

AGENDA ITEM

REPORT TO CABINET

18 JANUARY 2023

**REPORT OF CORPORATE
MANAGEMENT TEAM**

COUNCIL DECISION

Regeneration and Housing - Lead Cabinet Member – Councillor Nigel Cooke

Local Plan five year review

SUMMARY

The development plan (a local plan) is at the heart of the planning system, setting out a vision and strategy for future development of the Borough. Included within it are a series of policies which support the delivery of that strategy and against which planning applications are assessed.

Under regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012, there is a legal requirement to 'review' local plans at least once every 5 years from their adoption to ensure they remain fit for purpose. In the case of the Stockton on Tees Local Plan that is required to be complete by the 31 January 2024.

Cabinet are being asked to ratify the outcomes of the Local Plan review and to recommend to Council to begin the process of a full update of the Local Plan.

REASONS FOR RECOMMENDATION / DECISION

Officers consider that the current local plan requires an update due to changes in; the calculation process of the housing requirement; implications of changes to the retail sector and use classes order; and a changing policy landscape with regards the environment and climate change (full review contained at appendix 1).

A full update of the Local Plan is deemed necessary due to the interdependent elements of these factors across the Local Plan as a whole and as they are not 'narrow' enough to be adequately dealt with by a partial Local Plan review. Furthermore, given the emerging planning reforms a full review and formulation of a new Local Plan under the new emerging Local Plan system is considered to be the most robust and cost-effective way forward.

It will also offer an opportunity to update and align the Borough's planning policies with a number of the Councils recent and emerging policies and aspirations on climate change, addressing inequalities and in driving forward economic growth and regeneration.

RECOMMENDATIONS

Cabinet are recommended to;

1. Agree the findings and recommendations of the internal officer review of the Stockton on Tees Local Plan (**Appendix 1**).

2. Agree that the findings of the Local Plan review are made publicly available and published on its website.
3. Recommend to Council that a full update of the Stockton on Tees Local Plan commences.
4. Authorise the Director of Regeneration and Inclusive Growth to commence work on preparatory work for a new local plan with a review of the evidence base, related project management activity and consultation on updated Conservation Area Appraisals in advance of the details on government's new local plan process.

BACKGROUND

1. The development plan (a local plan) is at the heart of the planning system with a requirement set in law that planning decisions must be taken in line with the development plan unless material considerations indicate otherwise.
2. Both the National Planning Policy Framework and regulation 10A of The Town and Country Planning (Local Planning) (England) Regulations 2012 require a review of local plans at least once every 5 years from their adoption. The Current Stockton on Tees Local Plan was adopted on the 30 January 2019 and thus a review needs to be complete by 31 January 2024.
3. Failure to carry out the review would mean the Council is in breach of its legal duty of regulation 10A. There is no prescribed approach, but a review of a Local Plan against a standardised template produced by the Planning Advisory Service is being promoted nationally as good practice.

REVIEW PROCESS

4. As part of the Local Plan Review, there are only three available outcomes, either that;
 - i) The Local Plan is up-to-date and no changes are required;
 - ii) Some changes are required and there is the need for a partial update of the plan;
 - iii) Significant changes are required and a full update or new local plan is required.
5. Consultation has occurred with key consultees and stakeholders regarding their own professional view of whether the policies of the Local Plan remain 'fit for purpose'. No fundamental aspects have been raised which would indicate the Local Plan is not 'fit for purpose'.
6. In the event that a partial update to a Local Plan is required, then the processes and stages are the same as they would be for a new plan or full plan update, with critique and examination by the Planning Inspectorate.
7. Within the report is a summary of the processes undertaken for the review of the Local Plan. In order to ensure that the review of the Stockton on Tees Local Plan has been undertaken robustly, Officers have used the Planning Advisory Service's (PAS) Local Plan route planning and toolkit.
8. A review by the independent Planning Officers Society (POS enterprises) acting as a 'critical friend' has also been commissioned. The outcome of the PAS toolkit/POS review comments are attached at appendix 1 of this report.

REVIEW OUTCOMES

9. Within the review of the Local Plan it is considered that there are three areas of significant change, these are discussed below;

Housing

10. Whilst the Council can currently demonstrate a five year supply and delivery is generally consistent with that identified in the Local Plan, the housing requirement of the Local Plan is based on an Objective Assessment of Need (OAN) for new housing as originally required by the NPPF (2012). Subsequent revisions to the National Planning Policy Framework (NPPF) introduced a 'Local Housing Need' (LHN) also known as the 'Standard Methodology' for calculating housing requirements. The Local Plan housing requirement does not use the local housing need as a starting point.
11. Although the housing requirement in the Local Plan is at a higher figure than LHN, there is a significant difference between the adopted housing requirement and the baseline LHN. As a result, an update to the housing requirement of the Local Plan will need to consider LHN and other relevant factors such as local demographics and market trends. In the interim period the five-year supply assessment will be made against the local housing need in accordance with the NPPF paragraph 77.

Retail

12. With regards to delivering the local plan objectives for commercial floorspace, the local plan adopted a cautious approach to comparison retail floorspace with the requirement for beyond 2022 being informed by a future retail capacity assessment.
13. Given changes to retail habits, which were accelerated by the pandemic and lack of demand for comparison retail floorspace that review has not been carried out. In conjunction with changes to the Use Class Order (which have combined retail with a number of other town centre uses under the commercial E-use class) the effectiveness of current policies to influence changes to and from retail use have been curtailed.
14. Furthermore, the ambitious regeneration strategy for Stockton to try and address the decline of town centres, through the demolition of the Castlegate Centre, has improved vacancy rates but brought about a significant reduction of comparison retail floorspace.
15. The market for comparison retail is currently weak and it is unlikely there will be a need to bring forward significant comparison retail floorspace in the near future. However, a new town centres study which considers comparison retail needs alongside other town centre activities, should be undertaken in the future once there is greater certainty over the outcomes of the town centre programme and retail trends stabilise.

