

# Employment Land Review

## Hartlepool Borough Council



Final Report

December 2014

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## EXECUTIVE SUMMARY

### Introduction

- i) This report assesses the supply, need and demand for employment land and premises (use class B) in Hartlepool. It has been carried out for Hartlepool Borough Council to provide robust evidence to underpin and inform its Local Plan for the period to 2031.
- ii) The Employment Land Review is a three-stage process as outlined in the 2004 Office of the Deputy Prime Minister (ODPM) Guidance Note. Stage One, which involves a comprehensive 'stock take' of the existing situation, was undertaken in-house by the Council. BE Group undertook Stages Two and Three during mid 2014. This report outlines the findings from the three stages of the research.
- iii) For Stage One the objectives were:

### **Stage One**

- To devise a brief for Stage One
- To collate data on land stock and revealed demand
- To devise and apply site appraisal criteria
- To undertake preliminary site appraisals
- To confirm the brief for Stages Two and Three.

- iv) For Stages Two and Three the objectives were:

### **Stage Two**

- To understand market areas and segments within the Borough
- To understand the Borough's strengths and weaknesses in relation to predicted future trends/technology drivers etc that are likely to adjust its attractiveness to major employment uses
- To select and apply a suitable forecast model/demand analysis
- To provide a break down of that analysis in terms of quality and location
- To test the chosen model for sensitivity against at least three different economic growth scenarios
- To quantify employment land supply

- To give an indication of 'gaps' in supply.

### **Stage Three**

- To undertake a qualitative review of all significant sites (and premises) in the existing employment site portfolio
- To confirm which of them are unsuitable for/unlikely to continue in employment use
- To establish the extent of 'gaps' in the portfolio
- To identify (if necessary) additional sites to be allocated or safeguarded.

### **Methodology**

- v) A number of research methods have been used – site visits, interviews with property market stakeholders and a survey of 170 businesses (of which 87 responded). This has been combined with consultation with public sector agencies involved in the Borough (and in neighbouring local authority areas), eight major businesses and Hartlepool College. Desktop analysis of existing strategies, reports and documents have also been used to inform the overall findings. The eight Parish Councils and Parish Meetings of Hartlepool have also been contacted by post and email. Finally, an associated Call for Sites exercise was undertaken in May/June 2014, with 190 landowners contacted (of which three responded). The methodology follows ODPM and 2014 Planning Practice Guidance (PPG) on the production of employment land reviews.

### **Findings**

- vi) Hartlepool has an economically active workforce, however, unemployment is high, both in the context of the Tees Valley and the wider North East. The Borough also has a high overall level of deprivation and several areas of intense deprivation covering much of northern and central Hartlepool town.
- vii) There were some 2,420 businesses operating in the Borough in 2013. Most of those businesses employ less than 10 employees (78.5%). Business start-up rates in Hartlepool are average for the Tees Valley and North East. However, the rate of business death is comparatively modest and some 54-55% of local businesses survive into their fourth year, with 47.1% surviving into their fifth year. These survival rates are the highest in the Tees Valley and also exceed regional and national levels.

- viii) In terms of employment, Hartlepool is strongly dependant on the public sector, with 35% of working residents employed in public administration, education and health. Oxford Economics' forecasting, used for this study, predicts some increase in public sector employment to 2031, primarily in the health and education sectors. However, as a proportion of overall employment, state employment will remain at around a third of all jobs to 2031.
- ix) Elsewhere, manufacturing continues to dominate, accounting for 14.6% of employment in the Borough, compared to Tees Valley/North East averages of 10-11%. This is unsurprising given the wide range of manufacturing businesses located in Hartlepool. Oxford Economics' forecasting suggests that local employment in manufacturing will decrease by some 21.4% to 2031 (a reduction of some 900 jobs. If projected Enterprise Zone investment is accounted for, the loss is some 400 jobs) although this will still leave 11.2% of the workforce (3,300 people) employed in manufacturing.
- x) Local employment in most relevant service sectors is low, notably ICT where employment is less than a third of the Tees Valley average. However, a modest increase in ICT employment is forecast by Oxford Economics over the next 17 years. If realised, this will provide some 100 additional jobs in this sector.
- xi) Overall, during the period to 2031, Oxford Economics Forecasts suggest that employment in 9 of a possible 19 industry sectors will grow, producing 1,600 new jobs. The highest growth sector is construction with 400 new jobs projected. However, this will be offset by job losses in other sectors, notably manufacturing, totalling 1,600. Enterprise Zone investment is projected to generate some 500 further jobs in manufacturing sectors, and when this, along with growth in health and education, is accounted for in forecasting, net employment growth will be for some 1,700 extra jobs to 2031.
- xii) Assuming the policy off, or baseline position, Gross Value Added (GVA) during the period 2014 to 2031 is forecast to increase by 37.5% for the period. The manufacturing sector is predicted to see a change representing an increase of 31.0% over the period. This is against an overall jobs reduction. The greatest increases in GVA output are in the professional, scientific and technical sectors and ICT, although

the baseline levels are low. The policy on scenario suggests that the Enterprise Zones will increase GVA in manufacturing by around 45% during the Plan period.

- xiii) Hartlepool is a relatively self contained local authority area. 69% of Hartlepool's working residents live and work in the area, compared to 61% of Middlesbrough's and 58% of Redcar and Cleveland's working residents. Despite this Hartlepool is a net exporter of labour, second only to Redcar and Cleveland in the Tees Valley.
- xiv) In terms of inward investment, Hartlepool has a number of assets which are of national significance and will draw investment into the Borough. These include Able (UK) Seaton Port (one of the largest dry docks in Europe), Hartlepool Power Station (which has growth options, potentially including the provision of a new power station), Hartlepool Port (a major support and manufacturing facility for the offshore wind energy sector, supported by Tata Hartlepool), Seal Sands (extending to include Huntsman Tioxide) and Queens Meadow. Enquiries data, sourced from Tees Valley Unlimited, suggest a reasonable demand for larger industrial premises in the 3,715-9,290 sqm and 23,227+ sqm size bands. However, most enquiries are for smaller and mid-sized industrial/warehouse units of up to 3,716 sqm and offices of less than 464 sqm.
- xv) Industrial need is for modern moderate/good quality units of up to 1,000 sqm (something reflected both in the comments of property agents and company survey returns), including some incubation units of around 100 sqm. Market activity is focused around Longhill Industrial Estate, where much of Hartlepool's supply of light industrial space can be found.
- xvi) The office market generally meets the needs of local service sector businesses and provides ancillary space for existing industrial firms. Demand is for 0-150 sqm leasehold suites and there is a lack of modern premises, in this size range, at present.
- xvii) Consultations with a sample of the larger businesses in the Borough suggest most are satisfied with their current premises. Able UK has now secured contracts for the decommissioning of offshore oil and gas platforms which will support further investment into facilities at Able (UK) Seaton Port. PD Ports wishes to retain the bulk of the land at the port and at North Gare to meet the, often unpredictable, contract

driven land needs of businesses in sectors which can have port-related land requirements.

- xviii) All of the local authorities which neighbour Hartlepool feel they are able to meet their economic needs on land within their own local authority area boundaries. Other relevant cross-boundary issues include the (effective) joint development of Seal Sands and opportunities for Hartlepool to benefit from growth here. Also how major strategic highways improvement which can be provided at the A689/A19 junction, and along those two A-roads, to allow the large-scale delivery of employment opportunities (and housing) at Wynyard Park.

### **Employment Land Supply**

- xix) At 31<sup>st</sup> March 2014 there was a local supply of 409.7 ha of available employment land, made up of 29 sites. However, this includes 18.1 ha of land at Former Centura which is constrained and unlikely to ever come forward for development, in its present form at least. Another 93.8 ha comprises land in five sites where a mixture of owner aspirations and site conditions suggest that the land is better suited for alternative uses, primarily retail and housing. At Wynyard Business Park, only 57.6 percent of the land, some 54.2 ha, remains in employment use at the time of this study. The remaining 39.9 ha of land at Wynyard Three is either proposed for alternative uses (housing and a local centre, subject to the signing of a Section 106) or considered undevelopable and appropriate for deallocation. This land should not be included in the employment land supply. Allowing for these deductions gives a realistic employment land supply of 257.9 ha in 23 sites.
- xx) The Call for Sites exercise only identified one additional site with strong potential for employment use. This is Land in the north of Tofts Farm (2.4 ha). The landowner has put this site forward for housing. However, the current orientation, bunding and access arrangements of this land do make it suitable as an expansion site for Tofts Farm Industrial Estate.
- xxi) When measured against long term past take-up rates, the forecast demand is for 19.58-65.78 ha (15.13-50.83 ha, plus a five year buffer of 4.45-14.95 ha to reflect a choice of sites and to provide a continuum of supply beyond the end of the plan period). By this measure Hartlepool has a land supply surplus of 192.12-238.32 ha against the realistic headline supply (257.9 ha).

- xxii) The other forecast models (baseline “policy off” employment and “policy-on” employment, the latter accounting for projected growth in the Enterprise Zones) suggest the Borough has an even larger oversupply of employment land (see Table ES1). This would suggest that effectively all of the current land supply is surplus to requirements and could be used for other activities. However, the market assessment and a review of the historic trends in employment change and land take up (see Section 9.0) suggest that these forecasts underestimate land needs significantly.
- xxiii) Relevant non B-Class uses could provide some 300 more jobs in Hartlepool by 2031. Excluding the occasional redevelopment of an older factory complex, uses that may be located on employment land, are likely to be limited to gyms, small scale medical and veterinary clinics, and food outlets. These uses are likely to take up no more than 3 ha of allocated employment land over the plan period.

**Table ES1 – Land Forecast Models – Summary**

| Model  | Land Stock 2014, ha | Land Need 2014-2031, ha      | Buffer (five years take-up rate) ha | Surplus (Shortfall), ha | Assumptions   |
|--|---------------------|------------------------------|-------------------------------------|-------------------------|---|
| Historic Land Take-Up Rate/ Headline stock     | 409.7               | 50.83 High<br>15.13 Low      | 14.95 High<br>4.45 Low              | 343.92<br>390.12        | High- based on 2.99 ha/annum<br>Low – based on 0.89 ha/annum                            |
| Historic Land Take-Up Rate/ Adjusted stock     | 257.9               | 50.83 High<br>15.13 Low      | 14.95 High<br>4.45 Low              | 192.12<br>238.32        | High- based on 2.99 ha/annum<br>Low – based on 0.89 ha/annum                            |
| Policy off- Employment based on adjusted stock | 257.9               | 1.54 Growth<br>-10.85 Change | 0.55<br>0.55                        | 255.81<br>268.20        | Based on<br>1.projected growth sectors<br>2. projected employment change across sectors |
| Policy on - Employment based on adjusted stock | 257.9               | 3.03 Growth<br>-3.36 Change  | 1.08<br>1.08                        | 253.79<br>260.18        | Based on<br>1.projected growth sectors<br>2. projected employment change across sectors |

Source: BE Group 2014



## Recommendations

xxiv) This report has had full regard to the requirements of NPPF and 2014 Planning Practice Guidance, to encourage and deliver growth through the planning system.

The key recommendations are:

- Using long term trends as a measure indicates that there is a substantial surplus of employment land in Hartlepool. There is therefore no need for the Council to identify further land allocations in the period to 2031
- The level of surplus leaves Hartlepool with considerable scope to rationalise its currently large land supply. Section 6.0 suggests land supply reductions totalling 151.8 ha. These encompass sites judged unlikely to come forward such as Former Centura, Northburn Electronics Park, Victoria Harbour North Docks west of Marina Way; sites to be developed for alternative uses such as Golden Flatts, Teesbay Retail Park; and assuming that only around 58 percent of Wynyard Three is available for B Class employment.
- However, this study does not recommend further land losses at this time, for the following reasons:
  - The take-up figures used in this study were from a period of national recession. It must be assumed that take-up rates in the improving economy, from 2013-2014 onwards, will be higher
  - PD Ports, Able UK and several other large landowners/businesses highlighted that much of the land need in Hartlepool is driven by the winning or losing of major infrastructure contracts. Such contract-led demand is impossible to predict over the long term and thus landowners must retain a strategic reserve of land which can be brought forward at short notice
  - At both Queen's Meadow and Oakesway Enterprise Zones, the full level of demand will take some time to emerge and it will probably not be possible to say, with any certainty, if there is surplus land at either location until later in the Plan period
  - There is a need to protect smaller employment sites along Brenda Road to provide opportunities for the development of modern small business space
  - Decommissioning and potential rebuild works around Hartlepool Power Station will generate some land needs which cannot be accounted for at present

- This study does not account for further demand and requirements that may be identified in the Regeneration Masterplan for central Hartlepool and sub-regional policy.
- The remaining employment land supply of 257.9 ha should therefore be safeguarded for B Class Uses and other employment uses which achieve economic enhancement. Non B-Class employment uses should only be allowed if an applicant can demonstrate exceptional circumstances and that the proposals will not have a significant adverse impact on surrounding local uses
- In terms of Hartlepool's 15 Allocated Employment Areas, all achieve a grade A to C in this study's analysis and should continue to be protected through the Local Plan. Strong protection should be given to the six locations which achieved a grading of A or B (i.e. Queen's Meadow, Oakesway, South Works, Graythorp Yard, West of Seaton Channel and Philips Tank Farm).
- The Council should work with neighbouring authorities in order to ensure a joined up approach to employment matters and economic development across the Tees Valley and the North East.
- Review and monitor the employment land and premises position and undertake the study again in about three years, as 2031 is a long time in the future and much will happen before then.
- Table ES2 makes a range of site specific recommendations.

**Table ES2 – Site/Area Specific Recommendations**

| Site/Area                     | Comment   |
|-------------------------------|---|
| Former Centura                | Heavily constrained, backland site with extremely limited access. It is highly unlikely that this site could be redeveloped for new industrial premises and the land should be deallocated  |
| Golden Flatts                 | A backland site with a northern frontage which is now mostly developed for housing (with further housing proposed). Having regard to the northern frontage, the rest of the land would appear better suited for creation of a green wedge with an appropriate buffer in the south to the Tata steelworks. The land should be reallocated accordingly.                     |
| Hartlepool Town Centre/Marina | These locations are the subject of a detailed Regeneration Masterplan which will provide guidance on appropriate employment and mixed-use development opportunities here.   |
| Longhill/Sandgate             | Market research has established this area as a key location for local industrial businesses. There appear to be a number of vacant and underused sites, particularly in the south of the area which have potential to provide redevelopment and regeneration sites. The Council should undertake a separate and more detailed study into regeneration opportunities here. |

| Site/Area                           | Comment  |
|-------------------------------------|--|
| North Burn Electronics Park         | Development of B-Class employment uses here is considered unlikely given access constraints. It is recommended that this site be deallocated unless there is clear evidence that funds will be available during the plan period to address the infrastructural issues associated with developing this site.  |
| Oakesway                            | Land at Oakesway is attracting developer/occupier interest, but that interest remains tentative at this time. 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 here. The Council should therefore continue to monitor this location, responding to changing economic circumstances as appropriate.   |
| Queen's Meadow Business Park        | Planning policy already identifies this as a key employment area for the Borough and future policy should continue to highlight this.  |
| Tees Bay Retail Park                | Tees Bay Retail Park is an established retail location and future development here will be for A1-A4 retail or Sui Generis, not B1, B2, B8 employment. The identified employment sites (sites 24 and 25) should be reallocated.  |
| Victoria Harbour/Port of Hartlepool | Of the 63.2 ha currently available at the Port only 12 ha is likely to be taken up in the short term. However, PD Ports highlighted the importance of protecting the bulk of the remaining land here to meet the contract driven and therefore often unpredictable needs of port occupiers. Land here and at North of Seaton Channel (24.5 ha) therefore needs to be protected even if there is little chance of significant further take up in the short or medium term. The exception is employment site 28 Victoria Harbour North (3.1 ha) west of Marina Way which should be deallocated or reallocated accordingly. |
| Wynyrd Park                         | Development will be for a mix of uses (subject to signing of a Section 106) comprising, at present at least, 31.5 ha of B-Class uses, 22.7 ha for a hospital (which can be considered as employment land until the hospital development is realised) and 17.4 ha for housing and local services. Another 22.7 ha in the north is considered undevelopable hence should be deallocated and become white land. The employment allocation should be amended to reflect this.  |

Source: BE Group, 2014

## 1.0 INTRODUCTION

- 1.1 This report provides an employment land review for Hartlepool Borough. It has been carried out on behalf of Hartlepool Borough Council (the Council).
- 1.2 The study has been commissioned to provide robust evidence to underpin and inform the development of new policies within the Local Plan. It will analyse existing employment land and premises demand, supply and need up to 2031.
- 1.3 The Employment Land Review is a three-stage process as outlined in the 2004 Office of the Deputy Prime Minister (ODPM) Guidance Note (discussed below). Stage One, which involves a comprehensive 'stock take' of the existing situation, was undertaken in-house by the Council. BE Group, economic development and property consultants, undertook Stages Two and Three during mid 2014. BE Group also compiled this report which outlines the findings from the three stages of the research. The report updates and supersedes the previous Hartlepool Employment Land Review of 2008.
- 1.4 For Stage One the objectives were:
- To devise a brief for Stage One
  - To collate data on land stock and revealed demand
  - To devise and apply site appraisal criteria
  - To undertake preliminary site appraisals
  - To confirm the brief for Stages Two and Three.
- 1.5 Based on Stages Two and Three of the ODPM Guidance Note, the study brief set out the following objectives:

### ***Stage Two***

- To understand market areas and segments within the Borough
- To understand the Borough's strengths and weaknesses in relation to predicted future trends/technology drivers etc that are likely to adjust its attractiveness to major employment uses
- To select and apply a suitable forecast model/demand analysis
- To provide a break down of that analysis in terms of quality and location

- To test the chosen model for sensitivity against at least three different economic growth scenarios
- To quantify employment land supply
- To give an indication of 'gaps' in supply.

### **Stage Three**

- To undertake a qualitative review of all significant sites (and premises) in the existing employment site portfolio
- To confirm which of them are unsuitable for/unlikely to continue in employment use
- To establish the extent of 'gaps' in the portfolio
- To identify (if necessary) additional sites to be allocated or safeguarded.

### **Background**

- 1.6 This Employment Land Review will form part of the evidence base for policies and proposals in the emerging Hartlepool Local Plan. As part of the review process, the Council is required to assess the level and quality of its existing employment sites and premises to help ensure an adequate supply of appropriate sites has been identified over the plan period.
- 1.7 Land and premises need to reflect the changing requirements of businesses and local economies. The study will therefore assess the suitability of existing employment sites, and make recommendations in respect of those that should continue to be safeguarded for employment uses; identify sites that are no longer suitable for employment uses (at least in their present form); and, identify the need for new allocations. Planning policies are intended to intervene in the market to ensure amongst other things an appropriate balance between housing and employment uses in Hartlepool Borough. Whilst the drive to deliver more housing is important, it should not be at the expense of losing important sites that contribute to the local economy or offer new opportunities for economic development. As well as securing sustainable development for employment purposes, a realistic view is taken of the operation and vitality of the market.
- 1.8 The study covers all industrial, warehousing and distribution uses, as well as offices. It does not refer to all uses that provide jobs, but to the above group of uses, which tend to share certain locational and physical characteristics. The study is therefore

primarily concerned with those uses included within the planning Use Class B – B1 (business offices), B2 (industrial) and B8 (storage and distribution) and appropriate sui generis uses including recycling and the environmental industry.

### **Methodology**

- 1.9 Research methods used include site visits, face-to-face and telephone interviews with property market stakeholders such as developers, investors and their agents. A survey of 170 local businesses (online and by post, with follow-up telephone calls) and the eight Parish Councils and Parish Meetings of Hartlepool Borough have been contacted by post and email.
- 1.10 Consultations were undertaken with a number of the Borough's major private sector employers and key public sector agencies, including Tees Valley Unlimited which is also the Local Enterprise Partnership (LEP) for the Tees Valley. Desktop analysis of national, sub-regional and local reports and strategies has been undertaken.
- 1.11 The property market in the local authority areas adjacent to Hartlepool Borough has also been reviewed. This has been undertaken through consultations with officers from the relevant Councils (who were initially contacted by the Council directly during Stage 1), combined with desktop analysis of the Employment Land Studies and Local Plans of those local authorities. Understanding the supply and demand of employment land and premises in neighbouring areas is important in assessing their impact on the Borough's land and property market, particularly as it sits within the Tees Valley.
- 1.12 Finally the land supply has been assessed against forecast data to understand the future need for any additional employment land. This is then developed into a series of economic development recommendations that cover not just land, but also premises.
- 1.13 Attached at Appendix 1 is a schedule of all consultees.

### **Study Area**

- 1.14 With a population of 92,028 (Census 2011), Hartlepool Borough covers 36 square miles (see Figure 1). It is bounded to the east by the North Sea and encompasses the main urban area of the town of Hartlepool and a rural hinterland containing the

five villages of Hart, Elwick, Dalton Piercy, Newton Bewley and Greatham. The Durham Coast railway line between Sunderland and Middlesbrough runs through the centre of the town, and the A19 trunk road which crosses north/south through the western rural part of the Borough is readily accessed via the A689 and the A179 roads which originate in the town centre.

- 1.15 Located to the north of the Tees Estuary and to the north east of Middlesbrough, Billingham and Stockton on Tees, Hartlepool is part of the Tees Valley sub-region (also referred to as Teesside). The Tees Valley is formed by the five boroughs of Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland and Stockton-on-Tees. County Durham is located to the west and north and the City of Durham is some 23 kilometres to the North West.

**Figure 1 – Hartlepool**



Source: ONS 2014

- 1.16 Hartlepool town is home to port of Hartlepool, which covers some 121 ha of waterfront land to the north of the Town Centre and commercial marina. The port is owned and operated by PD Ports. Other key employers include food producers and brewers such as Cameron's Brewery, Kerry Ingredients and Flavours, Tata Steel and other steel fabrication firms such as Caparo Forging, and chemical industry firms such as Huntsman Tioxide. Employment is concentrated most heavily in the south of Hartlepool Town, from the Town Centre south along the A689 Belle Vue Way and Brenda Road to the Tees Estuary.

### **Employment Land Review Guidance**

- 1.17 At this stage it is worth reiterating government guidance covering employment land reviews.
- 1.18 As noted above the Employment Land Review: Guidance Note (2004) promotes a three-stage process for undertaking employment land reviews, and provides a framework for this report.
- 1.19 Stage One: take stock of the existing situation including an initial assessment of 'fitness for purpose' of existing allocated employment sites. The objective is to identify the best employment sites to be protected; identify employment sites to be released and prepare an effective brief for stages two and three of the review. The outcome of this stage is to understand key employment land supply issues and generate a portfolio of potential employment sites to take forward for more detailed review.
- 1.20 Stage Two: understand the future quantity of land required across the main business sectors; to provide a breakdown of that analysis in terms of quality and location; and, provide an indication of 'gaps' in supply through economic forecasting, consideration of recent trends and/or assessment of local property market circumstances. The outcome of this stage is to provide broad quantitative employment land requirements across the principal market segments covering the LDP period and an analysis of the likely 'gaps' in supply that need to be filled.
- 1.21 Stage Three: entails a qualitative review of all significant sites (and premises) in the existing portfolio in order to confirm which of them are unsuitable for/unlikely to



continue in employment use; to establish the extent of ‘gaps’ in the portfolio; and if necessary, identify additional sites to be allocated or safeguarded. The outcome will be the completion of the employment land review, to be taken forward in the First Review of the LDP. The Hartlepool Employment Land Review is prepared in line with this advice.

- 1.22 Table 1 shows how this report aligns with the ODPM Guidance. The link between the report and the ODPM steps is not always clear, with different sections overlapping, and indeed certain steps overlapping.

**Table 1 – Employment Land Reviews – Guidance Note**

| <b>Stage 1 – Taking Stock of the Existing Situation<br/>Undertaken by Hartlepool Borough Council and reported by BE Group</b> |   |
|---|---|
| Step 1 – Devise Brief   | Prepared by Hartlepool Borough Council  |
| Step 2 – Collate Data on Land Stock and Revealed Demand   | Land Stock covered in Section 6<br>Revealed Demand covered in Sections 4, 5, 6, 7, 8 , 9 and 10           |
| Step 3 – Devise and Apply Site Appraisal Criteria   | Site Appraisals covered in Section 6  |
| Step 4 – Undertake Preliminary Site Appraisal   | Site Appraisals covered in Section 6  |
| Step 5 – Confirm Brief for Stages 2 and 3   | Agreed in study progress meetings   |
| <b>Stage 2 – Creating a Picture of Future Requirements<br/>Undertaken and reported by BE Group</b>                            |   |
| Step 6 – Understand Market Areas and Segments   | Covered in Sections 3, 4, 5, 6, 7, 8, 9 and 10. Relationship with neighbouring areas covered in Section 7 |
| Step 7 – Select and Apply Suitable Forecast Model/Demand Analysis   | Covered in Section 9  |
| Step 8 – Quantify Employment Land Supply  | Covered in Section 6  |
| Step 9 – Translate Employment Land Forecasts to Land Requirements   | Covered in Sections 9, 11 and 12  |
| Step 10 – Scenario Testing  | Covered in Sections 9, 11 and 12  |
| <b>Stage 3 – Identifying a New Portfolio of Sites<br/>Undertaken and reported by BE Group</b>                                 |   |
| Step 11 – Devise Qualitative Site Appraisal Criteria  | Covered in Section 6  |
| Step 12 - Confirm Existing Sites to be Retained or Released and Define Gaps in Portfolio                                      | Covered in Sections 6, 11 and 12  |
| Step 13 – Identify Additional Sites   | Covered in Sections 6, 11 and 12  |
| Step 14 – Complete Employment Land Review   | Covered in Sections 6, 9, 11 and 12   |

Source: BE Group 2014

1.23 It is also important to note that Planning Practice Guidance 2014 (PPG) also provides guidance on how Local Authorities should approach both housing and employment land reviews. Two guidance notes have been produced – *Housing and Economic Land Availability Assessment* which provides a methodology of reviewing suitable land, and *Housing and Economic Development Needs Assessments*, which provides guidance on how future needs can be determined. The assessment process takes the form of a five stage methodology under the following headings:

- **Stage 1: Identification of sites and broad locations** to provide an audit of available land of 0.25 ha and above. This will be a desk top review identifying as wide a range as possible of sites and broad location for development (including those existing sites that could be improved, intensified or changed). The outcome of this stage is to understand key employment land supply issues and generate a portfolio of potential employment sites to take forward for more detailed review.
- **Stage 2: Site/broad location assessment** to estimate the development potential. This will include a re-appraisal of the suitability of previously allocated land and the potential to designate allocated land for different or a wider range of uses. This stage entails a qualitative review of all significant sites and premises for their 'suitability', 'availability' and 'achievability' in order to confirm which of them are unsuitable for/unlikely to continue in employment use; to establish the extent of 'gaps' in the portfolio; and if necessary, identify additional sites to be allocated or safeguarded. This exercise will help to inform whether a site is 'deliverable', 'developable' or neither. In assessing the portfolio, factors which need to be considered include:
  - *"The recent pattern of employment land supply and loss to other uses (based on extant planning permissions and planning applications). This can be generated through a simple assessment of employment land by sub-areas and market segment, where there are distinct property market areas within authorities.*
  - *Market intelligence (from local data and discussions with developers and property agents, recent surveys of business needs or engagement with business and economic forums).*
  - *Market signals, such as levels and changes in rental values, and differentials between land values in different uses.*
  - *Public information on employment land and premises required.*

- *Information held by other public sector bodies and utilities in relation to infrastructure constraints.*
- *The existing stock of employment land. This will indicate the demand for and supply of employment land and determine the likely business needs and future market requirements (though it is important to recognise that existing stock may not reflect the future needs of business). Recent statistics on take-up of sites should be consulted at this stage, along with other primary and secondary data sources to gain an understanding of the spatial implications of 'revealed demand' for employment land.*
- *The locational and premises requirements of particular types of business.*
- *Identification of oversupply and evidence of market failure (e.g. physical or ownership constraints that prevent the employment site being used effectively, which could be evidenced by unfulfilled requirements from business, yet developers are not prepared to build premises at the prevailing market rents)."*
- **Stage 3: Windfall assessment** Not applicable as relates to housing only
- **Stage 4: Assessment Review** ascertaining the need for economic development uses. To understand the future quantity of land required across the main business sectors; to provide a breakdown of that analysis in terms of quality and location and provide an indication of 'gaps' in supply through economic forecasting, consideration of recent trends and/or assessment of local property market circumstances. Preferred forecast methods include:
  - Sectoral and employment forecasts and projections (labour demand)
  - Demographically derived assessments of future employment needs (labour supply techniques)
  - Analyses based on the past take-up of employment land and property and/or future property market requirements.

