

Environment and Communities Committee

Date of Meeting:	11 November 2021
Report Title:	Crewe Hub Area Action Plan Update
Report of:	Paul Bayley, Director of Environment and Neighbourhood Services
Report Reference No:	EC/25/21-22
Ward(s) Affected:	All Wards

1. Executive Summary

- 1.1.** An Area Action Plan (AAP) is a planning tool to enable additional statutory planning policies to be introduced, in a defined geography, that respond to significant change in a local area. They are a 'bolt-on' to policies held in a local plan.
- 1.2.** To enable growth and manage new development associated with the arrival of HS2 to Crewe work on the Crewe Hub Area Action Plan (CHAAP) began in the winter of 2018, involving multiple stages of public consultation and culminating in a final draft of the plan, which in March 2020 Cabinet took a decision to consult on.
- 1.3.** Shortly after this decision was taken, the first national lockdown was introduced in response to the Covid-19 pandemic which, amongst other measures taken, closed access to public buildings and therefore prevented the council from complying with the legal requirements in place at that time related to planning consultation (that the council must enable documents to be physically accessed at its offices and libraries). Therefore, the opening of consultation was paused.
- 1.4.** Since that point, travel behaviours and working circumstances continue to be disrupted. This has significantly impacted the commercial development market which was a key feature of the CHAAP.
- 1.5.** In addition, Government funding priorities have changed over this period, which means no funding opportunities are currently available to fund key interventions needed to support the CHAAP.

- 1.6. Consequently, the impact of the pandemic on these key assumptions have changed to such a degree that the approach originally set out in the CHAAP no longer represents the optimum route to support the Council's ambitions for Crewe in the plan period.
- 1.7. On that basis, Corporate Policy Committee resolved on 4th November 2021 to revoke the decision to consult on the CHAAP and formally withdraw the document, including the proposed route for the Southern Link Road Bridge (SLRB).
- 1.8. Following the withdrawal of the CHAAP it is important that the Council sets out a refreshed strategy for the area that supports planning decision making to manage development, and to support the Council's wider regeneration programme. It is proposed to achieve this through the preparation of a Supplementary Planning Document for Central Crewe, accurately reflecting current circumstances, and supporting investment in the town via emerging Government funding opportunities. A supplementary planning document of this nature will be included in the Council's Local Development Scheme in the new year, for consideration by the Environment and Communities Committee.

2. Recommendations:

2.1. That the Committee:

- 2.1.1. Note the decision of the Corporate Policy Committee on 4th November 2021 to withdraw the CHAAP and the Crewe SLRB preferred route;
- 2.1.2. Note the proposal to prepare a Supplementary Planning Document for Central Crewe.

3. Reasons for Recommendations

- 3.1. The Council recognises the impacts of the coronavirus pandemic to working patterns and travel behaviours right across the UK and that these impacts are likely to continue, to some degree, at least in the mid-term future.
- 3.2. Consequently, the commercial development market is likely to be constrained, in both delivery and value, for some time to come. This means that economic growth plans associated with HS2 are likely to take longer to realise.
- 3.3. In addition, the rail works at Crewe to facilitate the arrival of HS2 to Crewe have been delayed from the timetable as understood in 2018, and the final timing of the arrival of HS2 services to Crewe awaits the Government's Integrated Rail Plan, which is thought to be published imminently. Again, this could impact the timing of the HS2 opportunities.
- 3.4. Because of these changes, the proposals outlined in the CHAAP no longer reflect current circumstances and are now unlikely to deliver the levels of commercial gains originally anticipated within the plan period (to 2030).

- 3.5.** It is therefore necessary to embark upon an alternative approach that reflects current circumstances, provides a suitable planning framework that supports sound decision making, and supports continued success in securing and delivering investment in Crewe building on the Future High Streets Fund and Towns Fund programmes.
- 3.6.** Producing a Supplementary Planning Document (SPD) for Central Crewe enables the Council to refresh the planning framework for Crewe incorporating key elements of the CHAAP but responding to recent changes. An SPD would be directly linked to the strategy already established in the Council's Local Plan and can be produced relatively quickly.
- 3.7.** Whilst an SPD does not offer the opportunity to establish new planning policy or offer the same legal status as policies in an AAP or Local Plan, it does provide guidance on how the approach already set out in the Local Plan should be applied to development proposals. The guidance provided in an SPD is a material consideration in planning decisions and, in this instance, would be used to inform the application of existing policies in the Local Plan (LPS1: Central Crewe).
- 3.8.** The Council's Local Plan is sound for managing the current proposed regeneration programmes. It will be subject to review and updating prior to 2025 (from 2022 onwards). Therefore, an SPD could be a shorter-term tool to re-engage the local community, re-develop a suitable planning framework that incorporates current developments/investment, and publicly sets out the Council's ambitions for Crewe, with recognition that such a document could form the basis of an approach to be incorporated in Local Plan review in the future.
- 3.9.** A review of the CHAAP and preparation of a SPD will establish an up to date strategy and evidence base to support short-term funding and investment opportunities; it will support the continued, co-ordinated regeneration of the town by setting out a clear strategy; and will also strengthen the planning policy framework to accurately reflect current circumstances and opportunities.

