



Independent Examination of the Hartlepool Local Plan – Inspectors Matters, Issues and Questions for Examination (August 2017)

Client: Cecil M Yuill Ltd

Proposal: Response to Matter 2 – Spatial (Locational) Strategy

Date: September 2017

Ref: NE2428

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Document control

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Project:			
Client:	Cecil M Yuill		
Job Number:	NE2428		
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Independent Examination of the Hartlepool Local Plan – Inspectors Matters, Issues and Questions for Examination (August 2017)

Issue 1 Does the overall spatial strategy for the Plan present a positive framework which is consistent with national policy and will contribute to the achievement of sustainable development?

Q1 – Is the Plan, based on the spatial portrait and sustainability appraisal baseline, providing an appropriate response to address the issues that influence the Borough as a place? Do the spatial objectives of the Plan accurately reflect the existing issues and future opportunities/challenges facing Hartlepool Borough?

- 1.1 Cecil M Yuill Ltd are broadly of the view that the overall spatial strategy for the Plan does represent a positive framework which is consistent with national policy and which will contribute to the achievement of sustainable development. In particular, Cecil M Yuill Ltd agree with the Council's overarching spatial strategy to the 2031 of sustainable urban growth, with expansion being concentrated in areas adjoining the existing built up area and which is delivered alongside infrastructure improvements which allow Hartlepool to grow in a sustainable manner.
- 1.2 In terms of housing, Cecil M Yuill Ltd agree that the controlled western expansion of the town into greenfield land adjacent to the existing boundary of the built up area will deliver housing in accordance with the three dimensions to sustainable development defined at para 7 of the NPPF and, in doing so, maintaining and enhancing the attractiveness of Hartlepool and its setting as a quality place in which to live, work and visit. In addition, the Council's spatial strategy of the balanced western expansion of the town will enable the Council to implement one of the key infrastructure requirements, highlighted at para 6.18 of the Council's Local Infrastructure Plan (HLP05/1) and Local Plan Policy LS1 (Locational Strategy), considered critical to enabling the Council to implement their overarching sustainable growth strategy over the Plan period, comprising the construction of a new grade separated junction on the A19 to create a third main access point into Hartlepool including a new bypass to the north of Elwick village.
- 1.3 In line with our response to Matter 8, however, despite broad support for the Council's spatial strategy, the Plan remains unsound unless a further quantum of residential development is allocated as part of this western expansion of Hartlepool, with the most appropriate site able to accommodate additional housing being 'Quarry Farm 3' directly to the west of housing allocation HSG5a (Quarry Farm).

Q2 (a) - Is the location of distribution of development appropriate and justified? (b) Has the preparation of the Plan considered reasonable alternative spatial strategies? Does the updated SA Addendum (EX/HBC/25) capture the reasonable alternative strategies (see pages 10-16) and unreasonable growth alternatives (see pages 17-19) and present cogent reasons why they are not reasonable or preferred options?

Independent Examination of the Hartlepool Local Plan – Inspectors Matters, Issues and Questions for Examination (August 2017)

- 1.4 It is not the intention to revisit the representations submitted by Cecil M Yuill Ltd to the Publication Draft stage of the Local Plan in relation to land in their ownership known as 'Quarry Farm 3' and its suitability for housing, which has been demonstrated to be fully deliverable. In addition, it is pertinent to emphasise that, notwithstanding the conclusions of the Council's updated SA Addendum which considers 'reasonable alternative strategies' and reference to the option of relocating housing numbers from Wynyard to the western edge of Hartlepool, Cecil M Yuill Ltd are of the view that additional housing is required over the Plan period in any case.
- 1.5 However, the Inspector who oversaw the EIP into the subsequently withdrawn Hartlepool Local Plan in 2013 published several modifications that he considered were required in order to make the Plan sound. This included the deletion of residential allocations at Wynyard Park and Wynyard Woods and the re-allocation of the housing at both Quarry Farm and Tunstall Farm respectively. It was the Inspector's view, which Cecil M Yuill Ltd accord with, that locating new housing within and on the edge of Hartlepool town itself would better contribute to achieving the regeneration aims and objectives of the Council for the town itself. The Inspector's note dated 15 October 2013 entitled, 'Outline of Modifications Required for Soundness', is appended to this statement.
- 1.6 The construction of 450 new dwellings at Quarry Farm 3 will generate significant additional consumer demand by increasing household spending in Hartlepool. In this regard, ONS reveals that the gross disposable household income per head¹ in the UK for 2015 was £19,106. The figure for Hartlepool was £16,286 – approximately 14.8% below the UK average. The annual additional household income generated by the proposed development would be £16.416m². However, it is unrealistic to assume that there will be no increase in household income over the next few years. Based on the pattern of growth in Hartlepool recorded by ONS over the 2010 – 2015 period (an average of +2.1% per annum)³, the

