



# Newcastle-under-Lyme Local Plan Examination in Public Hearing Statement

Matter 4: The Housing Requirement

On behalf of Persimmon Homes (North West) Ltd.

[In relation to Site Ref KL21:](#)

Land to the East and West of Quarry bank Road

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## 1 INTRODUCTION

- 1.1 Asteer Planning LLP has been instructed by Persimmon Homes (North West) Ltd (“Persimmon”) to prepare this Hearing Statement in relation to the Newcastle-under-Lyme (“NUL”) Local Plan 2020-2040 Submission Draft (“Submission Plan”) and the Matters, Issues and Questions (“MIQs”) posed by the Inspector.
- 1.2 Persimmon controls land to the East and West of Quarry Bank Road in Keele (“the site”) (Site Reference KL21<sup>1</sup>) which has been promoted through the entirety of the Local Plan process. The site is wholly deliverable (being suitable, available and achievable) for residential development and could deliver significant public benefits, as demonstrated robustly by the evidence presented in duly made representations in August 2023 (at Regulation 18 Stage) and in October 2024 (at Regulation 19 Stage), which have been supported by a detailed Development Statement and Masterplan.
- 1.3 This Statement responds directly to the Inspectors MIQs at Matter 4; however, it should be read in parallel with our detailed Regulation 19 representations. Separate statements have been prepared in respect of the following matters and should be read in conjunction with this Hearing Statement:
- Matter 1b – Overarching Matters
  - Matter 2 – Spatial Strategy
  - Matter 3 – Green Belt
  - Matter 5 – Housing Supply
  - Matter 6 – Allocations

Persimmon consider that, to support a sound Local Plan, NUL should consider revisiting its housing and employment evidence to ensure that it robustly and holistically plans for its housing requirement across the Plan Period. This includes considering the growth of Keele University and the future needs of the student population, to ensure a robust and sound housing requirement is adopted.

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<sup>1</sup> Site Reference in the Evidence Base, including Site Selection Report and Assessments (Document ED029), SHLAA (Document ED006a) and Sustainability Appraisal (Document CD04)

## 2 THE HOUSING REQUIREMENT

### **Is the identified housing requirement in Table 2 justified and consistent with national policy?**

- 2.1 Policy PSD1 sets a minimum housing requirement of 400 dpa or 8,000 units during the Plan Period. This strategy does not meet the Government's current Local Housing Need ("LHN") calculation, which identifies a requirement of 550 dpa via the new National Planning Policy Framework ("NPPF").
- 2.2 At Regulation 19 Stage, Persimmon commissioned Lichfields, experts in analysing housing need, to undertake a "Housing Requirement Paper<sup>2</sup>" that considers NUL's housing requirement in the context of its growth projections and the new NPPF. This in-depth analysis by Lichfields considers that, notwithstanding the proposed changes to LHN and the new NPPF, a requirement of 400 dpa does not fully address the economic growth prospects of NUL; nor does it meet the needs of all household groups as required by the NPPF. It is also significantly lower than the 550 dpa proposed by the new Standard Method and LHN, which should be considered a minimum, not a maximum, housing requirement.
- 2.3 Lichfields' analysis sets out clear and compelling reasons why the Council should be more ambitious with its housing requirement and make provision for a greater level of housing than Policy PSD1 of the Local Plan currently provides for. These reasons include:
1. There is a misalignment at the heart of the Local Plan's strategy that must be remedied by an uplift to the housing requirement, as the employment land target of 63 ha would generate a significantly higher number of jobs than could be sustained by the 400 dpa housing target. Furthermore, the Council's forward supply of employment land is not 63 ha, but at least 104.6 ha.
  2. Whilst the Council argue that not all of these new jobs from the strategic employment sites will be taken up by local residents requiring new housing in NUL, no agreement is in place with any of NUL's neighbouring authorities to take on board any of its unmet need for in-commuters.

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<sup>2</sup> Lichfields Housing Requirement Paper – Persimmon Regulation 19 Representations submitted by Asteer (Appendix 2)

