



# **Report to Newcastle- under-Lyme and Stoke- on-Trent Councils**

**by Jean Jones MA DipTP MRTPI**

**an Inspector appointed by the Secretary of State  
for Communities and Local Government**

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PLANNING AND COMPULSORY PURCHASE ACT 2004

SECTION 20

## **REPORT ON THE EXAMINATION INTO THE NEWCASTLE-UNDER-LYME AND STOKE-ON-TRENT CORE SPATIAL STRATEGY DEVELOPMENT PLAN DOCUMENT**

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Examination hearings held between 21 April and 1 May 2009

File Ref(s): LDF 000550

## ABBREVIATIONS

AAP	Area Action Plan
AMR	Annual Monitoring Report
BREEAM	Building Research Establishment Environmental Assessment Method
CS	Core Strategy
DPD	Development Plan Document
EA	Environment Agency
EIP	Examination In Public
GOWM	Government Office for the West Midlands
HA	Highways Agency
LDF	Local Development Framework
LDS	Local Development Scheme
LP	Local Plan
LTP	Local Transport Plan
MLP	Staffordshire and Stoke-on-Trent Minerals Local Plan
MUA	Major Urban Area
NE	Natural England
NSRP	North Staffordshire Regeneration Partnership
para	paragraph
PPG	Planning Policy Guidance
PPS	Planning Policy Statement
RENEW	RENEW North Staffordshire Housing Market Pathfinder
RSL	Registered Social Landlord
RSS-1	Current Regional Spatial Strategy
RSS-2	Draft Regional Spatial Strategy Phase Two Revision
SCC	Staffordshire County Council
SFRA	Strategic Flood Risk Assessment
SHMA	Strategic Housing Market Assessment
SHLAA	Strategic Housing Land Availability Assessment
SPD	Supplementary Planning Document

## Introduction and Overall Conclusion

- 1.1 Under the terms of Section 20(5) of the Planning & Compulsory Purchase Act 2004, the purpose of the independent examination of a development plan document (DPD) is to determine:
- (a) whether it satisfies the requirements of s19 and s24(1) of the 2004 Act, the regulations under s17(7), and any regulations under s36 relating to the preparation of the document; and
  - (b) whether it is sound.
- 1.2 This report contains my assessment of the Newcastle-under-Lyme and Stoke-on-Trent Core Spatial Strategy Development Plan Document (DPD) in terms of the above matters, along with my recommendations and the reasons for them, as required by s20(7) of the 2004 Act. Annexes A and B contain schedules of changes; those proposed by the Councils are shown in this report as **(C)** and additional changes included by me as **(IC1 & IC2)**. References to core documents are shown thus [ ]. The Councils' Final Consolidated Schedule of Changes [CHD9a] was publicised on both websites and available for comment.
- 1.3 I am satisfied that the DPD meets the requirements of the Act and Regulations. My role is also to consider the soundness of the submitted Newcastle-under-Lyme and Stoke-on-Trent Core Spatial Strategy against the three aspects of soundness set out in paragraphs 4.51-4.52 of PPS12 – *Local Spatial Planning* – that it is justified, effective and consistent with national policy. The starting point for the examination is the assumption that the local authorities have submitted what they consider to be a sound plan. The changes I have specified in this binding report are made only where there is a clear need to amend the document in the light of the legal requirements and/or for soundness. None of these changes should materially alter the substance of the overall plan and its policies, nor undermine the sustainability appraisal and participatory processes already undertaken.
- 1.4 My report firstly considers the legal requirements and then deals with the relevant matters and issues considered during the examination in terms of assessing justification, effectiveness and consistency with national policy. **My overall conclusion is that the Newcastle-under-Lyme and Stoke-on-Trent Core Spatial Strategy is sound, provided it is changed in the ways specified. The principal changes which are required are, in summary:**
- **New headings to SP1-3 to make clear they are policies; changes to Policy SP1 and supporting text to clarify its application to the RENEW Pathfinder areas and the test of harm.**
  - **Updating of the housing trajectories to clarify the position about demolitions and delivery.**

- **Reformatting of the area spatial strategies as policies including regrouping of the housing figures for Newcastle urban areas to align with the evidence base and amendment of the criteria for rural enterprise to provide a positive approach.**
- **Provision of flexibility in respect of possible increases in housing numbers from the current RSS review.**
- **Amendment of the criteria for the selection of gypsy sites in Policy CSP7 for consistency with Circular 01/2006.**
- **Rewording of policy CSP3 in respect of renewable energy and sustainable construction to provide consistency with national policy; addition of new point 7 regarding flooding.**
- **Amendments to Policy CSP8 for consistency with national policy on minerals.**
- **Insertion of cross references to the Strategic Infrastructure Planning and Delivery Document and its relation to the Annual Monitoring Reports.**
- **Revision of Section 8 including monitoring targets and indicators.**
- **Amendments to the Key Diagram and plans to make them clear, accurate and consistent.**

1.5 This report sets out all the detailed changes required, including those suggested by the Councils, to ensure that the plan meets the legal requirements and is sound.

## **2 Legal Requirements**

- 2.1 The Newcastle-under-Lyme and Stoke-on-Trent Core Spatial Strategy DPD is contained within both Councils' Local Development Schemes (LDS), the updated versions being November 2008 (Newcastle) and October 2008 (Stoke). In both it is shown as having a submission date of November 2008. Although there has been a month's slippage, that is not significant. The content of the DPD is in accordance with both LDS.
- 2.2 The Councils' Statements of Community Involvement have been found sound by the Secretary of State and were formally adopted by the Councils before the examination hearings took place. It is evident from the documents submitted by the Councils, including the Regulation 30(d) and 30(e) Statements and the Self Assessments [EB/088a & 88b], that they have met the requirements as set out in the Regulations.
- 2.3 Alongside the preparation of the DPD it is evident that the Councils have carried out a parallel process of sustainability appraisal.
- 2.4 In accordance with the Habitats Directive, I am satisfied that, as a result of the Screening Report carried out, there is no need for an Appropriate Assessment under the Habitats Directive. There would

be no significant harm to the conservation of any European sites as a result of the policies and proposals within this DPD.