¹ Gross disposable household income per head is the amount of money that individuals in the household have available for spending or saving. It is the money left over after income distribution measures (for example, taxes, social contributions and benefits) have taken effect. The figure is from ONS Regional GDHI (2015)

² The figure is based on a household density of 2.24 residents which reflects the average household density of Hartlepool as at 2014. It is likely that the household density for the application proposal would be greater than this having regard to the housing mix and the number of 3, 4 and 5 bedroom properties proposed. However for robustness, the Hartlepool average has been used.

³ ONS Regional Gross Disposable Household Income 2015: Time Series Data

Independent Examination of the Hartlepool Local Plan – Inspectors Matters, Issues and Questions for Examination (August 2017)

additional household expenditure generated by the proposed development following completion of the scheme (assuming – for the purpose of this exercise only, a completion date of 2021) is forecast to be £18.596m. However, to ensure robustness, the 2015 gross disposable income figure has been used.

- 1.7 Some of the spending would be accounted for by expenditure on housing and insurance costs (such as fuel and power, insurance, mortgage interest payments, etc) which do not benefit to any real degree the local area, but instead goes to large national institutions. This level of spend (based on the pattern of expenditure revealed in the Family Spending Survey for the North-East Region) equates to around £7,150 per household. Deducting this sum leaves £13.198m of additional household expenditure generated by the new housing development which could potentially benefit Hartlepool (using the 2015 figure).
- 1.8 Not all of the residents of the proposed development will be new households to Hartlepool as there is likely to be a number who are already resident in the borough. However those households who move to the development scheme from elsewhere within the Borough will be replaced by other households, many of whom would be new to Hartlepool. Having regard to the ONS 2014 Subnational Population Projections⁴ which forecasts that in 2021 inward migration will exceed out migration in Hartlepool, it is considered that a displacement factor of 50% is appropriate. This recognises a pattern of household movement which broadly reflects the ONS forecast that half of population growth will be accounted for by inward migration from the North-East region and from further afield. The net additional annual household expenditure of the proposed development will therefore be £6.599m (based on the 2015 figure).
- 1.9 A proportion of household expenditure will inevitably 'leak' outside of the Hartlepool area. However, it is recognised that Hartlepool has a diverse range of retail, community and service uses and an attractive shopping environment (Hartlepool Retail Study). Furthermore, the study reveals that the centre exhibits a strong 'leisure' draw. Informed by the findings of the Council's Retail Study, approximately 30% of consumer expenditure generated by the proposed housing scheme is likely to be spent outside of the borough of Hartlepool although the residual (70%) would be spent within the Borough. This means that an additional household expenditure that will directly benefit Hartlepool will be circa £4.619m (based on

⁴ Table 5 which covers components of change including births, deaths, and migration.

