VIEW: SHAPING THE NORTH EAST – SUBMISSION DRAFT REGIONAL SPATIAL STRATEGY FOR THE NORTH EAST

Responsible Cabinet Member(s) - Councillor David Lyonette, Regeneration and Planning Portfolio

Responsible Director(s) - John Buxton, Director of Development and Environment

Purpose of Report

- 1. To inform Cabinet of the status and main contents of the Submission Draft Regional Spatial Strategy for the North East (RSS), highlighting the key implications for the Council.
- 2. To seek Cabinet approval for the submission of various objections and statements of support as part of the current consultation process.

Information and Analysis

- 3. "View: Shaping the North East" is the Submission Draft Regional Spatial Strategy for the North East. The Strategy sets out a long term strategy for the spatial development of the North East. It has been prepared by the North East Assembly (NEA), in liaison with local authorities and other regional stakeholders. A Pre-Consultation Draft RSS was circulated to key stakeholders in summer 2004, and officers made various comments, both on the overarching principles (locational strategy), and specific policy issues such as housing and employment.
- 4. Cabinet considered the subsequent Consultation Draft at the 18 January meeting this year, and approved various objections and statements of support (see paragraph 9 below). This revised RSS has now been submitted to the Secretary of State and a further consultation exercise is currently underway and will end on 5 October 2005. Following consultation the contents will be debated at an Examination in Public beginning in March 2006. Copies of the relevant documents are available in the Members Room, and on the Internet at www.viewnortheast.com.
- 5. Existing Regional Planning Guidance for the North East (RPG1) became the interim RSS in September 2004 when the Planning and Compulsory Purchase Act (2004) came into force, and the emerging RSS will ultimately supersede the RPG1 document. RSS has a wider remit than RPG1 and considers the spatial implications of broader issues such as health, education and crime. It provides the spatial context for the delivery of other regional strategies, in particular the Regional Economic Strategy, Regional Housing Strategy and Regional Transport Strategy. The RSS has statutory status, as part of the development plan, which increases its importance in relation to future development decisions within the Borough.

- 6. The new draft RSS is strongly influenced by the 'Northern Way', the economic growth strategy for the three northern regions, prepared with the involvement of the Office of the Deputy Prime Minister, the three regional development agencies and others.
- 7. The overriding theme of RSS, in line with the Northern Way, is to reduce the economic and social disparities between the North East and other regions. To address this situation, a step change is envisaged in economic activity and a renaissance throughout the Region by:
 - (a) delivering economic prosperity and growth;
 - (b) creating sustainable communities;
 - (c) conserving, enhancing and capitalising upon the Region's natural and built environment, heritage and culture; and
 - (d) improving connectivity within the Region and beyond.

Proposed Comments

8. At the previous consultation stage, Cabinet (18 January 2005) approved the following:

"the Council supports most of the draft RSS and specifically supports the Locational Strategy, the Transport priorities, the recognition of the role of Durham Tees Valley Airport, and the recognition of Darlington's role in economic, retail, leisure and related development.

A holding objection should be made to the housing requirement figure for Darlington, pending further work by NEA on housing distribution. Changes in the draft RSS should also be sought in relation to:

- (a) wording of a sentence on priorities within the Tees Valley which does not reflect the policies in the document;
- (b) giving major mixed-use sites equal priority to prestige employment sites;
- (c) the employment land figure for Darlington; the wording of policy on airport-related development;
- (d) the number of passengers per year to be accommodated at Durham Tees Valley *Airport.*"
- 9. Since then, officers have been involved in numerous meetings/correspondence to iron out some of the major concerns raised by the initial draft and respond to suggested amendments, prior to the production of this Submission Draft to the Secretary of State. Key areas for discussion have been the Locational Strategy, including an expanded/revised section on the Tees Valley City Region and, the housing requirement figures.
- 10. This opportunity to comment on the Submission Draft RSS is welcomed and, in highlighting the main issues and implications for the Council, a series of recommendations are being made for Cabinet to consider.

Locational Strategy (pages 21 – 23)

11. The North East exhibits a polycentric settlement pattern based on two city regions – Tyne and Wear and Tees Valley, which are viewed in RSS as key to any effort to accelerate economic growth in the North. The Tees Valley City Region includes the conurbation of the contiguous built up areas of Stockton, Middlesbrough and Redcar, and the main towns

of Darlington and Hartlepool. The locational strategy recognises the complex spatial relationships at work between and within settlements, thus:

"A polycentric settlement pattern is one with many centres or nodes, albeit with different characteristics and scales, rather than one key centre dominating everywhere, where their functions are interconnected." (para 2.18)

12. The Locational Strategy as set out in Policy 5 and the associated text appropriately recognises Darlington's potential:

"...the conurbations and main towns will continue to be the economic drivers within the city regions, as these will be where the majority of existing and new employment opportunities will be located." (para 2.21).

