NEWCASTLE-UNDER-LYME BOROUGH COUNCIL



CORPORATE LEADERSHIP TEAM'S REPORT TO ECONOMY & PLACE SCRUTINY COMMITTEE

DATE: 11 July 2024

Report Title: Newcastle-under-Lyme Borough Local Plan 2040.

Submitted by: Deputy Chief Executive.

Portfolios: Strategic Planning.

Ward(s) affected: All

Purpose of the Report

Key Decision Yes ⊠ No □

For the Economy and Place Scrutiny Committee to consider the Final Draft Newcastleunder-Lyme Borough Local Plan 2040 (Regulation 19) and provide feedback on the Plan to be reported to Full Council at its meeting on the 24 July 2024.

Recommendation

That Committee:

- 1. Notes the updated position regarding the Local Plan.
- 2. Considers the Final Draft Newcastle-under-Lyme Borough Local Plan 2040 (Regulation 19) and provides feedback on the Plan to be reported to Council at its meeting of the 24 July 2024.

Reasons

A report to Cabinet on the 16 January 2024 noted that the Final Draft Local Plan would be considered at an Economy and Place Scrutiny Committee in July and comments reported back to Council at its meeting of the 24th July 2024.

1. Background

- 1.1 The Local Plan sets the vision and framework for how the borough will grow up to 2040. It sets out targets for the number of jobs and homes to be delivered in the Borough and provides a spatial strategy to guide development to the most sustainable locations. At its adoption, the Plan will form part of the statutory Development Plan for the Borough.
- 1.2 The Economy and Place Scrutiny Committee, at its meeting on the 12 December 2022, requested that a standing item be added to future meeting agendas to provide an update on the current position with regards to the preparation of the emerging Borough Local Plan.

- 1.3 A report to Cabinet on the 16 January 2024, noted that the Final Draft Local Plan would be considered at an Economy and Place Scrutiny Committee July and comments reported back to Council on the 24th July 2024.
- **1.4** At the Full Council meeting on the 24th July 2024, Members will be asked to approve the Final Draft Local Plan (at Regulation 19 stage) and associated documentation for eight weeks consultation (this is above the minimum statutory six weeks consultation).
- 1.5 The Borough Council has carried out a number of consultation stages in developing the Local Plan. This includes an Issues and Strategic Options consultation which took place between the 1 November 2021 and 24 January 2022. The Issues and Strategic Options consultation considered the broad scope of the Plan and presented spatial options. This was followed by consultation on a First Draft Local Plan which included draft policies and draft allocations. The consultation on the First Draft Local Plan took place between the 19 June 2023 and the 14 August 2023. A consultation report on the First Draft Local Plan was considered by the Council's Cabinet on the 16th January 2024 and the Economy and Place Scrutiny Committee on the 18th March 2024.
- A report on the Local Plan is intended to be considered at Council on the 24th July 2024. The report to Council will seek approval to consult on the Final Draft Borough Local Plan 2040. Subject to Member approval, the Final Draft Borough Local Plan 2040 will duly be consulted upon from the 12th August 2024 until the 7th October 2024. Following consultation, the Council would then submit the Final Draft Borough Local Plan, comments received (at Regulation 19 Stage) and the related evidence base to the Secretary of State by the end of the calendar year for public examination. The examination of the Final Draft Borough Local Plan would be anticipated to take place sometime in early 2025.
- 1.7 If representations are received during the Regulation 19 consultation stage that would materially impact on the overall Plan strategy or have a significant implication for the examination of the Plan, then a further report would be brought back to Full Council to allow Members to consider those representations and any impacts upon the Plan.
- 1.8 Consultation on a Final Draft Borough Local Plan, at the Regulation 19 stage, is a more formal stage than that at Regulation 18 stage. The aim of the consultation stage is to seek views on whether the Plan is legally compliant and meets the 'test of soundness' set out in paragraph 35 of the National Planning Policy Framework (NPPF). The tests of soundness are: -
 - Is the plan positively prepared providing a strategy which, as a minimum, seeks to meet the area's objectively assessed needs; and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development;
 - Is the plan justified does it reflect an appropriate spatial strategy, taking into account the reasonable alternatives, and based on proportionate evidence;
 - Is the plan effective are the proposed plans and policies deliverable over the plan period. Is the plan based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and