Independent Examination of the Hartlepool Local Plan – Inspectors Matters, Issues and Questions for Examination (August 2017)

the 2015 figure). This additional expenditure is more likely to be spent in Hartlepool itself the closer residents live. As such, new housing on the edge of Hartlepool will make an important contribution towards achieving the 'Hartlepool Vision' (HLP03/1) which represents the Council's aspirations for revitalising the centre of Hartlepool together with the town's wider regeneration. It will also play an important part in contributing to achieving the aims of the Tees Valley Combined Authority's revise Strategic Economic Plan, published in December 2016 (HLP07/24) which, in relation to Hartlepool, seeks to ensure that Hartlepool will be, first, *'a centre of innovation, design and creativity with vibrant local communities and enterprising businesses'*, including revitalising the town centre through delivering an *'improved retail offer, greater diversity through additional commercial, leisure and cultural uses.'*

- 1.10 The Council, within their updated SA Addendum (EX/HBC/25), conclude that the benefit of the proposals in Scenario A principally comprise the ability to locate community facilities at Wynyard to enhance its sustainability. However, it is Cecil M Yuill Ltd's view that such is the existing size of Wynyard Village now, including both existing population and further numbers by virtue of circa 180 dwellings with consent, but yet to be built within Hartlepool Borough, together with a proposed allocation to Wynyard Village of a further 1,00 dwellings by Stockton Borough, that community facilities could be provided now without the need for another 700 dwellings. In light of this it is the view that this additional allocation of all 700 units to Wynyard would not outweigh the benefits of contributing towards the deliverability of the key infrastructure works comprising the grade separated junction on the A19 and the Elwick Village bypass.
- 1.11 With reference to the infrastructure works being more deliverable if the recently submitted NPIF funding bid for £10m is successful, clearly the Council can give no assurance that such grant funding will be made available to contribute to the GSJ/bypass works. As such, the Council accept that the Plan must be able to secure the £18m required for the infrastructure works from developer contributions in order to demonstrate that the Plan is sound. This is the reason why the Council are seeking a financial contribution from both the High Tunstall and Quarry Farm sites to cover the full cost of the GSJ/Bypass works through a £12,400 contribution per unit based on an overall housing quantum of 1,455 units.

Q4 – Is the Plan strategy over reliant on a small number of large strategic sites?

Q5 – Does the Plan strike an appropriate balance of growth at the two strategic locations of High Tunstall and Wynyard? Does the balance need to be adjusted (up or down) at either

Independent Examination of the Hartlepool Local Plan – Inspectors Matters, Issues and Questions for Examination (August 2017)

location for sustainability and/or delivery reasons?

- 1.12 As highlighted at para 6.18 of the Council's Local Infrastructure Plan (HLP05/1), Policy LS1 (Locational Strategy) and para 6.18 of the Local Plan, key infrastructure works need to be delivered to enable the Council to implement their overarching sustainable growth strategy over the Plan period. Critically, this includes a new grade separated junction on the A19 , together with a bypass around Elwick Village, to create a third main access point into Hartlepool. These works are identified as one of the Council's priorities within their LIP in order to relieve the pressure and congestion from the A169 and the A179 into and out of Hartlepool respectively which, in turn, will make Hartlepool town centre more attractive place for potential investors. The works will also enable the closure of the Elwick Road and Dalton A19 junctions, both of which present highway safety concerns and, therefore, their closure is supported by Highways England.
- 1.13 The proposed allocation of both High Tunstall and Quarry Farm, whilst comprising the most sustainable development strategy in their own right, will jointly (together with site HSG7/Elwick Village) meet the costs of these key infrastructure works in full. Whilst the Council has submitted a bid to secure £10m funding from National Productivity and Investments Funds (NPIF) there can be no assurance that this grant application will be successful. The size of the two allocations at High Tunstall and Quarry Farm provide the Council with a greater degree of assurance that they are able to contribute the necessary funding for the GSJ/Elwick bypass, albeit that other financial contributions that would normally be expected, in particular the need to provide appropriate levels of affordable housing, may not be delivered, rather than a number of smaller sites which may prove less viable with the potential burden of contributing towards the key infrastructure works. This issue is considered in more detail as part of Cecil M Yuill Ltd's response to Matter 8 and Matter 15.
- 1.14 In addition, Cecil M Yuill Ltd is of the view that, in order to enable both High Tunstall and Quarry Farm to deliver other S106 requirements, in light of the current requirement for a financial contribution of £12,400 per dwelling towards the cost of the GSJ and Elwick bypass to deliver other S106 requirements, an additional quantum of housing is required to help spread this cost. Whilst both sites remain viable, even accounting for the infrastructure contributions required, this will mean other potential S106 contributions falling away. Of particular significance is the provision of affordable housing of which both the SHMA (HLP06/2) and SHMA Addendum (HLP06/1) identify a need for 144 affordable dwellings per annum over the Plan period. An additional quantum of 450 units on land at Quarry Farm 3 will free up the ability of site HSG5a (Quarry Farm) to provide an element of affordable housing. This issue is dealt with in more