13. Similarly, at paragraph 1.38. we are told:

"...city regions are economically central to the future of a wide area, not just the city centres at their core. They have a mutually interdependent relationship with the hinterland around them."

14. Whilst some reference is still made to the Stockton and Middlesbrough core area as a priority for development, the overall thrust of the policies and supporting text acknowledge the strategic role that Darlington will have in the future development and prosperity of the Tees Valley.

Tees Valley City Region (pages 41-50):

- 15. Prior to the release of this Submission Document, a draft had been agreed at Tees Valley officer level which included important additional sections and policy statements relating to Darlington. Thus, in paragraphs 2.81 and 2.112 the key role Darlington plays as a gateway to the Tees Valley and North East is recognised.
- 16. In addition, the policy associated with the 'Tees Valley City Region' (Policy 8) is worded, giving Darlington and Hartlepool equal standing with regeneration in Middlesbrough, Stockton and Redcar:

"...a) giving priority to the regeneration of both banks of the Tees between Stockton, Middlesbrough and Redcar; Hartlepool Quays and Central Park Darlington, and the links into their town centres for appropriate mixed use development;..."

- 17. Again the section related to the Tees Valley City Region is appropriate in that:
 - (a) It reflects the Northern Way documents;
 - (b) It reflects the agreed Tees Valley Vision;
 - (c) It recognises the detailed economic research which show that different parts of the Tees Valley can contribute different things to its regeneration;
 - (d) The 'town centre links' phrase is important, because regeneration sites can not exist in isolation: they need to integrate with their surroundings.

Delivering Economic Prosperity And Growth (pages 65 – 81)

- 18. The RSS highlights the increasing need to focus economic growth in the most sustainable locations, particularly the conurbations and main towns, where the greatest economic and social benefits can be achieved. Furthermore, it is recognized that local planning authorities should ensure that there is a continuous supply of land to provide a variety of choice of sites in terms of size, quality and location.
- 19. The Strategy highlights various major brownfield regeneration schemes progressing in the region, which comprise large mixed-use developments. Central Park is one of these flagship schemes which aim to deliver sustainable economic activity and provide development and investment opportunities acting as a catalyst for wider regeneration. Policy 13 (page 67), which seeks to support and promote these major mixed-use schemes is therefore supported.
- 20. Policy 18 (page 73) makes provision for 205 hectares of general employment land in Darlington. At the previous consultation stage, the Council objected that the figure for Darlington (45ha) was incorrect and should be 156ha. Subsequent recalculation has resulted in the Submission figure of 205ha. Officers are satisfied that this figure is acceptable.
- 21. Members should also note that key strategic greenfield sites at Faverdale and Heighington Lane West (Sedgefield/Darlington) have been identified as Reserve Sites (Policy 20), in order that the region can respond quickly to the potential needs of large-scale inward and mobile investors. Recent demand for major industrial development has highlighted Darlington's position/role as a location for strategic logistical operations. The Argos development is a prime example of the type of large scale development attracted to the Faverdale area by the available land and site accessibility, and underlines Darlington's unique position as a gateway to the Tees Valley and North East for developments that may otherwise not locate in the region. The provision of employment land at Faverdale should enable Darlington fully to realise its 'Gateway' potential, recognised elsewhere in RSS Locational Strategy and City Region approach.
- 22. *Airport* the sustainable growth and expansion of Durham-Tees Valley Airport, for airportrelated development, is supported in RSS. RSS currently applies a definition of 'airportrelated' which includes:
 - (a) aircraft apron;
 - (b) aircraft maintenance;
 - (c) airline sales, reservations and booking office;
 - (d) airline training centres;
 - (e) aviation and vehicle fuel storage facilities;
 - (f) avionics maintenance and supply;
 - (g) car hire operations and parking;
 - (h) petrol filling station;
 - (i) flight packaging, provisions and supply units;
 - (j) hotel, conference and ancillary activities;
 - (k) in-flight and terminal catering preparation and storage facilities;
 - (1) internal highways and infrastructure;
 - (m) offices for ancillary and supporting functions;
 - (n) service vehicle maintenance and valeting operations; and