3. The new housing requirement in the NPPF has seen NUL's housing need increasing from 330 dpa to 550 dpa. This figure is also 38% higher than the emerging Local Plan figure of 400 dpa and is indicative of a radical change in housing policy from the new Labour Government that represents a very clear direction of change. NUL should consider adopting the new housing requirement to fully plan for its need across the Plan Period – recognising the significant implications it could have once the Local Plan is more than 5 years old. It also poses serious questions as to how the new requirement could be accommodated across NUL's wider HMA, which includes Stoke on Trent's higher housing requirement. Further work is required to understand the housing implications of strengthened cross boundary strategic planning across the HMA. Closer working and potentially, an acknowledgement by NUL Borough Council that it could take some of Stoke on Trent City's high level of unmet housing need, would be beneficial.
4. The Council's evidence base points to an acute need for affordable housing within the Borough, with the net affordable housing need equating to 278 dpa, or c.70% of the annual dwelling growth required by the Council's Housing and Economic Needs Assessment ("HENA"). A higher housing requirement, and deliverable / viable sites, are necessary to help deliver as much of these affordable housing needs as possible.
5. There is a need for 15-16 care home bedspaces per annum as well as an annual need for 32 units of sheltered accommodation p.a.; 5 enhanced sheltered homes annually; and 6 additional Extra Care homes p.a. No provision is made in the emerging Local Plan to meet this C2 need, which should be additional to the C3 housing requirement of 400 dpa.
6. The 400 dpa housing requirement figure makes no allowance for Keele University's expansion plans to 2040. The University aims to increase its student numbers by 6,795 between 2022 and 2040, but only has plans for an additional 1,300 student rooms on campus. There should be at least 500 additional C3 dwellings (25 dpa) provided in NUL to address increased student demand.

2.4 In conclusion, NUL meets a number of the circumstances identified in PPG which justify a housing requirement figure in excess of the minimum LHN, and indeed the 400 dpa recommended in the HENA and taken forward in the emerging Local Plan. In this context and in the context of new Government policy, Persimmon considers that the Council should revisit its housing and employment evidence to address the points identified above

and to ensure that it robustly and holistically plans for its housing requirement across the Plan Period.

- 2.5 Persimmon supports a positive economic strategy that elevates the Borough's aspirations for growth. The Local Plan provides a generational opportunity to support the sustainable growth of the Borough by providing the quality and quantity of housing and employment land that can catalyse jobs growth and improve the performance of the Borough, whilst supporting the wider needs of the region and supporting the new Government's bold approach to addressing the UK housing crisis.

**Q4.4: Does the figure take account of potential expansion at Keele University**

**What assumptions have been made in relation to the on-going housing needs of the student population?**

- 2.6 As set out in Persimmon's Matter 2 and Matter 5 Hearing Statements, Persimmon do not consider the approach to addressing the Borough's student accommodation need to be sound, nor reflect national policy. In summary:
1. There is no evidence that the proposed growth in student numbers at Keele University (which could increase by 6,756 students by the end of the Plan Period) has been considered as part of NUL's overall housing requirement.
  2. There is no evidence of dialogue with the University has been undertaken, to demonstrate how the future student requirement has been robustly considered or justified.
- 2.7 Persimmon strongly feel that the approach to understanding Keele University's student requirement during the Plan Period is unsound, unjustified and contrary to national policy which requires strategic polices to consider the needs of different groups. Lichfields' Housing Requirement Paper recommends that the Council should consider the following key points when determining whether there is a need to adjust the LHN to take account of student growth in NUL:
1. How the student population at Keele University is expected to change over the Plan Period;
  2. What growth in typical student age groups is expected within the population projections, on the basis that the CLG Household Projections model does not factor in any growth in the number of young residents living in institutions; and

3. The number/ proportion of students who could be expected to require housing within NUL, and of these students, what proportion might be expected to be accommodated in halls of residence rather than the wider housing stock.

2.8 Based on the 2022 Keele University Masterplan, the rate of growth in student numbers (+55%) is projected to be greater than the rate of growth of on-campus student rooms (+48%), which suggests that the number of students requiring C3 accommodation is likely to increase in the coming years. This is likely to result in 5,465 additional students requiring off-campus student accommodation by 2040.

2.9 Analysis undertaken by Lichfields<sup>3</sup> predicts that:

- Currently, 23% of all students who are enrolled at Keele University live in private rented accommodation off campus. Excluding on-campus accommodation, this rises to 32.9%.
- By 2040, it is anticipated that the number of students living off campus will total 15,000 (up from 9,535 currently). This is an increase of +5,465.
- If it is assumed that the current proportion of students living in rented accommodation in the private sector (off campus) remains at 2021/22 levels (i.e. 33%), then this suggests that there would be a need for 1,796 new rooms just to meet the increased need of students (90 every year 2020-2040).
- Whilst it is recognised that some students may seek PRS accommodation outside the Borough, for example in Stoke on Trent, given that there is no agreement in place for Stoke on Trent City Council to take on any of NuL's housing needs, it has been assumed that the additional accommodation should be provided in the Borough where it originates.
- On the basis of an average of 4 students per household (an assumption widely used in SHMAs across the country), this equates to around 449 dwellings over the period 2022-2040; an average of 25 dpa over the plan period 2020-2040.

2.10 In conclusion, Persimmon consider that NUL should revisit its housing need evidence base to fully understand student demand, in partnership with the University, and ultimately

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<sup>3</sup> Lichfields Housing Requirement Paper, pp.4.102 (Regulation 19 Representations – Appendix 2)

diversify its housing supply in Keele Village (and University Hub), and to provide a significant increase in the delivery of market and affordable housing during the Plan Period.