

**MIDDLESBROUGH COUNCIL**

<b>Report of:</b>	Director of Regeneration
<b>Relevant Executive Member:</b>	Executive Member for Development
<b>Submitted to:</b>	Executive
<b>Date:</b>	8 January 2025
<b>Title:</b>	Publication Local Plan - Update
<b>Report for:</b>	Information
<b>Status:</b>	Public
<b>Council Plan priority:</b>	A successful and ambitious town
<b>Key decision:</b>	No
<b>Why:</b>	Not applicable
<b>Subject to call in?:</b>	Not applicable
<b>Why:</b>	Information Only

### **Executive summary**

This report provides an update on progress for preparing the Publication Local Plan, which will set out the Council's emerging planning policy framework that will guide development and decisions on planning applications during the period 2022 – 2041.

A new National Planning Policy Framework (NPPF) was published by the Government on 12<sup>th</sup> December 2024. In order to progress the Publication Local Plan, it is necessary to review both the emerging Plan and the evidence base to ensure it complies with the transitional arrangements set out in the NPPF. This must be done urgently to ensure the Publication Local Plan is agreed and published no later than 12<sup>th</sup> March 2025. It will also be necessary to update the Local Development Scheme to set out a new timetable for preparing the Local Plan.

The implications of the recommendations have been considered by the appropriate officers of the Council and are set out in the main body of the report.

## **1. Purpose**

- 1.1 To update Executive on the new National Planning Policy Framework and the impact it has on the preparation of the Publication Local Plan.

## **2. Recommendations**

- 2.1 That the Executive:

- Notes the issues arising from the new National Planning Policy Framework, and endorses the revised approach to preparing the Publication Local Plan as set out in this report.
- Notes that a new timetable for preparing the Local Plan will be set out in a revised Local Development Scheme.
- Notes the update regarding Teessaurus Park.

## **3. Rationale for the recommended decision(s)**

- 3.1 It is a statutory requirement to prepare a Local Plan that identifies land for development and can be used as a basis for determining planning applications. The Local Plan is critical for delivering some of the Council's key strategic objectives, in particular population retention, increasing the housing supply and supporting economic growth. The development it will help secure will make a positive contribution to the financial sustainability of the Council.
- 3.2 Following earlier stages of plan preparation, including two separate periods of public consultation, the Local Plan is now being finalised for 'Publication' stage. This is a statutory stage, the purpose of which is to make the Local Plan available for inspection and invite formal representations upon it. It will provide the opportunity for interested parties and stakeholders to make formal representations, which must relate only to matters of soundness or legal compliance.
- 3.3 The Government published its revised National Planning Policy Framework (NPPF) on 12th December 2024. This sets out new planning policies that need to be taken into consideration when preparing Local Plans and making decisions on planning applications. Critically, it places new requirements on Council's regarding the level of housing they need to plan for in their areas.
- 3.4 In order to avoid returning to an earlier stage in the plan making process and accommodate the new national planning policies, it will be necessary to reach 'Publication' stage no later than 12th March 2025. This will allow the Plan to progress under transitional arrangements and be examined under the previous NPPF.

#### **4. Background and relevant information**

- 4.1 In January 2024, the Executive approved the Draft Local Plan. This was a non-statutory stage that enabled community engagement on the plan between 1st February and 15th March 2024. The Draft Local Plan was made available online and in various Council buildings and libraries, and there was a series of 17 drop in events held across Middlesbrough.
- 4.2 During the consultation, over 2,000 responses were received on the Draft Local Plan, along with 4 petition-style responses, all of which are being considered in preparing the Publication Local Plan. In order to address some of the issues raised and ensure a robust evidence base, further work has been completed in house or commissioned, including:
- Transport Assessment
  - Strategic Flood Risk Assessment
  - Viability Assessment
  - Gypsy & Traveller Site Assessment
  - Habitats Regulation Assessment
  - Heritage Impact Assessment
  - Infrastructure Delivery Plan
- 4.3 The Local Development Scheme, which sets out the timetable for preparing the Local Plan, indicated that the Publication Local Plan would be prepared for January 2024 and that is what the Council had been working towards.

#### **Changes to the National Planning Policy Framework (NPPF), the Planning Policy for Gypsy and Traveller Sites and the Planning Practice Guidance**

- 4.4 Following a consultation during summer 2024, the Government published the updated NPPF on 12th December 2024. The Council had been preparing the Publication Local Plan under the assumption that the NPPF would be published as per the draft version.
- 4.5 However, a number of significant changes have been made in finalising the NPPF which impact upon the ability to bring the Publication Local Plan forward under transitional arrangements. These key changes are:
- The transitional period for bringing forward the Local Plan has been extended to 3 months, meaning Publication needs to be reached no later than 12th March 2025;
  - The Local Housing Need (LHN) figure for Middlesbrough has been revised downwards from 589 to 522 dwellings per annum; and

- To enable the Local Plan to be taken forward under transitional arrangements it will be necessary for the Local Plan to identify a Housing Requirement of a minimum of 80% of the LHN.