- (o) warehousing and offices for air freight forwarders and agents.
- 23. As an important economic driver, the Airport plays an essential role in maintaining and attracting new development and investment and is a significant source of employment in its own right. Policy 21 of RSS supports the sustainable expansion of facilities at Durham Tees Valley Airport to accommodate an anticipated growth in passenger numbers to 3 million per year by 2016.
- 24. To support the growth of the Airport there is a need to improve surface access links by all modes, particularly public transport. At Durham Tees Valley priorities will be to:
 - (a) improve bus services to Darlington, Middlesbrough and Durham City;
 - (b) improve in the longer term, rail services and rail integration with the main terminal buildings; and
 - (c) improve access on the surrounding road network.
- 25. These improvements should be welcomed as essential to reinforcing the Airport as an international gateway.

Delivering Sustainable Communities (pages 83 – 95)

- 26. Sustainable Communities should be socially inclusive with access to the necessary jobs, facilities, good quality housing and living environments, and opportunities to maximise people's health and quality of life. A key policy recommendation of RSS directs new development including retail, entertainment, leisure, culture, recreation, education, health, business, public services and other high trip generating uses, where possible, in centres within defined urban areas. More specifically, it states that new retail and leisure facilities should be located in regional and sub-regional centres including Darlington. This acknowledges the wide range of services Darlington provides, to a large hinterland that crosses the boundaries with Yorkshire and Durham. Policy 25 should therefore be supported.
- 27. There has been, and will continue to be debate throughout the region about the appropriate regional and sub-regional housing requirement figures. District level figures are included in RSS and will set the framework for this Council's Local Development Framework.
- 28. At the previous consultation stage the Council submitted a holding objection to the figures, subject to clarification of the assumptions/methodology used, and in the knowledge that further work was programmed. The Darlington figure at that stage was 5440 dwellings between 2004-2021 (average 320 per year).
- 29. Over recent months figures have been revised and the overall Tees Valley number has dropped from 30,000 dwellings to about 29,000 dwellings, reflecting a drop in the overall regional total. Darlington's total in this Submission Document has fallen from 5440 to 5270 (in line with reductions for other Tees Valley Boroughs). Notwithstanding the holding objection, officers have negotiated changes to the phasing of the Housing Requirement figures to reflect current commitments in the Borough over the next few years. Thus the requirement figures in Policy 30 (page 91) now 'frontload' the figures for 2004 2011 (475 dwellings per year as opposed to 300 per year in the previous consultation draft of the document). Between 2011-16 the net additions per year drop to 245 and to150

between 2016-21. The overall average between 2004-21 is 310 dwellings per year.

- 30. The 475 figure can be justified based on:
 - (a) Recent completion rates which have averaged 430 over the last 5 years and 510 over the last two years.
 - (b) Housing permissions/commitments are close to 3000 (including Central Park)
 - (c) Despite the recent high completion rates the Borough's population remains stable. There is no evidence of population growth at the expense of other areas.
 - (d) The local housing market remains strong with a significant increase in prices.
 - (e) There are no significant low demand issues in the Borough, ie housing development does not appear to be undermining the lower end of the housing market.
 - (f) Affordability is becoming an issue for the first time.
 - (g) Draft RSS recognises that "...new housing is needed to support economic growth strategies, to be provided in sustainable locations, mainly on previously developed land, where it does not undermine existing housing markets and with good accessibility to where growth in jobs is planned." (para 2.117)
- 31. In the coming months, further work is being carried out on the housing figures by the JSU and amended figures may be generated in the lead up to the Examination in Public (EIP) next March.
- 32. Notwithstanding the figure itself, dwelling provision in Darlington should be in accordance with the preferred development option namely "reducing economic disparities with development focussed within both the conurbations and towns in the city regions." Through the 'Darlington Gateway' programme, Darlington has the potential to make a unique contribution to the region's economic growth. Any housing allocation should be seen as enabling economic growth, investment, and regeneration, and not act as a constraint to achieving these goals. The new strategy needs to reflect that the Darlington housing market remains strong and attractive to developers who recognise the opportunities available to build high quality, popular schemes in sustainable locations. Furthermore, the Council's Urban Capacity Study indicates that the majority of new housing can be achieved on brownfield land within the existing urban area, in accordance with national planning guidance.
- 33. While there is a broad level agreement about the appropriate housing strategy for the region, there remains a range of views about the precise scale and location of development. Given the level of disagreement and uncertainty, it likely that the dwelling provision figures for the period 2004 2021, set out in Policy 30, will be revised prior to the Examination in Public. On this basis it is considered inappropriate to accept the dwelling provision figure for Darlington of 5270 without further consideration and justification of the regional and sub-regional scenarios. More specifically, although the 2004 to 2011 requirement figure is expected to be sufficient, the post 2011 provision is considered unrealistic and therefore unacceptable.
- 34. In summary, to capitalise on the economic, social and environmental assets of the town and thereby contribute significantly to the objectives of the Northern Way and RSS, a realistic housing provision should recognise the recent development rates, aim to reverse the static/falling population, meet the requirement for affordable housing and replace demolished properties. In relation to housing requirements therefore, it is recommended that a holding objection be made to the dwelling provision figure in Policy 30, until further