Independent Examination of the Hartlepool Local Plan – Inspectors Matters, Issues and Questions for Examination (August 2017)

detail as part of Cecil M Yuill Ltd's response to Matters 8 and 15.

Q7 - Would the delineation of 'limits to development' and the identification of a strategic gap restrict sustainable development?

- 1.15 Cecil M Yuill Ltd consider that the delineation of 'limits to development' is contrary to the NPPF which provides a more flexible approach towards settlement growth and development. The NPPF does not specifically recognize settlement boundaries and there is no preclusion of the development of edge of settlement sustainable greenfield sites where it is considered to comprise sustainable development. In addition, Cecil M Yuill Ltd believes that, in its current proposed form the strategic gap, as defined in the Local Plan Consultation Document, would restrict sustainable development and reference to the Quarry Farm site illustrates this concern. The potential Quarry Farm Phase 3 development site is located between Worset Lane and Elwick Road on land within the proposed strategic gap as defined within the emerging Local Plan (see Appendix 2). An outline Landscape Appraisal carried out for the site by Glen Kemp landscape architects, submitted with representations to the Publication Draft stage, has indicated that the site could be delivered for housing in a sustainable manner with no long term adverse landscape or visual effects. More to the point, the site has no visual relationship with the neighbouring settlements of Hart, Elwick and Dalton Piercy to the west of Hartlepool and cannot be said to encroach on any open space which might conceivably contribute to their identity as settlements separated from the larger urban area to the east. It is very apparent that development of this site would have no adverse effects on the recognized functions of a strategic gap in terms of protecting settlement identity and preventing coalescence, and therefore the inclusion of this site within a strategic gap designation is considered to be inappropriate and a barrier to sustainable growth.
- 1.16 In terms of a reasonable alternative policy that would provide sufficient certainty to communities and developers as well as efficient and effective decision-making, it is considered that when so much open space currently exists between the urban edge of a Hartlepool and its outlying settlements of Hart, Elwick, Dalton Percy and Newton Bewley, the detailed definition of a strategic gap is impossible to achieve to any meaningful extent and we consider that applying a strategic gap policy may not be relevant in these instances. It is considered appropriate, however, to identify individual strategic gaps between Hartlepool and the neighbouring settlements of Hart and Greatham, and between Billingham and Newton Bewley. The extent of these strategic gaps must be based on a sound assessment methodology which

Independent Examination of the Hartlepool Local Plan – Inspectors Matters, Issues and Questions for Examination (August 2017)

considers settlement identity, the intervisibility between settlements and the extent to which a sense of openness is experienced within the local landscape. For the remainder of the land to the west of Hartlepool, it is suggested that a detailed landscape character assessment could provide the foundation for guidance directing development to the most environmentally sustainable locations.

Q8 - Is the delineation of the strategic gap reasonable in terms of its primary objectives in Policy LS1?