- 4.6 To enable the Local Plan to progress under the transitional arrangements it is necessary to achieve the 80% mark. In order to do this, it will be necessary to lift the Local Plan housing requirement from 400 dwellings per annum proposed in the Draft Local Plan to 420 dwellings per annum. This equates to an additional 380 dwellings over the Plan period. Further work is required to identify how this can be met and delivered, although good recent delivery and the inclusion of a buffer in the Draft Local Plan will help limit the impact of this.
- 4.7 To achieve this, it is necessary to not only review the drafted Publication Local Plan but also the evidence base. It is anticipated that this work can be undertaken and completed and allow the Publication Local Plan to be brought before the Executive and Council meetings of 5th March 2025. This will still enable the Local Plan to progress under transitional arrangements.
- 4.8 An updated timetable for the preparation of the Local Plan will be set out in a revised Local Development Scheme (LDS). The Government has indicated that LDS updates need to be done within 12 weeks of the NPPF being published (i.e. 6th March 2025).
- 4.9 In addition to the NPPF, the Government also published an updated Planning Policy for Traveller Sites (PPTS) and parts of the Planning Practice Guidance (PPG). The Publication Local Plan will need to be considered against both the PPTS and the PPG before it is finalised.

### **Teessaurus Park**

- 4.10 The Draft Local Plan proposed that land at Teessaurus Park be allocated for the future development of a Gypsy & Traveller site. This issue generated a significant amount of interest during the consultation, with many people and organisations raising concerns about the proposal.
- 4.11 In response, the Council commissioned consultants to undertake a more detailed Gypsy & Traveller Site Assessment to look at alternative site options. This work has concluded that Teessaurus Park is not the most appropriate option to meet future needs and recommended alternative locations. The Publication Local Plan will set out a revised policy based on these recommendations.

### **Next Steps**

- 4.12 The emerging Publication Local Plan will be reviewed and finalised in accordance with the transitional arrangements set out in the NPPF. It will be brought to a future

meeting of Full Council for approval. An updated timetable will be published through a revised Local Development Scheme.

## 5. Other potential alternative(s) and why these have not been recommended

- 5.1 Not to progress the Publication Local Plan under transitional arrangements. This will mean that we will no longer progress the Local Plan as agreed previously by the Council and will retain existing out-of-date policies for longer. Work on the Local Plan would have to restart in order to meet the requirements of the new NPPF. This would involve updating the evidence base in full. It is anticipated that this would take approximately 2-3 years and come at significant financial cost to the Council.

## 6. Impact(s) of the recommended decision(s)

Topic	Impact																																
Financial (including procurement and Social Value)	<p>The costs associated with this and future stages of the Local Plan through to adoption are likely to be in the region of £0.200m. This comprises £0.135m associated with plan preparation and evidence base in 2024/25, with £0.065m of examination costs in 2025/26.</p> <p>The annual Planning Policy revenue budget includes £0.086m for professional and hired &amp; contracted services. Additionally, the confirmed Council capital programme includes the Capitalisation of Planning Surveys scheme. The anticipated costs and available funding for the adoption of the Local Plan are stated within the table below. The costs will be attributed to each of the budgets available as applicable. The remaining available budgets will be utilised on other Planning Services initiatives.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="4" style="text-align: center;"><b>Anticipated Costs/Funding for Adoption of Local Plan</b></th> </tr> <tr> <th></th> <th style="text-align: center;"><b>2024/25 £m</b></th> <th style="text-align: center;"><b>2025/26 £m</b></th> <th style="text-align: center;"><b>Total £m</b></th> </tr> </thead> <tbody> <tr> <td>Cost</td> <td style="text-align: center;">0.135</td> <td style="text-align: center;">0.065</td> <td style="text-align: center;">0.200</td> </tr> <tr> <td>Available Budgets:</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Capital</td> <td style="text-align: center;">0.084</td> <td style="text-align: center;">0.076</td> <td style="text-align: center;">0.160</td> </tr> <tr> <td>Revenue</td> <td style="text-align: center;">0.086</td> <td style="text-align: center;">0.086</td> <td style="text-align: center;">0.172</td> </tr> <tr> <td><b>Total Available Budgets</b></td> <td style="text-align: center;"><b>0.170</b></td> <td style="text-align: center;"><b>0.162</b></td> <td style="text-align: center;"><b>0.332</b></td> </tr> <tr> <td><b>Remaining Available Budgets</b></td> <td style="text-align: center;"><b>0.035</b></td> <td style="text-align: center;"><b>0.097</b></td> <td style="text-align: center;"><b>0.132</b></td> </tr> </tbody> </table> <p>The Local Plan will be critical in providing the certainty that investors require in making their decisions to invest in</p>	<b>Anticipated Costs/Funding for Adoption of Local Plan</b>					<b>2024/25 £m</b>	<b>2025/26 £m</b>	<b>Total £m</b>	Cost	0.135	0.065	0.200	Available Budgets:				Capital	0.084	0.076	0.160	Revenue	0.086	0.086	0.172	<b>Total Available Budgets</b>	<b>0.170</b>	<b>0.162</b>	<b>0.332</b>	<b>Remaining Available Budgets</b>	<b>0.035</b>	<b>0.097</b>	<b>0.132</b>
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	<p>Middlesbrough, and in achieving the quality of development to support the needs and aspirations of our population.</p> <p>Over the lifetime of the Local Plan, it is anticipated that it will help secure new housing development that will have the potential to substantially broaden the Council Tax base (both in terms of overall number of chargeable dwellings and the proportion of those dwellings at Band D and above) and support business rates growth. Subject to the continuation of the grant, which remains uncertain, increasing the net number of housing dwellings will attract additional funding via the New Homes Bonus. Increasing the Council Tax base will improve the financial sustainability of the Council given that it currently has a low taxbase with around 85% of households in Bands A to C.</p> <p>Housing growth may also increase the demand for Council services and potentially local infrastructure. The Local Plan will be accompanied by a Infrastructure Delivery Plan (IDP), which will set out the high level requirements and costs that are likely to support the development in the plan. Detailed costs can only be ascertained at the planning application stage. The costs associated with any increase in demand for Council services will be met through the uplift in Council Tax arising from the new homes.</p>
<p>Legal</p>	<p>There is a statutory duty to prepare a Local Plan in accordance with the Planning and Compulsory Purchase Act 2004. Failure to have an up-to-date Local Plan will result in the Council, as local planning authority, losing some control over the decision-making process for planning applications.</p> <p>The Publication Local Plan will cover the whole of the borough of Middlesbrough, including the part that is covered by the Middlesbrough Development Corporation (MDC). Whilst the MDC is the planning authority for making decisions on planning applications in that area of the town, Middlesbrough Council remains the plan-making authority. Once adopted, the Council and the MDC will both be required to make decisions in accordance with the Local Plan unless material considerations indicate otherwise.</p> <p>The Localism Act 2011 includes the ‘Duty to Cooperate’, which places a duty on the Council to cooperate with other, specified organisations to ensure strategic and cross-boundary issues are properly considered in the plan making process.</p> <p>The Local Planning Regulations 2012 set out, in further detail, the process that must be followed in preparing a Local Plan.</p>

