

**Northumberland County Council – Northumberland Local Plan Core Strategy Pre-Submission Draft: Proposed Major Modifications**

**Background**

1. Northumberland County Council is consulting on proposed major modifications to the pre-submission draft of the Northumberland Local Plan Core Strategy (NLPCS). This follows consultation on the pre-submission draft NLPCS that took place in October/November 2015. The current consultation is part of ongoing discussions between Local Authority areas regarding strategic priorities for development, held under the Duty to Cooperate.
2. Once in place, the NLPCS will provide strategic policies on the overall quantity and locations of development in Northumberland, along with more detailed policies that the Council will use to determine planning applications, and potential development sites within the County. The NLPCS also proposes to allocate a number of sites currently in the Green Belt for residential development.
3. Throughout various stages of consultation on the NLPCS Gateshead Council has provided formal consultation responses that highlight issues in a number of areas, the most recent consultation response having been approved by the Cabinet in November 2015. The most significant issues raised in our consultation responses so far relate to the scale of growth proposed within the NLPCS. The evidence that Gateshead Council has been presented with so far suggests that the level of growth set out within the NLPCS, if delivered, could have a negative impact on Gateshead.
4. As identified in the documents published for consultation, Northumberland County Council has not proposed to address the issues we have raised by modifying the policies relating to the scale of growth set out in the plan, and no new evidence which would address our concerns has been made available. The emerging NLPCS is at an advanced stage; subject to the outcome of consultation on proposed modifications to the NLPCS, and subject to approval by Northumberland County Council, the next stage of the plan-making process could be submission of the NLPCS to the Secretary of State for examination in 2017. Accordingly, although our draft consultation response emphasises that we support the principle of sustainable growth within the North East, it also re-states our concerns regarding the potential impact of the NLPCS for Gateshead. In particular,

our draft response highlights that, depending upon the outcome of further work, it may be necessary for Gateshead Council to participate in the examination of the NLPCS to support an exploration of the implications of the NLPCS for Gateshead.

5. Officers from Gateshead Council have held discussions with colleagues at Northumberland County Council as part of ongoing activity under the Duty to Cooperate. Following recent discussions, a programme of work has been established that will assist Gateshead Council and Northumberland County Council to explore new evidence relating to the potential impact of Northumberland's planned growth for Gateshead, and consider opportunities to reduce, or mitigate potential negative impacts for Gateshead. As part of this programme of work, a series of workshops have been organised over the coming weeks and months which will be attended by Gateshead Council officers.
6. The deadline for consultation responses was 27 July 2016. In order to meet this deadline, our comments have been forwarded to Northumberland County Council for information as set out in the attached annex, with an accompanying covering letter stating that our formal consultation response is subject to Cabinet approval in September 2016.

### **Implications of Recommended Option**

#### **7. Resources:**

- a) **Financial Implications** – No financial implications directly arise from this report
- b) **Human Resources Implications** – There are no human resources implications.
- c) **Property Implications** - There are no property implications.

**8. Risk Management Implication** – There are no risks associated with the consultation.

**9. Equality and Diversity Implications** – There are no equality and diversity implications

**10. Crime and Disorder Implications** – There are no crime implications.

**11. Health Implications** – There are no health implications.

**12. Sustainability Implications** – Sustainability appraisal and strategic environmental assessments have been published and will be revised as proposals are developed.

**13. Human Rights Implications** – There are no human rights implications.

**14. Area and Ward Implications** – Current evidence suggests that implementation of the Northumberland Local Plan Core Strategy could have implications for Gateshead's housing market, and some implications for traffic levels. Through ongoing discussions and close cooperation between the Councils, officers will consider evidence around the potential impact of growth in Northumberland for Gateshead's communities, and explore opportunities to minimise or mitigate potential negative impacts on our housing market and transport infrastructure.

## **Annex**

### **Northumberland Local Plan Core Strategy Pre-Submission Draft: Proposed Major Modifications**

Thank you for providing us with the opportunity to comment on the proposed major modifications to the pre-submission draft of the Northumberland Local Plan Core Strategy (NLPCS).

As you are aware, Gateshead Council has submitted formal written responses to consultation on the emerging NLPCS on several occasions throughout the plan's preparation, the most recent being our response to consultation on the pre-submission draft NLPCS, dated 25 November 2015. Our consultation responses have provided detailed comments regarding a number of areas of policy development. For Gateshead Council, the most important issue raised in our comments relates to the scale of housing growth set out in the plan. We consider that the level of housing growth planned for Northumberland, if delivered, could have a negative impact on Gateshead's housing market, and upon the delivery of sustainable economic growth in Gateshead. We also have some concerns regarding the potential impact of housing growth in Northumberland for Gateshead's road network.

