



Newcastle-under-Lyme Local Plan Examination

DRAFT NOTE

Action Point 4 - Neighbourhood Plan Housing Requirements

Introduction

This note is provided in response to the Inspector's query regarding how the Newcastle-under-Lyme Local Plan (CD01) addresses the requirement of paragraph 68 of the National Planning Policy Framework (NPPF, December 2023) to set out a housing requirement for designated neighbourhood areas, reflecting the overall strategy for the pattern and scale of development and any relevant allocations.

1. National Planning Policy Framework Requirement

The Council acknowledges NPPF paragraph 68, which states (square brackets supplied): "[1] Strategic policies should provide a clear strategy for bringing forward sufficient land to meet development needs over the plan period, and [2] make clear the anticipated quantum of development to be delivered through neighbourhood plans. [3] They should also set out a housing requirement for designated neighbourhood areas which [4] reflects the overall strategy for the pattern and scale of development and any relevant allocations."

2. The Local Plan's Strategic Approach to Development Distribution

The Newcastle-under-Lyme Local Plan establishes a clear strategic framework for the overall quantum and distribution of development across the Borough meeting development needs over the plan period and thus achieving consistency with point [1] above. As set out in more detail below, the effect of the policies set out below is that the settlement-based housing requirements in the Local Plan reflect the overall strategy and relevant allocations, achieving substantial consistency with point [4]. Points [2]

and [3] are concerned with the mechanism to ensure that the substantive results in points [1] and [4] are achieved.¹

- **Overall Housing Requirement:** Policy PSD1 (Overall Development Strategy) sets a minimum housing requirement of 8,000 dwellings for the plan period 2020-2040 (CD01, p.13).
- **Settlement Hierarchy:** Policy PSD2 (Settlement Hierarchy) defines a hierarchy of settlements, categorising them as the Strategic Centre (Newcastle-under-Lyme), Urban Centre (Kidsgrove), Rural Centres, and Other Settlements and Rural Areas (CD01, p.14-15).
- **Distribution of Development:** Policy PSD3 (Distribution of Development) outlines the broad distribution of this housing requirement across the settlement hierarchy, providing indicative figures for each tier, including for the Rural Centres (CD01, p.16-17). For example, it indicates housing "in the order of 250 new homes" for Audley and Bignall End (joint) and "in the order of 450 new homes" for Loggerheads. This policy provides the strategic "overall strategy for the pattern and scale of development" referred to in NPPF paragraph 68.

3. The Council's Approach to Setting Housing Requirements for Neighbourhood Plan Areas

While the Local Plan does not contain a table explicitly listing a disaggregated housing requirement for each individual "made" or designated Neighbourhood Plan area, its approach is considered to be substantially consistent with the NPPF through the following mechanisms:

- **Commitment to Provide Indicative Figures:** Paragraph 5.23 of the submitted Local Plan (CD01, p.18) directly addresses this matter. It states: "Neighbourhood Planning Groups should be aware of the figures presented where preparing their own neighbourhood plans. In line with paragraph 68 of the NPPF, the Council will provide an indicative requirement housing figure if requested to do so by a neighbourhood planning body. This figure will take account of factors such as the latest evidence of local housing need, the population of the neighbourhood area and the policy approach of the Local Plan, until superseded."

This establishes a clear mechanism for a housing requirement to be provided to a designated neighbourhood area when its Neighbourhood Plan is being prepared. Upon request from a qualifying body, the Council will engage in a collaborative dialogue to determine an appropriate indicative housing figure. This process will involve a review of the Local Plan's strategic policies (PSD1, PSD2,

¹ This is on the assumption that paragraph 68 is directed towards all neighbourhood areas, regardless of the status of a neighbourhood plan, rather than (as might appear from [2] and [3] above) being primarily directed towards designated neighbourhood areas that have not yet progressed to plan stage.

and PSD3), the most up-to-date housing and economic needs evidence for the Borough and the specific neighbourhood area, consideration of environmental and infrastructure capacities, and the emerging vision and objectives of the Neighbourhood Plan itself. The aim is to agree a figure that is both strategically consistent, derived from the Local Plan's overall strategy (Policy PSD3) and the latest evidence, and locally appropriate.