The outcome of this stage is to provide broad quantitative employment land requirements across the principal market segments covering the LDP periods for both local authorities and an analysis of the likely 'gaps' in supply that need to be filled
- **Stage 5: Final evidence base**, the outcome of which will be the completion of the employment land review, to be taken forward in the LDP. The Review is prepared in line with this advice

1.24 Table 2 shows how the Employment Land Review aligns with this Guidance. The link between the report and the PPG methodology is not always clear cut, with different sections overlapping, indeed certain steps overlap.

**Table 2 – Employment Land Reviews – PPG Guidance**

| <b>Stage 1 – Site / Broad Location Identification</b>   |  |
|---|--|
| Step 1 – Determine assessment area and site size  | Undertaken by Hartlepool Borough Council   |
| Step 2 – Desktop review of existing information   | Covered in Sections 2, 3, 4, 5   |
| Step 3 – Call for sites / broad locations   | Undertaken by Hartlepool Borough Council   |
| Step 4 – Site / broad location survey   | Covered in Sections 6, 11, 12  |
| <b>Stage 2 – Site / Broad Location Assessment</b>   |  |
| Step 5 – Estimating the development potential in parallel with assessing suitability, availability, achievability – including viability | Covered in Sections 6, 9   |
| Step 6 – Overcoming constraints   | Covered in Section 6   |
| <b>Stage 3 – Windfall Assessment</b>  |  |
| Step 10 – Determine housing / economic development potential of windfall sites (where justified)  | N/A  |
| <b>Stage 4 – Assessment Review</b>  |  |
| Step 11 – Review assessment and prepare draft trajectory; enough sites / broad locations?   | Section 9  |
| <b>Stage 5 – Final Evidence Base</b>  |  |
| Step 12 – Evidence Base and monitoring  | ELR produced by BE Group and monitoring undertaken by Hartlepool Borough Council |

Source: BE Group 2014

## 2.0 STRATEGIC CONTEXT

### Introduction

- 2.1 This section focuses on Government, sub-regional and local reports and strategies that have a relevance to the allocation of employment land and premises. An understanding of the strategies and reports contained in this review is needed to show strategic alignment and a holistic approach to promote sustainable development. The consultants' recommendations follow the general principles set by them.
- 2.2 Relevant reports and strategies were reviewed by the Council as part of the Stage 1 study, and where appropriate this section reflects the outputs of that research.

### National

#### **National Planning Policy Framework (NPPF) – Department for Communities and Local Government (2012)**

- 2.3 The NPPF sets out the Government's economic, environmental and social planning policies for England, articulating the Government's vision of sustainable development. It provides a framework for the production of local and neighbourhood plans, and has replaced all the previous Planning Policy Statements and Guidance Notes.
- 2.4 In terms of business and economic development, the NPPF argues that *“Investment in business should not be over-burdened by the combined requirements of planning policy expectations. Planning policies should recognise and seek to address potential barriers to investment, including poor environment or any lack of infrastructure, services or housing.”* Local planning authorities should:
- *“Set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth*
  - *Set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated requirements over the plan period*
  - *Support existing business sectors, taking account of whether they are expanding or contracting and, where possible, identify and plan for new or emerging sectors likely to locate in their area. Policies should be flexible enough to accommodate requirements not anticipated in the plan and to allow*

*a rapid response to changes in economic circumstances*

- *Plan positively for the location, promotion and expansion of clusters or networks of knowledge driven, creative or high technology industries*
- *Identify priority areas for economic regeneration, infrastructure provision and environmental enhancement*
- *Facilitate flexible working practices such as the integration of residential and commercial used within the same unit.”*

2.5 Planning policies should also “*avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose. Land allocations should be regularly reviewed. Where there is no reasonable prospect of a site being used for the allocated employment use, applications for alternative uses of land or buildings should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities.*”

2.6 In addition to this, paragraph 51 indicates that local planning authorities “*should normally approve planning applications for change to residential use and any associated development from commercial buildings (currently in the B use classes) where there is an identified need for additional housing in that area, provided that there are not strong economic reasons why such development would be inappropriate.*”

2.7 In town centres, local planning authorities should “*allocate a range of suitable sites to meet the scale and type of retail, leisure, commercial, community services and residential development needed.*” Local planning authorities should apply a sequential test to planning applications for main town centre uses that are not in an existing centre and are not in accordance with an up-to-date Local Plan. This applies to office development where an impact assessment should be required if the development is over a proportionate locally set threshold. The default stance is 2,500 sqm if no locally set threshold is in place. However this sequential approach does not apply to small scale rural offices or other small scale rural development.

2.8 Planning policies should support sustainable economic growth in rural areas by taking a positive approach to new development, supporting “*the sustainable growth and expansion of all types of businesses and enterprise in rural areas, both through*

*conversion of existing buildings and well designed new buildings” and promoting “development and diversification of agricultural and other land-based rural businesses.”*

2.9 The NPPF re-introduces district-wide local plans, replacing the Local Development Framework system. The Local Plan should be a single strategic document, with supplementary planning documents only created if they can help to bring forward sustainable development at an accelerated rate.

2.10 It is proposed that Local Plans will address the spatial implications of economic, social and environmental change, setting out the opportunities for development and providing clear guidance on what will, or will not, be permitted and where. The Local Plan should outline the Local Planning Authority’s strategic priorities. This should include strategic policies to deliver *“the homes and jobs needed in the area”* as well as *“the provision of retail, leisure and other commercial development.”*

2.11 Crucially, Local Plans should:

- *“Plan positively for the development and infrastructure required in the area to meet the objectives, principles and policies of this Framework*
- *Be drawn up over an appropriate time scale, preferably a 15 year time horizon, take account of longer term requirements, and be kept up to date*
- *Be based on cooperation with neighbouring authorities, public, voluntary and private sector organisations*
- *Indicate broad locations for strategic development on a key diagram and land-use designations on a proposals map*
- *Allocate sites to promote development and flexible use of land, bringing forward new land where necessary, and provide detail on form, scale, access and quantum of development where appropriate*
- *Identify areas where it may be necessary to limit freedom to change the uses of buildings, and support such restrictions with a clear explanation*
- *Identify land where development would be inappropriate, for instance because of its environmental or historic value; and*
- *Contain a clear strategy for enhancing the natural, built and historic environment, and supporting Nature Improvement Areas where they have been identified.”*

2.12 Local planning authorities need to prepare and maintain a robust evidence base to understand business need within their area. This can be achieved by working with neighbouring authorities, LEPs and the local business community. This evidence base should be used to assess:

- *“the needs for land or floorspace for economic development, including both the quantitative and qualitative need for all foreseeable types of economic activity over the plan period*
- *existing and future supply of land available for economic development and its sufficiency and suitability to meet identified needs. Reviews of land available for economic development should be undertaken at the same time, or combined with Strategic Housing Land Availability Assessments and should include a reappraisal of the suitability of previously allocated land*
- *the role and function of town centres and the relationship between them, including any trends in the performance of centres*
- *the capacity of existing centres to accommodate new town centre development*
- *locations of deprivation which may benefit from planned remedial action*
- *the needs of the food production industry and any barriers to investment that planning can resolve.”*

### **Sub Regional (Tees Valley)**

#### **Tees Valley Economic Assessment – Tees Valley Unlimited (2013)**

2.13 The Tees Valley Economic Assessment provides an evidence base on the current state and future potential of the Tees Valley economy. The principal aim of the assessment is to inform Tees Valley Unlimited and its partners of the economic conditions operating in the sub-region and to feed into the strategies and plans which are currently underway.

2.14 The Economic Assessment provides the evidence base to justify the priorities set out in the Statement of Ambition and the other evolving plans. At a local level it will also inform local authority economic assessments, local plans and other corporate documents.

#### *Key Business Findings and Challenges*

2.15 The Assessment finds the following:



- A shift from Manufacturing to Service Sector dominance, leading to a widening gap in economic growth with the national average
- Large multinational companies and the public sector combined provide half of Gross Added Value (GVA) and employment; their dominance makes the region more vulnerable to economic shocks
- Relatively low numbers of enterprises and low levels of entrepreneurship, commercialisation and self employment
- Micro-businesses and those less established appear to be more vulnerable in the recession and Tees Valley's enterprise rates are well below the national average
- Recent growth sectors include advanced manufacturing, logistics, digital and the low-carbon economy
- Rising energy prices and tackling climate change will significantly impact on the energy intensive industries in the Tees Valley
- Tees Valley has an ageing population which has implications for availability of skilled workers and also for public health
- Unemployment (including youth unemployment) is consistently above the national average despite the gap narrowing in recent years
- The Tees Valley had made significant progress in up-skilling its workforce, leading to an increase in earnings. However, the Borough remains well below the national average for NVQ level 4 plus qualifications, and an extra 39,000 people needed to be qualified to this level to reach the national average
- Employers still have difficulty in filling certain vacancies particularly for certain higher level skilled roles, such as engineers and off-shore workers. They also have the need to replace an ageing workforce in some of the most important sectors
- Replacement demand could account for 120,000 jobs in the next 5-10 years. These will be skilled roles so it will not be sufficient to look to young people (apprentices and graduates) to fill this gap. Strategies must also look to re-skill slightly older workers (25 plus) both within the existing workforce and those in non growth sectors who have transferable skills
- A quarter of the population still live in the 10% most deprived Middle Super Output Areas in England.

2.16 The policy challenges identified include the need to establish a more resilient business economy able to deal with the impact of cuts in productivity and

employment made by the closure of large multinational companies and further cuts in the public sector. Table 3 provides a comparison of enterprise levels in the Tees Valley with regional and national norms.

**Table 3 – Comparison of Enterprise Levels in the Tees Valley**

|  | Tees Valley |                             | North East |                             | Great Britain |                             |
|--|-------------|-----------------------------|------------|-----------------------------|---------------|-----------------------------|
|  | Number      | Per 10,000 adult population | Number     | Per 10,000 adult population | Number        | Per 10,000 adult population |
| Enterprise births in 2011                                      | 1,940       | 29                          | 5,975      | 28                          | 257,625       | 52                          |
| Enterprise deaths in 2011                                      | 1,555       | 29                          | 6,250      | 29                          | 224,895       | 45                          |
| Total enterprises in 2012                                      | 13,590      | 254                         | 56,415     | 264                         | 2,081,705     | 417                         |
|  |             | %                           |            | %                           |               | %                           |
| Percent of small businesses showing growth                     | -           | 15.3                        | -          | 15.8                        | -             | 14.4                        |
| Percent of businesses established in 2010 and surviving 1 year | -           | 88.3                        | -          | 88.3                        | -             | 86.7                        |

Source: Tees Valley Unlimited, 2013

### **The Tees Valley Strategic Economic Plan – Tees Valley Unlimited (2014)**

2.17 The Plan headlines a predicted net increase of 25,000 jobs (10% growth) in the Tees Valley over the next 10 years, bringing with it over £1 billion of GVA benefits, closing the gap with national employment rates and matching the private sector employment rate in Manchester, Birmingham and Leeds. By sector, this job creation is expected to break down as per Table 4, below.

**Table 4 – Net Job Creation – Tees Valley**

|                                    | 2014 - 2024    |                  |
|------------------------------------|----------------|------------------|
|                                    | Employment     | GVA (£, million) |
| Low carbon                         | +2,500         | 147              |
| Advanced manufacturing             | +2,500         | 147              |
| Other manufacturing                | -5,000         | -250             |
| Construction                       | +4,000         | 231              |
| Professional and business services | +8,000         | 307              |
| Logistics                          | +2,000         | 118              |
| Digital                            | +2,000         | 87               |
| Higher Education                   | +1,000         | 31               |
| Health and social care             | +4,000         | 116              |
| Services                           | +4,000         | 119              |
| <b>Total</b>                       | <b>+25,000</b> | <b>1,052</b>     |

Source: Tees Valley Unlimited, 2013

2.18 In relation to employment in the Tees Valley and Hartlepool, the Strategic Economic Plan raises the following key issues:

- Tees Valley target of 25,000 net jobs to be created over the next 10 years
- Need to enhance and expand business accommodation especially on Enterprise Zone sites, business parks and strategic sites such as Wynyard Park
- In Hartlepool the potential for accommodation for an innovation and skills quarter around the new Hartlepool College and the Queen's Meadow Enterprise Zone site is specifically mentioned
- Growth areas where Hartlepool has the potential to play a key role include so-called 'super sectors' – process engineering, offshore/subsea engineering, and energy including nuclear – and the low carbon sector which will include waste processing and renewable energy
- Tees Valley is home to the headquarters of a number of social care operators, including HC One and Four Seasons, four nationally recognised NHS Trusts and a number of bio-medical start-ups, including Hart Biological in Hartlepool
- Also the need to support growth and expansion of the existing SME base from engineering and advanced manufacturing to digital/creative and ICT – and providing appropriate business accommodation on Enterprise Zones and key strategic sites.

- 2.19 One of the Growth Deal 'Asks' of the Government is to secure investment into a new nuclear power station for Hartlepool.

*Business Accommodation and Employment Sites*

- 2.20 There are opportunities across the Tees Valley to enhance and expand the business accommodation available, in Enterprise Zone sites, industrial estates, business parks and town centres. There is a particular need for intervention because of market failure in this sector in Tees Valley; in the majority of cases, rents achievable are unable to provide a commercial return on the investment costs of development, particularly for incubator space and small business units. Tees Valley also has a number of out-of-date industrial premises and an over-supply of lower grade office accommodation.

**The Draft European Structural and Investment Funds Strategy – Tees Valley Unlimited (2013)**

- 2.21 The European Structural and Investment Funds Strategy was drafted in October 2013. It sets out how the Tees Valley will maximise the opportunity presented by a Local Enterprise Partnership area notional allocation of £173 million together with an additional £12.59 million of Youth Employment Initiative to support the area's economic growth opportunities and reduce the barriers to growth.
- 2.22 The draft strategy places innovation at the centre of recognising the Tees Valley's growth ambitions and the need to focus upon key assets and competitive advantages, particularly the process, advanced manufacturing, digital and health care sectors. The strategy also recognises the importance of SMEs and the need to grow this sector in order to improve business resilience and entrepreneurship.
- 2.23 The Strategy sets out how the funds will be allocated in order to achieve its objectives (see Tables 5 and 6 below).

**Table 5 – ERDF £104.08 Million (60% of total structural fund allocation)**

| Theme                                   | Percent of ERDF allocation | Total ERDF allocation (£, million) |
|---|----------------------------|------------------------------------|
| Research and development and Innovation | 24                         | 25                                 |
| SME competitiveness                     | 47                         | 48.47                              |
| Low carbon                              | 24                         | 24.62                              |
| ICT                                     | 3                          | 3                                  |

| Theme                     | Percent of ERDF allocation | Total ERDF allocation (£, million) |
|---------------------------|----------------------------|------------------------------------|
| Climate change adaptation | 2                          | 2                                  |
| Sustainable transport     | 1                          | 1                                  |

Source: Tees Valley Unlimited, 2013

**Table 6 – ESF £69.39 Million (40% of structural fund allocation)**

| Theme            | Percent of ESF allocation | Total ESF allocation (£, million) |
|------------------|---------------------------|-----------------------------------|
| Employment       | 46                        | 32.05                             |
| Skills           | 34                        | 23.46                             |
| Social inclusion | 20                        | 13.88                             |

Source: Tees Valley Unlimited, 2013

### **Tees Valley Unlimited Economic and Regeneration Statement of Ambition – Tees Valley Unlimited (2012)**

2.24 This Statement of Ambition sets out the vision for the Tees Valley for the next 15 years, taking forward the work of the Tees Valley Vision (2002) and City Region Business Case (2006, see below).

2.25 The Statement builds on the achievements of the Tees Valley economy for the previous decade working closely with the former One NorthEast, the Homes and Communities Agency, the private sector and National Government. It shows how the Tees Valley intends to work with the private sector and Government to develop economic assets, to tackle barriers to growth and sets out the following two ambitions:

- Ambition 1 – a low carbon economy whose main aim is to drive the transition from a high value, high carbon economy to a high value, low carbon economy, focused on renewable energy, new technologies, biological feedstocks and the reduction of the carbon footprint of our existing industries.
- Ambition 2 – a diverse and inclusive economy whose aim is to create the conditions for such an economy that builds on the Tees Valley's strengths and allows all people to realise their potential.

2.26 The Statement sets out the following outcomes to be achieved by 2025:

- Increase GVA per head to 82% of the national average
- Increase the number of Enterprises from 241 enterprises to 300 enterprises per 10,000 population an increase of 25% (approx. 3,200 net increase)
- Increase the Employment Rate (63.1%) to meet the national average (70.2%)

- Increase the number of people with Higher Level Skills by 5% - To be revised on completion on the Skills Action Plan.

2.27 Progress towards these outcomes will be measured on an annual basis.

2.28 There is an £6 billion pipeline of investment in the medium term which will help drive the transition to a low carbon economy, including:

- A heavy oil up-grader at Wilton, refining heavy oil from the North Sea
- A proposal for a coal gasification plant to generate electricity and capture and store CO<sub>2</sub> under the North Sea
- Two large biomass plants
- A second nuclear power station at Hartlepool
- A proposal by Ineos Bio to construct Europe's first advanced bio-ethanol from waste plant at Seal Sands
- The development of a New Energy and Technology Park at Billingham, with an energy-from-waste plant as the first company on site
- The Northern Gateway deep water port container terminal
- Wind turbine construction at Hartlepool and South Tees, building on the advanced engineering expertise already in the Tees Valley.

2.29 There has been recent expenditure in Hartlepool Town Centre, Hartlepool Marina and the housing areas of central Hartlepool. Regeneration expenditure at Hartlepool Marina has helped the growth of the service sector, and this needs to continue to build on the town's maritime heritage, brought to the fore during the Tall Ships Races in August 2010; its port facilities and proximity to the open water makes it a prime location for maritime engineering and offshore wind manufacturing to support national renewable energy programmes, and an innovation and skills quarter created around the new college of education will act as a catalyst for regenerating the town centre.

2.30 The Statement talks about developing a range of low carbon technologies in Tees Valley, which will create at least 2,000 highly skilled jobs, 11,500 construction jobs, and 4,000 indirect jobs. This would maintain manufacturing and production employment at higher than 12% of the Tees Valley employment base.

2.31 This is offset, however, by the fact that there are currently 83,000 people employed in

the public sector in the Tees Valley, and there will be significant threats to some of these jobs in the immediate future. One third of all employees within the Tees Valley are employed by only 1% of the total number of companies.

2.32 Building a world class business infrastructure in the Tees Valley, which provides business sites and accommodation that meet business expectations, will attract new investment to the Tees Valley. TVU aimed to increase overall business density to 35 per 1,000 people (North East average) by end of 2011/12, and sustain existing new business start-up rates at above the regional and national average for the next 15 years, whilst maintaining survival rates above the national average.

2.33 With skills and qualifications there has already been some progress in closing the previous gap between Tees Valley rates and the national average for NVQ Level 2 plus, and by making a significant move towards that position with Level 3 plus, largely due to the success of apprenticeship schemes. A similar position has yet to be reached with Level 4 plus, however, nor has decreasing the number of people with no qualifications.

2.34 Supporting existing sectors that have seen growth will underpin the need to branch out into new sectors to diversify our economy. As Part of this Tees Valley Unlimited will continue to:

- *“Support growth in the service and retail sectors, both in our town centres and*
- *major regeneration sites - this is linked to the following discussion on the*
- *continued investment in our urban centres that follows*
- *Develop the digital and creative industries - following on from the Digital City investment and the work of Teesside University, there is the potential for the digital sector to service all kinds of industry, including low carbon, and a strategy for the next phase of Digital City has been agreed, with links to all five Tees Valley Authorities*
- *Work with the health sector to attract further investment - a recent study has shown the potential for telecare/telehealth services run through contact centres, knowledge-based consultancy service for the health sector, developing small clusters of technology-based health care businesses and working with Durham and Teesside Universities to grow the healthcare economy within the Tees Valley*
- *Promote the relocation of government departments - we will continue to make*

*the case for Darlington in particular to be a major location for the planned decentralisation of government departments*

- *Encourage growth in financial and business services - the recent growth in call centres will continue to be important and there is a need for entry level jobs to improve inclusion and tackle worklessness, but we need to secure higher value services in our town centres where they can improve the area's vitality*
- *Work to create a property market for office/industrial development which is viable without public sector support - a recent gap funding scheme has helped to address the fact that the rate of return on new office and industrial development is insufficient for a purely commercial investment, and we need to continue with such a scheme whilst we aim to close the gap and make the market commercially viable*
- *Continue to grow the logistics sector, building on the growth of Teesport as a location for large companies to locate as a result of the proximity to a deep sea container terminal, a relatively uncongested transport network and the ability to access markets in the North of the UK*
- *Develop the visitor economy - we need to accelerate investment in the tourism and visitor economy, working with our neighbouring areas to attract more people and to upskill the workforce in this area*
- *Generate graduate and spin-off businesses - working with Durham and Teesside Universities, both of whom have made significant investments in research and development facilities and business schools*
- *Support the manufacturing and engineering sectors to service the low carbon economy and our growth areas, in particular where there are risks to such businesses resulting from reduced levels of public expenditure.”*

### **Tees Valley Area Action Plan Progress Report – Tees Valley Unlimited (2011)**

- 2.35 This report was prepared by Tees Valley Unlimited (TVU), a partnership between the five Tees Valley Local Authorities, business leaders and other key representatives from the private sector, which facilitates the Tees Valley LEP. The Area Action Plan (AAP) was intended to be a pro-active response to the challenges of supporting economic regeneration in the Tees Valley and fit with the aims of the Statement of Ambition to deliver projects more efficiently and cost effectively by aligning resources.



2.36 There have been a number of successful schemes implemented in the early years of the AAP. Relevant schemes include:

- A174/A1053/B1380 Roundabout Improvements – Capacity improvements, completed in 2010
- Tees Valley Network Management Strategy (Phase 1) – Ramp metering at five on slip roads in the A19 between the A174 and the A689 completed in 2011.

2.37 Relevant schemes being delivered, as of 2011, included:

- Tees Valley Bus Network Improvements – Coordinated package of bus priority, bus stop infrastructure and bus journey improvements on around 20 radial corridors
- Tees Valley Metro – Phase 1 – improvements to interchange stations (Eaglescliffe, Thornaby, Redcar Central and Hartlepool)
- Tees Valley Urban Traffic Management Control (UTMC) Upgrade – Conversion of existing UTC systems to UTMC platform, integration with current systems and the development of an integrated managed network in partnership with the Highways Agency.

2.38 The following relevant schemes were included within the previous version of the Area Action Plan. These are now subject to review alongside other potential schemes that may arise from a change in focus of development in the Tees Valley:

- A19 Northbound Widening, Norton to Wynyard
- A19/A689 Improvements.

### **The Tees Valley Minerals and Waste Development Plan Documents – Tees Valley Unlimited/Tees Valley Local Authorities (2011)**

2.39 The Tees Valley Minerals and Waste Development Plan Documents (TVM&W DPDs), consisting of the TVM&W Core Strategy and TVM&W Policies and Sites DPDs, were adopted in 2011 for the five Boroughs of the Tees Valley. A number of the policies in these documents is of relevance to the Hartlepool area.

#### *Policy MWC1: Minerals Strategy*

2.40 The sustainable use of minerals resources in the Tees Valley will be delivered through:

- *“Where appropriate, identifying sources of alternatives to primary mineral resources, including secondary and recycled minerals, and encouraging the development of facilities to process alternative materials either at the point of production or other suitable locations;*
- *Ensuring new-build developments, in particular those in regeneration and growth point areas, contribute to the efficient use of resources, to increase the proportion of construction and demolition waste recycled per year for use as an alternative mineral from 38% in 2005 to at least 80% from 2016 onwards;*
- *The efficient use of permitted reserves of primary minerals to help meet the identified need, whilst continuing to drive minerals supply up the minerals hierarchy;*
- *Identifying those wharves which can be used for the landing of marine-dredged sand and gravels and safeguarding associated land for the development, extension and continuation of this activity;*
- *Safeguarding the necessary infrastructure to enable the sustainable transport of minerals, in particular the use of the existing rail and port facilities in the Tees Valley; and*
- *Identifying minerals resources underlying the Tees Valley and protecting them from unnecessary sterilisation by built development.”*

2.41 In taking forward minerals development in the plan area, and particularly along the river corridor and the Tees Estuary, proposals will need to demonstrate that there will be no adverse impact on the integrity of the Teesmouth and Cleveland Coast Special Protection Area and RAMSAR site, and other European sites, either alone or in combination with other plans and programmes. Any proposed mitigation measures must meet the requirements of the Habitat Regulations. All minerals developments must be compatible with their setting and not result in unacceptable impacts on public amenity, environmental, historic or cultural assets from their design, operations, management and restoration.

*Policy MWC2: Provision of Primary Aggregate Minerals*

2.42 Provision will be made for the supply of primary aggregate minerals between 2010 and 2026 to meet the identified need in the Tees Valley, as follows:

- *“Land-won sand and gravel - 0.17 million tonnes; and*
- *Crushed rock - 2.86 million tonnes.*

2.43 The supply of minerals will be delivered in accordance with the following sequential approach:

- *Existing extraction sites and sites with planning permission for extraction; before*
- *Extensions to existing minerals extraction sites; and finally*
- *New minerals extraction sites.*

2.44 There are extant planning permissions to extract sand and gravel from land at North Gare, Hartlepool. The site at North Gare is a self-replenishing beach extraction site, and as such has no stock of permitted reserves. Extraction has taken place since 1955, and is restricted by both the conditions of the planning permission and also its licence with the Crown Estates, which caps the amount of material which can be extracted from the site to 48,000 tonnes per year. The planning permission for the site is required to be reviewed every 15 years under the Environment Act, 1995. It is envisaged that production will continue at the site to contribute to the overall supply throughout the plan period.

2.45 The site itself lies within the Teesmouth and Cleveland Coast Special Protection Area and RAMSAR site, the Teesmouth National Nature Reserve and the Seaton Dunes and Common Site of Special Scientific Interest. In environmentally sensitive locations such as this, there are also provisions for reviewing and potentially amending or revoking existing planning permissions if they are deemed to be causing adverse effects on the designation. Natural England has requested that the North Gare site undergo such a review.

*Policy MWC4: Safeguarding of Minerals Resources from Sterilisation*

2.46 Within the minerals safeguarding areas, non-minerals development will only be permitted in the following circumstances:

- *“The development would not sterilise or prejudice the future extraction of the mineral resource because there is evidence that the resource occurs at depth and can be extracted in an alternative way or there is evidence that the resource has been sufficiently depleted by previous extraction; or*
- *The mineral will be extracted prior to development and this will not significantly adversely affect the timing and viability of the non-minerals development; or*
- *The need for the non-mineral development can be demonstrated to outweigh*

*the need for the mineral resource.”*

- 2.47 Safeguarding can also avoid existing minerals operations from being prejudiced by other development and therefore land is also identified around Hart Quarry, Hartlepool. No safeguarding is proposed at North Gare as there is not considered to be a risk of the beach extraction being sterilised by other developments due to the environmental designations in place.

*Policy MWC5: Protection of Minerals Extraction Sites*

- 2.48 Operational safeguarding areas are identified around Hart Quarry, Hartlepool. Within this area, development proposals will be required to demonstrate that they are compatible with the permitted minerals operations.