- 1.17 While we recognize the validity of the policy objectives in Policy LS1 of i) maintaining the separate identity of settlements, and ii) preventing the urban area of Hartlepool coalescing with neighbouring villages, Cecil M Yuill Ltd believes that the strategic gap, as defined in the Local Plan Consultation Document, is fundamentally flawed and fails to deliver on these objectives.
- 1.18 By definition, a strategic gap should extend across open space separating neighbouring settlements. It should cover the minimum amount of land required to maintain settlement identity and prevent physical and visual coalescence. In the locations around Hart to the north, Greatham to the south and, to a lesser extent, the farmsteads at Brierton to the south west, the concept of identifying and maintaining a strategic gap makes sense, but along much of the remainder of the proposed strategic gap its boundaries run through tracts of open countryside that have no visual connectivity with either one or two of the settlements in question, on an alignment which appears to be quite arbitrary, unsupported by objective assessment.
- 1.19 In light of the above, we are concerned that, in this instance, the strategic gap concept is, to a large extent, being misapplied in an attempt to bolster control of development beyond an identified settlement limit.
- 1.20 With regard to the suggested amendments in the Council's evidence (EX/HBC/22 – pages 46-54) to the proposed strategic gap, Cecil M Yuill Ltd suggests that the methodology applied in the Strategic Gap Assessment (SGA) commissioned by Hartlepool Borough Council in June 2017 to test and support the strategic gap allocation and inform any proposed amendments, is fundamentally flawed. The SGA identifies four "core purposes" of the strategic gap and lists them as follows:
1. To limit the spread of urban areas and villages outside of the limits to development;
 2. To prevent the urban area of Hartlepool coalescing with villages;
 3. To protect the character of the countryside and rural areas; and

Independent Examination of the Hartlepool Local Plan – Inspectors Matters, Issues and Questions for Examination (August 2017)

4. To maintain the separate identity and amenity of settlements.

- 1.21 With regard to item 1, although incursion into a properly defined strategic gap may be a valid reason for refusing development beyond a settlement limit, preventing the spread of development outside defined settlement limits cannot be a core function of a strategic gap per se, and would be contrary to the NPPF if so applied.
- 1.22 Item 3 clearly relates to the intention to protect the character of the countryside and rural areas. This is not a strategic gap function which can be inferred from the wording of Policy LS1, nor is it an aspect which accords with the guidance within the Office of the Deputy Prime Minister Publication '*Strategic Gaps and Green Wedge Policy in Structure Plans: Main Report*' published in 2001. It is clear from the above guidance that a strategic gap policy is not a substitute for policies providing elevated landscape protection.
- 1.23 Cecil M Yuill Ltd is of the view that effects on landscape character are quite distinct from effects on the function of a strategic gap. By way of illustration, in the SGA, Quarry Farm 3 is shown to lie in Sub-Area 02 of the strategic gap, within an area assessed as being of 'very low/low' landscape capacity, yet it is clear that Quarry Farm 3 has the potential to accommodate sustainable development without any compromise to settlement identity or risk of coalescence whatsoever.
- 1.24 To demonstrate this anomaly further, in Sub-Area 05, the SGA assesses the open landscape between Hartlepool and the village of Greatham as being of medium/high capacity to accommodate change and yet this strip of land is an area least capable of accommodating development without risking coalescence and a significant detrimental impact on settlement identity.
- 1.25 We therefore conclude that the SGA does not provide an appropriate evidence base from which to support the confirmation or revision of the strategic gap boundaries.

Appendix 1:
Note from Inspector 15th October 2013:
Outline of Modifications Required for Soundness

Hartlepool Local Plan Examination

Note from Inspector 15 October 2013 Outline of modifications required for soundness

Policy LS1

- Ensure appropriate and consistent references to limits to development/urban fence, the Policies Map and the Key Diagram throughout the Plan.
- 4th para 1st bullet point – delete reference to priority to brownfield sites
- 4th para 2nd bullet point – clarify expected scale of development at SW extension as approx. 2,200 dwellings in plan period
- 4th para 3rd bullet point – increase capacity at NW extension to approx. 500 dwellings
- 4th para 4th bullet point – delete ref to sites at Wynyard
- 4th para – add bullet points referring to sites at Tunstall Farm for approx. 100 dwellings and Quarry farm for approx. 100 dwellings
- 5th para 2nd bullet point – delete ref to site at North Burn
- Ensure appropriate and consistent references to edge of town centre sites throughout the Plan