4. Other Options Considered

- 4.1.** The Council could continue to progress the CHAAP and the Crewe hub proposals as previously planned. This would require the Council to commence the consultation as presented to Cabinet in March 2020. This consultation would be the 'representations' stage, prior to submission to the Planning Inspectorate for examination.
- 4.2.** However, the CHAAP, in its current form, no longer reflects current circumstances and without available Government funding opportunities to support delivery of key infrastructure, its proposals could not be considered deliverable (one of the key tests for the plan). Therefore, if the current version of the CHAAP were submitted, it would likely fail its examination by the

Planning Inspectorate. This could result in significant abortive costs to the Council without any improved planning policy for the area.

- 4.3.** The Council could seek to amend the CHAAP to account for the changes arising from the coronavirus pandemic and any changes to the Government's HS2 programme. This will necessitate a review of the evidence base and infrastructure plan and may impact the conclusions related to expected levels of growth in the plan period. It offers an opportunity to re-engage with the new Crewe Town Board and create new policy that reflects the ambitions for Crewe from the current perspective, with different voices informing the outcome.
- 4.4.** Given the changes in circumstances, the AAP process would need to be started afresh. This would require recommissioning evidence, and importantly, ensuring the developments proposed are deliverable. This means securing assurance that the key infrastructure (station and highways interventions) is costed and financed. If the policy commitments in an AAP are not demonstrably deliverable there is a risk that the plan will fail at examination.
- 4.5.** This option has been considered but is not proposed to be pursued for two reasons:

 - 4.5.1.** The scale of the work to amend the existing CHAAP would be extensive, time consuming and costly. In addition, the prevailing uncertainties about the long-term commercial outlook would not necessarily provide more certainty that a revised CHAAP would be successful at examination.
 - 4.5.2.** Potential delays to the HS2 timetable could mean that the arrival of HS2 services to Crewe may not materialise until the end of the plan period. Therefore a 'significant change' that would be necessary to justify the production of an AAP appears unlikely to arise within the plan period.
- 4.6.** The Council could incorporate a review of the CHAAP within the wider Local Plan review from 2022 onwards. Local Plan review provides an opportunity to introduce new and detailed policy within an established process. However, this is a lengthy process and can take years to complete. Proposed reform to the planning system will mean local plans are likely to look very different in the future and the approach taken to Crewe may be prescribed. Based on current proposals it is reasonable to assume that some form of design code would likely be the approach that would fit best within a new local plan.
- 4.7.** The council could produce a non-planning document that sets out the strategic and investment plan for the area. This would offer some benefit to clearly articulate the Council's ambitions and strategy for Crewe but would incur significant cost and offer no ability to inform planning decisions in the area.

