt would need to be made on the basis of a planning application or in the a future local plan.
3. In the event that there is insufficient market interest in taking forward the development set out.
 - Likelihood – low in the case of the housing element, low to medium in the case of the employment elements (this being more an issue of pace of development than lack of market interest per se)
 - Impact – high
 - Mitigation – an effective marketing strategy; working with appropriate niche development companies; the roll out of the 'Keele Deal', effective collaboration between the University and local partners; successful bids to funding sources such as the Local Growth Fund and the Government's future 'Shared Prosperity Fund'.

11. Key Decision Information

- a. This proposal will impact on two or more wards. The report has been included in the Forward Plan.

12. Appendices

- a. Plan of the study area
- b. Indicative masterplan