	<p>The Publication Local Plan is a statutory plan making stage. The consultation must, be undertaken in accordance with the Regulations and Council's adopted Statement of Community Involvement.</p>		
<p>Risk</p>	<p>The following risks are affected by this report:</p>		
<p>O8-055</p>	<p>If the Council doesn't respond effectively and efficiently to legislative changes it could be in breach of statutory duties in relation to service delivery and fail to make the most of opportunities.</p>	<p>The Draft Local Plan has been prepared in accordance the legislation and latest Government guidance. This will provide the opportunity to best ensure legislative requirements will be satisfied, so this will have a positive impact on this risk.</p>	
<p>O1-005</p>	<p>If poor economic growth occurs, then this will reduce public and private sector investment in the town, including town centre retail, housing development and business.</p>	<p>The development of a new local plan will support the revitalisation of the town with urban housing etc. so will have a positive impact on this risk.</p>	
<p>O1-051</p>	<p>A major downturn in housing growth that results in a significant decline in new housebuilding in Middlesbrough, resulting in lower house building rates lower Council Tax receipts and thereby increasing the risk of impact on successful delivery of the MTFP.</p>	<p>By producing a new local plan with revised base data this will ensure that the correct data is being utilised and that any links with the MTFP will be more accurate so this will have a positive impact on this risk.</p>	
<p>O1-052</p>	<p>Substantial areas of the town have high residential voids/low sales values and high population churn, effectively creating market failure resulting in significant social consequences which in turn have implications for Council resources and</p>	<p>By reviewing the local plan it will create a positive planning framework for areas across the Borough but with the new strategic direction this will look at the revitalisation of the town centre so this would have a positive impact on this risk.</p>	

	service delivery. Such an approach is unsustainable and will result in the need for significant market invention at great cost to the Council.
Human Rights, Public Sector Equality Duty and Community Cohesion	An impact assessment will be completed for the Publication Local Plan.
Climate Change / Environmental	The Publication Local Plan will set out a policy framework to deliver sustainable development, including policies that will help minimise the impact of development on climate change, and help mitigate the impact of climate change on our communities. This includes specific policies on Climate Change and Flood Risk.
Children and Young People Cared for by the Authority and Care Leavers	This will be assessed when the Publication Local Plan is brought forward for approval.
Data Protection	The public engagement associated with the Publication Local Plan will involve the collection and processing of personal data, in accordance with the statutory requirements associated with plan preparation. Given this statutory basis, there are no concerns that the Publication Local Plan could impact adversely on data protection or GDPR.

**Actions to be taken to implement the recommended decision(s)**

Action	Responsible Officer	Deadline
Update the Local Development Scheme	Alex Conti	March 2025
Seek Council approval for the Publication Local Plan	Alex Conti	March 2025

**Appendices**

There are no appendices associated with this report.

**Background papers**

Body	Report title	Date
Middlesbrough Council	Local Plan Scoping Report	November 2022



Middlesbrough Council	Draft Local Plan	January 2024
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