- 4.8.** The options outlined above all have limitations and therefore are not proposed to be pursued. There is no perfect solution or ‘correct’ answer to address this issue but preparing an SPD offers the opportunity to:
- 4.8.1.** strengthen the Council’s planning policy framework for the area;
 - 4.8.2.** set out a vision that responds both to current circumstances, and the opportunities presented by the arrival of HS2;
 - 4.8.3.** meaningfully re-engage with residents and key stakeholders including Crewe Town Board;
 - 4.8.4.** be completed within a relatively short time scale;
 - 4.8.5.** form the basis of a new policy approach to be integrated as part of the Council’s local plan review process.
- 4.9.** Pursuing an SPD offers a cost and time effective means to set out the Council’s refreshed approach to Central Crewe. The process to produce and SPD does not require submission to the Planning Inspectorate, is subject to shorter consultation periods and does not require the extent of supporting planning material that an AAP or Local Plan review would (Habitats Regulations Assessment, Strategic Environmental Assessment, Sustainability Appraisal etc).
- 4.10.** An SPD offers the same benefits as other options in terms of re-engaging with the public to develop and / or refine the approach to Central Crewe and, through existing policy LPS1, can exert material weight in planning decisions. In this way an SPD is a co-ordinating plan that sets out and communicates goals and objectives, and the means to achieve them but does not act as a stringent blueprint. This approach has been pursued at Middlewich through the Brooks Lane Masterplan which is an SPD that sets out key site objectives, connections, land use and design issues across a complex area subject to multiple landownership and constraints. In this way an SPD can establish a framework to co-ordinate and support development, under the aegis of strategic policies in the local plan.
- 4.11.** Preparing an SPD also enables the council to continue to prioritise other elements of Crewe regeneration, pursue new funding and investment opportunities, and allow for future long-term business demands to be explored, with a view to integrating these matters into the wider local plan, through local plan review.

5. Background

- 5.1.** The arrival of HS2 and the creation of a Crewe hub station provides a significant opportunity to deliver social, economic and environmental wellbeing for the residents of Crewe and the Borough. The Council is passionate about enhancing what the town already has to offer and enabling more opportunities to people who live in, work in, or visit Crewe.

- 5.2.** It is anticipated that HS2 will have the largest, and most immediate, impact on the land immediately surrounding Crewe Railway Station as this area will benefit most from the step-change in connectivity that HS2 delivers.
- 5.3.** To enable the opportunities in this area to be realised, development began on a local Area Action Plan, the Crewe Hub Area Action Plan (CHAAP). The CHAAP was designed to provide updated HS2 led planning policy for this area. This new development would in turn make a significant contribution towards the key transport interventions needed across the area.
- 5.4.** The CHAAP covered the area surrounding Crewe railway station, to reflect the immediate area of opportunity. This work acknowledged and complemented existing policies for Crewe, including for the town centre.
- 5.5.** Area Action Plans are a 'bolt on' to a local plan to accommodate the needs anticipated by a significant change in an area. They introduce statutory planning policy, in response to a significant change in a defined and specific area and are subject to the same procedural process as Local Plans, including examination in public at the behest of the Planning Inspectorate.
- 5.6.** The Cheshire East Local Plan Strategy (CELPS) was adopted in 2017 and sets out the strategic growth ambitions of the Council up to 2030. During its preparation, the Council was actively working with partners and engaging with government to secure the arrival of HS2 at Crewe. However, at the time the CELPS was being prepared there was no certainty that this scenario would materialise and therefore the planning policy that the Council could put in place on this matter was limited.
- 5.7.** Consequently, the CELPS includes references that would support the delivery of HS2 and its benefits but does not address these matters in detail. Policy LPS1: Central Crewe is the main policy to address these matters in high level terms and, in the supporting text, referencing that the preparation of an Area Action Plan may be desirable to provide further policy support on more detailed matters, should the HS2 project proceed with more certainty before 2030 (within the plan period).
- 5.8.** In the period after 2017, when the CELPS had been adopted, plans around HS2 began to gather pace with the Council working through the Constellation Partnership to submit detailed proposals to government and make the case for the arrival of HS2 to Crewe. Nationally the HS2 project made progress and it became clear that securing a station at Crewe was a realistic ambition.
- 5.9.** In anticipation of this scenario, plans for the necessary supporting infrastructure were worked up and work also began on the Crewe Hub Area Action Plan.
- 5.10.** The CHAAP was based on the following assumptions:
- 5.10.1.** HS2 would arrive to Crewe in 2027 with high-speed services between Crewe and London;

- 5.10.2.** The arrival of Phase 2b in 2033, with Crewe serving 5 HS2 trains per hour south and 7 HS2 trains per hour north, including direct HS2 services to Manchester and Birmingham;
 - 5.10.3.** The redevelopment of Crewe railway station, including a new passenger transfer deck and new main entrance on Weston Road, in 2025 in advance of the arrival of HS2; and
 - 5.10.4.** Based on delivery of enhanced connectivity, a new commercial hub to the east of the station would be delivered which could deliver in the order of 2-3,000 new homes and 150 hectares of employment (primarily office based) toward the end of the CHAAP period.
- 5.11.** With those assumptions in mind, the CHAAP was prepared for three key reasons:
- 5.11.1.** To put in place detailed planning policy ahead of local plan review that would enable the high level of additional growth (beyond that set out in the Local Plan) to come forward. In doing so the plan would allow the Council to exert greater influence to manage development, and retain key sites for specific uses, toward delivery of a masterplan.
 - 5.11.2.** To support compulsory purchase of essential sites for infrastructure, where necessary.
 - 5.11.3.** To set out an infrastructure plan, particularly related to highways interventions, that secured essential sites from alternative uses.
- 5.12.** In the winter of 2018 work began on the CHAAP and following multiple rounds of public consultation, a final draft of the plan was completed in March 2020 whereupon a decision to consult on the plan was approved by Cabinet. This consultation would have been the 'representations' stage, prior to submission to the Planning Inspectorate for examination.