- 2.5 Subject to my recommended changes, I am satisfied that the DPD has regard to national policy.
- 2.6 The West Midlands Regional Assembly has indicated that the DPD generally conforms to the approved West Midlands Regional Spatial Strategy and the Phase Two Revision Preferred Option and I am satisfied that it is in general conformity.
- 2.7 It is evident that the DPD has had regard to the sustainable community strategies for the area.
- 2.8 It complies with the specific requirements of the 2004 Regulations (as amended) including the requirements in relation to publication of the prescribed documents; availability of them for inspection and local advertisement; notification of DPD bodies and provision of a list of superseded saved policies.
- 2.9 Accordingly, I am satisfied that the legal requirements have all been satisfied.

### **3 Soundness – Whether the DPD is Justified, Effective and Consistent with National Policy**

These are assessed in relation to the following main issues:

- 3.1 ***Issue 1 – Whether the Core Strategy is a spatial plan that is clearly supported by its partners and will be effective in delivering its vision and strategic aims.***
- 3.2 The Core Spatial Strategy (CS) has been produced jointly by a unitary authority (Stoke – the City) and a two tier authority (Newcastle – the Borough). Joint working is demanding and the Councils should be complimented on having produced a DPD that is truly integrated rather than being 'bolted together'.
- 3.3 The CS provides a good analysis of the problems facing the plan area, including physical and social problems resulting from the contraction of established manufacturing industry and mining, coupled with historically low levels of education and employment. These problems are not confined to Stoke so that parts of Newcastle are included together with it in the RENEW North Staffordshire Housing Market Pathfinder (RENEW) which seeks to address problems of housing market failure both in the inner urban areas and outlying estates.
- 3.4 The identification of key issues and challenges in the CS leads into a well focused section on Strategic Vision and Aims which are carried through effectively into the rest of the document. It deals with

cross boundary and close partnership working and has taken account of the plans and policies of neighbouring authorities. There is involvement from Advantage West Midlands, the Homes and Communities Agency, health authorities and other public organisations. The evidence base and the Strategic Infrastructure Planning and Delivery Document [EB/061b] show that the plans and programmes of other agencies have been taken into account and the CS is clearly a spatial plan.

- 3.5 The North Staffordshire Regeneration Partnership (NSRP) now combines the regeneration functions of RENEW and the North Staffordshire Regeneration Zone, covering Staffordshire Moorlands District as well as the CS area. It has a three year business plan [EB/033], renewed on an annual basis, which clearly sets out funding arrangements to support delivery of key aspects of the CS. Many projects involve increased jobs and educational opportunities to further the strategic aims of the CS.
- 3.6 Representors have suggested that the CS does not enjoy the wholehearted support of RENEW and that this could affect delivery of housing outside the intervention areas. However, evidence from the examination makes it clear that RENEW, while having its own priorities, strongly supports the CS. Much useful analysis and consultation has gone into the RENEW Area Regeneration Frameworks [EB/012, 046, 053, 054 & 056] and these are intended to feed into the Local Development Framework (LDF) system, for example through Stoke's forthcoming AAPs. While the RENEW business plan is funded only until 2011, a three year funding regime is not unusual and does not show a lack of commitment.
- 3.7 On publication, the Highways Agency (HA) regarded the CS as unsound because its transport elements conflicted with national policy and lacked evidence on the delivery of infrastructure. However, in the intervening months there have been constructive discussions and further stages of modelling. The HA is now strongly supportive of the CS's aims of locating development where it will reduce the need to travel, bringing about a modal shift from car use to high quality public transport and having a robust Infrastructure Planning and Delivery Document [EB/061b]. Subject to a minor change in wording the HA now regards the CS as sound and is clearly a supportive partner.
- 3.8 Staffordshire County Council has also made clear its support of the CS, where relevant, in terms of matters including transport, biodiversity and minerals. The educational sector is one of the main drivers of the economy and is involved in carrying forward knowledge-based employment and training, both in the main conurbation and at Keele University. These bodies are clearly involved as partners in taking the strategic aims forward.

- 3.9 The private sector is an important agent of delivery. Business stakeholders and developers are involved in bringing forward projects for housing, employment, transport improvements and retail. For example, Stoke on Trent Regeneration Ltd is a partnership between the Council and a developer which is delivering the large Trentham Lakes employment site and will be involved in the important Etruria Valley development. While the current financial situation is extremely difficult for all, there is evidence that the NSRP is involved with the private sector in coordinating efforts and assisting in funding those projects which are priorities. CS policies CSP9 and CSP10 add support for comprehensive area regeneration, developer contributions and joint development schemes.
- 3.10 In conclusion, I find that the CS has a strong basis of partnership and will be effective in delivering its vision and strategic aims.
- 3.11 ***Issue 2 – Whether the strategy is justified as the most appropriate when considered against the reasonable alternatives.***
- 3.12 The current Regional Spatial Strategy (RSS-1) was based on the 2004 Regional Planning Guidance and was updated by a Phase 1 partial revision published in January 2008. A Phase Two partial revision (RSS-2) is under way with the examination taking place at a similar time to that for the CS, although the outcome will not be known for some time. Work has begun on a Phase Three partial revision.
- 3.13 The Preferred Option for RSS-2 identifies the need to restructure the inner core of the North Staffordshire conurbation, to bring about extensive economic regeneration and diversification and to revitalise the housing market in the core area. It adds that, in order to support this revival, a degree of restraint will be required within the wider housing market area so as to encourage investment in those areas in greatest need. As RSS-1 is based on work that is now of some age, considerable weight should be given to RSS-2 where it reflects up to date national policy. This gives a strong steer to the CS which takes forward the preferred option of 'targeted regeneration' after considering alternatives.
- 3.14 A number of representors are concerned that the priority given to the inner areas will prevent development elsewhere and hold back much needed housing without any guarantee that it will solve the identified problems. However, the CS takes a balanced approach, focusing change where it is most needed and it does not place a moratorium on development outside the RENEW areas of intervention. The indicative housing figures distributed across the six area spatial strategies are not inflexible but rather provide some degree of assurance that there will be a reasonable level of new development for the outer parts of the conurbation as well.