*Policy MWP4: Graythorp Industrial Estate, Hartlepool*

- 2.49 A site of approximately 4 ha at Graythorp Industrial Estate is allocated for the development of facilities to manage and recycle 65,000 tonnes of commercial and industrial wastes per year by 2021. Proposals should prioritise the re-use of existing buildings on the site. If any further buildings are required, these should be directed to those areas of land on the site that are not identified as being at risk of flooding.

*Policy MWC11: Safeguarding of Port and Rail Facilities*

- 2.50 Development which is proposed on or in the vicinity of Graythorp Yard will only be permitted where it would not prejudice the transportation of minerals resources and waste materials by water and rail.

**City Region Business Case – Tees Valley Joint Strategy Unit (2006)**

- 2.51 This document was produced in response to a request from the Secretary of State for Communities and Local Government that the Tees Valley authorities prepare a city region business case based on the 2005 City Region Development Programme (CRDP) and a simultaneous request from the Northern Way for the Tees Valley City Region to produce a second iteration of the City Region Development Programme.
- 2.52 It has now been largely superseded by the Tees Valley Strategic Economic Plan and The Draft European Structural and Investment Funds Strategy. Both of which are discussed above. Thus the City Region Business Case is not reviewed in detail here.

2.53 The forward strategy for improving the economic performance of the Tees Valley, as set out in the Business Case, was based upon two fundamental principles:

- *“Building on the economic assets of the city region, which were deemed to be its world class chemicals industry and research base with the potential for future development both for chemicals and as a national centre for energy development; the development of the port as the second largest in the UK, along with the development of Durham Tees Valley Airport to create the potential of turning the region into a logistics hub; exploiting the research potential of the universities; and taking advantage of Defence Estates proposals at the time to double the size of Catterick Garrison.*
- *Improving the urban competitiveness and liveability of the Tees Valley through upgrading the business environment, skill base and physical, social and cultural infrastructures, so as to attract and retain high growth, innovation and profitable firms, and an educated, creative, entrepreneurial workforce.”*

#### *Economic Assets of the City Region*

2.54 The report recognised that developing the economic assets of the region would require a strategic approach to proactively identify investment opportunities which strengthen the integrated chemicals complex. Two major constraints were identified in developing the industry:

- *“The need to develop an integrated energy and efficient infrastructure to service key sites at North Tees/Seal Sands*
- *A requirement for 8,000 new jobs at graduate/technician level and a further 4,000 to replace those retiring.”*

2.55 The energy sector is an important part of the Tees Valley economy. There were two major projects ongoing at the time of the report – a coal gasification plant with carbon capture and a plant for processing of heavy crude oil. These two projects were expected to produce large amounts of hydrogen, enabling the region to further develop a hydrogen economy. The region also includes the largest biodiesel production facility in the world and this sector was seen to be expanding. Opportunities in biomass, wind, industrial symbiosis, and waste recovery were also under consideration.

*Improving Urban Competitiveness*

- 2.56 With 1,200 ha of vacant and derelict land, the Tees Valley City Region had a poor environment. A strategic approach to green infrastructure and public realm was recognised as a vital part of improving the liveability of the region, its quality of place and the urban competitiveness of the Tees Valley.
- 2.57 The City Region authority also recognised that transport infrastructure presented a constraint on development in the region and therefore proposed dramatically improving the city region bus network; developing a sub-regional integrated public transport system based on the existing heavy rail system; and tackling projected traffic growth on the trunk road network through an approach of provision of quality public transport, enhancing the local road network and demand management/congestion charging.

**Hartlepool Local Plan – Hartlepool Borough Council (2006)**

- 2.58 The Council started the preliminary work of preparing a new Local Plan in January 2007 and that new plan was submitted to the Secretary of State in June 2012 and subject to a public hearing in 2013. The Planning Inspector found the Local Plan sound subject to modifications.
- 2.59 However, a meeting held on 17th October 2013 the Council resolved to withdraw the Local Plan under Section 22(1) of the Planning and Compulsory Purchase Act, 2004, as amended by Schedule 25 Part 17 of the Localism Act, 2011. The Council also resolved to cease to make any documents relating to the withdrawn Local Plan available.
- 2.60 With the withdrawal of the 2013 Local Plan, the saved 2006 Local Plan Policies, discussed here, represent the sole planning policy framework, at the local level, for Hartlepool.
- 2.61 The aim for the Hartlepool Local Plan (2006), which takes account of the Borough Council's overall aims, the Hartlepool Partnership's vision and the need for development to be sustainable, is:  
*"To continue to regenerate Hartlepool securing a better future for its people by seeking to meet economic, environmental and social needs in a sustainable manner."*

2.62 The strategy for the Local Plan covers the following four areas:

- *“Regeneration of Hartlepool*
- *Provision of community needs*
- *Conservation and improvement of the environment*
- *Maximisation of accessibility.*

2.63 A set of objectives is laid down for each of these areas. Objectives relevant to this study are shown below.

#### *Regeneration Objectives*

- *“A1 to encourage the provision of more and higher quality job opportunities*
- *A2 to ensure that sites are available for the full range of industrial and commercial activities so as to enable the diversification of employment opportunities*
- *A3 to encourage the development of additional office, small business and light industrial uses*
- *A5 to ensure that there is an adequate infrastructure to serve new and existing development*
- *A6 to improve the viability and environment of older housing, commercial and industrial areas*
- *A7 to promote development on previously used sites where appropriate, and to encourage the full use of empty or underused buildings*
- *A8 to promote mixed use developments where appropriate.”*

#### *Community Needs Objectives*

- *“B2 to ensure that Hartlepool Town Centre continues to fulfil its role as a vibrant and viable amenity providing a wide range of attractions and services with convenient access for the whole community*
- *B4 to protect and encourage the development of local shopping, leisure, sporting and recreational and other community facilities at locations convenient to main neighbourhoods.”*

#### *Environment Objectives*

- *“C1 to ensure that developments do not have an adverse impact on the quality of life of the population of Hartlepool*
- *C2 to retain the compact form of the main urban area by preventing urban*

*development extending into the countryside*

- *C4 to encourage a high standard of design and the provision of high quality environment in all developments and particularly those on prominent sites, along the main road and rail corridors, and along the coast*
- *C10 to ensure the appropriate enhancement of derelict, unused and under-used land and buildings*
- *C11 to ensure that industrial and other potentially polluting or hazardous activities do not have a significant detrimental effect on the adjacent population or workforce and do not have a damaging effect on the environment.*
- *C12 to minimize the adverse environmental effects of mineral workings and waste disposal operations and ensure the appropriate restoration and after use of land.”*

#### *Transport Objectives*

- *“D1 to ensure the provision of a safe, efficient and economic transport network, accessible to all*
- *D2 to promote developments in locations which support existing transport infrastructure, which minimise the need to travel, and which are accessible by all modes of transport*
- *D3 to ensure that developments attracting large numbers of people locate in existing centres which are highly accessible by means other than the private car*
- *D4 to increase the attraction of, and to promote, viable alternatives to the private car and road freight transport.”*

2.64 The previous (1994) Hartlepool Local Plan made provision for almost 420 ha of industrial land comprising:

- 57 ha at Wynyard Business Park,
- 59 ha for prestige and high quality developments on sites within Hartlepool
- 13 ha at the Marina as part of a mixed use development
- 154 ha for other general industrial development
- 56 ha for port and port-related development
- 80 hectares for ‘special’ industry.

2.65 Since then, planning approval has been given to a further 93 ha at Wynyard



comprising a small extension of the developable area of the business park together with a new site at North Burn for an electronic components park. About 160 ha of land was taken up or lost to development over 1994-2006. Therefore as of 2006, there was some 370 ha of land potentially available for industrial and business development in the Borough, which is either identified in the 1994 Local Plan or has planning permission. However, 135 ha of this was at Wynyard.

- 2.66 The 235 ha identified within the urban area of Hartlepool includes land for potentially polluting and hazardous industries (64 ha) and land identified for port and port-related uses (26 ha). The bulk of the remaining undeveloped land, at that time, was on three high quality sites at Queens Meadow, Sovereign Park and Golden Flatts.
- 2.67 All of the policies listed in the Local Plan have been saved by the Secretary of State. For all the policies listed below, there is a requirement that they do not have significant detrimental effect on the amenities of the occupiers of adjoining or nearby properties or prejudice the development of adjacent sites. Proposals for B1/B2/B8 uses will only be permitted if they meet these criteria.
- 2.68 Additional restrictions on policies Ind1, Ind3 and Ind4 state that approval for town centre uses such as banks or food establishments is unlikely on these sites unless it can be demonstrated that they are primarily providing support services for people working on those sites. Proposed large scale developments under the same policies are also required to include travel plans and consideration will be given to the use of planning conditions or legally binding agreements to secure the improvement of public transport, cycling and pedestrian accessibility to the development.

*Policy Ind1: Wynyard Business Park*

- 2.69 Proposals for business development (B1 uses) will be permitted at Wynyard Business Park, provided that:
- *“There is no significant adverse impact upon areas of natural or historical interest*
  - *High quality landscaping and/or woodland planting are provided as appropriate to the surrounding natural environment;*
  - *The buildings are provided with a high quality finish*
  - *There is no more than a 25% coverage of each plot by buildings;*
  - *Car parking areas are landscaped*

- *Any outside storage is well sited and screened.”*

*Policy Ind3: Queens Meadow Business Park*

2.70 Proposals for business development (B1 uses) will be permitted at Queens Meadow Business Park, provided that:

- *“The buildings are provided with a high quality finish*
- *There is no more than 30% coverage of each plot by buildings*
- *Substantial high quality landscaping and woodland planting are provided, particularly on the main road frontages and along the boundary closest to Greatham village*
- *Car parking areas are landscaped*
- *Outside storage is adequately sited and screened.”*

2.71 Proposals for general industrial development and warehousing development will only be allowed on sites away from the A689 and Greatham village frontages.

*Policy Ind4: Higher Quality Industrial Estates*

2.72 Three sites are reserved for higher quality industrial (B1) development:

- Sovereign Park
- Park View West
- Golden Flatts.

*Policy Ind5: Industrial Areas*

2.73 Proposals for business uses and warehousing will be permitted in the following industrial areas:

- Oakesway Industrial Estate
- Longhill/Sandgate
- Usworth Road
- Brenda Road East
- South Works
- Tofts Farm East/Hunter House
- Brenda Road West
- Graythorp Industrial Estate
- Graythorp Yard
- Zinc Works Road

- Former Centura Foods site (provided there is no significant detrimental effect on highway safety).

*Policy Ind6: Bad Neighbour Uses*

2.74 Part of the Sandgate employment area is identified for the location of bad neighbour uses (including the sorting, composting and/or storage of waste materials, scrapyards, car breakers' yards or coal yards), provided that:

- *“There will be no nuisance to adjacent premises or highway users by virtue of dust, smell, vibration, smoke, noise, mud or slurry;*
- *The site is not visually prominent from a main road or from the railway;*
- *The site is adequately screened;*
- *The site is of a sufficient size for the operations proposed; and*
- *There is adequate car parking and servicing for the site.”*

*Policy Ind7: Port-Related Development*

2.75 Land at North Seaton channel is identified for port-related development, making use of the existing port facilities. Proposals for port and for port-related here will only be permitted where:

- They meet the criteria for the protection of international nature conservation sites and the protection of sites of special scientific interest
- There will be no significant detrimental effect on the operation of the power station or on existing industry in the area.

*Policy Ind8; Industrial Improvement Areas*

2.76 Environmental and other improvement and enhancement schemes will be encouraged in designated industrial improvement areas:

- Oakesway
- Longhill
- Usworth Road
- Graythorp.

*Policy Ind9: Potentially Polluting or Hazardous Developments*

2.77 Land in the following areas is reserved for developments which are potentially polluting or hazardous:

- West of Seaton channel (Huntsman Tioxide site)
- North Graythorp

- Phillips Tank Farm.

2.78 Proposals should have no significant detrimental effect on the environment or

- *“On designated nature conservation sites*
- *On the amenities of the occupiers of adjoining or nearby properties*
- *On the development of neighbouring land.”*

*Policy Ind10: Underground Storage*

2.79 Proposals for the use of the former ICI Brinefields Cavities for underground storage will only be approved where:

- *“There will be no significant increase in the potential risk to people in the area*
- *It can be demonstrated that there will be no resultant harm to the aquifer or to watercourses, or to the surrounding area, and in particular to the area’s nature conservation importance*
- *Above ground structures are limited and not visually prominent.”*

*Policy Com4: Town Centre/Edge of Centre Sites*

2.80 B1/B2/B8 uses will be permitted on the following Edge of Town Centre sites:

- Avenue Road / Raby Road (B1 Offices)
- West Victoria Road (B1 Offices)
- Park Road West (B1 Offices)
- York Road South (B1 Offices)
- The Brewery And Stranton (B1/B2/B8)
- East of Stranton (B1 Offices)
- Lynn Street North / Mainsforth Terrace North (B1/B2/B8)
- South of Maritime Avenue (B1 Offices).

*Policy Com 15: Victoria Harbour/ North Docks Mixed Use Site*

2.81 Acceptable uses here include B1 offices. Proposals for port, port related development or general industry will be approved subject to the meeting of general environmental principles.

*Policy Com 17: Land West of A179 / North of Middleton Road*

2.82 Acceptable uses here include B1 offices.

**The Hartlepool Vision – Hartlepool Borough Council (2014)**

2.83 The Hartlepool Vision is a document that provides a series of imagined views of what could be achieved on a number of priority regeneration and development sites across the Borough. The document is aspirational and it is a document that will be used to engage the public and start the debate about how these sites could be developed.

2.84 The Vision document covers sites across the whole Borough including:

- The Town Centre and Middleton Grange
- Marina
- Hartlepool Maritime Experience
- The Headland
- Seaton Carew
- Enterprise Zones (Port Estate, Oakesway and Queens Meadow)
- Wynyard Business Park.

2.85 Closely linked to the vision document is the Hartlepool Regeneration Masterplan. Consultants are now engaged to prepare a Masterplan that will cover the Town Centre and the waterfront areas of Hartlepool including the Hartlepool Maritime Experience, Marina, Jacksons Landing (recently acquired by the Council) and Trincomalee Wharf (a privately owned development site).

**Hartlepool Community Strategy 2008-2020 – Hartlepool Borough Council (2008)**

2.86 The main aim of the Community Strategy is to develop a more enterprising, vigorous and diverse local economy that will attract new investment, enable local enterprises and entrepreneurs to be globally competitive and create more employment opportunities for local people. This involves:

- Attracting investment
- Being globally competitive
- Creating more employment opportunities for local people
- Achieving economic wellbeing for local children and young people.

2.87 Furthermore, the Hartlepool Community Strategy identifies the following flagship sites, where development should be encouraged in order to develop a more enterprising and diverse economy:

- Queens Meadow Business Park

- Wynyard.

2.88 The strategy also pushes the importance of ensuring that the transport infrastructure, property and the physical environment of employment sites are attractive, modern, responsive, flexible and eco-friendly.

**Economic Regeneration Strategy (2011-2021) – Hartlepool Borough Council (2011)**

2.89 The Economic Regeneration Strategy (ERS) underpins and complements the longer term vision of the Community Strategy, particularly the Jobs and the Economy and Lifelong Learning and Skills themes, and is split between the key priority themes of Business, People and Place.

2.90 The ERS draws upon Hartlepool's Economic Assessment, which provides the necessary evidence base to increase knowledge and to better understand local economic conditions and the resilience of the area.

2.91 The Assessment included a robust and comprehensive review which provided an insight of:

- Hartlepool's industrial landscape
- Growth sector opportunities including:
  - Nuclear
  - Offshore Oil and Gas
  - Low Carbon Economy including Offshore Wind
  - High Value Added Engineering
  - Knowledge Intensive Business Services
  - Process and Chemicals
  - Hospitality and Tourism
  - Retail
  - Health and Social
  - Construction.
- Skills gaps in these growth sectors
- The current factors which will impact on the social, economic and environmental development of the Borough
- Funding opportunities.

*Improving Business Infrastructure*

2.92 Hartlepool has witnessed major public and private sector investment over recent years to improve its business infrastructure and provide the right accommodation and environment for a variety of business uses. Improvement projects have included:

- *“Queens Meadow - The first phase delivered the UK Steel Enterprise (UKSE) Innovation Centre and a subsequent extension as well as speculative units built by Rivergreen Developments.*
- *Hartlepool Enterprise Centre - A major redevelopment and enhancement scheme providing improved facilities for business incubation.*
- *Longhill and Sandgate - A major regeneration programme that has uplifted some of the older estates in the Borough, including enhancements to Newburn Bridge Industrial Estate.*
- *Town Centre Improvements - Building and public realm improvements to improve the appearance along key routes including the new HCFE, Cleveland College of Art and Design (CCAD) expansion and a programme to bring empty buildings back into use, including Park Towers and Titan House.*
- *Wynyard - The incorporation of the former Samsung complex now offers over 700 acres of prime business site.*
- *Hartlepool Marina - Consolidation as Hartlepool’s premier development for commercial, retail and leisure uses. Looking to the future, the following key development areas have been identified to further improve the business infrastructure of the Borough and take advantage of forthcoming opportunities.*
- *Hartlepool Enterprise Zone (EZ) - Part of the 5-year Tees Valley wide EZ announced in 2011. Three sites have been identified across Hartlepool that will target specific markets:*
  - *Hartlepool Docks - an enhanced capital allowance scheme targeted at renewable energy and advanced engineering sectors.*
  - *Queens Meadow Business Park – business rates discount for chemical and advanced engineering businesses.*
  - *Oakesway Business Park - business rates discount particularly targeted at the renewable energy and advanced engineering sectors.*
- *Southern Business Zone - Infrastructure improvements in the main employment area of the Borough*
- *Innovation and Skills Quarter (ISQ) - An area of the Town Centre encapsulating both CCAD and HCFE*

- *Hartlepool Incubation Strategy -Development of a further incubation facility, proposed to be the former Crown House site within the ISQ.”*

#### *Strategic Sites*

- 2.93 In addition sites have been identified for the emerging offshore wind market, including Able UK Seaton Port. The priority is to develop and deliver the Hartlepool Enterprise Zone working in conjunction with Tees Valley Unlimited, the private sector led LEP and the landlords of the three identified Enterprise Zone sites.
- 2.94 To capitalise on the Enterprise Zone sites as well as the identified key growth sectors, there will be an emphasis to market Hartlepool as a business investment location to the region, the rest of the UK and an international market. Focus will be needed to ensure that the stock of commercial property available in the Borough is suitable for current and future demands of business. This will need to take into account the availability of premises on the Enterprise Zone sites as well as the requirements of the identified key growth sectors.
- 2.95 There is also a need to improve the environment of Industrial Estates and Business Parks to ensure that they are suitable for current and future demands. This will involve working with landlords of and tenants of premises, with a particular emphasis given to identifying potential capital funding sources.

#### *Regeneration Priorities*

- 2.96 The Town Centre and Marina areas provide a key focus in creating a vibrant and successful central area that supports economic investment and growth. The main regeneration priorities include the development of the Innovation and Skills Quarter, which is to the south of Church Street and east of Middleton Grange Shopping Centre and builds on the investment in the Colleges. Projects will create a campus style environment around Church Square; develop business incubation space for creative industries, which will support the growth of new and small businesses; drive forward the acquisition/redevelopment of vacant buildings; and facilitate mixed use development opportunities around Lynn Street offered by the former Focus site and the potential relocation of the Council's depot site.
- 2.97 The strategy for the central area also aims to encourage development and investment in the shopping centre to help improve the town centre retail offer, secure



investment in the key development sites at Jackson's Landing and Trincomalee Wharf and other sites including the Mill House area. Investment will also aim to address other key vacant buildings and improve physical links between areas of the town centre including the shopping centre, Church Street, the transport interchange and the marina.

- 2.98 The Council has a sustainable masterplan for the regeneration of Seaton Carew, which will further enhance the overall Hartlepool visitor offer and create a key visitor destination within the north east. The plan includes the remodelling of the sea front including public realm improvements, which link in with the upgrade of sea defences, the removal of a key derelict building, securing investment in new visitor related commercial space, and provision of new housing and improved community facilities.
- 2.99 Opportunities will also be explored to improve access to the natural coastal assets at Seaton Dunes and Common and improve links with Saltholme International Nature Reserve. Attracting economic investment to key employment sites including the port area at Hartlepool Docks and Seaton Channel, Wynyard Business Park, Queens Meadow Business Park, Oakesway Industrial Estate and the Southern Business Zone will also continue.
- 2.100 Helping to meet the property requirements of businesses through a range of initiatives such as business grants and loans, to improve the appearance and efficiency of buildings and premises, alongside the provision of appropriate access and infrastructure, will assist in facilitating economic growth. Such support will be responsive to investment by businesses and funding opportunities as they arise.

**Hartlepool Southern Business Zone Study – Hartlepool Borough Council (2009)**

- 2.101 The Hartlepool Southern Business Zone (SBZ) Study was reported back as part of the Hartlepool Regeneration and Liveability Decision Report. The Study took place in 2008. The study area comprised of 15 separate industrial estates and business parks covering an area of approximately 170ha to the south of Hartlepool Town Centre. Over 400 businesses in the SBZ employ approximately 5,000 people in a variety of industries making it a key employment area and a major driver of economic prosperity for the town and the wider sub-region.
- 2.102 The aim of the study was to identify the area's key strengths, weaknesses,

opportunities and threats and to develop a programme of interventions in order to improve the economic performance of the Borough.

2.103 The study identifies the following vision for the Southern Business Zone:

*“To become a driver of success for the sub-region, ensuring that the SBZ captures recognised opportunities for growth for the benefit of local people, business and the environment.”*

2.104 The study highlights a range of issues that need addressing within the SBZ including a poor quality physical environment; a lack of modern, high quality business premises; the skills levels of local residents and issues relating to business crime.

2.105 The work includes the development of an Action Plan designed to address the issues set out above and to improve the economic performance of Hartlepool. The Action Plan is structured under the following three headings:

- People: focuses upon the need to up-skill the local labour force so that they are well positioned to benefit from the anticipated economic growth. Improving the skills of the local workforce will also help to ensure that one of the main barriers to the growth of local businesses can be overcome;
- Business: driven by the need to support existing businesses and encourage them to stay, grow and prosper within the SBZ. Projects under this theme are aimed at enhancing business support for key growth sectors, removing key constraints to business growth and maximising supply chain opportunities; and
- Place: focuses upon enhancing the physical environment to benefit local businesses and attract new investment. Projects under this theme are designed to create a more attractive, high profile, better connected business location, with public sector investment used to improve infrastructure, signage, landscaping and the public realm.

2.106 Indicative costs for the delivery of all the identified projects was estimated at £14 million in total.

### **Hartlepool Central Investment Framework – Hartlepool Borough Council (2008)**

2.107 The Hartlepool Central Investment Framework was produced in 2008. The purpose of the study was to identify key regeneration priorities for the Hartlepool Central Area and to set out a programme for their implementation. The Central Area comprises three key elements, considered below.

#### *The Priority Regeneration Area*

2.108 This is the former town centre, the 'old town', which has a number of opportunities, driven by the rebuilding of Hartlepool College at the western end and the potential relocation of the Council depot at the eastern end. The objective is to create an 'anchor attractor' at either end, which would lead to greater footfall and use of the area. This has been branded the 'Innovation and Skills Quarter'. Community Business and living activity would then spread and coalesce into the vacant central area.

2.109 This is an appropriate location to bring forward new high quality employment floorspace in the town. Any emerging proposals should seek to capitalise on and integrate with the education providers in the town and build on the success of existing workspace facilities.

#### *The Town Centre and Commercial Area*

2.110 Middleton Grange, the area around Victoria Square and also the Mill House/Football Club sites are key elements of the Central Area and all require consideration to assist in enhancing the performance of the core town centre. This relates to policy as well as physical considerations, to create the policy protection for the core town centre that key landowners seek prior to considering future investment.

#### *The Marina and Harbour Area*

2.111 The Marina and the waterside areas are key assets for the town and there are a number of opportunities for their role to be enhanced. In particular, key sites such as Jacksons Landing and potential benefits from the hosting of the Tall Ships Race in 2010 are key considerations. The progress of the Victoria Harbour development is also a key project in this area of the town, particularly the types of uses proposed and how this will link into the Marina area.

## Summary

- 2.112 It is a responsibility of local government to support and encourage economic growth. This includes the provision, initially through planning policy, of sufficient employment land and premises. This must be of the right scale, type, location, be readily available for development and be well related to the strategic or local highway network according to the nature of the site and the function of the settlement. One of the most important issues to consider is that the land must be allocated in sustainable locations and be readily capable of development. The employment land portfolio needs to be balanced and to adequately cater to all sectors of the economy, i.e. small and large businesses, offices and industrial, high and low quality operations.
- 2.113 Hartlepool is strongly integrated into the Tees Valley sub-region and shares many of the challenges of that area. Strategies for regenerating the town focus on up-grading building stock, up-skilling the workforce with skills relevant to the more high-tech industries which are seen to represent the future of the region, and supporting small businesses in order to decrease the dependency on a very few, large (mainly public sector) employers.
- 2.114 Growth areas where Hartlepool has the potential to play a key role include process engineering, offshore/subsea engineering, energy (including nuclear) and the low carbon sector which will include waste processing and renewable energy.
- 2.115 As of 2006, there was some 370 ha of land potentially available for industrial and business development in the Borough, which is either identified in the 1994 Local Plan or has planning permission. However, 135 ha of this was at Wynyard Business Park. The 235 ha identified within the urban area of Hartlepool includes land for potentially polluting and hazardous industries (64 ha) and land identified for port and port-related uses (26 ha). The bulk of the remaining undeveloped land, at that time, was on three high quality sites at Queens Meadow, Sovereign Park and Golden Flatts.
- 2.116 Key policy sites, identified in the 2006 Local Plan include:
- Wynyard Business Park – Proposed for high quality B1 uses
  - Queens Meadow Business Park – Proposed for high quality B1 uses
  - Higher quality industrial (B1) development at Sovereign Park, Park View

West, Golden Flatts

- General industrial and warehouse uses at 11 locations
- Part of the Sandgate Employment Area is identified for the location of Bad Neighbour uses (including the sorting, composting and/or storage of waste materials, scrapyards, car breakers' yards or coal yards)
- Land at North Seaton channel is identified for port-related development, making use of the existing port facilities
- Environmental and other improvement and enhancement schemes will be encouraged in Oakesway, Longhill, Usworth Road and Graythorp.
- Land in West of Seaton channel (Huntsman Tioxide site), North Graythorp and Phillips Tank Farm is reserved for developments which are potentially polluting or hazardous.

2.117 The Hartlepool Economic Regeneration Strategy highlights the importance of the emerging offshore wind market to the Borough. Able UK Seaton Port is identified as a specific location which can support this industry.

2.118 To capitalise on the Enterprise Zone sites as well as the identified key growth sectors, there will be an emphasis to market Hartlepool as a business investment location to the region, the rest of the UK and an international market. Focus will be needed to ensure that the stock of commercial property available in the Borough is suitable for current and future demands of business. This will need to take into account the availability of premises on the Enterprise Zone sites as well as the requirements of the identified key growth sectors.

2.119 The Town Centre and Marina areas provide a key focus in creating a vibrant and successful central area that supports economic investment and growth. The main regeneration priorities include the development of the Innovation and Skills Quarter, which is to the south of Church Street and east of Middleton Grange Shopping Centre and builds on the investment in the colleges. Projects will create a campus style environment around Church Square; develop business incubation space for creative industries, which will support the growth of new and small businesses; drive forward the acquisition/redevelopment of vacant buildings; and facilitate mixed use development opportunities around Lynn Street offered by the former Focus site and the potential relocation of the Council's depot site.