- **Strategic Context from Local Plan Policies:** The housing distribution figures set out in Policy PSD3 for the relevant tier of the settlement hierarchy (e.g., a specific Rural Centre) provide the overarching strategic context and anticipated scale of development for any Neighbourhood Plan area falling within it. For Neighbourhood Plan areas falling within Rural Centres, such as Audley or Loggerheads, the indicative housing figures set out in Policy PSD3 provide the clear strategic starting point for their housing requirement. Neighbourhood Planning bodies are, of course, encouraged to develop their own local evidence base which, alongside the Local Plan's strategic context and the Council's commitment to provide an indicative figure, will inform the final housing requirement within their Neighbourhood Plan. For instance:
 - The **Audley Rural Neighbourhood Plan** area falls within the 'Audley and Bignall End (joint)' Rural Centre, for which Policy PSD3 indicates development in the order of 250 new homes. The Audley Rural NP (June 2024, p.18) itself acknowledges the emerging Local Plan proposes sites within its area, demonstrating an understanding of this strategic context.
 - The **Loggerheads Neighbourhood Plan** area constitutes the 'Loggerheads' Rural Centre, for which Policy PSD3 indicates development in the order of 450 new homes.
 - The **Madeley Neighbourhood Plan** area is the 'Madeley and Madeley Heath (joint)' Rural Centre, for which Policy PSD3 indicates development in the order of 250 new homes.
- **Flexibility and Localism:** This approach allows for flexibility and supports the principles of localism. Neighbourhood Plans are prepared at different times and by the communities themselves. Providing an indicative figure when a Neighbourhood Planning body is actively preparing its plan ensures that the figure is based on the most up-to-date strategic context set by the (then adopted) Local Plan and can be tailored to the specific boundaries and circumstances of that Neighbourhood Plan area, informed by its own local evidence gathering. Prescribing a fixed figure for every potential Neighbourhood Plan area years in advance within the Local Plan could be overly rigid and may not reflect evolving local needs or circumstances when a Neighbourhood Plan

eventually comes forward. The Council actively supports communities wishing to prepare Neighbourhood Plans and encourages early engagement to discuss matters such as the potential housing requirement, ensuring a collaborative approach from the outset.

- **Current Neighbourhood Plan Practice:** As detailed in the Council's Matter 1 Hearing Statement (EX HS M1a 01, para 1.13.3) and the Council's analysis of "made" Neighbourhood Plans, these plans have to date largely focused on design, local character, and managing development within existing settlement envelopes, deferring to the Local Plan for strategic housing numbers and allocations. This demonstrates that the absence of a pre-defined number in the Local Plan for each NPA has not been a barrier to their successful preparation and adoption.

4. The Designated Neighbourhood Areas

Designated Neighbourhood Areas are set out in Figure 1 (below). If the Inspector is minded to request that the Council include information on designated neighbourhood areas in the Local Plan, then the Council has prepared Table 1 (below) using information on draft housing allocations and the broad housing distribution set out in policy PSD3 (Distribution of Development), to provide an indicative housing requirement for those designated areas: -

Table 1: Neighbourhood Area Indicative Areas

Neighbourhood Area	Status	Indicative Level of Development	Source
Loggerheads Neighbourhood Plan	Made	In the order of 450 new homes	Policy PSD3
Chapel and Hill Chorlton, Maer and Whitmore Neighbourhood Plan	Made	In the order of 250 new homes	Policy PSD3 (with reference to Baldwins Gate Rural Centre)
Madley Neighbourhood Plan	Made	In the order of 250 new homes	Policy PSD3
Betley, Balterley and Wrinehill Neighbourhood Plan	Made		
Keele Neighbourhood Area	Designated Area	In the order of 800 new homes	Policy PSD3
Silverdale Neighbourhood Area	Designated Area	In the order of 1,150 new homes	Consisting of sites SP2, SP11, SP22 and SP23
Audley Rural Neighbourhood Area	At examination stage	In the order of 250 new homes	Policy PSD3

Kidsgrove Neighbourhood Area	Designated Area	In the order of 800 new homes	Policy PSD3
Bradwell, May Bank, Porthill and Wolstanton Neighbourhood Forum	Designated Forum	In the order of 60 homes	Figure taken from windfall allowance.

