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NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

Report to Cabinet

13th January 2021

Report Title: Local Plan – Options

Submitted by: Chief Executive

Portfolios: Planning & Development

Ward(s) affected: All

Purpose of the Report

The report seeks to provide Cabinet with an update following consultation in December and January on options for staying with, or separating from Stoke on Trent on the Joint Local Plan

Recommendation

That Cabinet consider the information provided in this report and determine whether to commence work on a Borough Local Plan for Newcastle under Lyme. If minded to commence work on a Borough Local Plan, then Cabinet is recommended:

- i. To withdraw from the preparation of a Joint Local Plan with Stoke on Trent City Council;
- ii. To commence work on the development of a Borough Local Plan, under the stewardship of a member Steering Group chaired by the Leader of the Council or the relevant Portfolio Holder;
- iii. To make provision in the Medium Term Financial Plan for the costs associated with delivering a Borough local Plan, amounting to £550,000 over the period 2021-23.

Reasons

To ensure that the Council has in place the most suitable Local Plan to guide the development of the borough.

1. **Background**

- 1.1 On 9th December, Cabinet considered a paper on the option of continuing to work with Stoke on Trent on the Joint Local Plan or departing from Stoke and commencing work on a Borough Local Plan.
- 1.2 The resolution of that meeting was that Cabinet supports the option of commencing work on a Borough Local Plan, and it agreed to:
 - Commission further advice on the impact of COVID and BREXIT on the local economy, and the local planning process; and
 - Engage with the stakeholders identified in this report to better understand their position regarding a Borough Local Plan
- 1.3 That work was undertaken following the meeting and findings can now be presented to Cabinet for consideration.
- 1.4 Consultation was undertaken through four channels:

- Direct approaches were made to a number of key stake holders including Parish Councils, developers and external bodies engaged in the Plan making process;
- Notice was provided on the Council's website informing people of the review and providing opportunity for comments to be submitted to the Council;
- An on-line survey was offered to allow people to express an opinion on the options;
- An external consultancy was commissioned to provide advice on issues relating to commencing a Borough Local Plan.

1.5 Each of these routes of communication provided information to guide this report.

Lichfields Planning Consultancy Advice

2.1 Following the December Cabinet meeting, officers commissioned Lichfields, a planning and development consultancy, to assist the Council in determining its approach to the local plan by reviewing the options available and the issues associated with the preparation of a Borough Local Plan. The company is a leading consultancy practice in the country and has been engaged in advising councils and developers on the planning system for over 50 years.

2.2 Their report looked at three key areas.

- The current plan position
- Emerging issues including Brexit and Covid 19
- Options for a Borough Plan

Current Plan Position

2.3 With regard to the current plan position, it was noted that the current Local Plan was adopted in 2003 and covered the period 2001 to 2011. The Joint Core Strategy was adopted in 2009 and covered the period 2006 to 2026. Both of these documents preceded the National Planning Policy Framework (NPPF) first published in 2012.

2.4 Together with the 2017 Staffordshire Minerals Plan, the joint 2013 Staffordshire and Stoke Waste Local Plan and the adopted Neighbourhood Plans, these documents make up the development plan for Newcastle Under Lyme.

2.5 The background to the JLP was reviewed including the Issues and Options consultation in 2016, the Strategic Options consultation in 2017 and the Preferred Options review in 2018. A summary was also provided of the current evidence base citing all the reports and studies that underpinned the work in the three earlier rounds of consultation and the next steps in making the emerging plan.

Emerging Issues

- **Planning White Paper**

2.6 On the emerging plan, Lichfields considered the effects of Brexit, Covid 19 and the government's Planning White Paper from October, Planning for the Future. The key expectation from the White Paper is that all local planning authorities (LPA's) will have an adopted Local Plan in place by the end of 2023. If they do not then there is the risk of intervention. These plans should themselves be no more than five years old.

2.7 The process proposed in the white paper involves the use of less reliance on repeating policies already set out in national guidance, the use of identified zones for growth, renewal or protection and other policy initiatives like First Homes and changes to permitted development rights. In addition, the importance of adhering to the Standard Methodology for defining the base line for housing delivery in

Published 11th January 2021

the plan area is highlighted and the December adjustments to the formulas to steer the level of housing to be provided across the country.

