

**EXECUTIVE REPORT**

**REGIONAL SPATIAL STRATEGY FOR THE NORTH EAST  
SUBMISSION DRAFT: JUNE 2005**

**EXECUTIVE MEMBER FOR ECONOMIC REGENERATION &  
CULTURE: DAVID BUDD**

**DIRECTOR OF REGENERATION: TIM WHITE**

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**PURPOSE OF THE REPORT**

1. To inform the Executive of the June 2005 Submission Draft Regional Spatial Strategy and to seek approval to make representations to the Panel Secretary so that they can be taken into account through the Examination in Public.

**BACKGROUND AND EXTERNAL CONSULTATION**

2. The changes to the planning system introduced through the Planning & Compulsory Purchase Act 2004, were reported to the Executive on 27 April 2004. The Act replaced Regional Planning Guidance with Regional Spatial Strategy (RSS).
3. Once adopted, the RSS, along with the Local Development Framework (LDF) will form the statutory Development Plan for Middlesbrough. The LDF must be in conformity with the RSS, which will also set an upper limit on the amount of housing and employment that can be developed in the period 2004 to 2021. As such, the RSS will be a crucial document in the future planning and regeneration of Middlesbrough.
4. In November 2004, the North East Assembly undertook informal public consultation on the consultation draft RSS. At its meeting of 25<sup>th</sup> January

2005, the Executive approved representations on the consultation draft RSS. Following consideration of all representations, the Assembly has revised the document and is now consulting on the submission draft RSS. This is a statutory consultation stage that runs from 13<sup>th</sup> July 2005 to 5<sup>th</sup> October 2005. Following this consultation, there will be an Examination in Public in March/April 2006, followed by further consultation on draft changes in October 2006, prior to publication of the RSS in February 2007. A copy of the submission draft RSS is available in the Members Resource Library.

### Locational Strategy

5. Policy 5 of the RSS sets out the locational strategy for the region. The Council objected to the consultation draft of this policy on the basis that it did not sufficiently prioritise the Middlesbrough/Stockton core. The amended policy supports the polycentric development of the Tyne & Wear and Tees Valley city regions by concentrating development in the conurbations and main towns, particularly within the core areas. The core area for the Tees Valley is defined in the supporting text at paragraph 2.21 as the Stockton Middlesbrough Initiative (SMI) area. This prioritisation is welcomed.
6. The Council also objected at the consultation draft RSS stage to the lack of prioritisation of the urban core in Policy 7, which deals with the development strategy for the Tees Valley city region. The amended policy prioritises the regeneration of both banks of the Tees between Stockton, Middlesbrough and Redcar; Hartlepool Quays and Central Park, Darlington for mixed use development. It is considered that the North East Assembly should further clarify the precise area covered by the description 'both banks of the Tees between Stockton, Middlesbrough and Redcar'. It would be more appropriate to refer to the Stockton Middlesbrough Initiative area. In terms of economic prosperity, Policy 7 also supports the development of business and financial services and new city scale leisure, cultural and retail development in Stockton and Middlesbrough.

#### OBJECTION

Policy 7 should be amended to make specific reference to the prioritisation of the core area, the Stockton Middlesbrough Initiative, rather than both banks of the Tees between Stockton, Middlesbrough and Redcar.

### Retail & Leisure

7. Policy 7 seeks to locate the majority of the Tees Valley's new retail and leisure development in the sub-regional centres of Middlesbrough and Darlington. Policy 25 also relates to retail and leisure floor space and includes the same hierarchy of centres as Policy 7. The representations on the consultation draft RSS requested that Middlesbrough be identified as the sub-regional centre for the Tees Valley city region. As the requested

amendments have not being made, it is recommended that the Council objects to these two policies.

#### OBJECTION

In policies 7 and 25, Middlesbrough should be identified as the primary sub-regional centre for the Tees Valley city region for retail and leisure purposes.