- Is the plan consistent with national policy does it enable the delivery of sustainable development in accordance with the policies in the Framework and other statements of national planning policy, where relevant
- 1.9 Comments submitted at the Regulation 19 stage are sent to the Secretary of State on the submission of the Plan for consideration by the Inspector as part of the plan examination. The Inspector(s) appointed to hold the examination will consider the evidence provided by the Council to support the Plan and any representations which have been put forward by local people and other interested parties. It is expected that the examination will include hearing sessions which are held in public.
- **1.10** There are three potential outcomes to the examination process:
 - a) The Plan is found to be sound and legally compliant;
 - b) Changes (known as 'main modifications') to the Plan are considered necessary to make it legally compliant and sound; or
 - c) The Plan is deemed unsound and/or not legally compliant with any deficiency (ies) unable to be remedied through main modifications.
- 1.11 The outcome for almost all plan examinations is (b), involving 'main modifications. Proposed main modifications that the Inspector considers necessary are subject to public consultation for a period of six weeks during the examination. At the end of the examination the Inspector will send a report to the Council with their findings including final, recommended main modifications. After that, the Plan, incorporating the main modifications, can be adopted by the Council. Upon adoption the Plan would become part of the statutory development plan for the Borough and would replace the majority of policies in the Joint Core Strategy 2009 and legacy Newcastle-under-Lyme Local Plan 2003.

2. <u>Issues</u>

- 2.1 The Final Draft Borough Local Plan includes a range of policies with supporting text ranging from strategic policies which set out the overall level of growth for the Borough, and where that growth should be directed in the form of site-specific allocations, to more detailed policies based on development types used in making decisions on individual planning applications.
- 2.2 During the preparation of the Final Draft Borough Local Plan there have been some significant changes to national and local policy that have influenced the approach to drafting Local Plan policies. Not least the publication of revisions to the National Planning Policy Framework (NPPF) in December 2023 which have been taken account in the Final Draft Borough Local Plan.
- **2.3** The sections below briefly summarise the key policies / proposals from each chapter of the Plan.

Introduction, context, vision and strategic objectives

2.4 A range of sources have informed the data and background information that has been used to describe the context of the Borough, which has fed into the

vision and informed the overall strategy for the Plan. The suggested Vision for Newcastle-under-Lyme Borough is:-

"By 2040, the Borough will have delivered sustainable new homes and jobs meeting local needs and providing more opportunities for people to enjoy quality of life. We will have delivered or on the journey to delivering a sub-regional exemplar business park at Junction 16 of the M6 Motorway to support sustainable economic growth and take advantage of the accessibility of the Borough to the wider strategic transport network. High quality and well-designed places and spaces will support healthy, safe and connected lifestyles.

We will have supported the growth of businesses, town centres and our University, whilst preserving and enhancing our natural and historic environment and reducing our carbon footprint. Residents will have access to training, education and a wide range of work opportunities.

We will have respected and improved the character and distinctiveness of our market towns, villages and other rural areas with a particular focus on broadening our network of Neighbourhood Plans".

2.5 The Plan includes 13 strategic objectives to help deliver the vision and includes objectives in relation to design, climate, character and the types of development required to be delivered through the Plan. The Objectives also support development and economic growth, focused around the Keele Science corridor.

Planning for Sustainable Development

- Plan setting out the overall levels of residential and employment development over the Plan period (PSD1: Overall Development Strategy), how that development is distributed (PSD3: Distribution of Development) and then policies on development in the Open Countryside including settlement boundaries (PSD4), Green Belt (PSD5) and policies on Health and Wellbeing (PSD6) alongside the importance of Design in the Borough (PSD7).
- 2.7 Policy PSD1 (Overall Development Strategy) establishes the overall levels of housing and employment development over the Plan period. This has been informed by a Housing and Economic Needs Assessment ("HENA") (2024) prepared by consultants Turleys on behalf of the Council.
- 2.8 The NPPF sets out that the Government's Standard Method approach and is the starting point in calculating the need for housing in the Borough. The HENA in accordance with national policy, identifies a starting point figure of 347 dwellings per annum. However, the HENA provides compelling evidence that the standard method figure does not align with the economic and employment growth forecasts for the Borough. This approach is also supported by the Local Plan strategy for employment land provision including strategic sites. The HENA establishes a Local Plan housing requirement in accordance with the preferred economic growth scenario.