## **3.0 SOCIO-ECONOMIC PROFILE**

### **Introduction**

- 3.1 This section provides a summary profile of the prevailing social and economic conditions in Hartlepool. It aims to provide the socio-economic context which shapes employment land demand and supply factors in the study area to facilitate sustainable growth. It also provides an important context for understanding economic demand/need, having regard to the wider regional and national economies.
- 3.2 This section therefore considers the size of the economy, where the businesses are, and what type of businesses they are. By appreciating these aspects it is easier to facilitate economic development by allocating land and premises in the correct locations and of the right type. The profile is a result of secondary research, drawing together a number of existing data sources. It also uses demographic data to build the picture, given that there are no readily available answers to some of the key questions included within this section.
- 3.3 Local planning authorities should have a clear understanding of needs and stronger indication of performance against neighbouring areas, as well as sub-regional and national averages. Within this section, Hartlepool is compared to the four other local authority areas of the Tees Valley:
- Darlington
  - Middlesbrough
  - Redcar & Cleveland
  - Stockton on Tees.
- 3.4 Where relevant, comparisons are also made to the North East region and Great Britain as a whole.
- 3.5 Although this section does use some data from the 2011 Census, 2012-2014 statistics have also now been produced for a number of socio-economic categories. This section therefore utilises the most up to date data available on each subject.

### **Demographic Assessment**

- 3.6 The population of Hartlepool as of the 2011 Census was 92,028 residents, which was 13.9% of the total for the Tees Valley (662,791). As Table 7 shows, Hartlepool has

the smallest resident population in the sub region.

**Table 7 – Population**

| Area                     | Population        | Proportion,%<br>(Tees Valley) |
|--------------------------|-------------------|-------------------------------|
| Darlington               | 105,564           | 15.9                          |
| <b>Hartlepool</b>        | <b>92,028</b>     | <b>13.9</b>                   |
| Middlesbrough            | 138,412           | 20.9                          |
| Redcar & Cleveland       | 135,177           | 20.4                          |
| Stockton                 | 191,610           | 28.9                          |
| <b>Tees Valley Total</b> | <b>662,791</b>    | <b>100.0</b>                  |
| <b>North East</b>        | <b>2,596,886</b>  | -                             |
| <b>Great Britain</b>     | <b>61,371,000</b> | -                             |

Source: ONS Census 2011

- 3.7 Comparison with the 2001 Census indicates that Hartlepool's population increased by 1.8% (from 90,409) over the preceding decade. This is in line with the Tees Valley (2.1%) and North East (1.8%) growth rates over the same period.
- 3.8 As of March 2014 (ONS Annual Population Survey – Apr 2013-Mar 2014), 62.3% of Hartlepool's working age population was in employment (37,300 residents). This is below the Tees Valley, North East (67.3%, respectively) and British (71.7%) averages.
- 3.9 As Table 8 shows, as of March 2014, unemployment in Hartlepool (13.6%) was higher than in most of the neighbouring local authorities of the Tees Valley. Across Teesside, only Middlesbrough had a comparable proportion of its economically active population out of work. Unemployment was also higher than the wider sub regional (11.1%), regional (9.8%) and national (7.2%) averages.

**Table 8 – Unemployment Rates \***

| Area               | Unemployment Rate (%) |
|--------------------|-----------------------|
| Darlington         | 9.1                   |
| <b>Hartlepool</b>  | <b>13.6</b>           |
| Middlesbrough      | 12.9                  |
| Redcar & Cleveland | 10.3                  |
| Stockton           | 9.5                   |

| Area                       | Unemployment Rate (%) |
|----------------------------|-----------------------|
| <b>Tees Valley Average</b> | <b>11.1</b>           |
| <b>North East</b>          | <b>9.8</b>            |
| <b>Great Britain</b>       | <b>7.2</b>            |

Source: ONS Annual Population Survey Apr 2013-Mar 2014

\*Percentage of economically active population.

- 3.10 Unemployment in Hartlepool has increased over the recessionary periods of 2008 to 2014. In mid-2007 (pre-recession), the area had an unemployment rate of 8.9%, which was still high in the context of the Tees Valley, North East and national averages. As Table 9 shows, by mid-2010 (the approximate mid-point of the recession) unemployment had increased to 11.9% and reached a peak of 16.4% in June 2012. By March 2014 (after around a year of economic recovery), unemployment was at 13.6%, still almost five percentage points higher than it has been in 2007.

**Table 9 – Unemployment Change 2007-2014, Percent\***

| Area                           | Mid 2007<br>Unemployment<br>Rate | Mid 2010<br>Unemployment<br>Rate | March 2014<br>Unemployment<br>Rate | Percentage<br>change<br>2008-2014 |
|--------------------------------|----------------------------------|----------------------------------|------------------------------------|-----------------------------------|
| Darlington                     | 5.6                              | 9.2                              | 9.1                                | +3.5                              |
| <b>Hartlepool</b>              | <b>8.9</b>                       | <b>11.9</b>                      | <b>13.6</b>                        | <b>+4.7</b>                       |
| Middlesbrough                  | 8.4                              | 12.8                             | 12.9                               | +4.5                              |
| Redcar & Cleveland             | 6.9                              | 11.9                             | 10.3                               | +3.4                              |
| Stockton                       | 6.6                              | 9.2                              | 9.5                                | +2.9                              |
| <b>Tees Valley<br/>Average</b> | <b>7.3</b>                       | <b>11.0</b>                      | <b>11.1</b>                        | <b>+3.8</b>                       |
| <b>North East</b>              | <b>6.6</b>                       | <b>9.8</b>                       | <b>9.8</b>                         | <b>+2.5</b>                       |
| <b>Great Britain</b>           | <b>5.2</b>                       | <b>7.7</b>                       | <b>7.2</b>                         | <b>+2.0</b>                       |

Source: ONS Annual Population Survey, 2007, 2010 and 2014

\*Percentage of economically active population.

- 3.11 Although Hartlepool's unemployment rates have remained above wider averages throughout 2007-2014, all of the Borough's neighbours saw a similar pattern of overall growth in unemployment over 2007-2014. Only in Redcar and Cleveland has there been a significant drop in unemployment after 2010.



- 3.12 As Table 10 shows, Hartlepool was the 30<sup>th</sup> most deprived local authority in the 2010 Index of Multiple of Deprivation (IMD). In the Tees Valley only Middlesbrough, which is ranked 27<sup>th</sup>, has a higher rate of deprivation. Deprivation in Hartlepool is significantly higher than in neighbouring Stockton, which is ranked 137<sup>th</sup> in England.

**Table 10 – IMD 2010, Tees Valley Local Authority Average Ranking\***

| Area               | Ranking   |
|--------------------|-----------|
| Darlington         | 104       |
| <b>Hartlepool</b>  | <b>30</b> |
| Middlesbrough      | 27        |
| Redcar & Cleveland | 71        |
| Stockton           | 137       |

Source: IMD, 2010

\* Ranked out of 326, with 1 being the most deprived authority in England (Liverpool) and 326 the least deprived (Hart District).

- 3.13 In 2010, 33 of the Borough's 58 Lower Super Output Areas (LSOAs) were in the top 30% most deprived in England. 21 were ranked in the top 10%. These areas of deprivation cover much of northern and central Hartlepool town, excluding the Headland area. 10 of Hartlepool's LSOAs were in the 30% least deprived in England. These are focused in the suburban west of Hartlepool town, extending to Owton Manor.
- 3.14 Table 11 shows the National Vocational Qualification (NVQ) level attained by the working age population of Hartlepool. The combined area has the lowest proportion of working age residents qualified to NVQ Level 4 and above (equivalent to degree level), in the Tees Valley, at 23.8%. The proportion of well qualified residents in Hartlepool is significantly lower than in Stockton or Darlington. It is also below regional and national averages.
- 3.15 Hartlepool and neighbouring Middlesbrough jointly have the highest proportions of residents with no qualifications in the Tees Valley, more than 14% each. This is well above wider averages.

**Table 11 – Qualifications (2013), Percent**

| Level                      | NVQ4 and above | NVQ3 and above | NVQ2 and above | NVQ1 and above | Other qualifications | No qualifications |
|----------------------------|----------------|----------------|----------------|----------------|----------------------|-------------------|
| Darlington                 | 30.7           | 55.2           | 72.4           | 84.5           | 5.7                  | 9.7               |
| <b>Hartlepool</b>          | <b>23.8</b>    | <b>47.9</b>    | <b>66.3</b>    | <b>78.9</b>    | <b>7.0</b>           | <b>14.2</b>       |
| Middlesbrough              | 25.6           | 50.0           | 66.8           | 80.4           | 5.1                  | 14.4              |
| Redcar & Cleveland         | 25.8           | 51.6           | 69.9           | 83.5           | 6.6                  | 9.9               |
| Stockton                   | 29.2           | 56.3           | 76.8           | 88.2           | 3.7                  | 8.1               |
| <b>Tees Valley Average</b> | <b>27.0</b>    | <b>52.2</b>    | <b>70.4</b>    | <b>83.1</b>    | <b>5.6</b>           | <b>11.3</b>       |
| <b>North East</b>          | <b>28.1</b>    | <b>51.7</b>    | <b>70.4</b>    | <b>83.7</b>    | <b>5.6</b>           | <b>10.7</b>       |
| <b>Great Britain</b>       | <b>35.2</b>    | <b>55.8</b>    | <b>72.5</b>    | <b>84.4</b>    | <b>6.3</b>           | <b>9.3</b>        |

Source: ONS Annual Population Survey 2013

### Employment by Occupation

- 3.16 Table 12 illustrates the breakdown of employment by main occupation group. Hartlepool has lower proportions of people employed as managers and senior officials and in professional occupations than is the case elsewhere.

**Table 12 – Employment by Main Occupation Group**

| Socio-Economic Class                             | Hartlepool,% | Tees Valley Average,% | North East,% | Great Britain,% |
|--|--------------|-----------------------|--------------|-----------------|
| Managers and senior officials                    | 6.5          | 8.2                   | 8.2          | 10.2            |
| Professional occupations                         | 13.3         | 16.7                  | 16.4         | 19.9            |
| Associate professional and technical occupations | 10.8         | 10.9                  | 11.9         | 14.1            |
| Administrative and secretarial occupations       | 11.7         | 11.4                  | 12.0         | 10.7            |
| Skilled trades occupations                       | 12.5         | 11.8                  | 12.1         | 10.5            |
| Personal service occupations                     | 11.2         | 11.0                  | 9.9          | 9.1             |
| Sales and customer service occupations           | 6.9          | 8.4                   | 9.4          | 7.9             |
| Process plant and machine operatives             | 11.4         | 8.0                   | 7.3          | 6.2             |
| Elementary occupations                           | 13.5         | 12.6                  | 11.8         | 10.7            |

Source: Annual Population Survey April 2013-March 2014

3.17 Conversely, Hartlepool has a higher level of people employed in skilled trades occupations, personal service occupations and notably process plant and machine operatives and elementary occupations, than is the case elsewhere.

3.18 Table 13 measures local economic activity using Business Register and Employment Survey (BRES) data. BRES provides details of the number of jobs within differing industry sectors within a local authority area.

**Table 13 – Economic Activity**

|   | Employment Structure, proportion of jobs,% |                          |                 |                    |
|---|--|--------------------------|-----------------|--------------------|
|   | Hartlepool,<br>%                           | Tees Valley<br>Average,% | North<br>East,% | Great<br>Britain,% |
| 1 : Agriculture, forestry & fishing*                  | 0.0  | 0.0                      | 0.4             | 0.8                |
| 2 : Mining, quarrying & utilities                     | 3.6  | 2.0                      | 1.6             | 1.3                |
| 3 : Manufacturing                                     | 14.6                                       | 10.2                     | 11.1            | 8.6                |
| 4 : Construction                                      | 5.0  | 6.4                      | 5.3             | 4.5                |
| 5 : Motor trades                                      | 1.1  | 1.6                      | 1.4             | 1.7                |
| 6 : Wholesale   | 1.6  | 1.8                      | 2.0             | 4.1                |
| 7 : Retail  | 13.2                                       | 11.1                     | 10.8            | 10.2               |
| 8 : Transport & storage (inc postal)                  | 2.3  | 4.5                      | 3.7             | 4.5                |
| 9 : Accommodation & food services                     | 6.8  | 5.6                      | 6.6             | 6.8                |
| 10 : Information & communication                      | 0.7  | 2.5                      | 2.7             | 3.9                |
| 11 : Financial & insurance                            | 1.1  | 2.5                      | 2.4             | 3.9                |
| 12 : Property   | 2.1  | 1.8                      | 1.8             | 1.6                |
| 13 : Professional, scientific & technical             | 2.9  | 5.5                      | 4.6             | 7.5                |
| 14 : Business administration & support services       | 5.0  | 6.7                      | 7.2             | 8.3                |
| 15 : Public administration & defence                  | 6.6  | 6.1                      | 7.7             | 5.0                |
| 16 : Education  | 11.4                                       | 9.9                      | 10.0            | 9.5                |
| 17 : Health   | 17.1                                       | 17.8                     | 16.2            | 13.4               |
| 18 : Arts, entertainment, recreation & other services | 4.9  | 4.0                      | 4.5             | 4.4                |

Source: Business Register and Employment Survey 2012

\*Excludes farm based agriculture.

- 3.19 Table 13 illustrates the strength of public sector employment in Hartlepool. 35.1% of the Borough's workforce is employed in public administration, education and health. However, this is in proportion with the rest of the Tees Valley and North East, where more than a third of all employment is in state sectors.
- 3.20 The manufacturing sector also employs a high proportion of local people in Hartlepool. It accounts for 14.6% of jobs, well above wider averages. Within the general manufacturing sector, some key local sub-sectors include:
- Manufacture of tubes, pipes, hollow profiles and related fittings, of steel, which employed 626 in 2012. This reflects the presence of Tata in the Borough
  - Manufacture of plastics products, which employed 388 in 2012
  - Manufacture of basic chemicals, fertilisers and nitrogen compounds, plastics and synthetic rubber in primary forms, which employed 347 in 2012. It is assumed that much of this employment will be at Huntsman Tioxide.
- 3.21 Other strong local sectors include mining, quarrying and utilities, which employed 3.6% of the working population in Hartlepool, in 2012, compared to 1.3-2.0% elsewhere. In practice, however, 3.6% only translates into 26 individual jobs, most involved in the mining of non-ferrous metal ores.
- 3.22 The information and communication sector has only a modest role in Hartlepool, employing 0.7% of the working population in 2012. This compared to 2.5% across the Tees Valley. Most other service sectors, apart from property services, also have a comparatively small presence in Hartlepool when compared to the rest of the Tees Valley and the North East.
- 3.23 4.9% of local employment was in arts, entertainment, recreation & other services in 2012. This compares to only 4.0% across the rest of the Tees Valley, suggesting that Hartlepool has a relatively strong visitor economy when compared to other parts of the sub region.
- 3.24 Agriculture, forestry and fishing employ only 0.02% of the Borough's population. However, BRES data excludes farm based agricultural employment.

### **Numbers and Sizes of Businesses**

- 3.25 ONS data identifies that there were 2,420 VAT registered businesses operating in the

Borough in 2013 (see Table 14). This is 13.0% of the total stock of businesses in the Tees Valley and 3.2% of the North East stock.

**Table 14 – Total Number of VAT Registered Businesses, Number and per 10,000 Population**

| Area                 | VAT Registered Businesses, 2013 | Population        | Per 10,000 |
|----------------------|---------------------------------|-------------------|------------|
| Darlington           | 3,500                           | 105,564           | 330        |
| <b>Hartlepool</b>    | <b>2,420</b>                    | <b>92,028</b>     | <b>263</b> |
| Middlesbrough        | 3,480                           | 138,412           | 254        |
| Redcar & Cleveland   | 3,390                           | 135,177           | 251        |
| Stockton             | 5,775                           | 191,610           | 301        |
| <b>Tees Valley</b>   | <b>18,565</b>                   | <b>662,791</b>    | <b>280</b> |
| <b>North East</b>    | <b>75,375</b>                   | <b>2,596,886</b>  | <b>290</b> |
| <b>Great Britain</b> | <b>2,543,120</b>                | <b>61,371,000</b> | <b>414</b> |

Source: ONS VAT Registrations/Deregistration, 2013

- 3.26 Relative to its population, Hartlepool has an average number of businesses when compared to the other local authority areas of the Tees Valley. Table 14 shows that in 2013 there were 263 businesses per 10,000 population in the Borough. This was greater than Redcar and Cleveland and Middlesbrough (which have 251-254 businesses per 10,000) but less than Stockton and most notably Darlington. Business density in Hartlepool is also below regional and national levels, the latter being around a third greater. As Table 15 shows, that position did not change significantly over the previous four years.
- 3.27 Table 16 shows the birth rates of new enterprises over the period 2009-2012, both by annual number of start-ups and by new businesses per 10,000 population. Again, relative to its population, Hartlepool has average rate of new business creation in the sub-region, consistently out-performing Redcar and Cleveland and Middlesbrough, but behind Stockton and Darlington. This is despite a period of recession over those years. In the case of new business creation, Hartlepool's rate of growth (per 10,000) is comparable to average growth rates across the Tees Valley and North East.

**Table 15 – Active Enterprises 2009-2012, Number and per 10,000 Population**

| Area                 | 2009             |            | 2010             |            | 2011             |            | 2012             |            |
|----------------------|------------------|------------|------------------|------------|------------------|------------|------------------|------------|
|                      | No.              | Per 10,000 | No.              | Per 10,000 | No.              | Per 10,000 | No.              | Per 10,000 |
| Darlington           | 3,005            | 356        | 3,005            | 354        | 2,975            | 348        | 2,965            | 348        |
| <b>Hartlepool</b>    | <b>2,030</b>     | <b>276</b> | <b>2,060</b>     | <b>279</b> | <b>2,130</b>     | <b>287</b> | <b>2,190</b>     | <b>294</b> |
| Middlesbrough        | 2,800            | 256        | 2,820            | 257        | 2,765            | 251        | 2,825            | 255        |
| Redcar & Cleveland   | 2,865            | 258        | 2,865            | 258        | 2,820            | 254        | 2,865            | 258        |
| Stockton             | 4,935            | 323        | 4,935            | 320        | 4,940            | 319        | 5,165            | 333        |
| <b>Tees Valley</b>   | <b>15,635</b>    | <b>294</b> | <b>15,685</b>    | <b>294</b> | <b>15,630</b>    | <b>292</b> | <b>16,010</b>    | <b>299</b> |
| <b>North East</b>    | <b>63,660</b>    | <b>301</b> | <b>63,515</b>    | <b>299</b> | <b>63,040</b>    | <b>295</b> | <b>63,725</b>    | <b>298</b> |
| <b>Great Britain</b> | <b>2,282,200</b> | <b>465</b> | <b>2,292,440</b> | <b>463</b> | <b>2,285,225</b> | <b>457</b> | <b>2,316,705</b> | <b>461</b> |

Source: ONS Business Demography, 2013

**Table 16 – Births of New Enterprises 2009-2012, Number and per 10,000 Population**

| Area                 | 2009           |            | 2010           |            | 2011           |            | 2012           |            |
|----------------------|----------------|------------|----------------|------------|----------------|------------|----------------|------------|
|                      | No.            | Per 10,000 | No.            | Per 10,000 | No.            | Per 10,000 | No.            | Per 10,000 |
| Darlington           | 310            | 37         | 285            | 34         | 335            | 39         | 350            | 41         |
| <b>Hartlepool</b>    | <b>230</b>     | <b>31</b>  | <b>215</b>     | <b>29</b>  | <b>280</b>     | <b>38</b>  | <b>260</b>     | <b>35</b>  |
| Middlesbrough        | 320            | 29         | 300            | 27         | 360            | 33         | 350            | 32         |
| Redcar & Cleveland   | 315            | 28         | 290            | 26         | 325            | 29         | 345            | 31         |
| Stockton             | 555            | 36         | 455            | 30         | 640            | 41         | 675            | 44         |
| <b>Tees Valley</b>   | <b>1,730</b>   | <b>33</b>  | <b>1,545</b>   | <b>29</b>  | <b>1,940</b>   | <b>36</b>  | <b>1,980</b>   | <b>37</b>  |
| <b>North East</b>    | <b>6,625</b>   | <b>31</b>  | <b>5,975</b>   | <b>28</b>  | <b>7,070</b>   | <b>33</b>  | <b>7,265</b>   | <b>34</b>  |
| <b>Great Britain</b> | <b>232,085</b> | <b>47</b>  | <b>230,555</b> | <b>47</b>  | <b>257,625</b> | <b>52</b>  | <b>265,630</b> | <b>53</b>  |

Source: ONS Business Demography, 2013

3.28 The rate of business death in Hartlepool has fluctuated over the 2009-2012 period. As Table 17 shows, losses to the Borough's stock of businesses were highest at the start (2009) and end (2012) of the recession. When measured against population, the rate of business loss in Hartlepool (at 28-35) is not noticeably above loss rates in any of the neighbouring local authority areas. Indeed it is usually below levels in the other Tees Valley boroughs, particularly levels in Stockton and Darlington. The partial exception was 2011-2012, when losses in Hartlepool exceeded rates in Middlesbrough and Redcar and Cleveland. Over 2009-2011, rates of business death

in Hartlepool are below Tees Valley and North East averages. They are also well below the national averages for all years.

**Table 17 – Deaths of Enterprises 2009-2012, Number and per 10,000 Population**

| Area                 | 2009           |            | 2010           |            | 2011           |            | 2012           |            |
|----------------------|----------------|------------|----------------|------------|----------------|------------|----------------|------------|
|                      | No.            | Per 10,000 | No.            | Per 10,000 | No.            | Per 10,000 | No.            | Per 10,000 |
| Darlington           | 355            | 42         | 350            | 41         | 315            | 37         | 330            | 39         |
| <b>Hartlepool</b>    | <b>240</b>     | <b>33</b>  | <b>215</b>     | <b>29</b>  | <b>205</b>     | <b>28</b>  | <b>260</b>     | <b>35</b>  |
| Middlesbrough        | 350            | 32         | 350            | 32         | 250            | 23         | 305            | 28         |
| Redcar & Cleveland   | 350            | 32         | 310            | 28         | 275            | 25         | 290            | 26         |
| Stockton             | 615            | 40         | 640            | 42         | 515            | 33         | 630            | 41         |
| <b>Tees Valley</b>   | <b>1,910</b>   | <b>36</b>  | <b>1,865</b>   | <b>35</b>  | <b>1,560</b>   | <b>29</b>  | <b>1,815</b>   | <b>34</b>  |
| <b>North East</b>    | <b>7,460</b>   | <b>35</b>  | <b>6,925</b>   | <b>33</b>  | <b>6,205</b>   | <b>29</b>  | <b>7,075</b>   | <b>33</b>  |
| <b>Great Britain</b> | <b>272,265</b> | <b>56</b>  | <b>243,405</b> | <b>49</b>  | <b>224,760</b> | <b>45</b>  | <b>249,570</b> | <b>50</b>  |

Source: ONS Business Demography, 2013

3.29 Tables' 18-22 show business survival rates for firms which started in the years 2007-2011. The first two Tables (18 and 19) show that Hartlepool's businesses have a good long term survival rate. 55.7% of businesses started in 2007 and 53.8% of businesses started in 2008 survived till their fourth year. In the case of 2007 start-ups, 47.1% survived to their fifth year. These survival rates are the highest in the Tees Valley and also exceed regional and national levels.

3.30 Short and medium term survival rates (1-3 years) in Hartlepool are, in most cases, closer to average for the sub-region, region and nation. Generally 88-94% of new businesses in Hartlepool survive their first year of trading. By the third year, less than two thirds are still trading.

**Table 18 – Business Survival Rates by Year, Number and Percent – 2007 Birth Year**

| Area                 | Births         | 1 Year Survival | 1 Year %    | 2 Year Survival | 2 Year %    | 3 Year Survival | 3 Year %    | 4 Year Survival | 4 Year %    | 5 Year Survival | 5 Year %    |
|----------------------|----------------|-----------------|-------------|-----------------|-------------|-----------------|-------------|-----------------|-------------|-----------------|-------------|
| Darlington           | 375            | 355             | 94.7        | 300             | 80.0        | 235             | 62.7        | 185             | 49.3        | 165             | 44.0        |
| <b>Hartlepool</b>    | <b>350</b>     | <b>325</b>      | <b>92.9</b> | <b>275</b>      | <b>78.6</b> | <b>225</b>      | <b>64.3</b> | <b>195</b>      | <b>55.7</b> | <b>165</b>      | <b>47.1</b> |
| Middlesbrough        | 450            | 415             | 92.2        | 355             | 78.9        | 270             | 60.0        | 220             | 48.9        | 200             | 44.4        |
| Redcar & Cleveland   | 455            | 425             | 93.4        | 365             | 80.2        | 305             | 67.0        | 245             | 53.8        | 205             | 45.1        |
| Stockton             | 740            | 705             | 95.3        | 605             | 81.8        | 480             | 64.9        | 395             | 53.4        | 345             | 46.6        |
| <b>Tees Valley</b>   | <b>2,370</b>   | <b>2,225</b>    | <b>93.7</b> | <b>1,900</b>    | <b>79.9</b> | <b>1,515</b>    | <b>63.8</b> | <b>1,240</b>    | <b>52.2</b> | <b>1,080</b>    | <b>45.5</b> |
| <b>North East</b>    | <b>8,795</b>   | <b>8,315</b>    | <b>94.5</b> | <b>7,040</b>    | <b>80.0</b> | <b>5,485</b>    | <b>62.4</b> | <b>4,495</b>    | <b>51.1</b> | <b>3,845</b>    | <b>43.7</b> |
| <b>Great Britain</b> | <b>274,770</b> | <b>262,210</b>  | <b>95.4</b> | <b>223,200</b>  | <b>81.2</b> | <b>173,175</b>  | <b>63.0</b> | <b>142,930</b>  | <b>52.0</b> | <b>122,580</b>  | <b>44.6</b> |

Source: ONS Business Demography, 2013

**Table 19 – Business Survival Rates by Year, Number and Percent – 2008 Birth Year**

| Area                 | Births         | 1 Year Survival | 1 Year %    | 2 Year Survival | 2 Year %    | 3 Year Survival | 3 Year %    | 4 Year Survival | 4 Year %    | 5 Year Survival | 5 Year % |
|----------------------|----------------|-----------------|-------------|-----------------|-------------|-----------------|-------------|-----------------|-------------|-----------------|----------|
| Darlington           | 375            | 345             | 92.0        | 290             | 77.3        | 235             | 62.7        | 190             | 50.7        | -               | -        |
| <b>Hartlepool</b>    | <b>260</b>     | <b>245</b>      | <b>94.2</b> | <b>200</b>      | <b>76.9</b> | <b>160</b>      | <b>61.5</b> | <b>140</b>      | <b>53.8</b> | -               | -        |
| Middlesbrough        | 365            | 345             | 94.5        | 280             | 76.7        | 205             | 56.2        | 170             | 46.6        | -               | -        |
| Redcar & Cleveland   | 350            | 335             | 95.7        | 270             | 77.1        | 215             | 61.4        | 170             | 48.6        | -               | -        |
| Stockton             | 665            | 615             | 92.5        | 520             | 78.2        | 400             | 60.2        | 330             | 49.6        | -               | -        |
| <b>Tees Valley</b>   | <b>2,015</b>   | <b>1,885</b>    | <b>93.8</b> | <b>1,560</b>    | <b>77.2</b> | <b>1,215</b>    | <b>60.4</b> | <b>1,000</b>    | <b>49.9</b> | -               | -        |
| <b>North East</b>    | <b>7,675</b>   | <b>7,170</b>    | <b>93.4</b> | <b>5,815</b>    | <b>75.8</b> | <b>4,575</b>    | <b>59.6</b> | <b>3,800</b>    | <b>49.5</b> | -               | -        |
| <b>Great Britain</b> | <b>261,790</b> | <b>241,460</b>  | <b>92.2</b> | <b>194,265</b>  | <b>74.2</b> | <b>152,350</b>  | <b>58.2</b> | <b>128,510</b>  | <b>49.1</b> | -               | -        |