2.8 In the case of Stoke, the 35% proposed increase over their base line 500 dwellings per annum is noted as leading to a requirements for 675 houses per annum. Whilst notable, Lichfields recognise this is still below their past average of 810 dwellings per annum the city has delivered over the past three years.

2.9 For the Borough, they have confirmed that the annual delivery target will remain at 355 dwellings per annum, with an average delivery of 303 dwellings per annum over the last three years.

- **Covid19**

2.10 Lichfields note that the major changes experienced during the pandemic are likely to have long term impacts on where and how people work. Regarding Covid 19, changes in demand notably for leisure, recreation, retail and hospitality sectors are expected along with shifts in travel patterns and increases in home working. As these changes may result in significant excess stock of properties in one or more sectors, new plan policies will need to be sufficiently flexible to allow reuse or redevelopment of these premises.

2.11 One key shift anticipated is the move to more home working and a reduction in demand for high density office space. Not only would this affect town centres and office parks but also housing development as people seek home office space in their new properties. As the effects of Covid 19 remain unclear on the property sector, it will be ever more important for plans to be flexible in their nature to accommodate changing circumstances.

- **Brexit**

2.12 With regard to Brexit, this too is anticipated to have a significant impact on the country the effects of which are not fully known at the moment. Again, flexibility will be a key requirements going forward with any plan.

- **Progressing a Borough Plan**

2.13 Lichfields recognise that working jointly with another authority adds complexity into the process which inevitably causes delay and after seven years the JLP still has not progressed to consultation. Whilst not revisiting the reasons behind the delays with the plan to date, Lichfields state that it can be assumed that a single Local Plan, with the Borough in control of the process and programme, should create an environment where more rapid progress can be made.

2.14 The Lichfields report underlines the importance of reviewing the evidence base which underpins the plan, to enable elements to be re-used for a Borough specific plan. They note that progressing a Borough Local Plan will allow for the policies to be better adapted to the needs of the Council, and observe that there will probably be a need for additional land to be identified unless it can be demonstrated those needs will be met in Stoke on Trent.

2.15 They regard the Duty to Co-operate as an important issue to maintain focus on in the separation of the two plans as this is likely to give rise to complications going forward is not properly addressed. In addition, they observe that a Borough Local Plan will need to address the historic borough experience regarding affordability of housing affecting younger people, and under provision of housing against delivery target. An overly optimistic approach to delivery not previously experienced risks derailing any future examination process.

- **Delivery Programme**

Published 11th January 2021

2.16 Regarding delivery of a Borough Plan, Lichfields envisage that the following timescales could be achievable:

- Revision to the Core Evidence Base Early 2021
- Publish Evidence Based Docs (inc. Green Belt, IDP etc.) along with updated suite of Technical Notes Summer 2021
- Publication Draft (Regulation 18) Consultation Summer 2021
- Submission Draft (Regulation 19) Consultation Spring 2022
- Submission to SoS Summer 2022
- Examination in Public Late 2022
- Main modifications / Adoption Early 2023

2.17 This allows for a six to nine-month buffer period to allow for further modifications to be made to any draft Borough local Plan. However, it is critical that the timetable is maintained for the Regulation 18 and 19 consultations to avoid any significant delays. On balance, Lichfields are of the view that delivery by 2023 is probably more likely by a single comprehensive Local Plan for Newcastle under Lyme than the current two part approach to the JLP.

2.18 Their review did not find any significant hurdles to the Borough in achieving that goal. The programme is tight, but achievable. Resource implications will need to be considered internally. However, the evidence of other Local Plan processes shows that a robust/flexible plan produced on a short timescale is more likely to get through the process, than a long drawn out one.

3 **Responses to Consultation**

3.1 In addition to commissioning expert advice, the Council invited comment from interested stakeholders, including an online survey for residents of the borough. This feedback is summarised below, with a focus on the key issue of whether the Council should progress with a Borough Local Plan or continue with the Joint Local Plan. Whilst some contributors have made comments regarding issues which would need to be addressed in any Borough Local Plan, these are not repeated here, but will be reflected on when progressing a plan of whichever form.