- 2.9 Utilising recent economic models and projections, the consultants advice that around 400 dwellings per annum would be required in the Plan to support a level of jobs growth of 237 per annum. This would provide for growth in the working age population of the Borough and also take account of the proposed impacts of strategic employment allocations in the Plan. This housing requirement would also contribute towards the delivery of affordable housing in the Borough.
- 2.10 At the First Draft Local Plan stage, the Council consulted on three strategic employment sites, one at Junction 16 of the M6 (AB2), another at Talke (TK30) and a final proposal at Keele University. At the First Draft Local Plan stage, we were seeking views on those sites and they were not proposed as allocations. Following detailed feedback on the sites, the Final Draft Borough Local Plan includes proposed allocations at Keele (KL15) to support the Keele Science corridor and at Junction 16 of the M6 (AB2) to provide for a sub-regional employment park. The latter would be focused on logistics uses and reflect the locational advantages of the site situated by Junction 16 and the surrounding strategic road network.
- 2.11 Overall, the HENA also identifies a projected employment land requirement of a minimum of 63 hectares over the plan period 2020 2040. This is set against an existing employment land supply of approximately 48.9 hectares as at the 31 March 2023. However, this supply is expected to reduce, such that 18.1 hectares could be available in the upcoming years. The strategic sites at Junction 16 (AB2) and at Keele University (KL15) would contribute toward the projected employment land requirement, alongside meeting wider subregional requirements.
- 2.12 In respect of housing land allocations, the Plan anticipates meeting the housing requirement expressed in the Plan (400 dwellings per annum / 8,000 over the Plan period) and providing for a buffer over the 8,000 figure to ensure resilience in the overall housing land supply taking into account factors that may affect delivery and to ensure that the overall housing requirement is delivered over the Plan period.

Climate and Renewable Energy

2.13 Chapter 7 of the Plan considers policies on Climate Change (CRE1) and Renewable Energy (CRE2). The policies propose additional standards on energy and water efficiency in new developments and support initiatives including to reduce the release of embodied carbon and minimise energy use and recycling. Policy CRE1 also supports tree planting measures, including the Council's Urban Tree Planting Strategy to facilitate carbon capture. Policy CRE 2 seeks to introduce standards on renewable energy generation on new developments and provides a policy context for the consideration of renewable or sustainable energy technologies in the Borough.

Housing

2.14 The chapter on housing covers several important topics. It starts by setting out the Council's approach to affordable housing (HOU1), identifying a threshold and criteria for housing schemes where affordable housing will be required and the proportion of affordable homes to be provided. The chapter also

considers housing mix and density (HOU2) across the Borough and also establishes housing standards (HOU3) including introducing Nationally Described Space Standards and Accessibility standards for homes. The housing chapter presents a policy approach to varying types of housing to serve Gypsy, Travellers and Travelling Showpeople (HOU4), specialist needs housing, including for older people (HOU5), self-build and custom dwellings (HOU6) and homes in multiple occupation (HOU7). The chapter also provides additional guidance on rural and community-led exception sites for housing. Finally, the housing chapter considers extensions, alterations and the relationship between dwellings (HOU10) and tandem or backland development (HOU11).

Employment

2.15 Policies in the employment chapter cover existing employment uses in the Plan (EMP1) including introducing a requirement for employment and skills plans for major schemes in the Borough. The chapter also includes policies on protecting existing employment uses in the Borough (EMP2) and also a policy approach to tourism development (EMP3) as a source of economic growth in the Borough.