Source: ONS Business Demography, 2013



**Table 20 – Business Survival Rates by Year, Number and Percent – 2009 Birth Year**

| Area                 | Births         | 1 Year Survival | 1 Year %    | 2 Year Survival | 2 Year %    | 3 Year Survival | 3 Year %    | 4 Year Survival | 4 Year % | 5 Year Survival | 5 Year % |
|----------------------|----------------|-----------------|-------------|-----------------|-------------|-----------------|-------------|-----------------|----------|-----------------|----------|
| Darlington           | 310            | 285             | 91.9        | 230             | 74.2        | 180             | 58.1        | -               | -        | -               | -        |
| <b>Hartlepool</b>    | <b>230</b>     | <b>205</b>      | <b>89.1</b> | <b>165</b>      | <b>71.7</b> | <b>130</b>      | <b>56.5</b> | -               | -        | -               | -        |
| Middlesbrough        | 320            | 300             | 93.8        | 225             | 70.3        | 185             | 57.8        | -               | -        | -               | -        |
| Redcar & Cleveland   | 315            | 290             | 92.1        | 230             | 73.0        | 180             | 57.1        | -               | -        | -               | -        |
| Stockton             | 555            | 515             | 92.8        | 415             | 74.8        | 345             | 62.2        | -               | -        | -               | -        |
| <b>Tees Valley</b>   | <b>1,730</b>   | <b>1,595</b>    | <b>91.9</b> | <b>1,265</b>    | <b>72.8</b> | <b>1,020</b>    | <b>58.3</b> | -               | -        | -               | -        |
| <b>North East</b>    | <b>6,625</b>   | <b>6,105</b>    | <b>92.2</b> | <b>4,865</b>    | <b>73.4</b> | <b>3,905</b>    | <b>58.9</b> | -               | -        | -               | -        |
| <b>Great Britain</b> | <b>232,085</b> | <b>211,045</b>  | <b>90.9</b> | <b>171,520</b>  | <b>73.9</b> | <b>138,515</b>  | <b>59.7</b> | -               | -        | -               | -        |

Source: ONS Business Demography, 2013

**Table 21 – Business Survival Rates by Year, Number and Percent – 2010 Birth Year**

| Area                 | Births         | 1 Year Survival | 1 Year %    | 2 Year Survival | 2 Year %    | 3 Year Survival | 3 Year % | 4 Year Survival | 4 Year % | 5 Year Survival | 5 Year % |
|----------------------|----------------|-----------------|-------------|-----------------|-------------|-----------------|----------|-----------------|----------|-----------------|----------|
| Darlington           | 285            | 255             | 89.5        | 210             | 73.7        | -               | -        | -               | -        | -               | -        |
| <b>Hartlepool</b>    | <b>215</b>     | <b>190</b>      | <b>88.4</b> | <b>170</b>      | <b>79.1</b> | -               | -        | -               | -        | -               | -        |
| Middlesbrough        | 300            | 265             | 88.3        | 215             | 71.7        | -               | -        | -               | -        | -               | -        |
| Redcar & Cleveland   | 290            | 250             | 86.2        | 205             | 70.7        | -               | -        | -               | -        | -               | -        |
| Stockton             | 455            | 405             | 89.0        | 340             | 74.7        | -               | -        | -               | -        | -               | -        |
| <b>Tees Valley</b>   | <b>1,545</b>   | <b>1,365</b>    | <b>88.3</b> | <b>1,140</b>    | <b>74.0</b> | -               | -        | -               | -        | -               | -        |
| <b>North East</b>    | <b>5,975</b>   | <b>5,275</b>    | <b>88.3</b> | <b>4,405</b>    | <b>73.7</b> | -               | -        | -               | -        | -               | -        |
| <b>Great Britain</b> | <b>230,555</b> | <b>199,955</b>  | <b>86.7</b> | <b>167,095</b>  | <b>72.5</b> | -               | -        | -               | -        | -               | -        |

Source: ONS Business Demography, 2013

**Table 22 – Business Survival Rates by Year, Number and Percent – 2011 Birth Year**

| Area                 | Births         | 1 Year Survival | 1 Year %    | 2 Year Survival | 2 Year % | 3 Year Survival | 3 Year % | 4 Year Survival | 4 Year % | 5 Year Survival | 5 Year % |
|----------------------|----------------|-----------------|-------------|-----------------|----------|-----------------|----------|-----------------|----------|-----------------|----------|
| Darlington           | 335            | 315             | 94.0        | -               | -        | -               | -        | -               | -        | -               | -        |
| <b>Hartlepool</b>    | <b>280</b>     | <b>260</b>      | <b>92.9</b> | -               | -        | -               | -        | -               | -        | -               | -        |
| Middlesbrough        | 360            | 340             | 94.4        | -               | -        | -               | -        | -               | -        | -               | -        |
| Redcar & Cleveland   | 325            | 310             | 95.4        | -               | -        | -               | -        | -               | -        | -               | -        |
| Stockton             | 640            | 605             | 94.5        | -               | -        | -               | -        | -               | -        | -               | -        |
| <b>Tees Valley</b>   | <b>1,940</b>   | <b>1,830</b>    | <b>94.2</b> | -               | -        | -               | -        | -               | -        | -               | -        |
| <b>North East</b>    | <b>7,070</b>   | <b>6,625</b>    | <b>93.7</b> | -               | -        | -               | -        | -               | -        | -               | -        |
| <b>Great Britain</b> | <b>257,625</b> | <b>239,965</b>  | <b>93.1</b> | -               | -        | -               | -        | -               | -        | -               | -        |

Source: ONS Business Demography, 2013

3.31 82.3% of businesses in Great Britain employ less than 10 people (micro businesses), and overall 96.6% of all businesses are classified as small (up to 49 employees). Business sizes in Hartlepool, and across the Tees Valley, generally follow national averages. However, Hartlepool does have less micro businesses (78.5%) with 1-9 employees and slightly more small businesses of 10-49 staff (17.1% against 14%) than is the case across Great Britain. This local picture is reflective of company sizes across the Tees Valley and the North East. As Table 23 shows, 95.6% of businesses in Hartlepool employ less than 50 employees, while the proportion employing less than 10 is 78.5%.

**Table 23 – Business Sizes, Percent**

| Area          | Number of Employees |      |       |       |       |         |      |
|---------------|---------------------|------|-------|-------|-------|---------|------|
|               | 1-4                 | 5-9  | 10-19 | 20-49 | 50-99 | 100-249 | 250+ |
| Hartlepool    | 63.2                | 15.3 | 9.9   | 7.2   | 2.6   | 1.4     | 0.4  |
| Tees Valley   | 61.2                | 16.2 | 10.3  | 7.4   | 2.9   | 1.4     | 0.6  |
| North East    | 61.2                | 17.0 | 10.3  | 7.1   | 2.5   | 1.3     | 0.6  |
| Great Britain | 68.0                | 14.6 | 8.4   | 5.6   | 1.9   | 1.0     | 0.5  |

Source: ONS 2013

3.32 The total number of VAT registered businesses can be broken down further by industry sector. Table 24 shows that the highest proportion of businesses in Hartlepool is in the professional, scientific and technical sector. This sector accounts for 15.5% of active businesses, comparable to the North East average of 13.1%, but slightly below the Tees Valley average of 17.4%

**Table 24 – VAT Registered Businesses by Sector, percent**

| Sector                            | Hartlepool, % | Tees Valley Average, % | North East, % | Great Britain, % |
|-----------------------------------|---------------|------------------------|---------------|------------------|
| Agriculture, Forestry and Fishing | 2.7           | 2.5                    | 5.3           | 5.1              |
| Production                        | 7.4           | 6.7                    | 6.8           | 5.8              |
| Construction                      | 11.0          | 10.0                   | 9.5           | 10.1             |
| Motor Trades                      | 3.3           | 3.6                    | 3.4           | 3.0              |
| Wholesale                         | 2.7           | 3.6                    | 3.9           | 4.7              |
| Retail                            | 13.0          | 13.1                   | 13.2          | 10.8             |
| Transport and Storage             | 3.3           | 3.3                    | 3.3           | 3.2              |
| Accommodation and Food            | 7.4           | 6.8                    | 7.8           | 6.4              |

| Sector   | Hartlepool,<br>% | Tees Valley<br>Average,<br>% | North<br>East,<br>% | Great<br>Britain,<br>% |
|--|------------------|------------------------------|---------------------|------------------------|
| Services   |                  |                              |                     |                        |
| Information and Communication                      | 2.5              | 3.0                          | 3.5                 | 6.8                    |
| Finance and Insurance                              | 1.4              | 2.1                          | 2.1                 | 2.5                    |
| Property   | 2.9              | 2.6                          | 2.9                 | 3.6                    |
| Professional, Scientific and Technical             | 15.5             | 17.4                         | 13.1                | 14.9                   |
| Business Administration and Support Services       | 7.9              | 6.6                          | 6.2                 | 6.9                    |
| Public Administration and Defence                  | 0.8              | 1.1                          | 1.2                 | 1.0                    |
| Education  | 2.9              | 2.7                          | 3.1                 | 2.5                    |
| Health   | 8.5              | 7.9                          | 7.8                 | 5.8                    |
| Arts, Entertainment, Recreation and Other Services | 6.8              | 7.0                          | 6.9                 | 6.9                    |

Source: ONS 2013

- 3.33 The next largest business sectors are retail (13.0%) and construction (11.0%). The proportion of construction businesses in the Borough is particularly above wider averages. The local production (manufacturing) sector is also very strong, accounting for 7.4% of businesses (compared to wider averages of 5.8-6.8%).
- 3.34 In addition to professional, scientific and technical companies, Hartlepool also has a high proportion of business administration and support services firms. 7.9% of local businesses are in these sectors, compared to wider averages of 6.2-6.9%.
- 3.35 At 8.5%, the proportion of health related business in Hartlepool is noticeably above wider averages, notably the national average of only 5.8%.
- 3.36 Unsurprisingly, agriculture, forestry and fishing have only a limited role in Hartlepool (and across the Tees Valley) with only 2.7% of local businesses operating in these sectors, compared to 5.3% across the North East.

### Geographic Location

- 3.37 Table 25 shows the distribution of office and industrial premises (hereditaments identified by the Valuation Office for the purposes of business rates collection). The spatial distribution can be analysed by Middle Super Output Areas (MSOAs).

Hartlepool comprises 12 such MSOAs, and these have been separated into four distinct sections of the Hartlepool/Seaton Carew settlement area along with the rural west of the Borough. The most recent Valuation Office data available at the MSOA level is only for 2008, which pre-dates the recession.

**Table 25 – Distribution of Premises and Homeworking**

| Area   | Middle SOAs     | Number of Units          |            | Number of People Homeworking |
|--|-----------------|--------------------------|------------|------------------------------|
|  |                 | Factories/<br>Warehouses | Offices    |                              |
| Hartlepool Town North<br><i>Includes the Port, headland and Hartlepool town north of the town centre</i>     | 001-003         | 36                       | 28         | 609                          |
| Hartlepool Town Centre<br><i>Includes the town centre, marina and adjacent industrial estates</i>            | 005-007         | 252                      | 170        | 631                          |
| Hartlepool Town South West<br><i>Land north and west of the A689</i>   | 009-010,<br>012 | 147                      | 57         | 398                          |
| Seaton Carew and the Tees Estuary<br><i>Land south and east of the A689</i>                                  | 008,011         | 221                      | 14         | 348                          |
| Rural West<br><i>Includes the A19 and all communities outside of the Hartlepool town settlement boundary</i> | 14              | 29                       | 17         | 520                          |
| <b>Total</b>   |                 | <b>685</b>               | <b>286</b> | <b>2,506</b>                 |

Source: ONS Commercial and Industrial Floorspace 2008/ Census 2011

- 3.38 Table 25 shows that overall the number of industrial units is two and a half times the number of offices. In 2008, the greatest concentration of industrial premises was in MSOA 007 (Hartlepool Town Centre, Longhill and Sandgate Industrial Estates), with 188 units. MSOA 010 (Tata Steel, Queens Meadow and other industrial estates west of Brenda Road and north of the railway line) was also a focus for industrial premises, with 131 units. Offices were focused in MSOAs 007 and 005 (Hartlepool Marina and Town Centre), which contained 109 and 61 premises respectively.
- 3.39 Unsurprisingly there are comparatively few units in the rural west of the Borough, reflecting the fact that no employment uses have yet been delivered in Hartlepool's

portion of Wynyard Park (Wynyard Three). There were also no office or industrial units recorded in MSOAs 001 and 006 which comprise residential neighbourhoods in the north and east of Hartlepool Town.

### Homeworking

- 3.40 Homeworking plays only a minor role in the economy of Hartlepool. The 2011 Census records that only 6.6% of the economically active population, in employment, of the Borough worked from home that year, compared to 8.8% across the North East. Across the Tees Valley the average was 7.2%, with individual proportions ranging from 6.2% in urban Middlesbrough to 8.6% in more rural Darlington.
- 3.41 Unsurprisingly, higher proportions of people worked from home in the more peripheral parts of Hartlepool. In the west of the Borough (MSOA 014) 9.2% of the economically active population worked from home. In the north of Hartlepool town, the proportions working from home reached 5-6%.

### Commuting Patterns

- 3.42 Annual statistics on commuting are available from the Annual Population Survey, the latest available being for 2011 (see Table 26). These figures show that, Hartlepool is a net exporter of labour with a net outflow of 3,557. Neighbouring Stockton and most notably Redcar and Cleveland are also net exporters, while Middleborough and Darlington import more workers than they export.

**Table 26 – Tees Valley Commuting Flows, 2011**

| Area               | Out-Commuters (No.) | In-Commuters (No.) | Net Flow (No.) | Live and Work in Area* (No.) | Percentage who Live and Work in area as a Percentage of the Total Employed, % |
|--------------------|---------------------|--------------------|----------------|------------------------------|---|
| Darlington         | 15,349              | 18,479             | 3,130          | 33,866                       | 69  |
| <b>Hartlepool</b>  | <b>11,936</b>       | <b>8,379</b>       | <b>-3,557</b>  | <b>25,958</b>                | <b>69</b>   |
| Middlesbrough      | 21,716              | 30,084             | 8,368          | 32,993                       | 61  |
| Redcar & Cleveland | 23,302              | 12,813             | -10,489        | 29,691                       | 58  |
| Stockton           | 30,786              | 30,018             | -768           | 56,611                       | 65  |

Source: Annual Population Survey, 2011

\*Includes those who live and work in the local authority area, homeworkers and those with no fixed working address.

- 3.43 Despite this Hartlepool is still a relatively self contained local authority area. Table 26 shows that 69% of Hartlepool's working residents live and work in the area. By comparison only 61% of Middlesbrough's and 58% of Redcar and Cleveland's residents live and work within those two local authority areas.
- 3.44 For those commuting out of Hartlepool to work, most travelled to neighbouring Stockton (3,865 residents, 32%) or into County Durham (2,269 residents, 19%). Commuting into Middlesbrough was more modest with 1,591 residents (13%) travelling into the town to work and only 535 residents (5%) travelled to Redcar and Cleveland. Minorities of residents also travelled to Darlington and into Tyne and Wear.
- 3.45 8,379 people commuted into Hartlepool to work. Almost two thirds came from County Durham (2,665) and Stockton (2,590). Only 12% (990) commuted in from Middlesbrough and 7% (558) commuted in from Redcar and Cleveland.

### Earnings

- 3.46 Table 27 shows that the earnings of people living and working in Hartlepool are above the Tees Valley average when measured by place of residence and place of work. It is also above North East levels when measured by place of work.

**Table 27 – Average Weekly Earnings**

| Area                       | Gross Median Weekly Pay, £<br>(Analysis by place of work) | Gross Median Weekly Pay, £<br>(Analysis by place of residence) |
|----------------------------|---|--|
| Darlington                 | 330.2   | 381.7  |
| <b>Hartlepool</b>          | <b>375.3</b>  | <b>403.0</b>   |
| Middlesbrough              | 362.2   | 318.4  |
| Redcar & Cleveland         | 342.4   | 371.2  |
| Stockton                   | 400.0   | 421.7  |
| <b>Tees Valley Average</b> | <b>362.0</b>  | <b>379.2</b>   |
| <b>North East</b>          | <b>379.1</b>  | <b>382.7</b>   |
| <b>Great Britain</b>       | <b>418.0</b>  | <b>418.6</b>   |

Source: Annual Survey of Hours and Earnings 2013

3.47 When measured by place of residence, average weekly pay is higher than in all other local authority areas in the Tees Valley. When measured by place of work, Hartlepool's monthly median rate of pay is only exceeded by that in Stockton.

### **Summary**

3.48 Hartlepool has a population of 92,028 people, 13.9% of the total for the Tees Valley (662,791). The local workforce is active, however, unemployment is high, both in the context of the Tees Valley and the wider North East.

3.49 This review of socio-economic data has raised some other areas of concern. Specifically that Hartlepool has:

- A high overall level of deprivation and several areas of intense deprivation covering much of northern and central Hartlepool town
- A low proportion of local residents qualified to degree level and a comparatively high proportion of people with no qualifications
- Low proportions of people who work in professional and associate professional occupations
- A strong dependence on public sector employment, although the number employed in state sectors is in line with wider Tees Valley and North East averages.

3.50 Hartlepool also retains a strong local manufacturing sector, with 14.9% of the working population in manufacturing jobs, well above wider averages. This includes large numbers of people employed in the manufacture of tubes, pipes, hollow profiles and related fittings, of steel. By comparison, employment in many service sectors, notably ICT, is below wider averages.

3.51 There were some 2,420 businesses operating in the Borough in 2013. Relative to its population, Hartlepool has an average number of businesses when compared to the other local authority areas of the Tees Valley. Most of those businesses employ less than 10 employees (78.5%).

3.52 Business start-up rates in Hartlepool are average for the Tees Valley and North East. However, the rate of business death is comparatively modest and some 54-55% of local businesses survive into their fourth year, with 47.1% surviving into their fifth



year. These survival rates are the highest in the Tees Valley and also exceed regional and national levels.

- 3.53 Hartlepool's supply of industrial premises is focused in central Hartlepool town and in the industrial estates in the south of the town. Offices are focused in Hartlepool Town Centre, The Marina and in adjacent employment areas.
- 3.54 In 2011, homeworking accounted for only 6.6% of the working age population in employment, below wider averages. High proportions of people work from home in the rural west of Hartlepool.
- 3.55 In terms of commuting, Hartlepool is a net exporter of labour, second only to Redcar and Cleveland in the Tees Valley. Despite this Hartlepool is still a relatively self contained local authority area. 69% of Hartlepool's working residents live and work in the area. By comparison only 61% of Middlesbrough's and 58% of Redcar and Cleveland's residents live and work within those two local authority areas.

## 4.0 PROPERTY MARKET – GENERAL

### Introduction

- 4.1 Prior to analysing the study area's property market by the individual components of sites, industrial and offices – commentary is provided about the study area as a whole. This comprises a review of the supply of premises along with commentary on general national property and business trends. It is important to understand the supply and demand for property, as ultimately this is the key driver affecting the market for employment land.

### Tees Valley Unlimited – Inward Investment and Economic Growth

- 4.2 Following a recent fit for purpose review, Tees Valley Unlimited will no longer have a strong role in spatial planning or housing issues in the sub-region. However, the organisation will remain a key point of contact for inward investment enquiries in the Tees Valley.
- 4.3 In discussions, Tees Valley Unlimited highlight that Hartlepool has a number of assets which are of national significance and will draw investment into the borough. These include Able (UK) Seaton Port which can be operated as one of the largest dry docks in Europe. Although its present role is focused on ship dismantling and salvage, the scale of facilities means that it can also support the offshore wind and oil and gas industries in the North Sea.
- 4.4 Hartlepool Power Station is one of 10 sites identified across the UK for expansion, potentially including the provision of a new power station here. Hartlepool Borough Council therefore needs to identify and reserve land in their Local Plan for the new nuclear power station. Change at the Power Station would deliver long term economic benefits as decommissioning the old station would deliver some 700 jobs to Hartlepool, for a 10 year period, while developing and maintaining the new power station would generate a further 500 jobs. The stability of employment here must be contrasted to employment levels in the other major industries of the Borough which are driven by contract wins (or losses) and thus subject to regular fluctuations.
- 4.5 Hartlepool Port is increasingly establishing itself as a major support and manufacturing facility for the offshore wind energy sector, with land for supporting industries at nearby Oakesway. In 2012, JDR Cables completed a £30 million plant

for the production of subsea cables and umbilical systems for the offshore oil, gas and renewables market at the Port. This was one of the largest investments into the Tees Valley during the recent recession.

- 4.6 PD Ports is currently in negotiation with McDermott International, who have an option on 12.1 ha of land to on which to assemble long pipe stalks that will be spooled to their pipe-laying vessel for offshore oil and gas work. Again, if realised this will represent a major investment into the Tees Valley.
- 4.7 The offshore sector at the Port is now supported by Tata Hartlepool which has now secured contracts with Subsea Seven, to provide undersea cabling for the offshore industry. This is a growing specialism of Tata's Hartlepool Plant, distinguishing it from the more general production facilities in Redcar and Cleveland and providing it with a more secure future.
- 4.8 Seal Sands, which extends into Hartlepool at Huntsman Tioxide is a major UK centre for chemicals process industries. Huntsman has a number of expansion proposals which are likely to be brought forward over the next few years.
- 4.9 Queens Meadow is the most active Enterprise Zones in the Tees Valley, with proposals from the HCA for new small business space, for companies associated with advanced manufacturing along with proposals for a new training centre for Cleveland Fire Brigade (see Section 6.0).
- 4.10 Hartlepool's main strategic weakness is its lack of good quality office premises. While Wynyard Park already provides some good quality offices in Stockton, with the potential for further development in Hartlepool, the wider Wynyard scheme is separate from Hartlepool town and serves a broader commuter market along the A19 Corridor. It is not clear what level of economic benefit Hartlepool currently receives from Wynyard Park and what level of benefit it is likely to receive in the future.
- 4.11 Wynyard Park can be seen to be drawing office demand away from Hartlepool town. However, the success of the Rivergreen Business Centre/Hartlepool Innovation Centre at Queen's Meadow is evidence that where office space has been developed in Hartlepool town, it is being taken up. Rivergreen have also successfully converted several office properties into lab facilities, to meet specific client needs. This has

delivered new, high quality lab space, available to smaller businesses. Such a product is not readily available elsewhere in the Tees Valley.

- 4.12 Tee Valley Unlimited do not keep detailed records of major inward investments who locate into Hartlepool, indeed only two large company investments have been recorded by the organisation.

#### **Public Sector Property Enquiry Analysis**

- 4.13 Tees Valley Unlimited is the body responsible for collating the information about enquiries for commercial property in the Tees Valley area, which includes Hartlepool Borough.

- 4.14 Enquiries data has been provided by Tees Valley Unlimited for the period from 2005 to 2014. However, there are caveats to the analysis of this data. Principally, there is no breakdown of the data by date. This means that it is impossible to assess trends in demand over time. Given the impact of the 2008-2013 global recession on the economy of the North East, this represents a significant gap in the analysis.

- 4.15 Another limitation in the data is lack of detail relating to the location to which the enquiry relates. This reflects the fact that the majority of enquires to Tees Valley Unlimited do not specify a specific district but are looking for land and premises across the whole of the Tees Valley, including Hartlepool. Those that have indicated a preferred district will usually specify multiple locations e.g. Hartlepool and Stockton or Darlington and Middlesbrough. The below analysis therefore considers demand across the whole of the Tees Valley sub-region.

- 4.16 Tables 28, 29 and 30 set out an analysis of the sector type of property enquiries for the Tees Valley between 1st January 2005 and 31st December 2013. Over this period some 1,224 enquiries were received for the sub-region, with industrial premises accounting for over a third. There were a reasonable number of land requirements, 237 or 19% of the total.

- 4.17 In terms of general office, industrial and warehouse premises (Table 28), most enquiries are for smaller and mid-sized units of up to 3,716 sqm. However the industrial and warehousing sectors, not unsurprisingly, exhibit a greater percentage of enquiries for larger floorspaces – particularly in the 3,715-9,290 sqm and 23,227+

sqm size bands. 55 companies wanted very large units, of greater than 23,227 sqm, primarily in the form of industrial premises.

- 4.18 Enquiries for office space cluster at the smaller end of the spectrum, with 192 enquiries out of 295 (65%) being for properties smaller than 464 sqm.

**Table 28 – Tees Valley Unlimited Enquiries 2005-2014 Sizes – Offices, Industrial and Warehouses**

| Type         | Size Band, sqm |            |            |            |            |             |             |              |               |           | Total      |
|--------------|----------------|------------|------------|------------|------------|-------------|-------------|--------------|---------------|-----------|------------|
|              | 0-93           | 94-232     | 233-464    | 465-929    | 930-1,858  | 1,859-3,716 | 3,717-9,290 | 9,291-13,935 | 13,936-23,226 | 23,227+   |            |
| Office       | 77             | 69         | 46         | 25         | 23         | 32          | 15          | 1            | 0             | 7         | 295        |
| Industrial   | 44             | 58         | 68         | 73         | 64         | 68          | 33          | 16           | 7             | 30        | 461        |
| Warehouse    | 19             | 30         | 29         | 31         | 24         | 20          | 12          | 5            | 5             | 18        | 193        |
| <b>Total</b> | <b>140</b>     | <b>157</b> | <b>143</b> | <b>129</b> | <b>111</b> | <b>120</b>  | <b>60</b>   | <b>22</b>    | <b>12</b>     | <b>55</b> | <b>949</b> |

Source: Tees Valley Unlimited, 2014

- 4.19 Table 29 shows a modest demand for managed work space, particularly in the 47-93 sqm size range. Without data over time, however, it is impossible to say whether this demand is rising.
- 4.20 Of the 237 enquiries for development sites in the Tees Valley area over the period (see Table 30) 207 (87%) were for sites smaller than 16 ha, while 94 (40%) wanted sites of 2 ha or less.

**Table 29 – TVU Enquiries 2005-2014 Sizes – Managed Workspace (Offices and Workshops)**

|                    | Size Band, sqm |       |       |        |         |         |      | Total |
|--------------------|----------------|-------|-------|--------|---------|---------|------|-------|
|                    | 0-23           | 24-46 | 47-93 | 94-139 | 140-186 | 187-279 | 280+ |       |
| Managed Work Space | -              | 9     | 14    | 3      | 2       | 5       | 5    | 38    |

Source: Tees Valley Unlimited, 2014

**Table 30 – TVU Enquiries 2005-2014 Sizes – Land**

|       | Size Band, ha |       |       |        |         |           |           |       | Total |
|-------|---------------|-------|-------|--------|---------|-----------|-----------|-------|-------|
|       | 0-2           | 2.1-4 | 4.1-8 | 8.1-12 | 12.1-16 | 16.1-24.2 | 24.2-40.4 | 40.5+ |       |
| Sites | 94            | 45    | 33    | 22     | 13      | 6         | 5         | 19    | 237   |

Source: Tees Valley Unlimited, 2014

- 4.21 While Hartlepool Borough Council does maintain a database of local vacant premises and receive regular properties enquiries, these are generally through the Invest in Hartlepool website. Data from this website generally records the number of ‘hits’ on individual premises or types/sizes of premises. As an individual or organisation could visit the website multiple times, search for multiple premises, types/sizes, etc, which each recorded as a separate hit, this data would not provide an accurate measure of demand in the Borough.

### Property Supply

- 4.22 A schedule of the vacant floorspace being marketed in the study area (as at August 2014) has been compiled mainly from physical survey, a trawl of commercial property agents’ websites and consultations with agents. The marketed space is taken to be a reasonably close approximation to that which is vacant – although there may be occupiers waiting for interest in their property before moving, and empty units not actually being marketed. It also excludes spare capacity in larger manufacturing complexes, if that space is not being openly marketed at this time. The schedules for industrial (including warehouses and workshops) and offices have been included in Appendix 2.

### Industrial

- 4.23 Table 31 shows that there is 33,622 sqm of marketed industrial floorspace, made up of 29 properties, in the study area. However, around a quarter of this floorspace comprises the 8,598 sqm Windermere Road manufacturing complex in the south of Longhill Industrial Estate. By far the biggest unit currently on the market in the Borough, it is available, to let or for sale, to a large business looking for space in Hartlepool.
- 4.24 The supply is focused in the Longhill/Sandgate area, unsurprising as this offers the largest stock of small and mid-sized industrial premises in the Borough. Usworth Road and specifically the Hartlepool Workshops (Bizspace scheme) is another

significant source of vacant space. 59% of the available units and 81% of the floorspace are at these two locations.