#### Economy

8. Policy 12, focuses the majority of new economic development and investment on the city regions' conurbations and main towns, particularly the core areas. This accords with the locational strategy and is welcomed.
9. Policy 13, 'regional brownfield mixed-use developments', identifies Greater Middlehaven as one of eight flagship schemes that will provide the catalyst for wider regeneration. The recognition of Greater Middlehaven's regional importance is also welcomed.
10. In the consultation draft RSS this policy was titled 'major mixed use developments' and the Council's representations requested that Hemlington Grange also be identified in the policy. The North East Assembly considers that greenfield sites should not be specifically included in the policy, but advised that the text is supportive of the development. This appears to be a reference to paragraph 3.11, which advises that 'there are also other sites within the region where smaller-scale mixed-use development will contribute to the economic prosperity at the local and sub-regional level'. Hemlington Grange is a 46 ha site, significantly larger than North Shore, Stockton and Central Park, Darlington. The specific reference in paragraph 3.11 to other smaller sites does not therefore reflect Hemlington Grange's strategic importance. Furthermore, paragraph 3.11 is unspecific and provides little support. It is considered that a new policy is required to identify major mixed use greenfield sites.
11. It is also important that policies elsewhere in RSS do not delay delivery of a sustainable mixed-use community at Hemlington Grange. Policy 3 sets out the sequential approach to development. This prioritises brownfield sites in urban areas, followed by other urban sites, and then urban extensions, particularly on brownfield sites. This would give low priority to Hemlington Grange, and as worded, fails to acknowledge national planning guidance that in some circumstances urban extensions may be more sustainable than development of greenfield sites in existing urban areas. (Refer also to paragraph 23 which makes the case for a mixed use urban extension at Hemlington Grange).

12. Policy 14 identifies the important role that universities and colleges play in the regional economy. It identifies specific locations where links between universities and businesses could be developed as clusters, including Greater Middlehaven. Elsewhere in the RSS, in paragraph 2.93, the role of the University of Teesside's Digital City project is highlighted. As this will take place on various sites adjacent to Middlesbrough town centre, it would be appropriate to make specific reference to it in policy 14.
13. Policy 18 sets out the provision that LDFs should make for general employment land, regional brownfield mixed use allocations and prestige employment sites. Middlesbrough's general employment allocation has been increased in the submission draft RSS to 85 ha of general employment land and 100 ha of regional brownfield mixed use land (table 1 below).

Table 1: Employment Land Portfolio		
	Submission Draft RSS June 2005	Consultation Draft RSS Nov 2004
General Employment Land Allocation	85ha	60ha
Regional Brownfield Mixed Use Allocation	100ha	60ha
Prestige Employment Sites	0	0
Total	185ha	120ha

14. As at 1<sup>st</sup> April 2004, Middlesbrough had 94 ha of employment land allocated in the Local Plan, including the land at Hemlington Grange. 16 ha of this total was committed (i.e had planning permission), leaving 78 ha available. The RSS figures exclude land developed and/or under offer. It is considered that committed sites fall within the under offer category, though a clear definition is required in the RSS to ensure all authorities adopt a consistent approach.
15. On the basis that the RSS allocations exclude committed sites, the 85ha allocation is considered acceptable. If, however, committed sites are included in the RSS figures, then the allocation would be insufficient to bring forward all the existing employment site allocations.
16. The regional brownfield mixed use allocation of 100ha relates to Greater Middlehaven, and allows for the whole site to be developed in the period to 2021 and is considered acceptable.

#### OBJECTION

- i. A new policy should be included after policy 13, that lists major mixed use greenfield sites that are key to the regeneration of the urban core. Hemlington Grange should be identified within this policy.
- ii. Policy 3, paragraph c, should be expanded to refer to sustainable locations in addition to brownfield land.

- iii. Policy 14, paragraph f, should be expanded to make specific reference to Digital City, Middlesbrough as an appropriate location for cluster activity.
- iv. In policy 18, a clear definition of what constitutes land 'under offer' is required. If the RSS allocations do not include commitments, then the Council does not object to the policy. If the allocations in policy 18 include committed sites, the Council objects to the restrictive limit placed on general employment land.

