

Homes and Communities Agency

Oakesway, Hartlepool

Hartlepool Local Plan Examination
in Public - Response to Inspector's
Matters, Issues and Questions

Issue |

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Introduction

Arup are appointed to act on behalf of the Homes and Communities Agency (HCA) in respect of land at Oakesway, Hartlepool.

By way of context, the HCA have submitted representations to the Council in respect of the Local Plan as follows:

- Issues and Options Consultation (May 2014) – representations submitted on 18 July 2014.
- Preferred Options Consultation (May 2016) – representations submitted on 15th July 2016.
- Publication Draft Local Plan (December 2016) – representations submitted on 31st January 2017.

This report outlines responses to the Matters, Issues and Questions relevant to the HCA's previous representations and land interests at Oakesway, Hartlepool in respect of Matter 4 –Jobs Growth, Employment Policies and Employment Land.

Question 1: Jobs Growth and Net Additional Jobs

Question 1:

Is the Plan sufficiently clear on the jobs growth target and the number of net additional jobs sought over the Plan period?

The HCA do not wish to respond to this question.

Question 2: Jobs Growth based on the Strategic Economic Plan

Question 2:

Applying the Strategic Economic Plan for Tees Valley (the SEP) results in an annual jobs growth in the Borough of 290 jobs over a ten year period. This is extrapolated over the lifetime of the Plan. Is that a reasonable assumption? Are SEP interventions likely to continue? What has been the trend in net job creation pre-SEP?

The HCA do not wish to respond to this question.

Question 3: Employment Forecasting

Question 3:

Has the employment forecasting assumed health-related jobs associated with the hospital proposal at Wynyard Park?

The HCA do not wish to respond to this question.

Question 4: Consistency between Plans and Strategies

Question 4:

Is there appropriate consistency between the Local Plan, the Employment Land Review, the SEP and the Council's regeneration strategy on the approach to key future job sectors and key employment sites in the Borough?

The HCA do not wish to respond to this question.

Question 5: Should an Overall Employment Land Requirement be Set Out?

Question 5:

Should Policy LS1 or a new policy set out the overall amount of employment land provision to be secured in the Plan taking into account the Employment Land Review findings?

The HCA believe that the Local Plan should provide a clear policy position on the overall amount of employment land provision linked to the findings of the Employment Land Review.

Such a policy (be it a new policy or an adjunct to an existing policy) should be clear how the Plan will seek to manage the supply of employment land to meet the identified needs. The policy should set out clearly how this will be achieved by: Ensuring a sufficient supply, range and choice of employment land is maintained for class B1, B2 and B8 uses and for this to be in the context of a total quantum of land being identified and allocated to meet the gross employment land requirements (including office floorspace).

Further, the Plan needs to a clear spatial and strategic direction for the future location of employment development. The implementation of which will be need to be assessed through the annual monitoring process.

In the context of the above it is also noted that the Employment Land Review identifies a surplus of employment land in the range of 192.12 - 390.12 ha.

Question 6: Relationship between Employment Land, Housing Land and Jobs Growth

Question 6:

How does the amount of employment land relate to overall jobs growth estimates and what is the relationship between overall housing and employment land provision? (NPPF para. 160)

The HCA do not wish to respond to this question.

Question 7: Relationship between the Plan and the Hartlepool Vision and Regeneration Masterplan

Question 7:

In facilitating job creation, how would the Plan complement and assist in delivering the framework for investment in jobs and key sites set out in the Hartlepool Vision (HLP03/1) and the detailed Regeneration Masterplan (HLP07/3)?

In the context of the land at Oakesway the HCA would wish to highlight the fact that neither the Hartlepool Vision document nor the Regeneration Masterplan refer to or rely on the Oakesway site.

In terms of the HCA's land assets within Hartlepool the Plan seeks to reflect the strategy set out in the Hartlepool Vision document by reinforcing the HCA's strategy of investing in their Queens Meadow site which is in turn linked to evidence of demand in that location as opposed to there being no considered or evidenced demand at the Oakesway site.

Accordingly, the HCA would concur with the statement set out in the Hartlepool Vision document that the Queens Meadow site represents a high quality location offering incentives to businesses in key sectors of the economy in a modern landscaped business park currently benefiting from rate relief focussed on advanced manufacturing and engineering, chemicals and the renewable energy sector. It also provides significant high quality business incubation accommodation.