Retail

- 2.16 The approach of the retail chapter in the Borough is to establish a list of designated centres in the Borough for retail / leisure uses, through the retail hierarchy (RET1), the policy also provides guidance on important retail tests, including the sequential test for edge and out of centre proposals and an impact test threshold for when applications may have to provide additional justification when located outside of town centre boundaries. The policy defines town centre boundaries and primary shopping area boundaries for our larger retail centres. This policy is supported by a Retail and Leisure study update which identifies no need for additional retail floorspace to be provided in the Borough through the Local Plan.
- 2.17 The chapter also provides further guidance on schemes involving shop fronts, advertisements and signage (RET2) and also restaurants, cafes, pubs and hot food takeaways (RET3). In respect of RET 3, this includes a requirement for a health impact assessment, and conditions restricting the use of hot food takeaways in close proximity to schools during working hours. The Plan also includes policies to support the vitality and viability of Newcastle-under-Lyme (RET4) and Kidsgrove (RET5) town centres.

Infrastructure and Transport

- 2.18 The chapter sets out the Plan's approach to infrastructure provision in the Borough. This was identified as an important issue in the First Draft Local Plan and the policy approach in IN1 (Infrastructure) is that development should have regard to the latest infrastructure delivery plan or schedule which sets out the infrastructure requirements for the Plan. The Plan also includes a supportive policy for the retention of community facilities (IN5). The Plan is supported by an Infrastructure Delivery Plan which sets out the infrastructure requirements needed to support the proposals set out in the Local Plan.
- **2.19** Policy IN2 (Transport and Accessibility) seeks to support sustainable modes of transport and requires relevant developments to provide for transport plans

and appropriate parking provision (alongside policy IN3 Access and Parking) The Plan also includes policies on supporting the provision for walking, cycling and riding in the Borough and create multi-user routes (IN4). Policy IN6 on telecommunications development seeks to put policies in place for the appropriate siting of electronic communications networks. Policy IN7 (Utilities) supports the appropriate connections to utilities on the site.

Sustainable Environment

- 2.20 This is a detailed chapter covering a number of different topics. The Plan includes policies on pollution and air quality (SE1) covering a number of different aspects of pollution including air, noise etc. The Plan also includes detailed policies on land contamination (SE2) and a number of policies on flooding and water quality including flood risk management (SE3), sustainable drainage systems (SE4) and water resources / quality (SE5). The Plan also recognises the importance of open space, sports and leisure provision (in policy SE6).
- 2.21 The Plan includes policies on Biodiversity Net Gain (SE7) in line with national requirements of 10% in accordance with the Environment Act 2021 alongside a policy on Biodiversity and Geodiversity (SE8) including the mitigation hierarchy of avoidance, mitigation and compensation measures. Trees, hedgerows and woodland are covered in policy SE11. Heritage and landscape matters are covered in policies SE9 and SE10 respectively. Policy SE12 on amenity covers matters, including the agent of change principle on development being aware of its impact on existing uses in the area. The remaining policies in this chapter cover soils and agricultural land (SE13) and Green and Blue Infrastructure (SE14).

Rural Matters

2.22 The chapter considers the approach to rural development and land use in the Borough. This includes the rural economy (RUR1), rural workers dwellings (RUR2), extensions / alterations and replacement buildings outside settlement boundaries (RET3 & RET4) alongside policy guidance on the re-use of rural buildings for residential use (RUR5).

Site Allocations

- 2.23 The Plan includes several strategic sites to help meet the development requirements of the Borough. Policy SA1 (General Requirements) sets out a number of general principles for all potential development sites to consider including information requirements for planning applications and other important matters.
- 2.24 Development site allocation policies provide advice on what type of land use or mix of uses is acceptable on a specific site. Since the consultation on the First Draft Plan, there have been changes to the suite of sites proposed including the removal of sites including sites at Newchapel (NC77) and Audley (AB32) and others in response to consultation comments. Also, further information has been prepared on sites including land at Lyme Park (SP11) on the layout of development into individual parcels. The capacities of development proposals have also been reassessed reflecting consultation



responses and new evidence, including in respect of sites at Clough Hal (BL18) and at Red Street (CT1).