### Housing

- 17. The RSS housing strategy, has been revised since the consultation draft, to take a more cautious approach to future housing provision. The total number of proposed net additional dwellings for the region has been reduced by 3,500 to 107,000.
- 18. Policy 30 sets out an upper limit for the amount of net additional housing that each local authority can develop between 2004 and 2021. Table 2 below, sets out the changes to the sub-regional housing allocations since the consultation draft RSS was published in November 2004. Whilst the regions housing allocation has been reduced, this has only affected Tees Valley and Tyne & Wear's allocations, whilst Durham has received a numerical increase in its housing allocation. The table also sets out the proportion of new housing against a population breakdown by sub-region. Tees Valley's overall proportion of the region's housing has remained unchanged, but the number of dwellings it can build has been reduced by nearly 1,000.
- 19. It is recommended that the Council objects to the sub regional housing allocation on the grounds that it does not prioritise the urban areas of Tees Valley and Tyne & Wear. This is contrary to the RSS locational strategy as set out in policy 5, which seeks to concentrate the majority of new development within the conurbations and main towns of the city regions, particularly within the core areas.

Sub Region	Submission Draft RSS, Jun 2005		Consultation Draft RSS, Nov 2004		Population*	%
	Dwellings	%	Dwellings	%		
Tees Valley	29,070	27	30,000	27	652,800	26
Tyne & Wear	44,965	42	49,000	44	1,083,200	43
Durham	19,975	19	18,500	17	494,200	19
Northumberland	13,005	12	13,000	12	309,200	12
North East	107,015	100	110,500	100	2,539,400	100

\* Source: Mid 2003 Population Estimates, Office of National Statistics

- 20. The reduced housing allocation for the Tees Valley has been distributed between the five local authorities using the same proportional split as in the

consultation draft RSS, as set out in table 3. Middlesbrough's allocation of 5,950 dwellings in the consultation draft RSS - which was supported by the Executive - has been reduced to 5,780 dwellings. The reduction in Middlesbrough's housing allocation is considered unacceptable. It conflicts with the locational strategy that seeks to concentrate the majority of new development in the conurbations and main towns, particularly within the core area of the Stockton Middlesbrough Initiative. Middlesbrough's housing allocation needs to reflect its strategically important role at the core of the city region and the principles of sustainability. Middlesbrough currently receives the highest level of daily net in-flows in the Tees Valley for employment purposes. By concentrating new housing development within the core areas the need to travel for employment will be minimised, creating more sustainable development patterns. Additionally, Middlesbrough has consistently achieved a higher proportion of new housing on brownsfield land compared to its neighbours.

	Submission Draft RSS, Jun 2005		Consultation Draft RSS, Nov 2004		Population	%
	Dwellings	%	Dwellings	%		
Hartlepool	6,205	21	6,460	22	90,200	14
Redcar & Cleveland	4,760	16	4,930	16	139,100	21
Middlesbrough	5,780	20	5,950	20	139,000	21
Stockton	6,885	24	7,220	24	186,300	29
Darlington	5,270	18	5,440	18	98,200	15
Tees Valley	29,070*	100*	30,000	100*	652,800	100

\* Figures are subject to rounding –therefore figures may not add up correctly

Period	Submission Draft RSS, June 2005		Consultation Draft RSS, Nov 2004	
	Dwellings per year	Total dwellings	Dwellings per year	Total dwellings
2004-11	300	2,100	250	1,750
2011-16	370	1,850	460	2,300
2016-21	370	1,850	385	1,925
2004-21	340	5,780	350	5,950