The proposed modifications to the plan have not addressed the concerns we have raised, and Gateshead Council therefore wishes to clarify our position by providing a response to this formal stage of consultation. In particular, we would like to emphasise our wish to work with Northumberland County Council over the coming weeks and months to explore additional evidence, and opportunities to reduce or mitigate potential negative impacts on Gateshead.

#### **Background**

The NLPCS aims to deliver more than 24,000 additional homes over the 20-year plan period. This level of housing growth is associated with population change of around 34,000 additional residents in Northumberland. This scale of population growth is considerably higher than the level of change indicated by recent trend-based population projections for Northumberland provided by the Office for National Statistics.

Increased population growth in Northumberland can only be achieved by increasing net migration into Northumberland - retaining residents who currently live in Northumberland, and attracting residents currently living in other areas. The disparity between recent trends in population change for Northumberland, and the scale of growth set out in the NLPCS means that the plan's housing targets are predicated on a sizeable increase in net-migration of residents into the county. Although Northumberland County Council have agreed to accommodate some of the household growth that would otherwise have been accommodated in North Tyneside, it seems that this only accounts for a relatively small proportion of the increased housing growth that Northumberland seeks to deliver through the NLPCS.

A proportion of the required level of population growth for Northumberland could be achieved by increasing net in-migration from areas outside the North East of England. However, it seems likely that the component of migration that can most readily be influenced by the Council's policy interventions is the migration of residents between Northumberland and other nearby areas.

This issue is of significance to Gateshead. In March 2015 Gateshead Council and Newcastle City Council adopted the Gateshead and Newcastle Core Strategy and Urban Core Plan (CSUCP). The CSUCP sets out an ambitious but achievable agenda for growth of almost 50,000 residents and 22,000 additional jobs across Gateshead and Newcastle between 2010 and 2030, and aims to strengthen the role of the Gateshead and Newcastle Urban Core. The CSUCP aims to encourage population growth in Gateshead and Newcastle through providing a choice of high quality residential accommodation capable of attracting and retaining working age residents within Gateshead and Newcastle. Aside from a specific, quantified adjustment to projected migration flows between Newcastle and North Tyneside, the CSUCP is based on the assumption that recent patterns of migration between Gateshead and Newcastle and other nearby local authority areas will continue at broadly the same level over the plan period.

In October 2015 Northumberland County Council commissioned work to assess data on migration between Northumberland and other local authority areas in the North East. This work was carried out as a result of discussions between Northumberland County Council, Gateshead Council and Newcastle City Council, and sought to provide a better understanding of the potential implications of Northumberland's housing growth strategy. Based on recent migration trends, the analysis suggested that the proposed scale of population growth set out in the NLPCS could result in an increase in net out migration from Gateshead to Northumberland of around 70 residents per year, or around 1,400 residents over the 20 year plan period.

### **Implications for Gateshead**

It should be noted that the analysis of migration trends can only provide a very broad indication of the potential consequences of Northumberland's growth for other areas. The scale of planned growth in Northumberland (compared to recent trends) means that if delivered, the NLPCS would have a significant effect on the local housing market: the full implications for other areas are therefore difficult to predict with much certainty. However, the evidence that has been provided so far suggests that implementation of the NLPCS could have a significant and negative impact on Gateshead. The potential net loss of residents from Gateshead to Northumberland set out in the migration analysis suggests a 10% overall reduction in anticipated growth in Gateshead's population compared to the projections used within the CSUCP. As the age profile of migrants usually contains a relatively high proportion of working age residents, it seems likely that the NLPCS will result in projected growth in Gateshead's working age population being reduced by a greater amount.

The bespoke demographic projections model produced to support preparation of the CSUCP allows for the implications of different migration assumptions to be explored, and can therefore be used to provide an indication of the potential impact of Northumberland's housing growth for Gateshead. Applying an assumption to our demographic projections model that net migration into Gateshead will reduce by around 70 persons per year (keeping all other assumptions consistent with those used in the CSUCP) suggests that if the NLPCS is implemented successfully, by 2030 Gateshead will have around 1,000 fewer working age residents.

We recognise that migration patterns cannot be 'fixed' at a specific level, and are liable to change over time due to a range of factors that are difficult to predict. In this respect, modest changes in migration flows between Gateshead and other local authorities are unlikely to have a significant impact on the implementation of the CSUCP. We believe that the CSUCP sets out a robust and credible plan for growth in sustainable locations, and accommodates an appropriate degree of flexibility to cope with change. However, where neighbouring or nearby local authorities specifically aim to deliver population growth through increased net in-migration from other areas there is potential for substantial alteration to current migration patterns, which could result in markedly lower levels of growth in some areas.