- 3.15 There is, at least in Stoke, an excess of well located brownfield land and most development proposals could be said to assist regeneration. The final point of SP1 provides guidance for site allocation DPDs as to how development will be prioritised. I do not consider it justified to introduce further criteria into SP1 or elsewhere that would dilute the focus of the strategy.
- 3.16 The CS has an extensive evidence base and I find that it strikes a good balance between priorities such as nurturing the fragile housing market, bringing forward the provisions of RSS-2 and meeting the needs of the rural area. It is the most appropriate alternative and is sound in terms of being justified.
- 3.17 ***Issue 3 - Whether the structure of the CS is justified and effective in carrying forward the current and emerging RSS policies and providing clear guidance for subsequent DPDs.***
- 3.18 In physical terms there are considerable differences between the two authorities - Newcastle is a market/industrial town with rural hinterland to the south west but also the separate urban area of Kidsgrove to the north. Stoke is polycentric, with six distinct town centres (Hanley, Burslem, Tunstall, Longton, Fenton and Stoke-upon-Trent) each having its own characteristics but in some cases being poorly connected to the others. Legibility has been a serious problem and to address this the main centre at Hanley is now consistently referred to as the City Centre.
- 3.19 This complex physical structure poses challenges for the structure of the CS document which needs to provide clear over-arching guidance as well as distinctive spatial elements.
- 3.20 There are eight Core Strategic Policies dealing with matters such as design, sustainability and climate change, natural assets, open space and affordable housing. Some of these are generic in character and lacking a spatial element. However, in many cases the supporting text refers to local studies that will be carried forward to guide the next level of DPDs and this introduces local distinctiveness. They may also be needed to provide for Supplementary Planning Documents (SPD), for example the authorities are preparing a joint design SPD and regard raising the standard of design in the plan area as a very important element in its regeneration. It is my conclusion that the CS is sound in this respect.
- 3.21 The spatial principles SP1-3 provide over-arching guidance. However, there is some ambiguity as to whether they are policies or not and some representors clearly assume that they are. The Councils have put forward a change to the headings of SP1-3 to make it clear they are policies. This change does not alter the underlying strategy nor introduce any new elements but makes it



clear that these key principles are important high-level strategic policies to guide the direction of the CS and I consider these changes are necessary for soundness.

- 3.22 The six area spatial strategies are very lengthy and contain a mixture of policy, description and aspiration. The spatial principles SP1-3 do not show how the current or revised RSS requirements for housing, employment land and retail floorspace would be spatially distributed. These figures are embedded within the area spatial strategies and are difficult to locate within the pages of undifferentiated paragraphs. The same is true of references to important items of infrastructure. Particular problems of clarity are evident in those area spatial strategies which, quite properly, seek to develop the distinctive functions and characteristics of the numerous towns and quarters that make up the area.
- 3.23 The next level of DPD for Stoke-on-Trent includes two Area Action Plans (AAPs) – for the City centre/Etruria Road and for the Inner Urban Core, these being programmed to follow closely after the CS. Site allocation DPDs for the Stoke Outer Area and for Newcastle District would come later. The CS needs to provide effective guidance both for the preparation of subsequent DPDs and to deal with development in the period before these are in place. There is an urgent need to move forward with a coherent LDF because of the severity of the area’s problems.
- 3.24 As a result of discussions during the examination, the Councils have put forward changes to reformat the six area spatial strategies as policies ASP1-6, bringing to the forefront in a concise way the most important elements. I consider these changes are necessary to make the CS sound in terms of the effectiveness of delivery, both of the RSS requirements and the subsequent DPDs.
- 3.25 Two main issues fall within the overall rewording of this section – the regrouping of housing figures for the urban areas of Newcastle in ASP4 and ASP5 and the amendment of the criteria for rural enterprise in ASP6. These are discussed below in issues 5(iii) and 8 respectively.
- 3.26 Overall, there has been no significant change to the content of these sections in order not to undermine the public consultation already carried out. Thus in some cases the supporting text is unnecessarily long but it is not my role to ‘improve’ the CS and the length of these sections does not in itself make the document unsound.

<p>3.27 <b>In order for the CS to be sound, Spatial Principles SP1, SP2 and SP3 should have reworded headings to make clear they are policies (C29, C37, C44).</b></p>
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**3.28 In order for the CS to be sound, paragraphs 5.66-5.268 should be reformatted as Area Spatial Policies ASP1-6 as set out in Annex A to my report (C47).**

- 3.29 ***Issue 4 – Whether SP1 and its supporting text are justified and effective in providing a strategy for the delivery of development including the 'test of harm' in relation to RENEW areas.***
- 3.30 SP1 is the first of the three spatial principles (to become policies) that provide over-arching guidance for the CS. It is effectively the lynchpin of the strategy, intended to provide clear strategic direction. However, some of its detailed wording is ambiguous because it provides a list of locations where development will be focused but these are separated by commas and could be interpreted in several ways. The Councils propose changed wording which sets out bullet points to separate the various locations. It also makes the references to RENEW 'areas of intervention' clear by specifying them in relation to areas which will be shown on the Key Diagram. A further minor change clarifies the important role of Keele University and Science Park.
- 3.31 The supporting text to SP1 at para 5.17 is also ambiguous in relation to the question of whether a proposed development would harm the efforts of RENEW. A further proposed change would make it clear that the potential for harm relates to development outside the RENEW intervention areas. The proposed change retains the reference to a need to ensure that proposals inside RENEW intervention areas also do not prejudice such intervention.
- 3.32 Representors consider that a test of harm, in either situation, is unreasonable. However, an appeal was dismissed by the Secretary of State in May 2008 at Scotia Road, Tunstall [EB/090], a site just outside one of the RENEW intervention areas. The Secretary of State agreed that full commitment to the Housing Market Renewal programme is required to ensure that housing renewal is not derailed and that the move to sustainable neighbourhoods is safeguarded. She concluded that the proposal would compete with the development of targeted, priority regeneration sites, although the precise effect was difficult to assess. She considered that there was a risk that the appeal proposal, if allowed, could undermine targeted redevelopment within priority areas, and she attached considerable weight to this concern.
- 3.33 A test of harm for development within targeted areas is less clearly required but any potential impact on efforts to improve the fragile housing market situation will be an important material consideration. Once site allocations have been made in subsequent DPDs, the question of harm will become less of an issue and

relevant mainly to windfall proposals. I conclude that, subject to the proposed word changes, the CS would be justified and effective.