21. The allocations are included in RSS as average net annual additions, divided into three phases, set out in table 4. The Council's representations on the consultation draft RSS requested that a higher allocation be provided in the first phase (from 2004-11). In submission draft RSS, the annual net additions in the first phase have been increased from 250 dwellings per year to 300 dwellings per year. Whilst the increase is welcomed, the revised level may still constrain the amount of housing that can be developed up to 2011.
22. An analysis of Middlesbrough's potential housing supply to 2011 is included at Appendix 1. This reveals a potential oversupply of approximately 1000

dwellings, though the level of oversupply will be dependent on the level of demolitions and replacements. The current RSS phasing could delay the development of key regeneration sites, including Greater Middlehaven, Hemlington Grange and the Middlesbrough College sites. The relocation of Middlesbrough College to Greater Middlehaven is central to the successful redevelopment of this regional brownfield mixed use site. The regeneration benefits include an iconic building, bringing 11,000 students to the site to help popularise and populate Greater Middlehaven and improved educational facilities. The relocation is dependent on the future redevelopment of the Colleges existing sites at Longlands, Marton and Kirby for residential purposes, which will help to diversify housing choice in Middlesbrough.

23. At the consultation draft stage it was requested that the RSS gives explicit recognition to a strategic greenfield housing allocation as part of the development of Hemlington Grange for a mix of employment and residential uses. This amendment has not been made. The need for a strategic urban extension to the south of Middlesbrough was identified in the Tees Valley Structure Plan. As the RSS will replace the structure plan it is important that it reflects the strategic significance of the allocation. The development of this site for a mix of employment and housing uses is essential to the successful regeneration of Middlesbrough, through the provision of employment adjacent to areas of high deprivation and to stem population loss from the urban core of the city region. Consultants appointed by the Council have advised that unless housing can be used to facilitate employment development at Hemlington Grange, the site is likely to remain undeveloped for the foreseeable future. (Refer also to paragraphs 10 and 11).
24. Paragraph 3.73, which deals with managing housing supply, advises that ‘no new land will need to be brought forward until at least post 2011’. It is unclear which existing land is being referred to, given that the dwelling provision is shown as a number of units rather than as a land supply. Middlesbrough’s Local Plan has uncommitted allocations for 280 dwellings. As LDFs need to allocate sufficient land to ensure a five year supply of housing, additional allocations will be required. The reference to no new land being brought forward pre-2011 is therefore inappropriate.

<b>OBJECTION</b>
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| <ol style="list-style-type: none"><li>i. The dwelling provision as set out in Policy 30 does not reflect the locational strategy. The housing allocations should be amended to clearly prioritise the conurbations, particularly the core areas. The</li></ol> |
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- allocations for Middlesbrough and the Tees Valley should be significantly increased.
- ii. The proposed phasing in policy 30 of 300 net additional dwellings per annum for 2004-11 is too low and should be increased to 350. At the existing level it will severely constrain housing development, including Greater Middlehaven, HMR and wider objectives to stem out migration and regenerate the town.
  - iii. Either the reference in paragraph 3.73 to no new housing land being brought forward pre 2011 should be deleted, or it should be clarified exactly what is meant in terms of existing land supply.
  - iv. Explicit recognition of a sustainable urban extension at Hemlington Grange should be made in paragraph 3.73.

### Transport

- 25. At the RSS consultation draft stage, the Council's representations requested that the RSS should identify as a priority for the Tees Valley, the development of a sub regional sustainable transport strategy, with clear priority to improve transport infrastructure in the urban core. In the submission draft RSS, policy 7 promotes the development of a modern integrated public transport network for the Tees Valley. The supporting text at paragraph 2.122 advises that investment will be concentrated on routes between Redcar and Middlesbrough; Hartlepool and Stockton/Middlesbrough; Stockton and Darlington; and Darlington and Durham. Whilst this revised text highlights the importance of connectivity with the urban core of the Tees Valley, it does not address the need for public transport infrastructure improvements in the core area between Stockton and Middlesbrough town centres.
- 26. Paragraph 2.120 highlights the importance of the A19 and A66 for connectivity in the Tees Valley. The current capacity of the A19/A66 has resulted in the Highways Agency issuing Article 14 directions in the Tees Valley. These directions restrict the granting of planning permission to ensure that the road network can continue to operate efficiently. Unless infrastructure improvements are prioritised, a number of regeneration schemes in the Tees Valley may be not be implemented. Improvements to highway infrastructure along the A19 and A66 within the core area of the Tees Valley city region therefore needs to be highlighted in RSS as a priority, above schemes outside the immediate sphere of the city regions.
- 27. Policy 51 relates to regional public transport provision and seeks to rebalance the transport system away from the private car to more sustainable forms of transport. The policy specifically identifies the need to revitalise the Tyne & Wear Metro and to provide adequate levels of revenue, but does not include specific proposals for the Tees Valley. Table 2 of the RSS identifies transport schemes where Government support is requested, including the Tees Valley