- **2.25** Following a review of the evidence base and of National Planning Policy, it is considered that exceptional circumstances exist to change Green Belt boundaries and evidence will be published to this effect for consideration during consultation on the Final Draft Local Plan.
- 2.26 As noted earlier in the report, following the consultation on the regulation 18 First Draft Local Plan, it has been considered appropriate to allocate two large scale strategic employment sites. One at Junction 16 (AB2) and the other at Keele University (KL15). These allocations are made to ensure an ongoing supply of quality employment sites and support for in the KL15 case, the Keele Science Growth corridor. The sites ensure a resilience in employment land supply over the Plan period while also contributing to growth aspirations for the Borough and wider sub-region.

Policies Map, Plans, Glossary and Appendices

2.27 The Plan will be supported by a Policies Map and individual plans showing site allocations and settlement boundaries, a glossary of terms is used in the document and in the appendices, a monitoring framework to review the implementation of new policies and inform future reviews of the Local Plan.

Sustainability Appraisal / Habitats Regulations Assessment

2.28 A Sustainability Appraisal ("SA") has been carried out on the Local Plan to assess the policies, sites and spatial options against the sustainability appraisal framework. This work has informed the selection of preferred options and the drafting of policies. A Habitat Regulations Assessment (HRA) has also been carried out to assess any potential negative impacts of development on relevant environmental designations. The SA and HRA will be published alongside the Final Draft Borough Local Plan and will also be available to view and comment on as part of the planned consultation.

Duty to Co-operate

2.29 Local planning authorities are under a legal duty to cooperate with each other, and with other prescribed bodies, when preparing policies which deal with strategic planning matters that cross administrative boundaries. The National Planning Policy Framework sets out that authorities should produce, maintain, and update one or more statement(s) of common ground addressing such matters. The Council will publish a statement of compliance on how it has met the Duty-to-Co-operate with relevant prescribed bodies. Where possible, draft Statement of Common Grounds have been prepared with neighbouring authorities. These are expected to be finalised following the consultation on the Local Plan, at Regulation 19 stage.

Evidence Base

2.30 The Council has produced a significant amount of evidence to support the Plan and its policy proposals. The evidence base will be published alongside the consultation documents on the evidence pages of the Council's website. This can be accessed here:- Local plan evidence base — Newcastle-under-Lyme





- Duty-to-Co-operate Compliance Statement
- Housing and Economic Needs Assessment
- Strategic Employment Sites Assessment
- Infrastructure Delivery Plan
- Viability Assessment
- Rural Topic Paper
- Strategic Housing and Employment Land Availability Assessment
- Settlement Boundary Assessment Report
- Green Belt Assessment
- Retail and Leisure Study
- Strategic Transport Study
- Playing Pitch Strategy and Monitoring Update
- Strategic Flood Risk Assessment
- Water Cycle Study
- Landscape Character Study
- Gypsy and Traveller Accommodation Assessment
- Gypsy and Traveller and Travelling Showpeople Site Selection Report
- Nature Recovery Network Mapping Report
- Newcastle-under-Lyme and Kidsgrove Urban Capacity and Town Regeneration Study
- Open Space and Green Infrastructure Strategy
- Landscape and Settlement Character Assessment Study
- Climate Change Adaptation and Mitigation Report
- Nationally Described Space Standards Topic Paper
- Site Selection Report and Assessments

Consultation Arrangements

- 2.31 Subject to approval at Full Council, the Local Plan and associated documentation is proposed to be published on the 12th of August 2024 for an 8-week consultation period ending on the 7th of October 2024. The engagement and consultation will be consistent with the Council's approved Statement of Community Involvement (SCI) which sets out how the Plan will be consulted upon. As stated earlier in the report, consultation at the Regulation 19 stage is more formal and prescribed. The aim of the consultation stage is to seek views on whether the Plan meets the tests of soundness set out in paragraph 35 of the NPPF. Comments received at this stage of consultation are sent to the Secretary of State on submission of the Plan for consideration by the appointed Inspector as part of the examination. There is limited scope to make changes to the Plan based on comments received, prior to submission.
- 2.32 It is expected that the method of consultation will be similar to that undertaken for the First Draft Plan and include in person consultation 'drop in' sessions for members of the public to ask questions of officers about the Local Plan and understand how to submit their representations to the Plan.