Question 8: Deliverability of Longstanding Undeveloped Employment Land

Question 8:

Are the employment sites realistically deliverable, particularly long standing undeveloped parcels on general employment sites under EMP3? What is the evidence that they are needed? Has the Plan retained any employment sites with little or no reasonable prospect of being used for that purpose? Explain how the future provision of employment land will be delivered effectively within the plan period, including existing commitments and proposed allocations.

HCA response:

The Oakesway site is proposed to be allocated under Policy EMP3 of the plan for the development of employment uses (B1, B2, B8) – this being an allocation continued from the Hartlepool Local Plan (2006).

The site can be referred to as a ‘long standing undeveloped parcel’ as it has not experienced any significant new development for over 30 years, despite active marketing by the HCA and the previous owners of the site.

Land at Oakesway has been available and marketed for over 30 years. In that time, only two land deals have been concluded these being the purchase of the north western corner of the site for a food store (currently occupied by Iceland) and additional parking for Saica Packaging in the south western corner of the site.

Feedback received by the HCA from developers and businesses reinforce the conclusions reached by the HCA, in that the Oakesway site is an older industrial estate which is not well serviced and is generally considered to be in a poor location - when compared to other competing employment land in Hartlepool. Sites at Queens Meadow and Wynyard are therefore considered to be preferable due to their relatively accessible locations on the edge of settlements and proximity to other similar occupiers.

It should also be noted that in addition to the HCA’s land interests at Oakesway there are also a number of existing units available to rent from other landowners on adjacent sites. These units currently total a combined floorspace of approximately 14,000 sqm, with units ranging in size from 1,394 - 2,787 sqm. There is also an additional 2.4 acres of vacant land available for development.

In summary, despite the site’s Enterprise Zone status designation since 2011 there has been no new development and no enquires made to the HCA to acquire land for development.

Question 9: Enterprise Zones Status

Question 9:

Is there an indication at this stage as to the status of the 3 Enterprise Zones in the Borough post March 2018?

HCA response:

The Oakesway site has been designated since 2011 as a “Local” Enterprise Zone for renewable energy and advanced engineering sectors. The designation is a locally designated and funded as part of the Tees Valley Funded Enterprise Zone programme offering business rate discounts where new tenants can benefit from business rate relief of up to £55,000 per annum for a five year period.

In addition elsewhere in Hartlepool there are other sites which are Government Funded Enterprise Zones offering incentives including business rate discounts (relief of up to £55,000 per annum for a five year period) and enhanced capital allowances (first year capital allowances at 100% on qualifying plant and machinery to offset against corporation tax if the investment was made before April 2017).

The status of the Enterprise Zone designations beyond March 2018 is a matter for the Tees Valley Combined Authority.

Question 10: Reasonableness of Employment Land Review Assessments

Question 10:

Is the Employment Land Review assessment of Oakesway (page 124), Sovereign Park (p125), Park View West (p124) and Wynyard Park (p126) reasonable? Have those promoting alternative options carried out alternative assessments against similar or different criteria to those presented in the ELR? Is the Employment Land Review qualitative assessment of these sites (within Table 49, pages 131-145) justified and up-to-date?

HCA Response:

In respect of the Oakesway site the Council's Employment Land Review (ELR) of 2008 identified for the site to be deallocated due to the underperformance of the site.

However, the 2015 ELR considers the site suitable as employment land in the long term and recommends the site be retained for this purpose. The ELR states that land at Oakesway is attracting developer/occupier interest, but that interest remains tentative at this time. The ELR progresses to note that it must be accepted that the development of this location is a long term prospect and will likely exceed the lifetime of the Enterprise Zone. The Council should therefore continue to monitor this location, responding to changing economic circumstances as appropriate.

The 2015 ELR states the following in respect of the Oakesway site:

- the site has an average level of critical mass with existing occupiers dispersed through the site
- in terms of access and prominence, many of the larger occupiers on the site, are well away from that road, often adjacent to residential areas.
- the overall environment is poor at this time and most existing premises comprise older, budget quality industrial accommodation.
- there are also several vacant/derelict structures within the area.

It is though also noted in the ELR that the Oakesway site is one of Hartlepool's Enterprise Zones, marketed for (and beginning to attract) new development, including a substantial area of inward investment.