rapid transit/bus based solutions. It is considered that this should be specifically identified within policy 51.

28. Policy 54, Parking and Travel Plans, advises that Local Transport Plans and other strategies should seek to reduce non residential parking standards in locations with good public transport access, particularly at strategic public transport hubs, including Middlesbrough. This policy, under current circumstances is likely to prove counter productive, by encouraging town centre businesses to locate to out of centre locations where parking for staff and customers is less restricted. This also appears to go against national planning guidance, with PPG 13 advising local authorities to 'be cautious in prescribing different levels of parking between town centres and peripheral locations, unless they are confident that the town centre will remain the favoured location'.

#### OBJECTION

- i. In paragraph 2.122 specific reference should be made to the need to improve public transport infrastructure between Stockton and Middlesbrough town centres as part of the Stockton Middlesbrough Initiative.
- ii. In paragraph 2.120 specific reference should be made to the need to improve highway infrastructure on the A19 and A66 in the core area of the city region, in order to ensure that regeneration schemes can be implemented.
- iii. Policy 51 should include reference to the proposals for the development of the Tees Valley rapid transit system/bus based solutions.
- iv. The reference in policy 54 to reduced parking provision in strategic public transport hubs should be deleted.

#### OPTION APPRAISAL/RISK ASSESSMENT

29. There are two options, either to make representations on the RSS or not to comment. The latter option would constrain the ability of the Council to allocate sufficient housing land in the LDF and would constrain the delivery of key regeneration initiatives, including Hemlington Grange.

#### FINANCIAL, LEGAL AND WARD IMPLICATIONS

30. There are no direct financial implications for the Council. However, restricting new housing may restrict the Council's ability to reduce population loss with consequential impacts on Council Tax revenue and supporting services. In terms of legal implications, once published, RSS will form part of the statutory Development Plan and be part of the Council's policy

framework. Whilst the RSS covers all wards in Middlesbrough, it has specific implications on the Middlehaven ward through the promotion of mixed-use development at Greater Middlehaven.

## **RECOMMENDATIONS**

31. It is recommended that the Executive approves the proposed objections to the submission draft RSS for consideration by the Council.

## **REASONS**

32. The recommendation is supported by the following reasons:
- (a) once adopted, the RSS will form part of the statutory Development Plan; and
  - (b) LDF allocations will need to be in conformity with the RSS.

## **BACKGROUND PAPERS**

**The following background papers were used in the preparation of this report:**

- i) Regional Spatial Strategy for the North East, Submission Draft, June 2005;
- ii) Executive Report on Regional Spatial Strategy, Consultation Draft, 25/01/05; and,
- iii) Executive Report on Planning & Compulsory Purchase Bill, 27/04/04.

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## APPENDIX 1 : POTENTIAL HOUSING SUPPLY TO 2011

Supply Source	No. of Dwellings
RSS net additional allowance (2004 - 2011)	2100
Gross completions (2004 - 2005)	-210
Demolition of occupied dwellings (2004 - 2011)	+2300
On site replacement	-1400
Commitments at 1/04/05	-1850
10% allowance for non implementation	+180
Local plan housing allocations	-280
Urban capacity and other potential sites	-1880
Potential housing oversupply to 2011	1040