**3.34 In order for the CS to be sound, SP1 should be replaced by revised wording and para 5.17 amended as set out in Annex A to my report (C29, C30).**

**3.35 *Issue 5 – Whether the CS is justified, effective and consistent with national policy in dealing with housing matters including (i) demolitions, (ii) phasing, (iii) delivery, (iv) mix and (v) affordable housing.***

**(i) Demolitions**

3.36 The current RSS-1 sets out annual average rates of housing provision up to 2021. These gross figures took account of demolition replacements at a rate of 0.6:1 for Stoke-on-Trent but 1:1 elsewhere. They also assumed a much higher number of demolitions than has turned out to be needed in the light of ongoing detailed work.

3.37 The housing targets in the CS reflect the Preferred Option for RSS-2. It is appropriate to give weight to the emerging figures as RSS-1 is based on studies that are now of some age. The final outcome of RSS-2 may well involve further increases in housing numbers as will be discussed later. Over the period 2006-2026 (which is the same as the CS period), RSS-2 proposes 11,400 net dwellings for Stoke and 5,700 for Newcastle, 4,800 of the latter being for the urban area. It assumes a demolition replacement rate of 1:1 on top of the net figure but indicates that a rate of less than that may be appropriate in North Staffordshire because of weak housing demand.

3.38 The Council has confirmed that in 2008 there were 6,677 properties recorded as vacant in Stoke-on-Trent, which is twice the regional average vacancy rate. It considers that the reduction of this vacancy rate to one closer to the regional average is clearly a desirable policy aim. The effect of a 0.6:1 demolition replacement rate would be to reduce vacancies from 6.0% to 4.7% over the plan period. In response to my questions the Regional Assembly has confirmed that a replacement rate of 0.6:1 remains appropriate for Stoke, with 1:1 for Newcastle. I consider there is evidence to support this approach and that the CS is sound in this respect. The minor changes proposed to the table at para 5.25 set out more clearly the gross and net housing figures but are not required in the interests of soundness.

### **(ii) Phasing**

- 3.39 The CS contains housing trajectories for both authorities. To take account of the current exceptional financial situation, the Councils propose that these are replaced by updates which have been produced using known outputs from regeneration programmes and modelling methods that have contributed to work for the Government Office for the West Midlands (GOWM) on RSS housing numbers. They assume a drop in completions followed by a catching up period with no overall change to housing completions over the 20 year plan period. Because demolitions continue to be funded independently of the local market situation, the result is a significant dip in net completions for the next few years.
- 3.40 The revised trajectories appear to be based on robust and credible evidence. Much has changed since the CS was published and it would not be sound if it retained the original trajectories which are no longer being delivered. I conclude that this change is necessary for soundness.

<p><b>3.41 In order for the CS to be sound, the housing trajectories in paras 5.28 &amp; 5.29 should be replaced with the revised trajectories as set out in Annex A to my report (C33, 34).</b></p>
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### **(iii) Delivery**

- 3.42 Both Councils are in the process of carrying out Strategic Housing Land Availability Assessments (SHLAAs) and, although not completed, these are sufficiently advanced to inform the examination. Both Councils have provided evidence to demonstrate they have a five year supply (gross) of deliverable housing sites, whether based on the revised trajectories or the RSS-2 indicative annual averages, and the evidence was tested in detail during the examination. They have also provided evidence of a fifteen year supply of developable housing land, made up of identified sites, which meet the RSS minimum brownfield target of 90%.
- 3.43 There is a more detailed issue with the housing figures for Newcastle Town Centre (ASP4) and the Newcastle and Kidsgrove Urban Neighbourhoods (ASP5). These were originally broken down into smaller districts and a figure of 1400 dwellings was included for the Town Centre. The emerging SHLAA shows some discrepancies between these figures and the identified capacity in each district. The Town Centre does not have identified capacity at present for 1400 dwellings although over the plan period this aspiration may be realised.
- 3.44 The Councils' proposed changes to reformat the area spatial strategies has included regrouping these figures into only three

districts while seeking to maximise residential development in the Town Centre. This does not alter the overall numbers but provides a better fit with the evidence base and improves flexibility. For the latter reason the housing figures in ASP1, 2, 3 and 5 have been specified as minima and for clarity they are expressed as net figures for the period 2006-26, making clear that they include some completions. I consider these changes would not undermine the public consultation or the sustainability appraisal already carried out and are necessary to make the CS sound in terms of being justified and effective.

- 3.45 There is no evidence of need for the CS to consider urban extensions or to remove land from the Green Belt. Indeed, in the case of Stoke there is a large excess of brownfield sites. Unlike many parts of the country, it is said to be the demand for dwellings rather than the supply of land which is the key inhibitor of the housing market. Since the intervention by RENEW there has been cautious optimism that the fragile housing market shows some signs of recovery and evidence that new dwellings form a separate market from that for older stock [EB/037, EB/065].
- 3.46 As members of the NSRP, the Councils are actively engaged in housing market intervention including land assembly and promotion of residential development in priority areas. Action to bring forward housing land can include re-phasing of site delivery or additional infrastructural investment to reduce constraints. The Councils are therefore well positioned to manage the delivery of housing. I conclude that, subject to the suggested change in respect of the Newcastle housing figures, the CS meets the requirements of Planning Policy Guidance 3 (PPS3) regarding housing delivery and is sound in terms of being justified, effective and consistent with national policy.

**3.47 In order for the CS to be sound, the housing figures in ASP4 and ASP5 should be regrouped and those in ASP1, ASP2, ASP3 and ASP5 should be expressed as net minima for 2006-2026 as part of the reformatting of the area spatial strategies, as set out in Annex A to my report (C47).**

***(iv) Mix***

- 3.48 Much has been made by some representors of the need for greenfield or Green Belt land to be made available for more 'executive housing' in the plan area. It is widely recognised [EB/031a, EB/033] that the mix of new housing should include dwellings which would be attractive to those in higher level jobs who might at present seek to live outside the plan area. Para 5.14 of the CS refers to the need for some housing development to be at lower densities where there is an identified need for a higher value housing offer. However, no evidence has been provided as to the

amount of land needed (although by their nature the numbers of dwellings involved would be relatively small). Nor has it been demonstrated that suitable land could not be identified at the site allocation stage without changes to the CS.