- **Residents**

3.2 The on line survey elicited 265 responses with including responses from every ward in the Borough (only two responses were from outside the borough). In addition to background questions asking respondents for their background and importantly, postcode, three questions were asked:

- Do you think Covid 19 and the departure from the European Union (Brexit) will result in a different outlook for 2021 than expected a year ago?
- Do you think Stoke on Trent and the Borough of Newcastle-under-Lyme should operate as a single economic and housing area or as two distinctly different parts of North Staffordshire?
and
- Do you think Newcastle-under-Lyme Borough Council should stay with Stoke-on-Trent City Council working on a Joint Local Plan or commence work in 2021 on its own Borough Local Plan?

3.3 On the first question, 79% of people thought Brexit and Covid 19 would have an impact on the outlook for 2021 with only 15% not believing this to be the case and 6% unsure.

3.4 On the question as to whether people felt the Borough and the City should work as one area, only 14% agreed and 2% were undecided. A significant 84% of people though felt the two Councils act as two distinctly different parts of North Staffordshire.

3.5 For the final question, again there was a marked level of support for the Council to proceed with its own plan. 85% supported the idea of the Council stepping away from Stoke and commencing work on a Borough Plan with only 13% of people not supporting the idea and 2% undecided.

- **Comments from local Councils**

3.6 Staffordshire County Council and Cheshire East Council have both commented that the decision on whether to progress with a joint plan with Stoke on Trent, or commence the development of a Borough Local Plan is a matter solely for the borough council to determine, and that they would support and work with the Council regardless of its choice.

3.7 Of the three Parish Councils which responded, two (Loggerheads and Keele) favoured the development of a Borough Local Plan, whilst Silverdale favoured completion of the Joint Local Plan.

Industry Stakeholders

3.8 Industry stakeholders commented on issues such as the Duty to Cooperate, and the need to step up delivery of housing to meet government targets, and making best use of sites which are easier to develop without significant upfront costs. On the specific issue of Borough Local Plan or Joint Local Plan, those members of the business community who responded to the consultation favoured the continuation of the Joint Local Plan process. The key representations received were as follows:

- The Chamber of Commerce strongly support the completion of a joint local plan with Stoke on Trent, as they see as a mechanism to draw in investment into the area which may otherwise be lost to Cheshire East, Staffordshire Moorlands and Stafford.
- Wardell Armstrong did not offer a definitive opinion, but reiterate issues to be alert to, in particular around the Duty to Co-operate;
- Hollings Strategic Land support the continuation of the Joint Local Plan and then head to review within five years, noting the risk of delay in housing delivery, and the issues around Duty to Co-operate;
- URBME support the continuation of the Joint Local Plan process;

Interest Groups

3.9 Two interest groups responded to the consultation:

- Campaign for the Protection of Rural England support the continuation of the Joint Local Plan, and then preparing a new Local Plan under the new legislation which emerges from the White Paper.
- Save Our Green Space, an interest group which has grown up around the proposals to develop the former Keele Golf Course, advocated delaying a decision on the approach to the local plan until the national and local economic picture is clearer following Brexit and the pandemic. Underlying this, the group was keen to advocate a brownfield first strategy to development to assist in the preservation of the Green Belt.

Summary of Issues

3.10 From the evaluation prepared by Lichfields, and from the response received from the wider consultation, there are a number of themes which emerge:

- Residents strongly favour the development of a Borough Local Plan focussed on the emerging needs of Newcastle under Lyme as opposed to a Joint Local Plan with Stoke on Trent;
- Businesses voices who responded largely support the continuation of the Joint Local Plan, because of concerns about potential delay generated by a change in approach at this stage; his position is not supported by the Lichfields advice which points to a Borough Local Plan being able to be delivered in the required timeframe.

- Duty to co-operate – industry representatives highlighted the need for sustained engagement between the two councils, and indeed with other neighbouring councils, regardless of the approach taken to ensure that housing and infrastructure needs are met and that any plan is sound;
- Housing Delivery – whatever approach is taken, the consultation points to a need to facilitate housing delivery in line with the government’s standard methodology for calculating housing numbers. This sets a baseline for annual housing delivery, which is currently 355 dwellings per annum.
- Greenbelt – While featuring in a number of responses, there is no consensus on this, with interest groups and industry each having different perspectives. Nonetheless, it is clear that this will be an issue which needs to be the subject of careful reflection in any Local Plan, regardless of whether Borough or Joint.