- 4.25 In these two locations there is a reasonable range of available industrial units through each of the size bands up to 2,000 sqm, with the greatest availability is in the 0-500 sqm category. Elsewhere in the Borough, available space generally comprises mid-sized units of 500-5,000 sqm. There is only one unit on the market in the north of the town at present, this is mid-sized unit (2,251 sqm), situated on the Oakesway Industrial Estate.

**Table 31 – Amount of Marketed Industrial Property**

| Area   |                         | Size Band, sqm |         |         |          |           |           |        | Total  |
|--|-------------------------|----------------|---------|---------|----------|-----------|-----------|--------|--------|
|  |                         | 0-100          | 101-200 | 201-500 | 501-1000 | 1001-2000 | 2001-5000 | 5001+  |        |
| Ind4(a):<br>Sovereign<br>Park                  | Floorspace,<br>sqm      | -              | -       | -       | -        | 5,211     | 2,323     | -      | 7,534  |
|  | Number of<br>Properties | -              | -       | -       | -        | 3         | 1         | -      | 4      |
| Ind4(b):<br>Park View<br>West                  | Floorspace,<br>sqm      | -              | -       | -       | 2,229    | 1,968     | -         | -      | 4,197  |
|  | Number of<br>Properties | -              | -       | -       | 3        | 1         | -         | -      | 4      |
| Ind5(a):<br>Oakesway<br>Industrial<br>Estate   | Floorspace,<br>sqm      | -              | -       | -       | -        | -         | 2,251     | -      | 2,251  |
|  | Number of<br>Properties | -              | -       | -       | -        | -         | 1         | -      | 1      |
| Ind5(b):<br>Longhill/<br>Sandgate              | Floorspace,<br>sqm      | 128            | 337     | 823     | 544      | 1,310     | -         | 14,391 | 17,533 |
|  | Number of<br>Properties | 2              | 2       | 3       | 1        | 1         | -         | 2      | 11     |
| Ind5(b):<br>Usworth<br>Road                    | Floorspace,<br>sqm      | 27             | 417     | 683     | -        | -         | -         | -      | 1,127  |
|  | Number of<br>Properties | 1              | 3       | 3       | -        | -         | -         | -      | 7      |
| Ind5(f):<br>Tofts Farm<br>East/Hunter<br>House | Floorspace,<br>sqm      | -              | -       | -       | 682      | -         | -         | -      | 682    |
|  | Number of<br>Properties | -              | -       | -       | 1        | -         | -         | -      | 1      |
| Ind5(h):<br>Graythorp<br>Industrial<br>Estate  | Floorspace,<br>sqm      | -              | -       | 298     | -        | -         | -         | -      | 298    |
|  | Number of<br>Properties | -              | -       | 1       | -        | -         | -         | -      | 1      |

| Area  |                      | Size Band, sqm |         |         |          |           |           |       | Total  |
|-------|----------------------|----------------|---------|---------|----------|-----------|-----------|-------|--------|
|       |                      | 0-100          | 101-200 | 201-500 | 501-1000 | 1001-2000 | 2001-5000 | 5001+ |        |
| Total | Floorspace, sqm      | 128            | 155     | 754     | 1804     | 3455      | 8489      | 4574  | 14,391 |
|       | Number of Properties | 2              | 3       | 5       | 7        | 5         | 5         | 2     | 29     |

Source: BE Group 2014

4.26 Building quality is broken down into three category assessments as shown in Table 33, based on the headline rents of the available units. Rental levels provide a good indication of the general quality of a property without a detailed physical inspection. Table 32 shows that most of the available industrial property can be considered of average quality, with 69% of units falling into the £2.50-£5.00/sqft price band. Seven good quality units are available, mostly at Sovereign Park. Two units in Longhill/ Sandgate fall into the low quality, 'budget' category.

**Table 32 – Quality of Marketed Industrial Property**

| Area                                  | Quality  |           |          |
|---------------------------------------|----------|-----------|----------|
|                                       | Good     | Average   | Budget   |
| Ind4(a): Sovereign Park               | 4        | -         | -        |
| Ind4(b): Park View West               | -        | 4         | -        |
| Ind5(a): Oakesway Industrial Estate   | -        | -         | 1        |
| Ind5(b): Longhill/ Sandgate           | 3        | 7         | 1        |
| Ind5(b): Usworth Road                 | -        | 7         | -        |
| Ind5(f): Tofts Farm East/Hunter House | -        | 1         | -        |
| Ind5(h): Graythorp Industrial Estate  | -        | 1         | -        |
| <b>Total</b>                          | <b>7</b> | <b>20</b> | <b>2</b> |

Source: BE Group 2014

**Table 33 – Building Quality Assessment**

| Type       | Quality Assessment – Rental Levels |                  |             |
|------------|------------------------------------|------------------|-------------|
|            | Good                               | Average          | Budget      |
| Industrial | >£5.00/sqft                        | £2.50-5.00/sqft  | <£2.50/sqft |
| Office     | >£15.00/sqft                       | £5.00-15.00/sqft | <£5.00/sqft |

Source: BE Group 2014

4.27 59% of the premises are available on leasehold (Table 34). There are 12 individual units, which are for sale (or for sale/to let) in Hartlepool.



**Table 34 – Tenure of Marketed Industrial Property**

| Area                                  | Tenure    |          |          |
|---------------------------------------|-----------|----------|----------|
|                                       | Leasehold | Freehold | Either   |
| Ind4(a): Sovereign Park               | -         | -        | 4        |
| Ind4(b): Park View West               | 4         | -        | -        |
| Ind5(a): Oakesway Industrial Estate   | -         | -        | 1        |
| Ind5(b): Longhill/ Sandgate           | 6         | 3        | 2        |
| Ind5(b): Usworth Road                 | 7         | -        | -        |
| Ind5(f): Tofts Farm East/Hunter House | -         | 1        | -        |
| Ind5(h): Graythorp Industrial Estate  | -         | -        | 1        |
| <b>Total</b>                          | <b>17</b> | <b>4</b> | <b>8</b> |

Source: BE Group 2014

### Offices

- 4.28 Table 35 shows that there are 9,521 sqm of marketed offices (42 premises) in Hartlepool. Almost all the sub 100 sqm offices are all located at the Hartlepool Innovation Centre, Venture Court, Queens Meadow Business Park comprising 1,026 sqm (11% of the total supply) in 25 suites, although those 25 offices could be combined in a number of ways. Away from the Innovation Centre, most premises are found in the town centre or The Marina and comprise units of 1001-1,000 sqm, with a focus on the 201-500 sqm size band. There is one larger office property on the market at present, offering 2,414 sqm of space in New Clarence House, Wesley Square (the Hartlepool Mail building).
- 4.29 Office space in the comparatively new Hartlepool Innovation Centre is of good quality (see Table 36) as are units around the Marina. Premises elsewhere are generally of average quality. Budget quality space is found in the town centre and at Longhill Industrial Estate.

**Table 35 – Amount of Marketed Office Property**

| Area                                 |                             | Size Band, sqm |           |            |              |              |           |              | Total        |
|--------------------------------------|-----------------------------|----------------|-----------|------------|--------------|--------------|-----------|--------------|--------------|
|                                      |                             | 0-50           | 51-100    | 101-200    | 201-500      | 501-1000     | 1001-2000 | 2001+        |              |
| Ind3: Queens Meadow Business Park    | Floorspace, sqm             | 902            | 75        | -          | -            | -            | -         | -            | 977          |
|                                      | Number of Properties        | 24             | 1         | -          | -            | -            | -         | -            | 25           |
| Ind5(b): Longhill/Sandgate           | Floorspace, sqm             | -              | -         | -          | 675          | -            | -         | -            | 675          |
|                                      | Number of Properties        | -              | -         | -          | 2            | -            | -         | -            | 2            |
| Ind5(h): Graythorp Industrial Estate | Floorspace, sqm             | -              | -         | -          | -            | 912          | -         | -            | 912          |
|                                      | Number of Properties        | -              | -         | -          | -            | 1            | -         | -            | 1            |
| Hartlepool Town Centre/Marina        | Floorspace, sqm             | 49             | -         | 214        | 2,740        | 1,502        | -         | 2,452        | 6,957        |
|                                      | Number of Properties        | 1              | -         | 2          | 8            | 2            | -         | 1            | 14           |
| <b>Total</b>                         | <b>Floorspace, sqm</b>      | <b>951</b>     | <b>75</b> | <b>214</b> | <b>3,415</b> | <b>2,414</b> | <b>-</b>  | <b>2,452</b> | <b>9,521</b> |
|                                      | <b>Number of Properties</b> | <b>25</b>      | <b>1</b>  | <b>2</b>   | <b>10</b>    | <b>3</b>     | <b>-</b>  | <b>1</b>     | <b>42</b>    |

Source: BE Group 2014

**Table 36 – Quality of Marketed Office Property**

| Area                                 | Quality   |          |          |
|--------------------------------------|-----------|----------|----------|
|                                      | Good      | Average  | Budget   |
| Ind3: Queens Meadow Business Park    | 25        | -        | -        |
| Ind5(b): Longhill/Sandgate           | -         | -        | 2        |
| Ind5(h): Graythorp Industrial Estate | -         | 1        | -        |
| Hartlepool Town Centre/Marina        | 5         | 7        | 2        |
| <b>Total</b>                         | <b>30</b> | <b>8</b> | <b>4</b> |

Source: BE Group 2014

4.30 As Table 37 shows, the majority of the office properties available in the Borough (79%) are available to rent. Only one property is offered for outright sale and eight properties (19%) are available on either leasehold or a freehold basis.

**Table 37 – Tenure of Marketed Office Property**

| Area                                 | Tenure    |          |          |
|--------------------------------------|-----------|----------|----------|
|                                      | Leasehold | Freehold | Either   |
| Ind3: Queens Meadow Business Park    | 25        | -        | -        |
| Ind5(b): Longhill/Sandgate           | -         | -        | 2        |
| Ind5(h): Graythorp Industrial Estate | -         | -        | 1        |
| Hartlepool Town Centre/Marina        | 8         | 1        | 5        |
| <b>Total</b>                         | <b>33</b> | <b>1</b> | <b>8</b> |

Source: BE Group 2014

### Valuation Office Data

#### **Industrial**

- 4.31 According to the latest Valuation Office (VO) statistics (2008) there are 685 industrial hereditaments in the study area, totalling 896,000 sqm. Out of all this space there are 29 marketed premises totalling 33,622 sqm (see Table 31 above). This suggests an overall 'occupancy rate' for Hartlepool of 96% by floorspace. By premises numbers, the 'occupancy rate' is 97%.

#### **Offices**

- 4.32 There are 286 office hereditaments in the study area, totalling 78,000 sqm. Out of all this space there are 42 marketed premises totalling 9,521 sqm (see Table 35 above). This suggests an overall 'occupancy rate' for the study area of 88% by floorspace. By premises numbers the overall 'occupancy rate' is 85%.

### **Modern Occupier Needs and the Emerging Property Trends**

- 4.28 BE Group through its long experience operating in the commercial property market across the UK, as well as in the study area specifically, understand market perceptions and the conditions facing the industrial and office sectors. The following sub-sections draws upon this market experience, providing a brief commentary on modern occupier needs and emerging trends within both sectors.

#### **Modern Occupier Needs**

- 4.29 In this sub-section the report outlines what modern businesses are looking for in terms of their property, as well as those developers providing space for them.
- 4.30 There are two key property sub-markets to consider in understanding the demand for

premises. The first is the demand from companies looking for premises for their own occupation; the second, which is necessarily derived from the first, comes from specialist property developers who will provide solutions for these companies.

- 4.31 Many end-user companies, especially small ones, looking for accommodation prefer occupying an existing building to either organising the construction of one for themselves or entering into a design and build agreement with a developer. This is due to the management time involved and the long lead-in whilst premises are built; while it may also be difficult to rationalise and visualise such an important acquisition off-plan.
- 4.32 Having premises built for owner occupation requires a long lead-time to cover the planning, negotiation and construction time involved often greater than 12 months. Furthermore not every company wants a brand new building, partly because they are generally more expensive than second-hand ones.
- 4.33 Experience shows today companies want well located, accessible space. Specification, parking, external loading and the quality of the immediate environment will all be factored into the decision to acquire.
- 4.34 However the recent combination of low interest rates and the depressed stock market has led to an unusually large number of companies looking to own their premises (although current market conditions have softened this due to the lack of available finance). One route to achieving this is by developing their own site, especially if they cannot find a suitable freehold property. Nationally most requests for such small sites to enable self-build are of less than 0.4 ha in size.
- 4.35 Although design and build options can be convenient, they are quite expensive because the controlling developer makes its profit not only on the land sale, but also on managing the building process. Consequently if the company is able, some prefer to buy land direct and organise building contractors themselves. This is especially the case with lower value added industries where high quality buildings are of secondary importance. However without strong planning control this scenario can lead to business areas of lower aesthetic value and layout.
- 4.36 Developers acquiring sites consider the nature of the market, as outlined above, as

well as the potential for speculative development, i.e. riskier, supply-led, rather than demand-driven construction. They also prefer to acquire prominent, (easy to develop) greenfield sites close to arterial roads or motorways because irrespective of sustainable transport policies, private transport still predominates. They naturally want land that is attractive to end-users. Furthermore property development is intensely entrepreneurial and extremely price sensitive. So although land may be available on the open market, if it is at too high a price, then the developer will not acquire it.

### ***Emerging Property Trends***

#### *Industrial*

- 4.37 Occupiers are generally looking for smaller premises as average company size continues to decrease. In line with rising aspirations and a concentration on higher value added activities, companies are looking for higher quality accommodation. In rural areas company sizes are generally already small; and the desire for high quality is less of a priority due to affordability issues. Successful industrial businesses typically require dedicated, self-contained, secure yard areas, and for units over 2,000 sqm the trend seems to be at least one dock level loading bay and a 40 metre turning circle to allow heavy goods vehicles access into and out of the unit.
- 4.38 Large requirements, above 10,000 sqm, are comparatively rare, and where they do exist are generally for distribution warehousing or specialised production/laboratory facilities. Demand for such facilities in Hartlepool would appear to be limited to port-related uses at both Victoria Harbour and Able (UK) Seaton Port. Most of these are contract-led with a flurry of activity as a number of specialist distribution companies look for units, before one of them secures the contract on offer. However these companies generally cannot wait for a bespoke warehouse to be built for them and so, due to the rarity of such large, available buildings their search areas are increasingly wide.
- 4.39 Freehold demand is relatively strong as a result of low interest rates, poor stock market pension performances and increased private sector interest in property investment. Hartlepool appears to have a reasonable freehold market, at least in the second hand industrial sector, where some 12 industrial premises are presently available. These two factors previously resulted in property developers being willing

to offer speculative, freehold buildings. However, as a consequence of the recent prolonged recession speculative development has stopped dead across much of the country, including in Hartlepool where no new speculative space (i.e. new premises developed without a pre-secured occupier) has been delivered since well before 2008. It may resume as the effects of the recession recede, and indeed an element of speculative premises (smaller workshops) is now proposed at Queens Meadow as part of HCA proposals.

- 4.40 Outsourcing of many aspects of the production and distribution process has led to a declining need for traditional, large scale, all-encompassing manufacturing facilities. This is gradually being replaced by smaller, sub-assembly light manufacturing space. Shorter leases (five years) and break clauses (three years) are now becoming much more common.

#### *Offices*

- 4.41 For offices the trend is for smaller suites as average business sizes fall. There are two strands to this. Micro-businesses (those with less than 10 employees) often want serviced offices or similar types of easy-in, easy-out schemes that lower their risk of exposure. This is reflected in the success of many of the Borough's key business centres, notably the Hartlepool Innovation Centre and Queens Meadow Business Park.
- 4.42 Small businesses (with 10-49 employees) typically are looking for offices in the region of 150-500 sqm. Comments made by agents in Hartlepool (see Section 5.0, suggest that local demand is at the lower end of this spectrum.
- 4.43 Improving technology means specifications are changing, for example wireless networks may soon make raised floors superfluous and make the conversion of Victorian and other similar buildings easier. Changes in working practices also means that floorspace requirements through home working, hot-desking, and increased densities are reducing
- 4.44 In line with rising aspirations and a concentration on higher value added activities, successful companies are looking for higher quality accommodation. For example air conditioning is becoming almost a standard requirement in new schemes, which pushes up rentals by £5-10/sqm on average. Furthermore some occupiers (looking

for more than 200 sqm) increasingly want self-contained premises, i.e. their own front door, toilets, reception, utilities, etc. There is increasing demand for relatively short leases (one to three years), which helps account for the increasing popularity of serviced offices.

- 4.45 Prior to the credit crunch, freehold demand was strong. However, as with the industrial market, the recession and lack of available finance is constraining this sub-market and has largely eradicated speculative development, outside of major city centres. Again, where there is demand, the lack of available premises is a factor in suppressing the market, and in Hartlepool there is only one freehold-only office on the market.
- 4.46 Occupiers requiring higher skills, especially those linked to key growth sectors will be concerned about access to an appropriate pool of skilled labour, which can drive demand towards city centres, research facilities and higher education institutes. Discussions with major businesses, outlined in Section 7.0, suggest that skills shortages, at least in some key sectors, are an issue in Hartlepool.
- 4.47 Property will need to be increasingly flexible to accommodate research-based manufacturing space as more complex processes develop, but still within an office environment.
- 4.48 Clustering around like-minded companies will also drive demand to key business park locations, with good availability of 'white collar', knowledge-based, skilled staff. Other businesses will require central urban locations such as the professions and creative industries, where face-to-face contact is important or where public transport is important to attract staff.

### **Summary**

- 4.49 Tees Valley Unlimited receives more enquiries for industrial space than for offices; and fewest for warehouses. There also appears to be reasonable demand for land in the sub-region. Most industrial enquiries are for units up to 3,716 sqm; and for sites up to 16 ha. There is also a modest demand for a modest demand for managed work space, particularly in the 47-93 sqm size range.

- 4.50 Hartlepool is well placed to benefit inward investment given its range of specialist and high quality facilities. Change at Hartlepool Power Station would be particularly beneficial to the local economy. However inward investment is actually quite a small part of the property market as a whole.
- 4.51 As of August 2014 there was 33,622 sqm of industrial floorspace on the market, comprising 29 properties. However, around a quarter of this comprises the 8,598 sqm Windermere Road manufacturing complex in the south of Longhill Industrial Estate. Available industrial premises are concentrated in Longhill/Sandgate and Usworth Road. Supply is limited in the north of the town and there is nothing outside of the Hartlepool settlement area. Good quality premises are focused at Sovereign Park and at Queens Meadow. Freehold premises are available in a number of locations across Hartlepool town.
- 4.52 Sixty% of the currently available office premises in Hartlepool are in the Hartlepool Innovation Centre, Venture Court, Queens Meadow Business Park. Most other space is in the town centre or the Marina. There is little available space within the industrial estates. Available suites are mostly small (0-50 sqm) or mid-sized (201-500 sqm). Most space is of good quality and there is only one freehold unit on the market.
- 4.54 Modern businesses and developers want easily developable, accessible and usually prominent sites for their premises. A healthy property market should provide a mix of options including speculative developments; design and build schemes, and freehold plots for owner occupiers to self-build. However, property development is entrepreneurial and not all companies that are looking for space can realistically be satisfied all the time. The property market, by nature, is inherently imperfect. Companies will, however, generally seek to move from existing property to provide themselves with better, more efficient, cost effective accommodation of an approximate size.
- 4.55 Modern trends are expected to lead to a greater number of businesses that are smaller in size, which are more dynamic and technology driven and which will come and go more fluidly.



## 5.0 PROPERTY MARKET – ANALYSIS

### Introduction

- 5.1 This section considers the more detailed issues related to supply and demand for industrial and office property within the study area as a prelude to assessing the future need for land. The comments of stakeholders active in Hartlepool's industrial and office property markets are analysed. The industrial market refers to accommodation for manufacturing, storage, distribution and warehousing purposes including smaller workshop premises.
- 5.2 Six private sector stakeholders were contacted by telephone for an informal discussion of the property market. Responses were obtained from one national agent, three regional agents and two local agents. To protect anonymity of individuals, names of commentators are not revealed.
- 5.3 These are stakeholders who are actively engaged in the sale and/or lease of industrial and office premises 'on the ground' and so have good firsthand knowledge of the market in Hartlepool. The views they give provide useful practical input which balances the higher level evidence provided by forecasting and policy analysis.
- 5.4 Stakeholders were contacted by telephone, or face-to-face, to undertake a semi-structured interview which focused on the following questions:
- What units are you currently marketing? What are businesses looking for?
  - Review property offer – office, industrial, land – is there enough property and is it good enough quality?
  - Are they mainly freehold or leasehold – is there a shortage of either one of these?
  - How quickly are units letting? What are popular sizes? What sizes do not find occupiers?
  - Are certain areas more popular than others?
  - Is there enough land? Where should further land be allocated?
  - Property requirements of emerging businesses and sectors? Any noticeable trends, e.g. increasing need for quality, smaller units, etc?
  - Weaknesses and shortfalls in existing offer – what can be done about it?

- Are there any key aspects that the Council needs to address? What is the private sector's perception of the place? How is Hartlepool viewed in terms of inward investment?
- What is the average price per square foot for the office/industrial premises you represent?

5.5 Their views have been summarised and anonymised in a series of tables. Table 38 provides a breakdown of the general comments received with regard to conditions across the whole of Hartlepool's commercial property market.

**Table 38 – Property Market Comments – General**

| Contact        | Comment   |
|----------------|---|
| Regional Agent | <p>There is very little demand for either industrial or office premises in Hartlepool, therefore supply is more than sufficient.</p> <p>A big problem for the town is its isolation and the perception that it is the end of the line – not a place with any passing trade and remote from major infrastructure links. Businesses locating in the North East will prefer locations further south in the Tees Valley or the A19 corridor.</p> <p>The only sensible place to develop in Hartlepool would be the Queens Meadow Estate but even this would require extensive council support as developers will not speculate on projects without guaranteed revenue. This would probably mean waiving business rates until high levels of occupancy are reached; offering grants and incentives to occupiers; guaranteeing rental incomes to developers for 20-25 years as incentives.</p> <p>Hartlepool is poorly perceived by potential businesses except as a source of cheap labour. Rectifying this image is one of the most important things the Council can do.</p> |
| Local Agent    | <p>If anything there is an over-supply of land at present and there is therefore no need for additional allocation as much that has been allocated is still undeveloped.</p> <p>Demand is for a mix of freehold and leasehold. Many estates only offer leasehold space at present..</p> <p>Properties vary in how quickly they sell or let but generally they take a while to go. There has been an upturn in the last 12 months.</p> <p>The town centre is struggling as the quality of the building stock is poor, retail businesses are moving out to out-of-town retail parks and lack of free car parking deters would-be occupiers. Edge of town developments have better quality, modern buildings and ample free</p>  |

| Contact | Comment  |
|---------|--|
|         | <p>car parking and are therefore more attractive to businesses.</p> <p>There is an unmet demand for D1 uses in the town centre of Hartlepool because buildings in the centre are largely unsuitable for these uses: quality is low and many are older buildings without the accessibility requirements for these uses. This is an emerging trend.</p> <p>Businesses need a reason to come to the area – it's difficult to see that they have one at present.</p> |

Source BE Group, 2014

- 5.6 Table 39 provides a summary of the comments received from stakeholders with regards to the local industrial property market.

**Table 39 – Property Market Comments – Industrial**

| Contact        | Comment   |
|----------------|---|
| Regional Agent | <p>In the area, the agent only represents a couple of locations: Longhill Industrial Estate, which is a single site of heavily contaminated land with a couple of old buildings, which have been used for waste recycling and 8,600 sqm of space at Toft's Farm, where the quality of the space is higher than much other local industrial provision and there has been some interest in it over the six months it has been on the market.</p> <p>There is quite a lot of land/industrial premises in relation to demand but it is generally of poor quality and older buildings can take 12-18 months to let.</p> <p>The popular areas seem to be Tofts Farm and Brenda Road as these are closest to the major arterial roads through the area.</p> <p>The biggest problems for businesses in Hartlepool are old and poor quality buildings, security issues and low-grade, possibly illegal uses of sites, which put off better tenants. Many local businesses struggle with business rates, especially when it comes to expansion or upgrading to new premises.</p> <p>Hartlepool is not usually the first choice for businesses seeking to locate or re-locate in the North East. Waste disposal and recycling business may locate here but the bio-chemicals sector seems to prefer Billingham, probably because there is an existing cluster of these businesses there.</p> |
| Regional Agent | <p>There is an over-supply of usable industrial buildings, many of which are currently empty.</p> <p>Tofts Farm and Brenda Road are more popular as industrial sites</p>  |

| Contact        | Comment  |
|----------------|--|
|                | <p>because they are closer to the A19. Other sites are struggling.</p> <p>Rents vary considerably across the borough, depending on age and location of the properties. Industrial space in Oakesway can fetch as little as £10.00/sqm, sites offering flexible leases do better with rents up to £35.00/sqm.</p>   |
| Regional Agent | <p>The agent also represents 35 properties on the Longhill Industrial Estate. Two 700 sqm premises are currently on the market.</p> <p>Usually small units get taken up faster than larger ones, often by start-up businesses. Turn around is generally very quick – days – once units have been viewed because landlord uses standard lease and lets are short term, up to 3 years, on flexible terms. The units are basic but the tenants seem happy with this.</p> <p>The market has picked up over last year from a low base in 2013.</p> <p>Occupancy is varied and includes warehousing, distribution and manufacturing. Motor trade uses are prohibited.</p> <p>The agent had a positive view of council support and interventions on behalf of estate.</p> <p>Average rent for these units is around £32.00/sqm.</p> |
| Local Agent    | <p>There is not enough high quality industrial space – much of the industrial stock is out-dated and of poor quality.</p> <p>There is neither supply nor demand for large industrial units (2,000 sqm or more) and these sorts of units only tend to get built when there is a specific need for them.</p> <p>There is a shortfall in both starter units of up to 100 sqm and of medium size, 200-1,000 sqm.</p> <p>Average industrial rents range from £50.00 - £60.00/sqm for high quality hybrid developments in Queen's Meadow to £25.00 - £30.00/sqft for standard units. The poorest quality premises, built in the 1970s, go for as little as £10.00/sqm.</p>   |
| Local Agent    | Workshops in Hartlepool Innovation Centre are fully occupied.  |

Source BE Group, 2014

5.7 Table 40 provides a summary of the comments received on the local office property market.

**Table 40 – Property Market Comments – Office**

| Contact        | Comment  |
|----------------|--|
| Regional Agent | <p>The only size of office for which there is a shortage of supply is small modern offices, up to 150 sqm. Older offices are available in the 100-150 sqm range but they are older and of lower quality (and often not disabled accessibility compliant).</p> <p>Offices in the Marina are most popular but there is still no demand for larger premises (2,000 sqm or more) and insufficient demand for medium size (250 sqm) to justify carving up larger buildings to create suites of this size.</p> <p>Rents vary considerably across the borough, depending on age and location of the properties. Offices on the High Street generally fetch between £30.00 and £50.00/sqm, rising to around £80.00/sqm in the Marina.</p>  |
| Local Agent    | <p>There is enough office space to meet current demand.</p> <p>Average office rents range from larger space in the Marina at £90.00/sqm to £30.00/sqm for town centre (where, to quote the agent: <i>“you take what you can get”</i>).</p>   |
| Local Agent    | <p>Agent only deals with Hartlepool Innovation Centre and comments are only applicable to that site.</p> <p>Occupancy stands at 73%. Prior to 2011 and the extension of site, there was 100% occupancy. This drop is seen as being the result of the recession.</p> <p>Agent would prefer higher occupancy on the site but extensive marketing hasn't generated more interest. Assumption must therefore be that there is no further local demand for this sort of space.</p> <p>Agent believes therefore that the area has enough office space in this size range (40-150 sqm) to meet demand and would not be happy to see plans to expand office provision in the current climate.</p> <p>Agent would like to see businesses move from the Hartlepool Enterprise Centre on Brougham Terrace to the Innovation Centre as a logical next step in their development. This could be encouraged by Council initiatives.</p> <p>Ethos of the site is to encourage entrepreneurship by providing flexible terms and spaces, with monthly roll-over leases. There is movement within the centre as businesses move to bigger or smaller premises on site.</p> <p>Enquiries come from many sources: brokers, press coverage and referrals from existing tenants.</p> |

| Contact | Comment  |
|---------|--|
|         | Businesses in the Centre include start-ups, follow-on growth businesses and PLCs looking for local office space. |

*Source BE Group, 2014*

### Summary

- 5.8 Understanding of the local market was informed by a number of consultees including five local property agents. Discussions focused on the level of sales and rental activity, the broad locational distribution of demand and the anticipated future trends and requirements.
- 5.9 Hartlepool has a primarily local property market in both the industrial and office sectors. This partly reflects the town's (perceived at least) geographical isolation and relative distance from major infrastructure routes such as the A19 and A1(m). Thus larger businesses, for whom transport access is important, are more likely to locate in facilities in neighbouring Stockton (including developed phases of Wynyard Park) or further south in the Tees Valley. This view does not necessarily allow for more specialist demand at the port or associated with the chemicals or energy generation sectors.
- 5.10 The office market generally meets the needs of local service sector businesses and provides ancillary space for existing industrial firms. Demand is for 0-150 sqm leasehold suites and there is a lack of modern premises, in this size range, at present.
- 5.11 The larger office properties at Hartlepool Marina have enjoyed some interest, but generally views suggest they are too large (i.e. more than 2,000 sqm) for the current market. Sub-dividing them by floor produces suites of around 250 sqm which are still felt to be too large for general business needs. The market view therefore is that further development at the Marina, and elsewhere, should focus on delivering small business suites of up to 150 sqm, marketed to local businesses. Office rents range from £30/sqm for basic town centre accommodation, up to £80-90/sqm for good quality space at the Marina
- 5.12 Occupancy at Hartlepool Innovation Centre declined during the recession and has yet to recover. Experience from recent marketing suggests that demand for further

serviced office space here is limited at present, although market activity within the Centre, i.e. the expansion and growth of existing tenants, continues apace.