Policy CC1

- Part 7 – amend to refer to encouraging rather than requiring

Policy CC4

- Amend to clarify approach to sequential and exception tests i.e. exception test only appropriate after applying sequential test

Policy TR2

- Delete ref to A19 North Burn Access

Policy HSG1

- Refer to approximate dwelling numbers for site allocations rather than maximum
- Amend capacity of SW extension to approx. 2,200 dwellings
- Amend capacity of NW extension to approx. 500 dwellings
- Delete allocations at Wynyard Park and Wynyard Woods
- Add site allocation at Tunstall Farm for approx. 100 dwellings
- Add site allocation at Quarry Farm for approx. 100 dwellings
- Amend figure in terms of existing planning permissions in light of up to date information. Delete figure for Identified Urban Area and replace with figure for residual number of dwellings required in urban area to achieve 5,400 after figures for site allocations
- Amend total new provision figures for allocations in light of above
- Amend brownfield target to reflect above
- Amend supporting text, tables and housing trajectory accordingly

Policy HSG2

- Clarify scale of development at SW extension as approx. 2,200 dwellings in plan period
- Amend to provide greater clarity in terms of need for and delivery of infrastructure provision within site and specific requirements for community facilities etc.
- Delete Diagram 2

Policy HSG3

- Amend criteria to be fully consistent with NPPF

Policy HSG4

- Amend to refer to threshold for size of development where housing mix will be required and clarify how information on housing mix required will be provided
- Delete second para
- Delete third para and table
- Supporting text and Table 9 – delete specific references to “executive housing”

Policy HSG5

- Amend to refer to affordable housing on all developments of 15 or more dwellings and a 10% target being sought rather than required
- Third para – delete second bullet point

Policy EC2

- Delete policy

Policy EC5

- Delete policy

Policies EC1, EC3, EC4 and EC6

- Amend to clarify status as committed sites, total site areas and areas available
- Amend Policies EC1, EC3 and EC4 to be consistent with NPPF in terms of the sequential approach to main town centre uses which include offices.

Policy RU1

- Amend to clarify the definition of the countryside

Policy RC1

- Amend to clarify that the hierarchy of centres has been defined
- Amend to clarify definition of locations in hierarchy and particularly edge of town centre sites (see also other RC policies)
- Clarify sequential approach between centres and elsewhere

Policy RC2

- Third para – remove reference to sequential approach to primary shopping area

Policy RC4 /Para 12.25

- Clarify approach to A4/A5 uses and ensure consistency between policy and text

Policy RC7

- Amend to clarify position of local centres in hierarchy and the sequential approach

Policy RC8

- Delete policy

Policy RC8

- Clarify to include last para as a criterion

Policies HE1-HE4

- Amend to provide greater clarity and to ensure full consistency with NPPF

Policies NE1-NE2

- Amend to provide greater clarity and ensure full consistency with NPPF
- Ensure Policies Map is consistent with and fully reflects policies

Additional policies

- Add suggested Policy SUS1
- Add suggested Policy ND3 (with subsequent amendments suggested by Council)
- Add suggested Policy ND5
- Add suggested Policy HSG9 and allocate site for gypsy and traveller provision at Hart Smallholdings West

Monitoring

- Include monitoring framework within the Plan
- Set out clear and specific indicators and targets which reflect the key objectives of policies and allow for responsive monitoring throughout the plan period
- Include baseline data where relevant and available

Policies Map

- Ensure Policies Map accurately reflects amended policies and proposals

Overall

- Amend supporting text to reflect amendments to policies
- Ensure consistency in detailed wording between policies

Appendix 2:

Plan Illustrating Quarry Farm 3 within Proposed Strategic Gap Designation



Key




-  Potential development area Phase 3
-  Phase 1 & 2 boundaries
-  Strategic Gap
(as shown in Emerging Local Plan and represented in the Strategic Gap Assessment report by re-form Landscape Architecture Ltd.)

FIGURE 1.
Quarry Farm Site Location Plan
Scale - NTS