- 3.49 My conclusion from the evidence produced during the examination is that the CS is sound in this respect and there is no necessity for it to be changed, for example by making strategic allocations of Green Belt land for 'executive housing'. Indeed that could undermine the sustainability appraisal already undertaken.
- 3.50 The need to have a good mix of housing to provide, for example, for families with children, older and disabled people is another important aspect that is recognised by PPS3 and mentioned in both RSS-1 and RSS-2. Local planning authorities are expected to have regard to current and future demographic trends and profiles. The Strategic Housing Market Assessment (SHMA) [EB/065] recognises the needs arising from demographic change as does the CS. Analysis of local demographic needs feeds into proposals for the RENEW areas, where 'extra care' housing is included in the mix, illustrated in para 5.220 of the CS and the core documents [EB/053, EB/056]. Newcastle's Housing Strategy [EB/10] considers housing for the elderly and those with special needs, including examples of where it has been delivered following Parish Housing Needs Surveys.
- 3.51 National and regional guidance does not require the CS (as opposed to a subsequent part of the LDF) to provide detailed analysis of needs and where they will be accommodated. It would be undesirable for the CS to become outdated by including detailed and prescriptive points about housing mix, particularly when this may vary considerably from one part of the plan area to another. The Councils have proposed a new para 5.30 (**C36**) to make clear that this is a matter for subsequent DPDs. This change is desirable in the interests of clarity but is not necessary for soundness.

### **(v) Affordable housing**

- 3.52 Historically there has not been a significant problem of affordability in North Staffordshire but the situation has worsened in recent years. As a result, both authorities have recently produced SPDs on affordable housing. Evidence of need is in the SHMA, the 2008 Stoke Affordable Housing Local Area Needs Index [EB/073b], Newcastle's Housing Strategy [EB/10] and Parish Housing Needs Surveys. CS Policy CSP6 carries forward the threshold of 15 dwellings from PPS3 but reduces it to 5 in the rural areas, with provision also for rural exception sites. A target of 25% affordable dwellings would be sought, with some flexibility built into the policy.
- 3.53 Bearing in mind the guidance of para 29 of PPS3, the examination assessed evidence about likely economic viability of the thresholds

and proportions sought. Evidence for Stoke is available in the 2006 Study of Development Viability Impacts of Policy Proposals [EB/071] as updated by the 2008 Stoke-on-Trent Property Values Review Report [EB/074]. For Newcastle the evidence is found in the November 2008 Affordable Housing Viability Study [EB/003]. In both authorities the approach was taken of testing the impact on residual land values of affordable housing requirements, using a range of development scenarios. While a higher percentage would more effectively meet the overall need for affordable housing, the viability studies provide a firm and robust foundation for the thresholds and percentage included in the CS. I consider that these are justified in the balance they strike between need and viability.

- 3.54 The City Centre is provided for separately with a nil requirement for affordable housing. This is because developing a quality housing market is an integral part of upgrading the image of the City Centre and adding to its vibrancy and vitality. Hope Village is in the NSRP Business Plan as a focus for City Centre living and a considerable body of work has been carried out in connection with the Preferred Options City Centre and Etruria Road AAP [EB/077]. However, there is at present virtually no activity in the City Centre housing market and there are concerns that an affordable housing requirement would prevent this new and untested market taking off. The indicative number of new dwellings for the City Centre is not high at 500. In these circumstances, I consider that the nil requirement is justified by the evidence and that it would not undermine national policy as regards affordable housing provision. The CS is therefore sound in this respect.
- 3.55 ***Issue 6 – Whether the provisions of the CS in respect of employment are justified, effective and consistent with national policy.***
- 3.56 Employment can arise not only through the provision of suitable land and premises but also through developments such as mixed use schemes in centres and through the expansion of educational facilities. The CS includes a move forward on all these fronts in order to maintain and increase employment in the widest sense.
- 3.57 It identifies a Regional Investment Site at Chatterley Valley which is being brought forward by the two authorities in partnership with NSRP, SCC and Advantage West Midlands. Keele University and Science Park is recognised in the CS as having strategic importance for high value business growth in a range of knowledge based industries.
- 3.58 The Science Park is currently under development on land that was removed from the Green Belt. While there may come a point at which it would be desirable to provide further land for employment or university expansion at Keele, there is no evidence before me as regards the current need, timing or quantity of development.

Furthermore, to change the CS by making a strategic allocation of Green Belt land would undermine the public consultation and sustainability appraisal that has already been carried out. The CS acknowledges the important role of Keele as a driver of the local economy and it is not unsound because it does not provide for further expansion there. However, this is a matter that would be appropriate to revisit when the CS is reviewed.

- 3.59 RSS-2 does not alter the broad approach of RSS-1 with respect to a portfolio of employment land but adds district level figures for a rolling five year reservoir plus indicative long term requirements. There is ample land available in Stoke [EB/058& 058i] but currently a shortfall in Newcastle of some 29ha in the long term supply. However, during the examination the situation was assessed in some detail [EB/043b, EB/096, CHD/12] and I am satisfied that both authorities will be able to identify the required supply at site allocation stage, even though there may be a need to use some greenfield land in Newcastle later in the plan period. The ongoing joint employment land review will take into account whether sites are no longer suitable for employment use and will guide the site allocations DPDs.
- 3.60 RSS-2 identifies a strategic need for up to two Major Investment Sites (MIS) in the region (although not necessarily in the CS area). Policy PA9 states that consideration and priority should be given to bringing forward more land in the region for Regional Logistics Sites (RLS), including taking account of the potential for new rail-served facilities to serve the North Staffordshire conurbation. The CS does not provide for either of these as there are no suitable brownfield candidates that meet the very particular requirements. However, it states that the situation will be kept under review in the event that a suitable windfall opportunity arises. Overall, I find that the CS is sound as regards provision for employment.
- 3.61 ***Issue 7 – Whether the hierarchy of urban centres and the provisions for retail and office development are justified, effective and consistent with national and regional policy.***
- 3.62 Stoke and Newcastle are identified in RSS-1 as strategic centres, but in RSS-2 Stoke is placed at a higher level than Newcastle within this category. They are appropriately in the top level of the hierarchy in the CS and prominent in policies SP1 and 2 as the locations for new retail, offices, housing and mixed use. The differences in the scale and character of the services in the City Centre and Town Centre are clearly set out.
- 3.63 The Significant Urban Centres below them are appropriately identified to meet local needs for retailing and services, based on evidence from the *North Staffordshire - Retail and Leisure Study* [EB/034]. The CS provides for development in each of these centres of a scale and nature appropriate to its character and role.