- 5.13 Industrial need is for modern moderate/good quality units of up to 1,000 sqm, including some incubation units of around 100 sqm. Market activity is focused around Longhill Industrial Estate, where much of Hartlepool's supply of light industrial space can be found. Smaller units can be let here very quickly although the quality of space here is comparatively low. Many local industrial occupiers appear willing to accept budget quality space, but for others it can cause problems of security, etc. and may discourage potential occupiers who require a higher grade of accommodation.
- 5.14 Better quality industrial units are found at Tofts Farm and along Brenda Road more generally, although there is still a need for more moderate/good quality light industrial space to meet local needs. Oakesway is not seen as a desirable location for businesses at present although no new space has been provided here to date.
- 5.15 Average industrial rents range from £50.00 - £60.00/sqm for high quality hybrid developments in Queen's Meadow to £25.00 - £30.00/sqft for standard units. The poorest quality premises, built in the 1970s, go for as little as £10.00/sqm. Demand is for a mix of freehold and leasehold. Many estates only offer leasehold space at present.
- 5.16 Queens Meadow is seen as the most desirable location for new development although property market stakeholders are not yet convinced whether there is demand for speculative development at this time.

## **6.0 EMPLOYMENT LAND**

### **Introduction**

- 6.1 This section looks at the existing portfolio of potential employment land in the study area, not only how much there is, but also its quality, type, suitability and availability. Hartlepool needs a balanced portfolio of land to accommodate a sustainable, growing economy that can respond to dynamic market conditions, changing business needs and working practices. By initially establishing how much land there is, the second task is to consider how much land is needed in the future (to 2031), which is picked up in the forecasting section later in the report.

### **Land Supply**

- 6.2 The Council established the extent of its land supply, at March 2014, in the Stage 1 research which was undertaken internally. That research considered the gross land supply, site constraints, planning history and provided an initial analysis of site viability. Using that research as a base, Table 41 outlines Hartlepool's employment land supply. It outlines site sizes; provides comments on current status (e.g. owner intentions) together with an assessment as to when they might come forward for development or use. This assessment of timescale is based upon a number of factors – market demand, overview (from discussions with stakeholders and site owners), ownership situation, planning status, infrastructure and services required. Proformas for each site (which include plans) are provided at Appendix 3. Figures 2-4 map Hartlepool's supply of employment land.



**Table 41 – Employment Sites Schedule**

| Name                 | Size, ha | Comment   | Availability, years |
|----------------------|----------|---|---------------------|
| (1) Brenda Road East | 6.1      | <p>Mixed Ownership (private)<br/>A backland site, located to the rear of industrial uses. Not an appropriate site for housing. However, no alternative B-Class employment proposals are identified at this time.<br/>Allocated for B1/B2/B8<br/>Not Serviced</p>  | 5+                  |
| (2) Brenda Road East | 5.0      | <p>JJ Hardy/Abbot own<br/>A backland site, located to the rear of industrial uses. Not an appropriate site for housing. However, no alternative B-Class employment proposals are identified at this time.<br/>Allocated for B1/B2/B8<br/>Not Serviced</p>   | 5+                  |
| (3) Brenda Road East | 0.9      | <p>Hartlepool Borough Council own<br/>This site has good main road frontage and could potentially support a more diverse range of employment uses including industrial, office and (ancillary) retail.<br/>However, the primarily industrial nature of the area means that it would still not be an appropriate site for housing.<br/>However, no alternative B-Class employment proposals are identified at this time.<br/>Allocated for B1/B2/B8<br/>Not Serviced</p> | 3-5                 |
| (4) Tofts Farm West  | 8.2      | <p>Dean Group and Private Individual owns<br/>The owner has expressed long term interest in developing this land as new business park, effectively a second phase of the Tofts Farm Industrial Estate.<br/>However, any plans would be subject to economic conditions and there is no timetable for bringing this forward.<br/>Allocated for B1/B2/B8<br/>Not Serviced</p>  | 3-5                 |

| Name                             | Size, ha | Comment  | Availability, years |
|----------------------------------|----------|--|---------------------|
| (5) Tofts Farm East/Hunter House | 0.6      | <p>Hansteen own</p> <p>Frontage expansion site in an established industrial estate. Would be suitable for meeting the expansion needs of an existing occupier or providing a design and build opportunity to a new occupier for the industrial estate.</p> <p>Allocated for B1/B2/B8</p> <p>Not Serviced</p>   | 3-5                 |
| (6) Former Centura               | 18.1     | <p>Private Individuals own</p> <p>Buildings now cleared although significant materials and foundations remain on the site</p> <p>Heavily constrained, backland site with extremely limited access. Highly unlikely that this site could be redeveloped for new industrial premises. Development for other commercial uses would be equally problematic.</p> <p>Site should be deallocated from employment use.</p> <p>Allocated for B1/B2/B8</p> <p>Not Serviced</p>   | 5+                  |
| (7) Golden Flatts                | 20.8     | <p>Hartlepool Borough Council own</p> <p>Backland site with a frontage which is now mostly developed for housing (with further housing proposed). These factors significantly limit the attractiveness of the location for further industrial development.</p> <p>In particular would prevent the use of much of the site as expansion for neighbouring Tata.</p> <p>Having regard to the northern frontage, the rest of the land would appear better suited for creation of a green wedge with an appropriate buffer in the south to the Tata steelworks.</p> <p>Allocated for B1/B2/B8</p> <p>Not Serviced</p> | 5+                  |

| Name                           | Size, ha | Comment   | Availability, years |
|--------------------------------|----------|---|---------------------|
| (8) Longhill Industrial Estate | 1.0      | <p>Multiple Ownership</p> <p>Infill plot within an established industrial estate. Would be suitable for a further development of light industrial units, as on Ullswater Road to the south. Or could accommodate the need of a single occupier.</p> <p>Eastern parts of the site appear in use, possibly informally, by Topmix for open storage of aggregates.</p> <p>Allocated for B1/B2/B8</p> <p>Not Serviced</p>  | 3-5                 |
| (9) Maritime Avenue North      | 0.7      | <p>Jomast Developments own</p> <p>Maritime Avenue North and South have for consent 6,518 sqm of A1/A2/A3 retail/food, 18, 573 sqm of offices, 6,650 sqm hotel (developed and occupied by Travelodge), 4,620 sqm C2 residential institutions and 7,591 sqm of C3 housing. This forms the Trincomalee Wharf scheme.</p> <p>Based on the current consent only a portion of the two sites will be developed for B-Class employment, although sufficient office accommodation is consented to cover both sites.</p> <p>Land is being marketed by Jomast Developments as development opportunity sites for the consented uses. However current marketing is focusing on the nearby Hartlepool Bay residential scheme.</p> <p>Allocated for mixed uses</p> <p>Serviced</p> | 3-5                 |
| (10) Maritime Avenue South     | 2.1      | <p>Jomast Developments own</p> <p>Maritime Avenue North and South have for consent 6,518 sqm of A1/A2/A3 retail/food, 18, 573 sqm of offices, 6,650 sqm hotel (developed and occupied by Travelodge), 4,620 sqm C2 residential institutions and 7,591 sqm of C3 housing. This forms the Trincomalee Wharf scheme.</p> <p>Based on the current consent only a portion of the two sites will be developed for B-Class employment, although sufficient office accommodation is consented to cover both sites.</p> <p>Land is being marketed by Jomast Developments as development opportunity sites for the consented uses. However current marketing is focusing on the nearby Hartlepool Bay residential scheme.</p> <p>Allocated for mixed uses</p> <p>Serviced</p> | 3-5                 |

| Name                             | Size, ha | Comment  | Availability, years |
|----------------------------------|----------|--|---------------------|
| (11) North Burn Electronics Park | 66.7     | <p>Langtree/Onsite own</p> <p>Long term strategic landholding by Langtree. Developer has no plans to bring this site forward at present, particularly given ongoing availability at Wynyard Park.</p> <p>Not clear if a development of B-Class uses would be viable here given the likely costs of creating a new A19 access.</p> <p>If development occurs here it is more likely to be for uses associated with the Hospital proposal, previously consented for Wynyard Park.</p> <p>Consider deallocating</p> <p>Allocated for B1/B2/B8 (related to the electronics industry)</p> <p>Not Serviced</p>                              | 5+                  |
| (12) North Graythorp             | 17.6     | <p>Mixed Ownership</p> <p>No identified development plans</p> <p>A range of backland industrial sites surrounding existing occupiers such as Exwold Technology. Portions of the site could provide expansion plans for these occupiers.</p> <p>Backland nature of the land and general low quality of the surrounding area mean that this is not a desirable location for new occupiers.</p> <p>However, the location would be appropriate for accommodating 'bad neighbour' uses such as waste recyclers, as indicated in the SBZ.</p> <p>Allocated for B2 (potentially polluting or hazardous development)</p> <p>Not Serviced</p> | 3-5                 |
| (13) North of Seaton Channel     | 24.5     | <p>Hartlepool Borough Council own (leased to PD Ports)</p> <p>PD Ports has no current plans for this land.</p> <p>PD Port's existing/potential occupiers can have unanticipated and urgent land requirements as they win new contracts. Thus the port owner wishes to retain this land to meet such unpredictable future land needs.</p> <p>In this case, the land may also be used to take advantage of growing opportunities in the nuclear sector.</p> <p>Allocated for B2 (port related)</p> <p>Not Serviced</p>   | 5+                  |

| Name          | Size, ha | Comment  | Availability, years |
|---------------|----------|--|---------------------|
| (14) Oakesway | 16.1     | <p>Langtree/Onsite own</p> <p>Enterprise Zone, identified for Advanced Engineering, Advanced Manufacturing and Renewable Energy Manufacturing and subject to an LDO</p> <p>Enterprise Zone type is Business Rate Discount, aimed at fostering indigenous small- and medium sized businesses which form the supply chain of the area's heavy industries such as renewable energy and advanced engineering.</p> <p>Oakesway particularly considered suitable for supply chain businesses associated with the Port.</p> <p>Previous wind turbine proposal, which looked at new access route through railway underpass to docks area.</p> <p>The Council has received a number of (confidential) enquiries for sites of around 0.4 ha. However, all interest remains tentative at this stage.</p> <p>Site has been considered for housing in the past, the Hartlepool SHLAA (2010) identified the land for some 77 units and the HCA have made submissions on the site's suitability for housing. However, a reallocation for housing is not justified at this time given the sites Enterprise Zone status and the occupier interest that is being recorded. If, after Enterprise Zone status has lapsed, significant portions of the site have not been (or are not about to be) occupied, this option could be reconsidered.</p> <p>Allocated for B1/B2/B8</p> <p>Not Serviced</p> | 1-3                 |
| (15) Oakesway | 0.40     | <p>Langtree/Onsite own</p> <p>Enterprise Zone, identified for Advanced Engineering, Advanced Manufacturing and Renewable Energy Manufacturing and subject to an LDO</p> <p>Enterprise Zone type is Business Rate Discount, aimed at fostering indigenous small- and medium sized businesses which form the supply chain of the area's heavy industries such as renewable energy and advanced engineering.</p> <p>Oakesway particularly considered suitable for supply chain businesses associated with the Port.</p> <p>Previous wind turbine proposal, which looked at new access route through railway underpass to docks area.</p> <p>The Council has received a number of (confidential) enquiries for sites of around 0.4 ha. However, all interest remains tentative at this stage.</p> <p>Site has been considered for housing in the past, the Hartlepool Strategic Housing Land</p>   | 1-3                 |

| Name          | Size, ha | Comment   | Availability, years |
|---------------|----------|---|---------------------|
|               |          | <p>Availability Assessment (SHLAA, 2010) identified the land for some 77 units and the HCA have made submissions on the site's suitability for housing.</p> <p>However, a reallocation for housing is not justified at this time given the sites Enterprise Zone status and the occupier interest that is being recorded. If, after Enterprise Zone status has lapsed, significant portions of the site have not been (or are not about to be) occupied, this option could be reconsidered.</p> <p>Allocated for B1/B2/B8<br/>Not Serviced</p>  |                     |
| (16) Oakesway | 0.40     | <p>Private Owner</p> <p>Enterprise Zone, identified for Advanced Engineering, Advanced Manufacturing and Renewable Energy Manufacturing and subject to an LDO</p> <p>Enterprise Zone type is Business Rate Discount, aimed at fostering indigenous small- and medium sized businesses which form the supply chain of the area's heavy industries such as renewable energy and advanced engineering.</p> <p>Oakesway particularly considered suitable for supply chain businesses associated with the Port. Previous wind turbine proposal, which looked at new access route through railway underpass to docks area.</p> <p>The Council has received a number of (confidential) enquiries for sites of around 0.4 ha. However, all interest remains tentative at this stage.</p> <p>Site has been considered for housing in the past, the Hartlepool SHLAA (2010) identified the land for some 77 units and the HCA have made submissions on the site's suitability for housing.</p> <p>However, a reallocation for housing is not justified at this time given the sites Enterprise Zone status and the occupier interest that is being recorded. If, after Enterprise Zone status has lapsed, significant portions of the site have not been (or are not about to be) occupied, this option could be reconsidered.</p> <p>Allocated for B1/B2/B8<br/>Not Serviced</p> | 1-3                 |

| Name          | Size, ha | Comment   | Availability, years |
|---------------|----------|---|---------------------|
| (17) Oakesway | 0.60     | <p>Private Owner</p> <p>Enterprise Zone, identified for Advanced Engineering, Advanced Manufacturing and Renewable Energy Manufacturing and subject to an LDO</p> <p>Enterprise Zone type is Business Rate Discount, aimed at fostering indigenous small- and medium sized businesses which form the supply chain of the area's heavy industries such as renewable energy and advanced engineering.</p> <p>Oakesway particularly considered suitable for supply chain businesses associated with the Port.</p> <p>Previous wind turbine proposal, which looked at new access route through railway underpass to docks area.</p> <p>The Council has received a number of (confidential) enquiries for sites of around 0.4 ha. However, all interest remains tentative at this stage.</p> <p>Site has been considered for housing in the past, the Hartlepool SHLAA (2010) identified the land for some 77 units and the HCA have made submissions on the site's suitability for housing.</p> <p>However, a reallocation for housing is not justified at this time given the sites Enterprise Zone status and the occupier interest that is being recorded. If, after Enterprise Zone status has lapsed, significant portions of the site have not been (or are not about to be) occupied, this option could be reconsidered.</p> <p>Allocated for B1/B2/B8</p> <p>Not Serviced</p> | 1-3                 |
| (18) Oakesway | 1.10     | <p>Private Owner</p> <p>Enterprise Zone, identified for Advanced Engineering, Advanced Manufacturing and Renewable Energy Manufacturing and subject to an LDO</p> <p>Enterprise Zone type is Business Rate Discount, aimed at fostering indigenous small- and medium sized businesses which form the supply chain of the area's heavy industries such as renewable energy and advanced engineering.</p> <p>Oakesway particularly considered suitable for supply chain businesses associated with the Port.</p> <p>Previous wind turbine proposal, which looked at new access route through railway underpass to docks area.</p> <p>The Council has received a number of (confidential) enquiries for sites of around 0.4 ha. However, all interest remains tentative at this stage.</p> <p>Site has been considered for housing in the past, the Hartlepool SHLAA (2010) identified the</p>   | 1-3                 |

| Name                | Size, ha | Comment  | Availability, years |
|---------------------|----------|--|---------------------|
|                     |          | <p>land for some 77 units and the HCA have made submissions on the site's suitability for housing. However, a reallocation for housing is not justified at this time given the sites Enterprise Zone status and the occupier interest that is being recorded. If, after Enterprise Zone status has lapsed, significant portions of the site have not been (or are not about to be) occupied, this option could be reconsidered.</p> <p>Allocated for B1/B2/B8<br/>Not Serviced</p>   |                     |
| (19) Park View West | 1.80     | <p>UK Land Estates own<br/>Large expansion site within an established industrial estate.<br/>Could support a new development of light industrial units or accommodate larger occupier(s).<br/>No developer or occupier interest at this time.<br/>Allocated for B1/B2/B8<br/>Not Serviced</p>  | 3-5                 |
| (20) Park View West | 0.40     | <p>UK Land Estates own<br/>Expansion site within an established industrial estate.<br/>Could support a new development of light industrial units or accommodate a larger occupier.<br/>No developer or occupier interest at this time.<br/>Allocated for B1/B2/B8<br/>Not Serviced</p>   | 3-5                 |
| (21) Queen's Meadow | 43.8     | <p>Langtree/Onsite own<br/>Enterprise Zone, identified for:</p> <ul style="list-style-type: none"> <li>• Advanced Engineering and Advanced Manufacturing</li> <li>• Chemical, Pharmaceutical and Biotechnology</li> <li>• Renewable Energy Manufacturing.</li> </ul> <p>Subject to LDO.<br/>Enterprise Zone type is Business Rate Discount, aimed at fostering indigenous small- and medium sized businesses which form the supply chain of the area's heavy industries such as renewable energy and advanced engineering.</p> | 1-3                 |



| Name                | Size, ha | Comment   | Availability, years |
|---------------------|----------|---|---------------------|
|                     |          | <p>Proposal (LDO Compliance Application) submitted by the HCA in August 2014 (App. No. E/2014/0002) for 2,937 sqm of B1(c) light industrial space on 2.4 ha. Will provide some 25 new workshop units of 70-200 sqm.</p> <p>In June 2014, Cleveland Fire Brigade requested an Environmental Impact Assessment Screening Opinion (No. H/2014/0281) for a new Training Complex associated with their current HQ building at Queen's Meadow.</p> <p>Good interest for land here as evidenced by the two schemes currently being put forward.</p> <p>Allocated for B1/B2/B8</p> <p>Not Serviced</p>  |                     |
| (22) Queen's Meadow | 0.9      | <p>Langtree/Onsite own</p> <p>Enterprise Zone, identified for:</p> <ul style="list-style-type: none"> <li>• Advanced Engineering and Advanced Manufacturing</li> <li>• Chemical, Pharmaceutical and Biotechnology</li> <li>• Renewable Energy Manufacturing.</li> </ul> <p>Subject to LDO.</p> <p>Enterprise Zone type is Business Rate Discount, aimed at fostering indigenous small- and medium sized businesses which form the supply chain of the area's heavy industries such as renewable energy and advanced engineering.</p> <p>Two current proposals are identified for Queen's Meadow in relation to Site 21. However neither will include this plot.</p> <p>Allocated for B1/B2/B8</p> <p>Not Serviced</p> | 1-3                 |
| (23) Sovereign Park | 11.4     | <p>Hansteen own</p> <p>Land available for the future expansion of Sovereign Park</p> <p>Hansteen acquired Sovereign Park in 2013. It has no plans to expand the park at this time.</p> <p>In a submission to the Call for Sites exercise Hansteen highlighted the flood risks at this location and argued that the level flood mitigation required may make development uses economically unviable. This view also reflects the present modest level of demand at Sovereign Park.</p> <p>The site was therefore put forward as a housing opportunity. This reflects discussions held between the previous owner (Spencer Properties) and the Council. Related to these discussions,</p>                               | 5+                  |

| Name                      | Size, ha | Comment  | Availability, years |
|---------------------------|----------|--|---------------------|
|                           |          | <p>Spencer undertook a Flood Risk Assessment, which demonstrated the extent of flooding on the land. Further work was done to show how development platforms could be formed to allow residential development to come forward and create managed capacity for flood alleviation/wildlife/open-space.</p> <p>While it is accepted that this is a constrained site, it is not clear if this land which sits at the back of an existing industrial estate, is presently accessed through that estate and is separated from other nearby housing areas by roads/railways, etc. is necessarily a viable housing opportunity site.</p> <p>Therefore this study does not recommend deallocation from employment uses at this time, but does suggest further monitoring and study to clarify if land here is viable for employment uses over the long term.</p> <p>Allocated for B1/B2/B8<br/>Not Serviced</p> |                     |
| (24) Tees Bay Retail Park | 1.9      | <p>Hartlepool Borough Council own</p> <p>Expansion site for Tees Bay Retail Park, but no specific proposals for this land, at this time. Occasional enquiries received from retail and showroom operators but no firm interest.</p> <p>Tees Bay Retail Park is an established retail location and future development here will be for A1-A4 retail or Sui Generis, not B1, B2, B8 employment.</p> <p>The planning allocation should be amended to reflect this and the site excluded from the employment land supply.</p> <p>Allocated for A1, B1, B8, D2<br/>Not Serviced</p>   | 5+                  |
| (25) Tees Bay Retail Park | 1.3      | <p>Chase Properties own</p> <p>Outline consent for new retail warehouse accommodation across Tees Bay Retail Park. Occasional enquiries received from retail and showroom operators but no firm interest.</p> <p>Tees Bay Retail Park is an established retail location and future development here will be for A1-A4 retail or Sui Generis, not B1, B2, B8 employment.</p> <p>The planning allocation should be amended to reflect this and the site excluded from the employment land supply.</p> <p>Allocated for mixed uses</p>  | 5+                  |

| Name                              | Size, ha | Comment  | Availability, years |
|-----------------------------------|----------|--|---------------------|
|                                   |          | Serviced   |                     |
| (26) Victoria Harbour North Docks | 47.5     | <p>PD Ports own<br/>Enterprise Zone, identified for:</p> <ul style="list-style-type: none"> <li>• Advanced Engineering and Advanced Manufacturing</li> <li>• Chemical, Pharmaceutical and Biotechnology</li> <li>• Renewable Energy Manufacturing.</li> </ul> <p>Subject to LDO.</p> <p>Enterprise Zone type is Enhanced Capital Allowances, to support the petro-chemical, renewable energy production and fabrication and advanced engineering sectors to modernise and expand their activities and to attract large-scale inward investors, particularly Foreign Direct Investment.</p> <p>PD Ports is currently in negotiation with McDermott International, who have an option on 12.1 ha of land to on which to assemble long pipe stalks that will be spooled to their pipe-laying vessel for offshore oil and gas work. It is intended that McDermott will begin operations by January 2015. However, this remains subject to McDermott securing a number of contracts.</p> <p>PD Port's existing/potential occupiers can have unanticipated and urgent land requirements as they win new contracts. Thus the port own wishes to retain all this land to meet such unpredictable future land needs.</p> <p>Allocated for A1,A3-5, B1, C1, C3, D1-2</p> <p>Not Serviced</p> | 1-3                 |
| (27) Victoria Harbour North Docks | 12.6     | <p>PD Ports own<br/>Enterprise Zone, identified for:</p> <ul style="list-style-type: none"> <li>• Advanced Engineering and Advanced Manufacturing</li> <li>• Chemical, Pharmaceutical and Biotechnology</li> <li>• Renewable Energy Manufacturing.</li> </ul> <p>Subject to LDO.</p> <p>Enterprise Zone type is Enhanced Capital Allowances, to support the petro-chemical, renewable energy production and fabrication and advanced engineering sectors to modernise and expand their activities and to attract large-scale inward investors, particularly Foreign Direct Investment.</p> <p>No current plans for this land</p>   | 1-3                 |