Local Environment

16. Policies within the Local Plan, remain consistent with the NPPF and other guidance, with more locally focussed issues such as a strategic mitigation solution within Seal Sands requiring further review alongside other strategic opportunities such as the Local Nature Recovery Strategy and 10% Biodiversity net gain.
17. However, the introduction of 'Nutrient Neutrality' has created a significant change in circumstance since the adoption of the Local Plan and is having implications for the delivery of residential development and other overnight accommodation. Additionally, a review of the Local Plan would also allow opportunities to align more closely with the Council's Environmental Sustainability and Carbon Reduction Strategy and net zero aspirations (2022-2032) and any emerging Air Quality Strategy.

PLANNING REFORMS

18. The Planning White Paper in 2020, proposed fundamental planning reforms although some of the more radical proposals have to date not been brought forward. Instead, the Levelling Up and Regeneration Act (LURA) introduces a range of focussed changes rather than a full overhaul of the current planning system.

19. Following the NPPF consultation (Dec 2022), Government have very recently released an update to the NPPF (20 December 2023). This revised NPPF, does not result in any fundamental changes which affect the current Local Plan or this review.
20. Notwithstanding that, further planning reforms remain on the horizon. The Regeneration and Levelling Up Act (LURA) has introduced a series of reforms to the planning system, most notably with regards to the Local Plan making system (Part 3 and Schedule 7). This is intended to introduce a 'new generation' of local plan which are simpler to produce and use. The associated legislation is expected to be enacted during 2024 which will provide greater detail.
21. There has also been the indication of further changes to the NPPF and it is expected that this will include the introduction of national development management policies which would represent a significant future change for the current local plan.

REVIEW CONCLUSIONS

22. The changes in the calculation process of the housing requirement, changes to the retail sector (including shopping habits and introduction of the use classes order), along with a changing policy landscape with regards the environment and climate change, all represent significant changes in circumstance since the adoption of the Local Plan.
23. All of these elements are considered to have 'cross cutting' factors and changes to one, may undermine another element of the Local Plan. Individually they are not considered to be narrow enough to be satisfactorily addressed through a partial review of the Local Plan. The associated required resources and cost of a partial plan review will also be significant as the process mimics the full review process.
24. As detailed above, the passing of the Levelling Up and Regeneration Act introduced a 'new style' local plan system, which are intended to be easier to prepare and understand, but will require a new plan being produced every five years. Further details are awaited and expected later this year. Other significant planning reforms are also anticipated which include the introduction of National Development Management Policies and these elements will also have consequences for the current adopted Local Plan.
25. Given the change in circumstances since the Local Plan adoption and additional emerging planning reforms, a full review/formulation of a new Local Plan under the new emerging Local Plan system is considered to be the most robust and cost-effective way forward. It will also offer an opportunity to update and align the Boroughs planning policies with the Council's other recent and emerging policies and aspirations such as climate change, addressing inequalities and economic growth and regeneration.
26. With regards to implications on the status of the Local Plan, the strategic policies will continue to aim to meet anticipated development needs up to 2032. In the intervening period before any new Local Plan is adopted, the five-year housing supply would be considered against the government's standard methodology, given that the Local Plan housing requirement needs review.
27. The determination of planning applications will continue to use the current Local Plan as the starting point alongside relevant material planning considerations with weight being attributed to those being based on the consistency with the NPPF, as is currently the case.

COMMUNITY IMPACT IMPLICATIONS

28. The provision of a new Local Plan will encompass and have the potential to affect all areas of the Borough and the varied elements of all our communities and further detail across community impact will be provided in future reports.

29. Any new Local Plan will be produced in accordance with the statutory Local Plan process which will include effective engagement and consultation with our communities and stakeholders. This will include a variety of communication methods which will be likely to include community engagement sessions, use of social media, press releases and the Council website (or linked dedicated site). Further consideration will be given throughout the Local Plan process and any impacts will be identified within future reports.

CORPORATE PARENTING IMPLICATIONS

30. There will be no implications for Corporate Parenting as a result of this report.

FINANCIAL IMPLICATIONS

31. There are no direct financial implications as a result of this report. The delivery of a new local plan and the associated evidence base will incur future cost and details of the financial implication will be identified within future reports.

LEGAL IMPLICATIONS

32. Regulation 10A of The Town and Country Planning (Local Planning) (England) Regulations 2012 requires a mandatory five-year review of Local Plans. This report and outcome of the Local Plan review comply with that requirement.

RISK ASSESSMENT

33. A Cabinet decision on the Local Plan review does not raise any immediate risk to the Council is categorised as low to medium risk. Existing management systems and daily route activities are sufficient to control and reduce risk.

WARDS AFFECTED AND CONSULTATION WITH WARD/COUNCILLORS

34. The Local Plan review affects all wards and Councillors.

BACKGROUND PAPERS

35. Relevant background papers include;
- Stockton on Tees Local Plan – 2019
 - National Planning Policy Framework - 2023
 - National Planning Practice Guidance

Name of Contact Officer: Simon Grundy
Post Title: Planning Services Manager
Telephone No. 01642 528550
Email Address: simon.grundy@stockton.gov.uk