- 3.64 The CS carries forward the RSS-2 requirements for comparison retail floorspace in the two strategic centres and indicates how the primary shopping area of the City Centre will be extended. Developers for both the existing and proposed new shopping centres are involved in delivery and a resolution has recently been made to grant planning permission (subject to a Section 106 agreement) for the East-West Precinct. There is local justification for the smaller amounts of retailing indicated for Longton, Burslem, Stoke, Tunstall and Meir, some of which already have planning permission or have even been completed since 2006. The overall strategy seeks to direct new development to centres and does not make specific provision for further out of centre retail development. Any proposals that do arise can be assessed under national policy.
- 3.65 RSS-2 provides requirements for new office development in Stoke and Newcastle centres which is taken forward in the CS through Policies SP1 and 2 and the area spatial strategies. The aim of creating a new business district for Stoke is ambitious but is being brought forward through the NSRP and the work being carried out towards preparation of the AAP.
- 3.66 It is my conclusion that this part of the CS is sound, being justified, effective and consistent with national and regional policy.
- 3.67 ***Issue 8 – Whether the CS provides a justified and effective strategy for the Rural Area which is consistent with national policy and carries forward the RSS aim of Rural Renaissance.***
- 3.68 Both RSS-1 and RSS-2 emphasise the need for 'Rural Renaissance' involving matters such as: regeneration through the improvement of choice in housing, diversification of the rural economy, better transport links, improving health, education, skills training, social, shopping, community facilities and other services.
- 3.69 The rural area in the CS is defined as that falling within Newcastle District, in the Green Belt and the countryside beyond. There is also a narrow fringe of Green Belt around the eastern side of the built up area of Stoke but this is dealt with under the Stoke Outer Area spatial policy ASP3. In general terms, the rural area is subject to strong influences from the Major Urban Area (MUA) and has generally good access to services. Policy RR1 of RSS-1 and RSS-2 indicates that the main priority in such areas will be to manage the rate and nature of further development to that required to meet local needs, whilst ensuring that local character is protected and enhanced.
- 3.70 The CS defines three Rural Service Centres – Madeley, Loggerheads and the villages of Audley Parish. The evidence base includes the Rural Services Survey [EB/20] which is based on the guidance of PPS1 – *Delivering Sustainable Development*, PPS7 – *Sustainable*

*Development in Rural Areas* and Policy RR4 of RSS-1. The three Rural Service Centres have a higher level of facilities and services, good accessibility to public transport and to jobs (in some cases across adjoining local authority boundaries). These three settlements are fairly evenly spaced across the rural area and are the most appropriate locations to act as the focus for investment, thus their identification as Rural Service Centres is justified.

- 3.71 The over-arching strategy of the CS directs most development to the MUA but up to 900 new dwellings may be located in the rural area over the plan period. The locations will primarily be sustainable brownfield land within the village envelopes of the Rural Service Centres to meet identified local requirements, in particular the need for affordable housing.
- 3.72 The projected housing land supply indicates some 598 dwellings for the rural area up until 2024 [CCD4]. The work carried out so far on the SHLAA indicates that there may be further capacity in Madeley and Loggerheads while past experience is that some windfalls can be expected. The CS states that, if necessary, the village envelopes will be reviewed as part of Newcastle's site allocations DPD. This will allow for an assessment of the capacity required not just for housing but for health, education or other facilities, based on identified local needs and having regard to Parish Housing Needs Surveys and Parish Plans. If 900 dwellings are not needed then the balance of the RSS requirement could be met in the urban area.
- 3.73 Any proposals involving Green Belt land will be dealt with in accordance with national policy in PPG2 – *Green Belts*. It is possible that review of the village envelopes might identify a small greenfield or Green Belt site as the most sustainable or appropriate, having regard to all the considerations that need to be taken into account. There is provision in policy CSP6 for Rural Exception Sites for affordable housing where justified. An example built in Audley is illustrated in Newcastle's Housing Strategy [EB/10].
- 3.74 Transport in rural areas raises more difficulties than in built up areas but evidence from the examination shows that Newcastle Council, in partnership with SCC, has strategies and programmes to improve accessibility to jobs and services for those living in the rural area as indicated in ASP6. This will include action on capital items detailed in the District Integrated Transport Strategy 2008 [EB/101] which carries forward the action and funding from the Local Transport Plan (LTP). Initiatives from SCC involving revenue funding include improving rural bus services, community transport schemes, 'Wheels to Work', car sharing, moped loans and travel vouchers. The Rights of Way Improvement Plan is also relevant [EB/040].
- 3.75 The CS encourages rural enterprise but its stated criteria are unclear and potentially so demanding as to make it virtually

impossible that they would be met. Within the reformatting of the area spatial strategies the Councils propose minor changes to the criteria to make them justified and effective. I consider these changes are necessary for soundness but that in all other respects the CS is justified and effective in delivering rural renaissance in line with national and regional policy.

**3.76 In order for the CS to be sound, the criteria for rural enterprise in ASP6 should be amended as part of the reformatting of the area spatial strategies, as set out in Annex A to my report (C47).**

**3.77 Issue 9 – Whether the criteria for the selection of gypsy and traveller sites are consistent with national policy.**

3.78 The CS in policy CSP7 makes provision for additional gypsy and traveller pitches. The North Housing Market Area Gypsy and Traveller Accommodation Needs Assessment 2007 [EB/029] estimates the numbers of pitches that may be required and this will be dealt with by the Phase Three Revision of the RSS. The CS provides criteria for site selection in subsequent DPDs. Following discussion at the examination, the Councils have proposed minor changes to the wording so that the requirements in terms of highway access and availability of essential services are not more demanding than those for other residential development. This is necessary to comply with the advice of Circular 01/2006 and to make the CS sound.