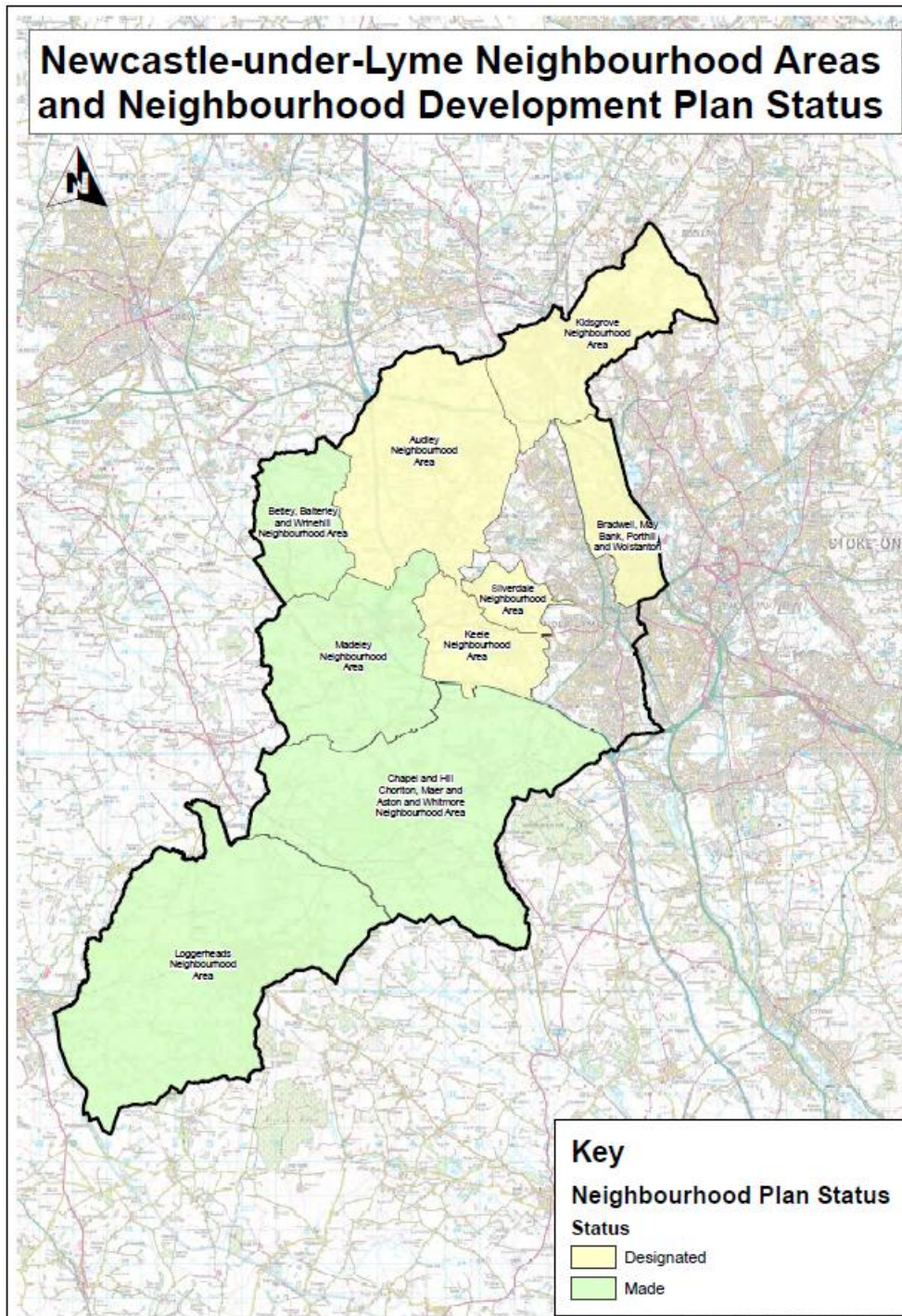


Figure 1: NUL Neighbourhood Areas and Plan Status

5. Conclusion

The Council considers that its approach is consistent with the requirements of NPPF paragraph 68. The Local Plan sets a clear overall strategy for the pattern and scale of development across the Borough through Policies PSD1, PSD2, and PSD3 and seeks to meet the identified development requirements of the Plan through allocations.

Furthermore, paragraph 5.23 of the Local Plan provides a clear commitment and mechanism for setting out a housing requirement for designated neighbourhood areas, which will reflect this overall strategy and be provided to Neighbourhood Planning bodies when they are actively preparing their plans and request such a figure. This ensures that Neighbourhood Plans are prepared within a robust strategic framework while allowing for appropriate local determination and flexibility.

The Council believes this approach effectively balances the need for strategic direction with the principles of localism inherent in neighbourhood planning. This framework ensures that Neighbourhood Plans can be positively prepared, making a clear and appropriate contribution to meeting housing needs in a manner fully consistent with the strategic pattern and scale of development established in the Newcastle-under-Lyme Local Plan, thereby fulfilling the requirements of paragraph 68 of the NPPF.

That being said, the Council has also prepared Table 1 (above) which sets out an indicative housing requirement for neighbourhood plan areas / forums on the basis of the approach to distribution / housing allocations included in the Local Plan.