4 Proposal

- 3.1 Cabinet is invited to consider the issues raised in this report, taking account also of the issues raised in the initial report on this matter to Cabinet in December, and determine how to progress with the development of a Local Plan which addresses the needs and aspirations of the Borough. In its December meeting Cabinet was advised that, if minded to progress with a Borough Local Plan, and deliver at pace on that plan, it would require additional resourcing amounting to an additional £550,000 over the period 2021-2023, and these costs will need to be reflected in the Medium Term Financial Plan, as well as an allowance for any residual risks associated with this decision. It is clear from comments received that the pace of delivery is a critical issue, and any decision now to commence work on a Borough Local Plan would need to be matched by the resourcing necessary to progress without delay. Lichfields have confirmed that delivery at pace should allow the 2023 deadline to be met.
- 3.2 With the Brexit deal now completed, and the national vaccination programme generating an anticipation of being able to regrow the economy following the pandemic, there is a real need for the Borough to have a local plan through which that growth can be shaped. Additionally, investment in HS2 will both impact the borough during construction, and potentially influence demand for both employment and housing land as the opportunities associated with the development of Crewe station materialise. These issues combine to make this a key time to ensure the Council has an up to date local plan which directly addresses the needs of the borough.
- 3.3 If minded to support the development of a Borough Local Plan, Cabinet may wish to adopt the following resolution:
- To withdraw from the preparation of a Joint Local Plan with Stoke on Trent City Council;
 - To commence work on the development of a Borough Local Plan, under the stewardship of a member Steering Group chaired by the Leader of the Council or the relevant Portfolio Holder;
 - To make provision in the Medium Term Financial Plan for the costs associated with delivering a Borough local Plan, amounting to £550,000 over the period 2021-23.

4 Reasons for Proposed Solution

- 4.1 To ensure the most appropriate local plan is delivered for the Council, with resourcing to enable the plan to be delivered at pace.

5 Legal and Statutory Implications

- 5.1 In reaching a decision in this matter, it is important that Cabinet are content that they have identified and evaluated the full range of likely impacts of each available course of action, associated cost implications and identified and carefully considered all of the relevant factors, and has taken into

Published 11th January 2021

account representations from those who may be affected by each available option. Cabinet must then balance these issues in arriving at a decision that it believes is in the best interests of the proper planning of the area.

- 5.2 A main consideration will be the potential impact on the outcome of planning applications during any period that the council's development plan is considered to be out of date, and the extent to which the National Planning Policy Framework and/or Neighbourhood Plans will be sufficient to ensure plan-led development. That will need to be balanced against the longer-term advantages Cabinet feels can be achieved by taking one approach over any other.

6 Equality Impact Assessment

- 6.1 Both maintaining progress with the JLP and commencing work on a new Borough plan allow equal consideration to be given to equality matters. It is considered that the impact of each decision is comparable in this respect.

7 Financial and Resource Implications

- 7.1 If a move is made now to commencing work on a Borough plan, officers will need to revisit the Local Development Scheme and the issues and options papers before commencing work in the draft plan. Delivery at pace will require additional resourcing as set out in this report, amounting to an additional £550,000 over the period 2021-2023, and these costs will need to be reflected in the Medium Term Financial Plan, as well as an allowance for any residual risks associated with this decision.

8 Major Risks

- 8.1 Failure to have an adopted plan in place may expose the Council to the risk of negative appeal decisions on planning applications which result in harm to the borough.
- 8.2 To put this in context, such decisions may include small sites of under ten houses to very large schemes in excess of 200 properties. Permissions by appeal also have the potential to deliver obligations in a less than desirable form taking little account of local needs or being removed all together. It also leaves the Council of being seen by the community as unable to determine its own future regarding the shape that development takes in the Borough.

9 Sustainability and Climate Change Implications

- 9.1 Climate change and sustainability is a core element of any development plan. By establishing a Borough Local Plan the Council will be able to address the matter of the Climate Emergency target.

10 Key Decision Information

- 10.1 This is a key decision

11 Earlier Cabinet/Committee Resolutions

- 11.1 Agenda item 7: Local Plan Update to Cabinet meeting of 9th December 2020

12 List of Appendices

Published 11th January 2021

12.1 None

13 Background Papers

13.1 None