What has changed?

Key changes:

- 5.13.** Over the past 18 months, the following changes have impacted the validity of the assumptions outlined at paragraph 5.10:
- 5.13.1.** Dependent on the Government announcements in its Integrated Rail Plan, possible delays in HS2's delivery programme, with the full HS2 service timetable not arriving to Crewe until later in the 2030s;
 - 5.13.2.** The economic impacts of the Covid-19 pandemic, as well as the move towards working from home and flexible working, has created uncertainty in the development and investment markets; and
 - 5.13.3.** Changes in government investment priorities with a focus on economic recovery and its levelling up agenda.

New Funding

5.14. In addition to these key changes the council has also been successful in securing significant government funding to support a range of projects in Crewe, including within the area around Crewe Station:

5.14.1. Earlier this year, the Council secured £14.1m of Government funding from the Future High Street Fund. This will support the delivery of a number of cultural, community, regeneration and transport projects within the town centre, including:

- Southern Gateway
- Flag Lane link
- Adaptive signals
- In town living projects
- Earle St link
- Christ Church Digital Innovation Centre
- Sustainable Energy Network

5.14.2. Crewe recently also secured a 'Town Deal' and a separate allocation of funding from government of up to £22.9m. This funding, subject to business case approval, is allocated to deliver an additional set of projects to support the ongoing regeneration of the town, including:

- Mill Street Linear Park and Corridor Improvements
- Green corridor and Green open space investments
- New community and sports hubs
- Inner Crewe Warm & Healthy Homes Programme
- Public realm improvements

5.15. The schemes to be funded from the Future High Streets Fund and Towns Fund are partly within the defined boundaries of the CHAAP and represent an opportunity to better connect the station and town centre through investment in key corridors.

Refinement of Station Options

5.16. In addition, the Council are working closely with Network Rail and Cheshire and Warrington LEP to refine proposals for the redevelopment of Crewe hub station and its immediate environs.

5.17. These discussions include proposals for new pedestrian/cycle decks alongside Nantwich Road Bridge that will improve links between the station and town centre, support the regeneration of the Mill Street corridor, promote active travel and support the wider HS2 potential.

5.18. Proposals will also include phase one ideas for the redevelopment of the Weston Road car park that can capitalise on investment opportunities coming forward in advance of HS2's arrival.

- 5.19.** Including these schemes within an SPD can establish how they are deliverable and compliant with the Local Plan, and, as funding opportunities become available, can provide the necessary assurance and flexibility to accelerate their delivery.

Other Government Initiatives / Opportunities

- 5.20.** Government is expected to commence further bidding rounds for its Levelling Up Fund in the coming months which could support a package of up to £50m of transport schemes in Crewe through a Local Transport Authority bid by the Council, with schemes to be delivered by 2025. This could include elements of the HS2 programme.
- 5.21.** In addition, the Secretary of State for Transport recently announced plans to launch an Expression of Interest bidding round to find a location for an HQ and regional centres, outside of London, for the soon to be established Great British Railways. Given Crewe's strong rail heritage and unrivalled connectivity, this represents a huge opportunity for the town to secure one of these sites and the jobs and homes that can flow from it.
- 5.22.** These represent huge shorter-term opportunities for the town that can unlock significant benefits to the town, and the Borough, in advance of HS2. However, both are expected to attract interest from many towns and cities across the UK. Therefore, it is essential that the Council's policies and strategies for Crewe place it in the strongest possible position to support such bids, and accurately reflect current circumstances.

Next steps

- 5.23.** The progression of a refreshed planning policy framework for Crewe falls under the terms of reference of the Environment and Communities Committee.
- 5.24.** An update on the project will be brought to Environment and Communities Committee as part of the Local Development Scheme in the new year, setting out a programme of work, including local engagement, to support the preparation of a SPD for Central Crewe.