**3.79 In order for the CS to be sound, the criteria for gypsy and traveller site selection in CSP7 should be amended as set out in Annex A to my report (C66).**

**3.80 Issue 10 – Whether the provisions for natural assets are appropriate with regard to the 'Addendum' and the Proposals Map.**

3.81 The CS includes what is described as an 'Addendum' dealing with provisions for the Black Firs and Cranberry Bog Ramsar site. This arose following advice from Natural England and was included in the published version of the CS and therefore subject to full public consultation and sustainability appraisal. Because of the timescale for printing it could not be included in the correct part of the document and was provided as an insert. I consider it is not an addendum in terms of being added after publication and before submission and that any issues are purely related to formatting. The Councils propose a minor change to relocate it as point 5 of CSP4.

3.82 Natural assets have been included on the Proposals Map for Newcastle but not for Stoke because the information for Stoke was

not sufficiently up to date in terms of detailed boundaries. I consider this difference is justified and the information on each authority's Proposals Map will be gradually updated when subsequent DPDs are prepared. The Councils have proposed minor changes to add the two Ramsar sites in Newcastle District to the Proposals Map and to add designated national sites for Stoke. Overall, the minor changes proposed are desirable for clarity but not necessary for soundness.

- 3.83 ***Issue 11 - Whether the policies dealing with climate change and renewable energy are justified by local evidence and consistent with national policy.***
- 3.84 Strategic Aim 17 of the CS seeks to minimise the effects of climate change in the move towards zero carbon growth through energy efficiency, promoting the use of renewable energy sources and green construction methods in accordance with best practice. This is carried forward through the overall strategy which directs development to more sustainable locations, aims to reduce the need to travel and provides for more sustainable travel modes.
- 3.85 The Councils have a strong desire to carry forward high standards in relation to sustainable design and construction and there has been notable success, for example in the Blue Planet logistics building at Chatterley Valley which was the first in the world to achieve the BREEAM 'outstanding' rating (design stage). The local partnerships have the ability to encourage high standards and to lead by example in developments where they have a direct involvement and this type of impact should not be underestimated.
- 3.86 However, parts of policy CSP3 dealing with sustainable construction and energy efficiency repeat aspects of RSS-2 policy SR3 without adding a local dimension. In any event, there is a strong possibility that RSS-2 policy SR3 may not emerge in its current form from the EIP or it may be replaced by an interim policy pending the Phase Three Revision which will deal with climate change.
- 3.87 The requirements of CS policy CSP3 points 1, 2 and 4 are more demanding than national standards but there is insufficient local evidence to justify departing from national policy. The advice of the *Climate Change Supplement to PPS1* is clear as to the need for local justification for such requirements and viability is a concern of particular relevance in the current North Staffordshire market.
- 3.88 I find that, for these reasons, points 1, 2 and 4 of policy CSP3 are not justified, neither are they consistent with national policy. The Councils have suggested revised wording for the policy to take these matters into account. I have carried out minor editing to the suggested changes and consider these changes and deletion of the related monitoring target are necessary for the CS to be sound.

**3.89 In order for the CS to be sound, policy CSP3 should be amended and the related monitoring target deleted, as set out in Annex A to my report (C52, IC2).**

**3.90 Issue 12 – Whether the CS is consistent with national policy in its references to flooding.**

3.91 The evidence base for the CS includes level 1 Strategic Flood Risk Assessments (SFRA) for both authorities [EB/021, 022, 060]. Overall, flooding is not a major constraint on development in this area and the CS indicates that site allocations DPDs will be informed by level 2 SFRAs. The Environment Agency (EA) is satisfied with this situation but proposes adding a new point to policy CSP3 to refer to minimising flood risk. I note that RSS-2 policy SR1 states that local authorities should include policies and proposals to avoid development in flood zones but that the Councils consider such a reference in the CS would duplicate national guidance. It is my view that a cross reference to national policy on flooding is necessary for soundness in terms of consistency with national policy and I recommend an additional point 7 to the revised policy CSP3 to provide for this.

**3.92 In order for the CS to be sound, a new point 7 should be added to policy CSP3, as set out in Annex A to my report (IC1).**

**3.93 Issue 13 – Whether the CS provisions for minerals in Stoke-on-Trent are justified, effective and consistent with national policy.**

3.94 Stoke is a unitary authority and the CS contains its policy for minerals, whereas minerals in Newcastle will be dealt with by Staffordshire County Council. The latter is also preparing a joint Waste Core Spatial Strategy which will cover waste for Stoke, including secondary aggregates. Although Stoke-on-Trent has in the past had a great deal of minerals activity, it is now very much reduced and constrained by development. The CS relies on national and regional policies to deal with any new minerals proposals that might emerge in the future.

3.95 Some policies of the 1999 Staffordshire and Stoke-on-Trent Minerals Local Plan (MLP) have been saved [EB/076]. The CS in policy CSP8 carries forward the provisions of the MLP for safeguarding Etruria Marl which is a nationally scarce resource and Mineral Safeguarding Areas have been added to the Proposals Map. These have been updated in accordance with the *Guide to Mineral Safeguarding in England (BGS October 2007)* and would be monitored by an appropriate target.

3.96 Some changes are needed for soundness, such as the use of appropriate terminology for consistency with national policy. MLP Proposal 3 should be added to those saved policies that are replaced by the CS. GOWM and the West Midlands Regional Assembly are satisfied with the approach to minerals for Stoke and I conclude that, subject to the proposed changes, the CS is justified, effective and consistent with national policy.

**3.97 In order for the CS to be sound, Policy CSP8 and its supporting text should be amended and Proposal 3 of the MLP added to the schedule of saved policies to be replaced, as set out in Annex A to my report (C6, C68, C69, C79).**

3.98 ***Issue 14 - Whether the Core Strategy is sufficiently flexible to cope with changing circumstances.***

3.99 The primary concern regarding flexibility is the possibility that the RSS-2 review will emerge with higher housing numbers than those from its Preferred Options draft on which the CS is based. The Government's response to the draft was that overall levels of housing provision should be increased to reflect the housing needs of the region and to address affordability. As a result the Government Office commissioned a study by Nathaniel Lichfield and Partners (NLP) [RSS/004] which considered options and broad locations for delivering higher housing numbers, based on the housing supply range identified by the National Housing and Planning Advice Unit.