consideration has been given to the Regional and sub-regional distribution. Also, given the importance of this aspect of RSS, and the relative uncertainty about the outcome, it is important that the Council is represented at the EIP to present the Council's position to the Panel. At the appropriate time, an invitation to the EIP will be requested from the Panel, on this and any other issue where necessary.

Improving Connectivity and Accessibility within and beyond the Region

- 35. Improving connectivity within and beyond the region is a crucial theme of RSS. The focus of the transport strategy is to target investment to improve public transport and increase the role of demand management. However, to complement these measures various major highway improvements are proposed to support regional economic growth and competitiveness. Upgrading of the A66 bypass around Darlington is identified as a priority (Policy 50) to address potential future constraints on economic development in the Tees Valley.
- 36. Policy 52 supports the development of a 'Core and Feeder' public transport system focused on a network of key regional and sub-regional interchanges. Darlington is identified as one of the Strategic Public Transport Interchanges which should prioritise the development of high quality interchange facilities and service integration between all modes of transport. It is recommended that Members support the Transport Strategy which has significant implications for Darlington as described above.

Other Issues:

37. Various diagrammatic maps are used throughout the document to represent the policies and other spatial information. On the Tees Valley City Region Darlington (and Hartlepool) are represented by the symbol for 'Conurbation and main Town' – a grey shaded area. On all the other maps, the conurbation is shown as this grey shading, but does not include Darlington (or Hartlepool). The maps should be consistent and therefore should be amended to match the symbols used for the Tees Valley City Region.

Outcome of Consultation

38. NEA is seeking the Council's view on the draft RSS and it is for NEA to seek the views of other stakeholders and the public.

Legal Implications

39. This report has been considered by the Borough Solicitor for legal implications in accordance with the Council's approved procedures. There are no issues which the Borough Solicitor considers need to be brought to the specific attention of Members, other than those highlighted in the report.

Section 17 of the Crime and Disorder Act 1998

40. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is not considered that the contents of this report have any such effect.

Council Policy Framework

- 41. The RSS is part of statutory Development Plan system. Local planning authorities prepare the other component of the Development Plan Document, the Local Development Framework (see Item elsewhere on this agenda), which should be in general conformity with the RSS. At this Submission Draft stage the policies and proposals will not carry much weight in the planning application decision-making process. However, as the document progresses towards adoption in 2006, they will become more influential.
- 42. This report does not represent a change to Council Policy or the Council's Policy Framework.

Decision Deadline

43. A decision is required by 5 October 2005 in order to meet the consultation deadline set by the North East Assembly.

Conclusion

- 44. In summary, it is recommended that the Council supports most of the draft RSS and specifically supports the Locational Strategy, the Transport priorities, the recognition of the role of Durham Tees Valley Airport, and the recognition of Darlington's role in economic, retail, leisure and related development.
- 45. Support is also given to the employment land provision policies which identify the flagship mixed use development at Central Park, 205 ha of land for general employment, and confirms the Reserve Site status of land at Faverdale.
- 46. A holding objection should be made to the housing requirement figure for Darlington, pending further work on housing distribution.
- 47. A change to submission draft RSS should be sought in relation to the Key Diagrams so that they are consistent with the Tees Valley City Region Map.

Recommendation

48. It is recommended that the comments and objections set out in this report and summarised in the conclusion, be forwarded to the Examination in Public's Panel Secretary as the Council's formal response to the Submission Draft Regional Spatial Strategy Consultation process.

Reasons

- 49. The recommendation is supported by the following reasons :-
 - (a) Consideration of, and decisions on, the matters covered is necessary at this stage to meet the Consultation deadline of 5 October 2005;

(b) To enable the Council to influence emerging regional and sub-regional spatial development policy.

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Background Papers

View: Shaping the North East – Regional Spatial Strategy for the North East Submission Draft (June 2005) North East Assembly

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