The Oakesway Industrial Estate was originally owned by One North East. The site was transferred to Onsite in 2009 prior to the dissolution of ONE in 2011. In late 2014 it was transferred to the HCA. Land at Oakesway has been available and marketed as being available for development for over 30 years by the HCA and previous owners of the site. In that time, only two parcels of land have been disposed of these being a plot of land in the north west corner of the site for a

foodstore (currently occupied by Iceland) and additional parking for Saica Packaging in the south western corner.

Feedback received by the HCA from developers and businesses reinforce the conclusions reached by the HCA, in that the Oakesway site is an older industrial estate which is not well serviced and is generally considered to be in a poor location - when compared to other competing employment land in Hartlepool. Sites at Queens Meadow and Wynyard are considered to be preferable due to their relatively accessible locations on the edge of settlements and proximity to other similar occupiers.

It should also be noted that in addition to the HCA's land interests at Oakesway there are a number of existing units available to rent on adjacent sites. These units total a combined floorspace of approximately 14,000 square metres, with units ranging in size from 1,394 - 2,787 sqm. There is also an additional 2.4 acres of vacant land for development available.

In summary, the 2015 ELR suggests an oversupply of employment land in the borough which when measured against the Borough's current realistic supply shows that there is a supply surplus of 238.32 ha to 2031.

Question 11: Employment Land Demand in Enterprise Zones

Question 11:

The ELR was published at the end of 2014 and describes demand at the EZ as being at an early stage. In the intervening period to now, has demand increased and what does this indicate for these sites when EZ status expires in March 2018?

HCA Response:

Hartlepool Borough Council in table 12 (p118) of the Hartlepool Local Plan Publication draft notes the low interest in the Oakesway site stating '*limited interest [in Oakesway] but development is likely to be a long term prospect exceeding life of the current Enterprise Zone designation.*' This includes a potential use of the site for port related activity including offshore decommissioning.

Oakesway has been designated since 2011 as a Local Enterprise Zone by Hartlepool Council for renewable energy and advanced engineering sectors. The site is also listed on the Invest in Hartlepool and Tees Valley Combined Authority website which states that the site is: 'a Tees Valley Funded Business Rate Discount site where tenants can benefit from business rate relief of up to £55,000 per annum for a five year period'. The site also benefits from enhanced capital allowances, simplified planning and superfast broadband.

It should also be noted that the Oakesway Enterprise Zone designation is a local allocation which is not endorsed by the Government, in contrast to the HCA's Queen's Meadow site which is a Government endorsed Enterprise Zone. In light of this, the HCA and Hartlepool Council are focusing on promoting development and investment opportunities at the HCA's Queen's Meadow site following evidenced market interest and the success of recent development phases. Queen's Meadow is also considered to be a more attractive location for tenants due to the higher amounts of grants and incentives offered to Government endorsed Enterprise Zones. This has been expressed by the high take up rates (80%) for the Enterprise Court scheme which was a direct development completed by the HCA in 2016. As such this demonstrates the HCA's strong commitment to providing employment land and promoting investment in Hartlepool.

As outlined in response to the previous questions, the Oakesway Industrial Estate was originally owned by One North East. The site was transferred to Onsite in 2009 prior to the dissolution of ONE in 2011. In late 2014 it was transferred to the HCA. Land at Oakesway has been available and marketed as being available for development for over 30 years by the HCA and previous owners of the site. In that time, only two parcels of land have been disposed of these being a plot of land in the north west corner of the site for a foodstore (currently occupied by Iceland) and additional parking for Saica Packaging in the south western corner.

Feedback received by the HCA and their property agents from developers and businesses reinforce the conclusions reached by the HCA, in that the Oakesway site is an older industrial estate which is not well serviced and is generally considered to be in a poor location - when compared to other competing employment land in Hartlepool. Sites at Queens Meadow and Wynyard are considered to be preferable due to their relatively accessible locations.

As such the HCA do not expect there to be any change in the level of interest or demand for land at Oakesway following the expiration of Enterprise Zone status in March 2018.

Question 12: Bad Neighbour Uses at Graythorp Industrial Estate

Question 12:

Is the proposal for 'bad neighbour' uses at the Graythorp Industrial Estate justified? Is there an effective policy framework in the Plan to manage development at this location in the wider public interest of protecting amenities?

The HCA do not wish to respond to this question.

Question 13: Underground Storage Proposal

Question 13:

Is there evidence that the underground storage proposal at Policy EMP6 is deliverable and could be implemented without harm to the water environment, the Teesmouth and Cleveland Coast SPA/Ramsar and the proposed SPA extension?

The HCA do not wish to respond to this question.