6. Consultation and Engagement

- 6.1.** Multiple stages of public consultation were carried out as part of the preparation of the CHAAP. The feedback taken to date will form an important part of the process toward establishing a refreshed planning framework for the area.
- 6.2.** In preparing an SPD for Central Crewe it is essential to continue to engage with residents, businesses and other local stakeholders including ward members for Crewe, Crewe Town Council and Crewe Town Board. Engagement with these stakeholders will be key to developing a successful approach to manage growth and change in the area.

7. Implications

7.1. Legal

7.1.1. The withdrawal of the Crewe Hub Area Action Plan requires a formal decision. Following this decision, a series of actions must take place:

- 7.1.1.1. Prepare a statement of withdrawal and make this available on the CEC website; and
- 7.1.1.2. Send notification that the CHAAP has been withdrawn to each of the general consultation bodies and specific consultation bodies which were invited to make representations on the preparation of the CHAAP; and
- 7.1.1.3. Remove the CHAAP and any documents relating to the CHAAP from the CEC website but leave up the statement of withdrawal.

7.1.2. The Planning and Compulsory Purchase Act 2004 (as amended) and the Town and Country Planning (Local Development) (England) Regulations 2012 provide the statutory Framework governing the preparation and adoption of SPDs. These include the requirements in Section 19 of the 2004 Act and various requirements in the 2012 Regulations including in Regulations 11 to 16 that apply exclusively to producing SPDs.

7.1.3. Amongst other things, the 2012 regulations require that an SPD contain a reasoned justification of the policies within it and for it not to conflict with adopted development plan policies.

7.1.4. The National Planning Policy Framework and the associated Planning Practice Guidance also set out national policy about the circumstances in which SPDs should be prepared.

7.1.5. SPDs provide more detailed guidance on how adopted local plan policies should be applied. They can be used to provide further guidance for development on specific sites, or on particular issues, such as design. SPDs are capable of being a material consideration in planning decisions but are not part of the development plan.

7.2. Finance

7.2.1. The preparation of an SPD, including public consultation on it, is resourced through the existing Spatial Planning budget.

7.2.2. By supporting redevelopment of brownfield land, an SPD will set out how growth linked to HS2 can support growth in the Borough's tax base.

7.3. Policy

- 7.3.1.** The Local Plan is a key policy document, central to the achievement of sustainable development in Cheshire East. SPDs provide further guidance and clarity on how the policies of the Local Plan should be implemented.

7.4. Equality

- 7.4.1.** The Council has a duty under Section 149 of the Equalities Act to have due regard to the need to: eliminate discrimination; advance equality of opportunity between persons who share a “relevant protected characteristic” and persons who do not share it; foster good relations between persons who share a “relevant protected characteristic” and persons who do not share it.
- 7.4.2.** An Equality Impact Assessment will be incorporated into the preparation of an SPD. This will consider how development proposals and planning policies will impact on different groups within the community.

7.5. Human Resources

- 7.5.1.** Existing resources are in place and there are no new implications arising from this decision.

7.6. Risk Management

- 7.6.1.** SPDs must be completed in accordance with the relevant legal framework and would provide a robust basis for future planning decisions in this plan period.

7.7. Rural Communities

- 7.7.1.** Crewe and Crewe station serves a wide area, including several rural communities, within the Borough. It is therefore important that the Transport Strategy recognises the town’s strategic importance to these communities.

7.8. Children and Young People/Cared for Children

- 7.8.1.** The future growth and prosperity of Crewe on the back of HS2 can provide significant future employment opportunities for young people.

7.9. Public Health

- 7.9.1.** Appropriate Development Plan policies and related guidance can help foster healthier living and working environments. An SPD for central Crewe could set out in detail how public realm, green infrastructure and sustainable travel could be delivered.

7.10. Climate Change

7.10.1. Guidance within an SPD can clarify how policies of the local plan should be applied to help mitigate the impacts of climate change and how new buildings should be designed to reduce their carbon footprint.

7.10.2. An SPD for Central Crewe offers an opportunity to draw attention to relevant policies of the local plan and provide guidance on how applicants should expect to reduce their carbon impact and include measures to mitigate the effect of climate change.

Access to Information	
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Appendices:	N/A
Background Papers:	N/A