3. Recommendation

3.1 That Committee:



- Notes the updated position regarding the Local Plan
- Considers the Final Draft Newcastle-under-Lyme Local Plan 2040 (Regulation 19) and provides feedback on the Plan to be reported to Council at its meeting on the 24 July 2024.

4. Reasons

4.1 A report to Cabinet on the 16 January 2024 noted that the Final Draft Local Plan would be considered at an Economy and Place Scrutiny Committee in July and comments reported back to Council at its meeting of the 24th July 2024.

5. Options Considered

5.1 The Council has previously expressed its clear intention through the approval of a Local Development Scheme (Local Plan Timetable) to adopt a new Local Plan providing a comprehensive set of up-to date planning policies for the Borough.

6. <u>Legal and Statutory Implications</u>

- 6.1 In accordance with Section 20 of the Planning and Compulsory Purchase Act 2004 (as amended) ('the 2004 Act'), the Council has a statutory duty to prepare planning policies and maintain an up-to-date development plan.
- 6.2 Secondary legislation relating to the preparation of development plan documents is set out in the Town and Country Planning (Local Planning) (England) Regulations 2012.

7. Equality Impact Assessment

7.1 The Local Plan is supported by an Equality Impact Assessment as part of its Sustainability Appraisal. This will consider how development proposed and planning policies impact on different groups in the community.

8. <u>Financial and Resource Implications</u>

8.1 The preparation of the Local Plan is resourced through the Planning Policy budget and full use of the Local Plan reserve. The examination of the Local Plan will incur additional costs which are not currently budgeted for, and a separate report will be prepared for Cabinet later in the year to seek approval for additional funds to support the future preparation and examination of the Local Plan.

9. Major Risks & Mitigation

9.1 Changes in National Policy, Legislation and Guidance - The Levelling-Up and Regeneration Act now has Royal Assent. The Act will have implications for the formulation of future Local Plans. The Government has stated that Councils have until 30 June 2025 for 'old style' Plans to be submitted for examination (to be adopted by 31 December 2026).

- 9.2 On the 19 December 2023, the government published a revised National Wearth Planning Policy Framework. The implications of changes made through the revised National Planning Policy Framework will be kept under review during the development of the Final Draft Local Plan.
- **9.3** A general election has been called and polling day is on the 4th July 2024. The general election emphasises the need to make progress and to move the Plan forward for adoption in an efficient manner.

10. <u>UN Sustainable Development Goals (UNSDG)</u>

10.1 As the Local Plan is primarily focused on the use of land, overall levels of growth and the relationship to the environment and infrastructure then several of the UN Sustainable Development Goals will overlap with the aims of the Plan.



11. Key Decision Information

11.1 This report and the recommendations contained within it relate to the preparation of a new Borough Local Plan. This report is a key decision as it affects all wards in the Borough.

12. Earlier Cabinet/Committee Resolutions

- 12.1 Cabinet 6 June 2023 Cabinet decision to consult on the First Draft Local Plan Agenda for Cabinet on Tuesday, 6th June, 2023, 2.00 pm <u>Agenda for Cabinet on Tuesday, 6th June, 2023, 2.00 pm Newcastle-under-Lyme Borough Council (newcastle-staffs.gov.uk)</u>
- 12.2 Cabinet 17 October 2023 update following consultation on the First Draft Local Plan and consideration of Local Development Scheme <u>Agenda for Cabinet on Tuesday</u>, 17th October, 2023, 2.00 pm Newcastle-under-Lyme Borough Council (newcastle-staffs.gov.uk)
- 12.3 Cabinet 16 January 2024 consultation report and next steps on the Local Plan Agenda for Cabinet on Tuesday, 16th January, 2024, 2.00 pm Newcastle-under-Lyme Borough Council (newcastle-staffs.gov.uk)

13. <u>List of Appendices</u>

13.1 Appendix 1: Final Draft Local Plan 2040



14. Background Papers

14.1 Evidence base documents, supporting the Local Plan will be made available over the coming weeks on the Council's website:- <u>Local plan evidence base – Newcastle-under-Lyme Borough Council (newcastle-staffs.gov.uk)</u>