3.100 This is a matter for the current EIP of RSS-2 but the outcome could mean an additional 6,000 dwellings for the CS area over the plan period, an increase of over a third. The extent to which the area could accommodate additional housing would depend not only on the quantity but also on any indication of phasing or spatial distribution that might be given. There is substantial excess capacity on brownfield land in the Outer Stoke Urban Area but to allocate large numbers of additional dwellings there in the shorter term would undermine the overall strategy of directing new development to the Inner Urban Core and centres. The same would be true if the review required much larger numbers to be focused on Keele University which is surrounded by Green Belt.

3.101 The outcome of the RSS-2 review is unknown and any increase in housing numbers carries with it the need for commensurate increases in other aspects such as employment, transport and services. However, the NLP report is at pains to acknowledge the need to protect the fragile housing market in North Staffordshire. Phasing any additional dwellings to later in the plan period would be one way of preventing this aim from being undermined. If that were the outcome of RSS-2 then the CS could be reviewed at an appropriate date to accommodate any required increase. GOWM

has indicated that a review around 2015 might be appropriate and this would also allow for reconsideration of the overall strategy once the RENEW programme has had a sufficient period to make its impact on the housing market.

3.102 Paras 4.14-4.15 of PPS12 indicate that the CS should take a long term view and not require frequent updating. There is evidence that in the shorter term the plan area has the capacity to accommodate some increase in numbers without harming the overall thrust of the CS. The reformatting of the area spatial strategies gives indicative housing figures as minima, except for the rural area, and this provides the necessary flexibility for some increase, if needed, when site allocations DPDs are prepared. The Councils have proposed an addition to para 2.11 covering the possibility of a review. I consider that the CS provides an appropriate long term strategy for the next 15 years but that this change is needed to accommodate flexibility in the event of the RSS context being very substantially changed.

3.103 Further flexibility comes from the partnership arrangements and wide range of funding that they provide for the delivery of housing, employment land and other developments. Direct action is already being taken to address the priorities for this area and it can be adapted in the event of different scenarios or unexpected outcomes arising.

**3.104 In order for the CS to be sound, para 2.11 should be amended, as set out in Annex A to my report (C18).**

3.105 ***Issue 15 - Whether the CS provides effectively for the delivery of the infrastructure needed to support the strategy.***

3.106 The Infrastructure Planning and Delivery Document [EB/061b] gives comprehensive details of all infrastructure items needed to deliver the strategy and this will be a living document to be updated as necessary. This is now an important requirement under PPS12 which makes it clear that the delivery strategy is central to the CS.

3.107 The partnership arrangements in North Staffordshire, particularly the NSRP, are already functioning well and funding is available from a number of sources for the infrastructure necessary to carry forward the strategy. This means, for example, that if funding from a developer cannot be provided at the time needed then there are alternatives available to assist delivery. This may apply to the delivery of infrastructure, housing or employment development. The NSRP Business Plan provides clear and funded priorities.

3.108 An important item of infrastructure is the Etruria Valley Link Road which would not only unlock development potential but would provide the route for a high profile bus service and access to an

initial park and ride site. Developer funding was the original source but NSRP is now also involved in bringing this scheme forward, possibly with a bid from the Regional Funding Allocation.

3.109 The Councils have proposed changes to the CS to insert cross references to the Infrastructure Planning and Delivery Document and to make clear that it will be reported in each Council's Annual Monitoring Report as required by PPS12. I consider that without these changes the CS would not be consistent with national guidance and would not be effective. These two changes are therefore necessary for soundness although the insertion of a number of other cross references are not.

**3.110 In order for the CS to be sound, references should be inserted to the Infrastructure Planning and Delivery Document as set out in Annex A to my report (C73, C74).**

**3.111 *Issue 16 – Whether the provisions for monitoring the CS are justified, effective and consistent with national policy.***

3.112 The monitoring targets and indicators in the CS have been produced following national guidance in *Local Development Framework Monitoring – A Good Practice Guide [NAT/028]*. In general they provide an effective means of monitoring progress through the Annual Monitoring Report of each authority and other programmes such as the LTP. The Councils' schedule of changes includes a number of amendments needed to improve accuracy and clarity in this section and I consider that, overall, they are necessary for the CS to be justified, effective and consistent with national policy.

**3.113 In order for the CS to be sound, Section 8 - Monitoring should be replaced as set out in Annex A to my report (C75).**

***Issue 17 – Whether the Proposals Map, Key Diagram and plans are justified and effective.***

3.114 Minor changes to the Proposals Map are included in the Councils' schedule of changes; these are acceptable and do not raise issues of soundness.

3.115 Other changes in the schedule relate to the Key Diagram and the plans within the CS. These include numbering and listing of the RENEW Areas of Intervention and making some notation clearer. Plan 2, showing the RENEW Pathfinder boundary and the North Staffordshire Regeneration Zone is to be made clearer by the addition of references to where these boundaries can be found in the evidence base. There is also a need to amend other plans to



improve clarity and consistency, for example in defining the rural area and the notation for the significant urban centres. These changes are necessary for the illustrative material to be justified and effective.

**3.116 In order for the CS to be sound, amendments should be made to the Key Diagram and plans as set out in Annex A to my report (C88-96).**

#### **4 Minor Changes**

- 4.1 I have considered all the other points made in the representations and during the examination, including all of the changes suggested by the Councils and listed in their schedule of changes [CHD9a], and those put forward by others, but I find no justification for recommending any further changes to the Core Strategy other than those in Annex A of this report. However, I endorse the suggested minor changes as set out in Annex B of this report because, cumulatively rather than individually, they are necessary in the interests of accuracy and clarity. I also endorse the correction of any other spelling or grammatical errors or any minor formatting/numbering changes that do not affect the sense or meaning of the document.

#### **5 Overall Conclusions**

- 5.1 I conclude that, with the amendments I recommend, the Newcastle-under-Lyme and Stoke-on-Trent Core Spatial Strategy DPD satisfies the requirements of s20(5) of the 2004 Act and is sound in terms of PPS12.

*Jean Jones*

INSPECTOR

Annex A Changes necessary to make the DPD sound

Annex B Schedule of endorsed changes