

OVERVIEW AND SCRUTINY BOARD

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EMPLOYMENT AND HOUSING LAND ALLOCATIONS

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Introduction

1. The following question has been raised by a member of the public in relation to land availability:

Given Middlesbrough's present boundaries and that the available land has been reserved for housing, as opposed to commercial and industrial usage. Can Scrutiny examine to assess if the town's economy is sustainable?

2. Further information has been requested in response to this question, for consideration by members prior to any decision around whether to pursue it. This note therefore sets out the context within which the question can be explored.

Background

3. The allocation of land for either housing or economic use is determined by the Local Development Framework (LDF).
4. The current LDF documents were adopted in 2008 (Core Strategy) and 2009 (Regeneration Development Plan Document) and cover the period between 2004 and 2023. Both documents were produced during stronger economic times and within the context of the Regional Spatial Strategy (RSS), which has since been revoked. The RSS set the housing and employment targets for Middlesbrough that have been reflected in the LDF.

Current Position

5. The current housing allocation within the LDF equates to 6,800 dwellings. The size and location of this allocation has been determined through previous assessments of demand and supply, and through taking a long-term look at the future market for housing in the area, and the aspirations and objectives of the Council. The current allocations for employment use total 185 ha (including Middlehaven), and have been determined using the same process.
6. As the overall economy and the local housing market changes during the course of the LDF's lifetime, it is necessary to review these allocations, and the

assumptions behind them periodically. A review is currently underway that is looking specifically at the housing allocations in the LDF to ensure that they remain appropriate. Although not formally concluded, this review has identified a need to accommodate 6,970 dwellings between 2013 and 2029. A similar review will be undertaken subsequent to this regarding the allocations for employment land.

7. An important point to note is that any increased requirement for employment land identified at this stage would not necessarily come at the expense of the amount of land allocated for housing. It could potentially mean an increase in the *overall* volume of land included within the LDF.

Demand for Employment Land

8. It needs to be recognised that Middlesbrough is not a discrete economic entity, and is part of a wider Tees Valley employment market. In very simplistic terms, Middlesbrough is the commercial heart of the wider Teesside industrial base. In this respect, the land requirement for industry in Middlesbrough is always going to be lower than in surrounding areas. Major land intensive industrial investments are more likely to be located next to other such facilities in Stockton, Redcar or Hartlepool than they are to come to Middlesbrough. The town's economic strategy is therefore based on securing the commercial and supply chain benefits of such investment.

Strategic Role

9. The nature of the Tees Valley economy requires the Council to work closely with its partners to attract and develop the industrial and commercial businesses that are needed to grow the employment base for all of our communities. Joint working between the five authorities has achieved an appropriate balance between the need to each grow our own business base, whilst presenting a coherent, sustainable land offer across the wider sub-region. The Tees Valley Statement of Ambition (the overarching economic strategy for the area), concentrates on the need for large industrial sites near to Tees Port and the existing industrial infrastructure.
10. Middlesbrough's role as a more commercial focused area is integral to this strategy.

Existing Allocations

11. There are already significant land allocations within the LDF for future employment growth, and these are likely to provide sufficient scope for development for the foreseeable future. These allocations include:

Middlehaven / St. Hilda's

- a. The major regeneration area covering 100 ha of the land between the River Tees and the town centre, is designated as a mixed use development, and has already seen significant employment growth at

Hudson Quay, the new Middlesbrough College facilities, Kiero Gateway and the growth of the Boho Zone. The site will continue to provide opportunities for capturing larger scale office development and the expansion of the digital sector, driven by DigitalCity, with the next building on the site (Boho 5) scheduled for construction in 2014.

Teesside Advanced Manufacturing Park (TAMP)

- b. The 13 ha site will provide opportunities for the development of higher value engineering facilities to capitalise on Middlesbrough's supply chain role. The first building on the site, the Offshore Wind Validation Centre will begin construction early in 2014 and will act as a catalyst for other engineering projects on the site.

Hemlington Grange Business Park

- c. 15 ha of land is currently allocated for the provision of business floorspace, with an emphasis on the quality of development, to be brought forward as part of the future plans for development of the major housing site in the area.

12. Although these allocations will provide sites for new development, the majority of employment in the town is currently concentrated in either Riverside Park or the town centre, where sufficient capacity and vacant space also exists to accommodate significant further job growth. Major vacant office buildings in the town centre present a particular opportunity to expand on Middlesbrough's commercial role.
13. The Council will also continue to work with other major landowners within existing employment areas such as the James Cook University Hospital, Teesside University and AV Dawson to ensure that the potential of their land is maximised.
14. When combined, the capacity within existing employment areas, and the vacant sites identified above suggest that the further allocation of *new* sites for employment use is unlikely to be necessary. The existing portfolio should provide the scale and scope for development commensurate for Middlesbrough's economic role and aspirations.

Summary

15. Subject to the ongoing review process, the allocations included within the LDF are currently considered appropriate to the balance required for the development of the housing and employment offer that Middlesbrough requires to move forward.
16. Although the allocations of housing and employment land are clearly linked, an increase in demand for one, does not necessarily need to impact upon the other.

17. Middlesbrough's current and future role in the Tees Valley economy is unlikely to result in the need to allocate large additional sites, nor is its sustainability likely to be constrained by a lack of available land. A more likely constraint will be the lack of an appropriate housing offer to support the town's long-term economic ambitions.

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