The NLPCS highlights the potential for Northumberland, and the North East region to improve its economic performance over coming years. It seems reasonable to assume that if these relatively high levels of economic growth are delivered, the region will be more successful in attracting and retaining skilled workers, thereby boosting population growth. Gateshead is supportive of ambitions to improve the region's economy. The implications of this ambition for higher regional economic growth on the numbers of people (and households) residing in Gateshead and Northumberland needs to be explored.

On the basis of the evidence currently available to us, we think that in practice the implications of Northumberland's plan for housing growth can be categorised as having three main impacts for Gateshead. Firstly, reduced household growth in Gateshead (as a result of lower population growth) could mean that there will be lower demand for new housing in Gateshead. Overall, this could have an impact on the delivery of new housing in the Borough. However, in our view it is likely that the worst effects of lower demand for housing will be felt at Gateshead's less viable housing sites within our more disadvantaged communities. Gateshead Council is working with partners to deliver housing development in key regeneration areas, and we also aim to reduce the high levels of dwelling vacancy that impair the sustainability of some of our communities. Lower overall demand for housing in Gateshead has potential to adversely affect delivery of these objectives, and could therefore represent a challenge to our activities aimed at supporting some of our most vulnerable communities.

The second anticipated impact of the NLPCS is more strategic in nature and is associated with the potential reduction in Gateshead's working age

population. The CSUCP plans to deliver sustainable economic growth by supporting population growth (particularly growth in numbers of economically active residents) within Gateshead and Newcastle. However, if delivered, the NLPCS could undermine our efforts to support sustainable economic growth in Gateshead. In understanding the wider implications of this, it is useful to consider the appraisal of the Councils' approach provided within the Inspector's final report on the examination into the CSUCP (February 2015), which states:

*“Newcastle and Gateshead lie at the heart of the region and are vital to its economic success. Optimising the opportunities for new housing and economic development within or close to Newcastle and Gateshead ensures that best use is made of the services and facilities of the urban core and the wider conurbation: it is an inherently sustainable strategy.”*

In our view the third main impact of Northumberland's housing growth strategy for Gateshead is the potential increase in traffic on Gateshead's roads. We note that the NLPCS includes an objective to reduce net out-commuting of Northumberland's residents to jobs outside of the county, by providing increased job opportunities within Northumberland. While this may be the case in terms of longer term, county-wide trends, the cumulative traffic impacts of additional housing provision in Northumberland, particularly in locations close to Gateshead, need to be understood in detail. Gateshead Council has been working with Northumberland County Council to understand the potential cross-boundary impacts of development in Northumberland for our roads. We are pleased with progress made so far in this work and hope to develop a detailed understanding of the specific mitigation measures that may be required in Gateshead to address any identified issues associated with new developments in Northumberland.

### **Proposed major modifications to Chapter 6, Providing existing and future communities with a choice of decent, affordable homes**

The proposed major modifications to the NLPCS have unfortunately not addressed our concerns regarding the impact of Northumberland's housing growth on Gateshead. Proposed major modifications MAJ/06/02 and MAJ/06/03 do not propose adjusting the total amount, phasing, or broad location of housing provision in the pre-submission draft NLPCS. In addition, we are not aware of any additional evidence having been prepared which would suggest that the concerns we have raised throughout consultation on Northumberland's emerging Local Plan are not valid.

The evidence available to us suggests that the implementation of the NLPCS could hinder delivery of key elements of the CSUCP, and may make Gateshead Council's activities aimed at supporting our most vulnerable communities and delivering sustainable economic growth more challenging. The scale of increased housing provision set out in Northumberland's plan could have significant cross-boundary implications which have potential to adversely affect the strategic priorities of Gateshead Council around delivering sustainable housing and economic growth.

### **Potential changes to the plan**

We are keen to work with colleagues at Northumberland County Council to explore any new evidence of the potential impact of the NLPCS on other areas, and consider measures that could be taken to reduce or mitigate the potential consequences of Northumberland's housing growth for Gateshead. In this respect, we are pleased to note that Northumberland County Council has initiated a programme of work that will provide a more detailed consideration of the issues we have identified. Gateshead Council aims to support this work as part of developing a detailed understanding of the potential implications of the NLPCS for other areas, and exploring opportunities to reduce or mitigate any negative impacts.

Depending upon the outcome of further work with Northumberland County Council aimed at addressing our concerns, Gateshead Council wishes to make clear that we may consider it necessary to participate in the Independent Examination of the NLPCS. Our participation at the examination may be required to support an exploration of the implications of the NLPCS for the Gateshead local authority area.

We support ambitions to grow the economy of the North East to deliver increased prosperity for the region. Unfortunately, the evidence that is currently available to us suggests that the delivery of housing growth in Northumberland, as set out in the pre-submission draft NLPCS could have negative impacts on Gateshead. We are keen to work with Northumberland County Council over the coming weeks and months to explore further evidence, and support the county in preparing a plan capable of delivering sustainable growth.