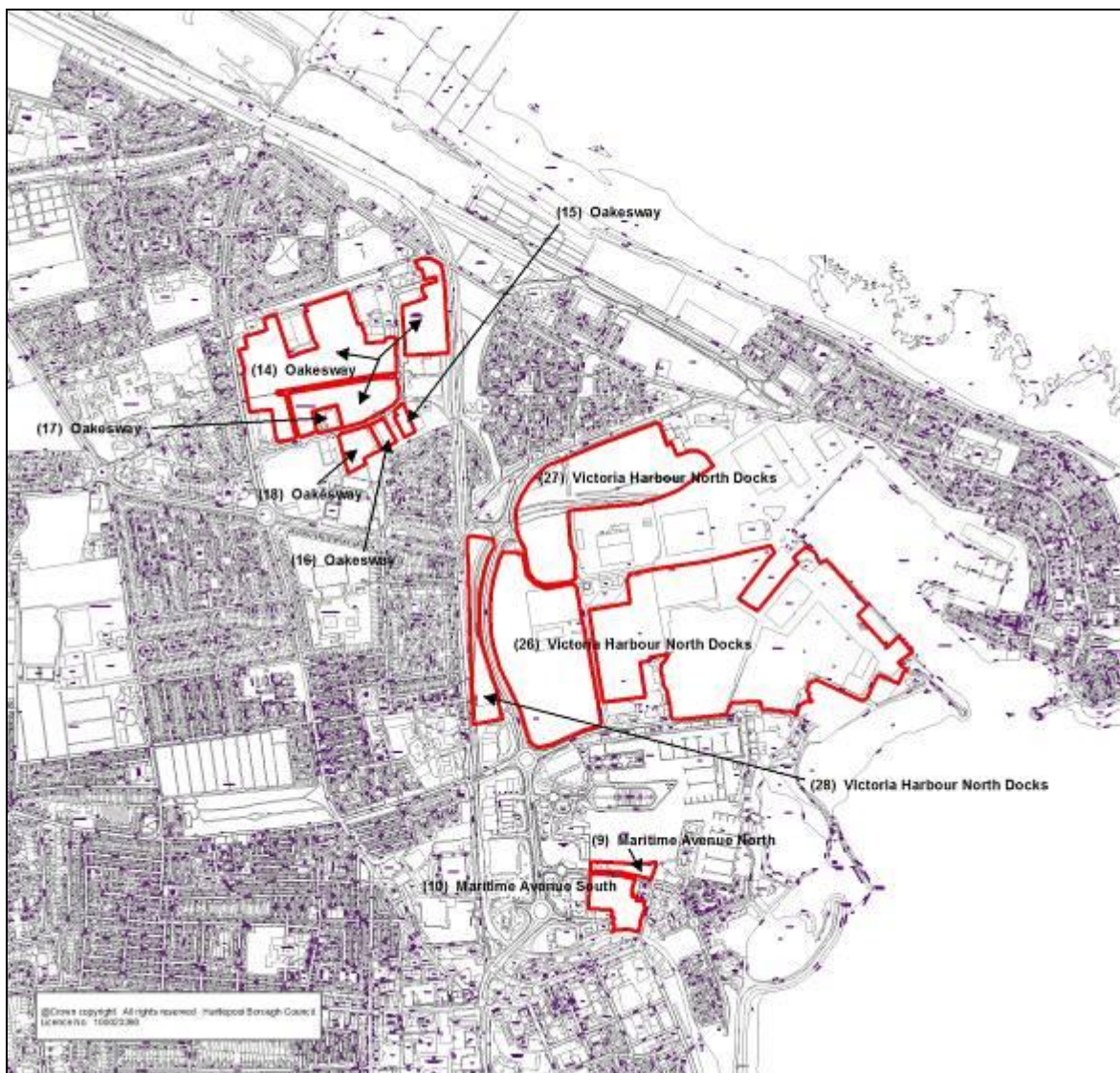
| Name                              | Size, ha | Comment  | Availability, years |
|-----------------------------------|----------|--|---------------------|
|                                   |          | <p>PD Port's existing/potential occupiers can have unanticipated and urgent land requirements as they win new contracts. Thus the port own wishes to retain all this land to meet such unpredictable future land needs.</p> <p>Allocated for A1,A3-5, B1, C1, C3, D1-2</p> <p>Not Serviced</p>   |                     |
| (28) Victoria Harbour North Docks | 3.1      | <p>PD Ports own</p> <p>PD Ports do not require this land for port operations and view it as surplus.</p> <p>Would look to release it for other uses, possibly housing if supported by the Council.</p> <p>Main road frontage could make this land suitable for retail and commercial options, subject to site suitability.</p> <p>Allocated for A1,A3-5, B1, C1, C3, D1-2</p> <p>Outside of the Enterprise Zone</p> <p>Not Serviced</p>  | 5+                  |
| (29) Wynyard Business Park        | 94.1     | <p>Wynyard Park Ltd own</p> <p>Wynyard Park is divided into three parts, extending across 358 ha. Wynyards One and Two are in Stockton, Three is in Hartlepool. Overall proposals, across the three areas, are:</p> <ul style="list-style-type: none"> <li>• 335,000 sqm of prestige business / industrial space (Class B1/B2/B8) of which around 90,000sqm of Class B1/B8 floorspace has already been built in Stockton</li> <li>• 1,580 homes</li> <li>• An Extra Care retirement village for 220 dwellings</li> <li>• Primary school for up to 370 pupils</li> <li>• Neighbourhood centre including shops and a village hall</li> <li>• New hospital containing 626 beds</li> <li>• A hotel and pub / restaurant.</li> </ul> <p>Wynyard Park Ltd is currently seeking outline consent for 400 dwellings, schools and a local centre on Wynyard Two in Stockton. This is reduced from 1,000 homes to reflect highways constraints on the A19 and A689.</p> | 5+                  |

| Name | Size, ha | Comment  | Availability, years |
|------|----------|--|---------------------|
|      |          | <p>On Wynyard Three, Hartlepool the following has consent subject to the signing of a Section 106 agreement (App. No. H/2013/0033):</p> <ul style="list-style-type: none"> <li>• A hospital for the North Tees and Hartlepool NHS. Taking up some 22.7 ha of land in the south and east of Wynyard Three, this new hospital will, when delivered, merge existing facilities in Stockton and Hartlepool</li> <li>• 200 new homes and a local centre of up to 400 sqm, on the western extent of Wynyard Three, on 17.4 ha. This was reduced from 603 dwellings, again to reflect highways constraints (although land remains to accommodate the outstanding 403 dwellings). A detailed planning application was submitted by Taylor Wimpey for 168 dwellings on the majority of this land</li> <li>• Up to 102,000 sqm of Class B1 floorspace.</li> </ul> <p>The Class B1 business uses lie south of the proposed main spine road and adjacent to the A689 on 31.5 ha of land. Up to 102,000 sqm of Class B1 floorspace is proposed, within 21 office blocks (most of around 5,271 sqm each) which vary in height from between 2 to 4 storeys. Reserved matters permission was granted for this as part of a wider business park development in October 2010 (H/2009/0494). That permission consented 275,205 sqm of Class B1 floorspace, 12,469 sqm of Class B2 floorspace and 26,504 sqm of Class B8 floorspace</p> <p>The remaining land, 22.7 ha in the north of the site is considered undevelopable due to highways capacity issues. It is now expected that this land will be deallocated from its current employment designation to become white land.</p> <p>Ongoing discussions between Hartlepool Borough Council, Tees Valley Unlimited, the Highways Agency and Stockton Borough Council on how to address strategic highways constraints around the A19 and A689. However, the level of upgrade required on the A19 to provide capacity for the full Wynyard Park development is extensive, effectively bringing the carriageway up to the standard of a motorway. Achieving this would require the co-operation of all Tees Valley Authorities as well as national level investment. It is not clear if this can be delivered.</p> <p>Wynyard Park Ltd is seeking to maximise the provision of high value housing development</p> |                     |

| Name         | Size, ha     | Comment   | Availability, years |
|--------------|--------------|---|---------------------|
|              |              | <p>across the three Wynyard Park sites. A maximum of 1,600 dwelling were originally sought, which has been reduced to around 600 in the present applications/consents.</p> <p>However, the emphasis remains on housing development here and it is likely that housing (and associated uses) will be developed ahead of any B-Class employment.</p> <p>Allocated for B1/B2/B8<br/>Not Serviced</p> |                     |
| <b>Total</b> | <b>409.7</b> |   |                     |

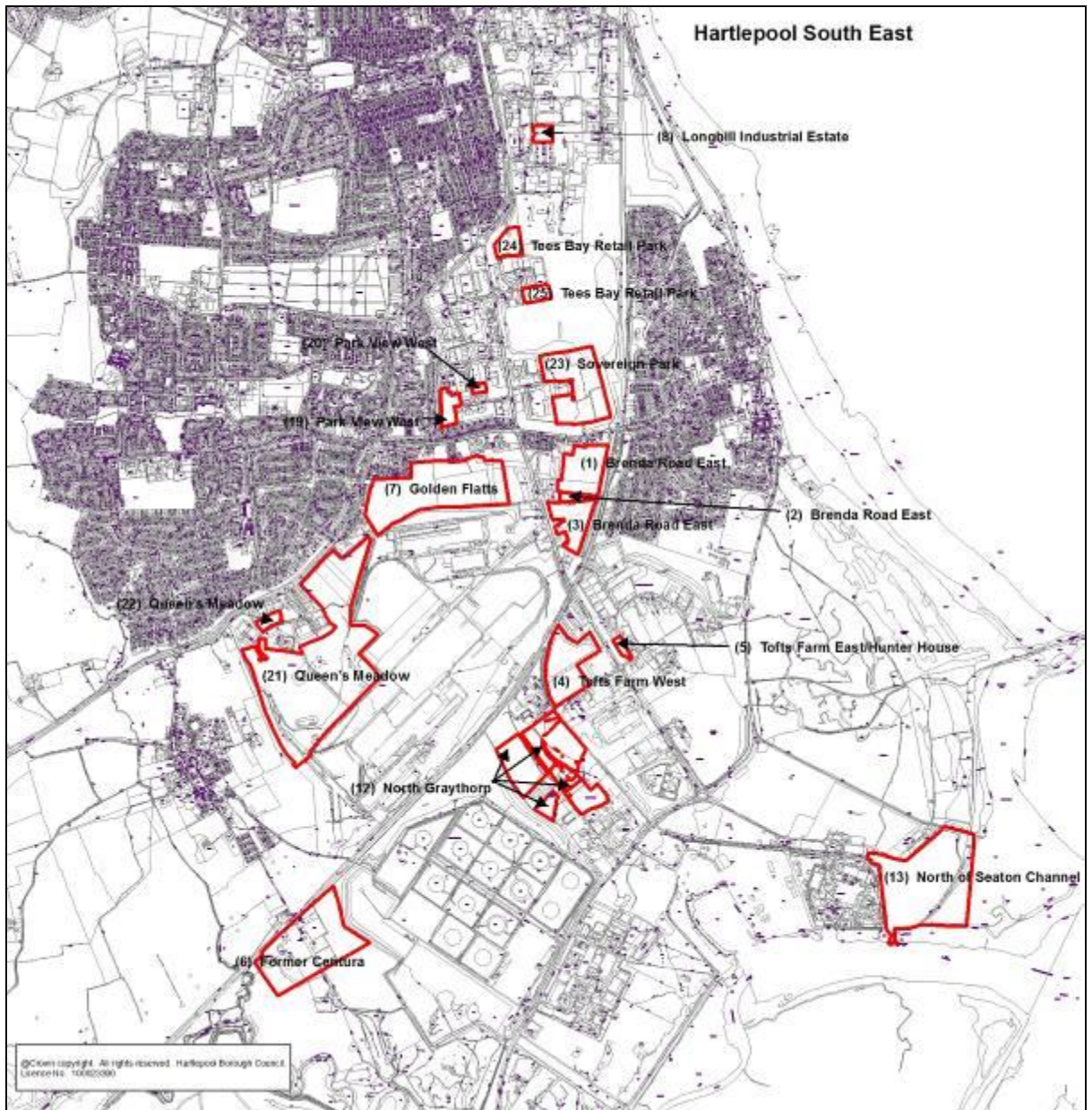
Source: BE Group/HBC, 2014

Figure 2 – Undeveloped Employment Sites in North East Hartlepool



Source: Hartlepool BC, 2014

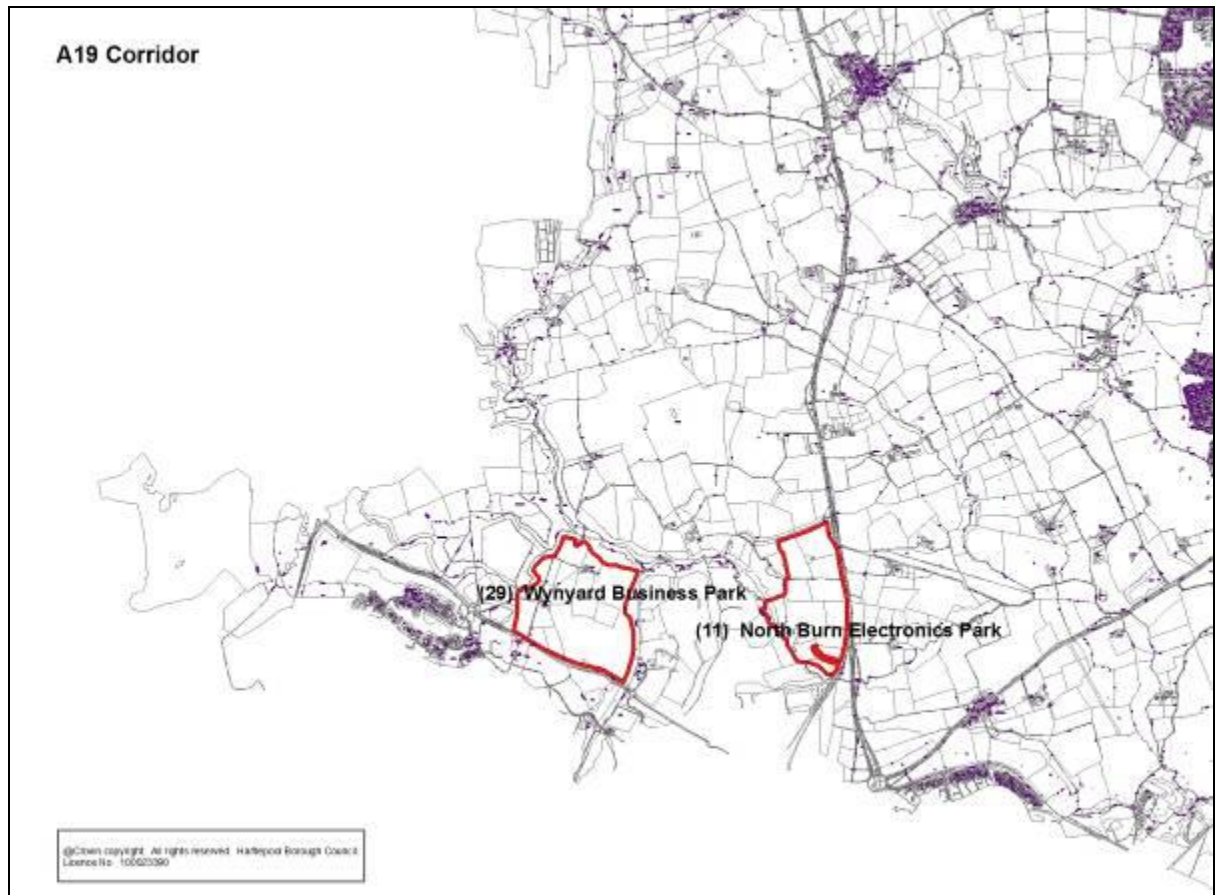
Figure 3 – Undeveloped Employment Sites in South East Hartlepool



Source: Hartlepool BC, 2014



**Figure 4 – Undeveloped Employment Sites on the A19 Corridor**



Source: Hartlepool BC, 2014

- 6.3 There are 29 sites totalling 409.7 ha. However, consideration of the sites on an individual basis suggests that (6) Former Centura is constrained and unlikely to ever come forward for development, in its present form at least.
- 6.4 Another 93.8 ha comprises land in five sites where a mixture of owner aspirations and site conditions suggest that the land is better suited for alternative uses, primarily retail and housing. Based on the evidence gathered in this study and subject to other planning considerations, these sites should be deallocated or reallocated accordingly.
- 6.5 Finally, the gross land supply includes some 94.1 ha Wynyard Business Park (Wynyard Three). However, examining the current planning consent, which remains subject to the signing of a Section 106 agreement, suggests that only 57.6 percent of the land, some 54.2 ha, remains in employment use at the time of this study. Further, 41.9 percent of that 54.2 ha (22.7 ha) is proposed for the development of a new

hospital, but continues to be considered as employment land until that development is realised.

- 6.6 The remaining 39.9 ha of land at Wynyard Three is either proposed for alternative uses (housing and a local centre, again subject to the signing of a Section 106) or considered undevelopable and appropriate for deallocation. This land should not be included in the employment land supply. As Table 42 shows, removing all these sites gives a realistic employment land supply of **257.9 ha**.

**Table 42 – Hartlepool Land Supply Scenarios**

| Site   | Cumulative Total Land Supply, ha | Justification for Site Exclusion from Supply  |
|--|----------------------------------|---|
| Baseline   | 409.7                            | -   |
| <b><i>Sites Judged Unlikely to come Forward</i></b>      |                                  |   |
| (6) Former Centura                                       | -18.1                            | Heavily constrained, backland site with extremely limited access. Highly unlikely that this site could be redeveloped for new industrial premises. Development for other commercial uses would be equally problematic.<br>Site should be deallocated from employment use  |
| <b><i>Reduced Supply Total</i></b>                       | <b>391.6</b>                     | -   |
| <b><i>Sites To Be Developed For Alternative Uses</i></b> |                                  |   |
| (7) Golden Flatts  | -20.8                            | Backland site with a frontage which is now mostly developed for housing (with further housing proposed). These factors significantly limit the attractiveness of the location for further industrial development.<br>In particular would prevent the use of much of the site as expansion for neighbouring Tata.<br>Having regard to the northern frontage, the rest of the land would appear better suited for creation of a green wedge with an appropriate buffer in the south to the Tata steelworks and should be reallocated accordingly. |
| (11) North Burn Electronics Park                         | -66.7                            | Developer has no plans to bring this site forward at present, particularly given ongoing availability at Wynyard Park.<br>Not clear of a development of B-Class uses would be viable here given the likely costs of creating a new A19 access.<br>If development occurs here it is more likely to be for uses associated with the Hospital  |

| Site   | Cumulative Total Land Supply, ha | Justification for Site Exclusion from Supply   |
|--|----------------------------------|--|
|  |                                  | proposal, previously consented for Wynyard Park.<br>Site should be deallocated from employment use unless there is clear evidence that funds will be available during the plan period to address the infrastructural issues associated with developing this site.  |
| (24) Tees Bay Retail Park  | -1.9                             | Tees Bay Retail Park is an established retail location and future development here will be for A1-A4 retail or Sui Generis, not B1, B2, B8 employment.<br>Should be reallocated to reflect this and the site excluded from the employment land supply.   |
| (25) Tees Bay Retail Park  | -1.3                             | Tees Bay Retail Park is an established retail location and future development here will be for A1-A4 retail or Sui Generis, not B1, B2, B8 employment.<br>Should be reallocated to reflect this and the site excluded from the employment land supply.   |
| (28) Victoria Harbour North Docks                                | -3.1                             | PD Ports do not require this land for port operations and view it as surplus.<br>Would look to release it for other uses, possibly housing if supported by the Council.<br>Main road frontage could make this land suitable for retail and commercial options, subject to site suitability.<br>Site should be deallocated from employment use (or reallocated, if appropriate)   |
| <b>Reduced Supply Total</b>                                      | <b>297.8</b>                     | -  |
| <b>Wynyard Park, Area to be Developed For B-Class Employment</b> |                                  |  |
| (29) Wynyard Business Park                                       | -39.9                            | The most recent applications suggest that only 54.2 ha of Wynyard Three will be developed for B-Class employment. This comprises 31.5 ha for a B1 business park and another 22.7 ha which remains in employment use at the time of writing, but which is proposed for a hospital development.<br>Other land is proposed for housing and a local centre (and should be reallocated) or is considered undevelopable due to highways constraints and needs to be deallocated. |
| <b>Final Reduced Supply</b>                                      | <b>257.9</b>                     | -  |

| Site                            | Cumulative Total Land Supply, ha | Justification for Site Exclusion from Supply |
|---------------------------------|----------------------------------|--|
| <b>Total (Realistic Supply)</b> |                                  |  |

Source: BE Group; 2014

### Sites Analysis

- 6.7 Table 43 shows how the land is distributed through Hartlepool, using the same sub-area breakdown as Section 3.0. The largest baseline supply is in the A19/A689 Corridor, comprising 160.80 ha at Wynyard Park and North Burn Electronics Park. However, as has been discussed, only 57.6 percent (54.2 ha) of the Wynyard Three remains available for B-Class employment while North Burn may not come forward at all. Thus Hartlepool's out-of-town supply is much smaller than it first appears.

**Table 43 – Distribution of Employment Land**

| Area  | Number of Sites | All Employment Land, ha | Serviced Land, ha |
|---|-----------------|-------------------------|-------------------|
| Hartlepool Town North<br><i>Includes the Port, headland and Hartlepool town north of the town centre</i>                    | 8               | 81.80                   | -                 |
| Hartlepool Town Centre<br><i>Includes the town centre, marina and adjacent industrial estates</i>                           | 3               | 3.80                    | 2.80              |
| Hartlepool Town South West<br><i>Land north and west of the A689</i>  | -               | -                       | -                 |
| South East Hartlepool<br><i>Land south and east of the A689</i>   | 16              | 163.30                  | 1.30              |
| Rural West<br><i>Includes the A19, Wynyard Park, and all communities outside of the Hartlepool town settlement boundary</i> | 2               | 160.80                  | -                 |
| <b>Total</b>  | <b>29</b>       | <b>409.7</b>            | <b>4.1</b>        |

Source: BE Group 2014

- 6.8 The majority of the remaining land, 163.30 ha in 16 sites, is in the South East of the town, surrounding the existing industrial estates and manufacturing complexes south and east of the A689. This study has highlighted a number of sites that are unviable for development and/or would be better suited for alternative uses. The bulk of the supply does remain viable for B-Class employment although market interest and developer activity remains comparatively limited here.

- 6.9 Perhaps unsurprisingly the three Enterprise Zone locations are most active at present. The strongest interest is at Queens Meadow where two significant proposals are being progressed. At the Port there is advanced interest from one large occupier looking for some 12 ha. Interest in Oakesway is being recorded but it remains of a tentative and small scale nature. Full occupancy of this site is still likely to be some years away.
- 6.10 Out of the total land supply of 409.7 ha, only 1% (4.10 ha) is serviced. The serviced land is focused at Maritime Avenue North in The Marina and at Tees Bay Retail Park.
- 6.11 A site is assumed to be serviced if utilities and road access are readily available. This would apply to infill sites in existing employment areas or where major sites have been opened up. Large allocations, where although services run to the edge of the site they have not been provided into the site itself, are not considered to be serviced. For this reason, land in the three Enterprise Zones and at Wynyard Park (which mostly comprises undeveloped brownfield/greenfield land) cannot be considered serviced until the relevant infrastructure is delivered and development plots prepared.
- 6.12 Employment land is divided between two types of uses – office and industrial (which can include B8 warehousing). Table 44 shows that 38% of the Borough’s employment land is primarily industrial in nature. This includes most land in the South East and at The Port, although the latter will be developed for more specialised (i.e. port related) uses.
- 6.13 By comparison Wynyard Park will be primarily an office site, although only 58 percent of the allocated land remains available B-Class employment. As was discussed above, six whole sites (totalling 111.9 ha) are likely to be developed for alternative uses or may not be developed at all.

**Table 44 – Anticipated Land Use**

| Site Type | Total, ha<br>(number of sites) |
|-----------|--------------------------------|
| Office    | 96.7<br>(3)                    |

| Site Type                | Total, ha<br>(number of sites) |
|--------------------------|--------------------------------|
| Industrial               | 155.5<br>(17)                  |
| Office / Industrial      | 45.6<br>(3)                    |
| Other uses/Undevelopable | 111.9<br>(6)                   |
| <b>Total</b>             | <b>409.7<br/>(29)</b>          |

Source: BE Group 2014

- 6.14 Each site has been assessed for its expected availability, the point at which it may come to market or be developed (see Table 45). This is derived from consultations with owners, agents, the Council and other evidence gathered in this study.

**Table 45 – Land Availability**

| Area  | Hectares Available, years<br>(Number of Sites) |                      |                     |                       |                       |
|---|--|----------------------|---------------------|-----------------------|-----------------------|
|   | 0-1  | 1-3                  | 3-5                 | 5+                    | Total                 |
| Hartlepool Town North<br><i>Includes the Port, headland and Hartlepool town north of the town centre</i>                    | -  | 78.7<br>(7)          | -                   | 3.1<br>(1)            | 81.8<br>(8)           |
| Hartlepool Town Centre<br><i>Includes the town centre, marina and adjacent industrial estates</i>                           | -  | -                    | 3.8<br>(3)          | -                     | 3.8<br>(3)            |
| Hartlepool Town South West<br><i>Land north and west of the A689</i>  | -  | -                    | -                   | -                     | -                     |
| South East Hartlepool<br><i>Land south and east of the A689</i>   | -  | 44.7<br>(2)          | 29.5<br>(6)         | 89.1<br>(8)           | 163.3<br>(16)         |
| Rural West<br><i>Includes the A19, Wynyard Park, and all communities outside of the Hartlepool town settlement boundary</i> | -  | -                    | -                   | 160.80<br>(2)         | 160.80<br>(2)         |
| <b>Total</b>  | -  | <b>123.4<br/>(9)</b> | <b>33.3<br/>(9)</b> | <b>253.0<br/>(11)</b> | <b>409.7<br/>(29)</b> |

*Source: BE Group 2014*

- 6.15 None of the sites is likely to be developed within a year. This reflects the fact that even on sites where there is active developer/occupier interest, notably the Queens Meadow and the Port, planning consents are still being sought and deals finalised. Major construction works are unlikely to begin until 2015.
- 6.16 Within the three Enterprise Zones, while interest is being recorded and some proposals for development have been identified, there is little evidence that the development is likely to be brought forward in the short term. On much of the industrial land in the South East of the Borough, no occupier/developer interest or other plans for change has been identified. Thus 38% of the supply (156.7 ha) is likely to remain available over the medium term, 1-5 years.
- 6.17 The remaining 62% (253.0 ha) comprises a longer term supply which is unlikely to be brought forward in less than five years. This includes Wynyard Park where the scale of the proposed development (of which office uses are just one part), and strategic highways issues, make full development a long term prospect. This also includes the six identified sites where development for B1/B2/B8 uses may never occur.

### ***Site Appraisal***

- 6.18 In the Stage One research, the Council undertook a site appraisal using the Appraisal Criteria set out set out in Stage 3 of the 2004 ODPM Guidance Note on Employment Land Reviews. Those Appraisal Criteria are set out in Figure 5, and consider if sites should be retained for B1/B2/B8 uses, deallocated (i.e. removed as an allocation from the Local Plan) or reallocated to alternative uses (with the Council, as Local Planning Authority, to determine what that alternative use should be, based on the available evidence). There are no equivalent appraisal criteria in the more recent Planning Practice Guidance (March 2014). Table 46 outlines that appraisal, adapting the findings, where appropriate to reflect the findings of this Stage Two and Three research.
- 6.19 It again highlights the six sites which this study highlights should be released from employment uses, specifically:
- Former Centura (deallocate)
  - Golden Flatts (reallocate for other uses)

- North Burn Electronics Park (deallocate)
- Tees Bay Retail Park (Sites 24 and 25) (reallocate for other uses)
- Victoria Harbour North Docks (Site 28) (deallocate or reallocate if appropriate for alternative uses).



**Figure 5 – Criteria to be used to Assess Whether Employment Sites are to be Deallocated/Reallocated (i.e. unsuitable or unlikely to be brought forward for development)**

|          |   |
|----------|---|
| <b>1</b> | <b>Market Attractiveness Factors</b>  |
| 1.1      | Has the site been formally identified for employment for at least 10 years?   |
| 1.2      | Has there been any recent development activity, within the last 5 years? This could include works on site but also new or revised planning applications/building regulations applications.                                      |
| 1.3      | Is the site being actively marketed as an employment site?  |
| 1.4      | Is the site owned by a developer or another agency known to undertake employment development?   |
| 1.5      | Is the site in multiple ownership/occupation, or owned by an organisation unlikely to bring it forward for development?   |
| 1.6      | Is there a valid permission for employment development, likely to meet market requirements? Or for an alternative use?  |
| 1.7      | Would employment development on this site be viable, without public funding to resolve infrastructure or other on-site constraints?   |
| <b>2</b> | <b>Sustainable Development Factors</b>  |
| 2.1      | Would the site be allocated today for employment development, measured against present sustainability criteria (including public transport and freight access, environmental impacts and brownfield/greenfield considerations)? |
| 2.2      | Is employment the only acceptable form of built development on this site (e.g. because of on-site contamination, adjoining uses or sustainable development reasons)?  |
| <b>3</b> | <b>Strategic Planning Factors</b>   |
| 3.1      | Is the site within an area identified as of strategic importance to the delivery of the RSS/RES?  |
| 3.2      | Is the site identified or likely to be required for a specific user or specialist use?  |
| 3.3      | Is the site part of a comprehensive or long term development or regeneration proposal, which depends on the site being developed for employment uses?   |
| 3.4      | Is there public funding committed (or likely to be provided) sufficient to overcome infrastructure or on-site constraints to make employment development viable?  |
| 3.5      | Are there any other policy considerations, such as emerging strategic objectives or spatial vision, which should override any decision to release the site?   |

Source: ODPM, 2004

**Table 46 – Hartlepool Site Appraisal**

|                     | Site Appraisal Criteria                |     |     |     |     |     |     |   |     |                                     |     |     |     |     | Reallocate,<br>Deallocate<br>or Retain<br>Site | Comments  |
|---------------------|--|-----|-----|-----|-----|-----|-----|---|-----|-------------------------------------|-----|-----|-----|-----|--|---|
|                     | 1.<br>Market Attractiveness<br>Factors |     |     |     |     |     |     | 2.<br>Sustainable<br>Development<br>Factors |     | 3.<br>Strategic<br>Planning Factors |     |     |     |     |  |   |
|                     | 1.1                                    | 1.2 | 1.3 | 1.4 | 1.5 | 1.6 | 1.7 | 2.1   | 2.2 | 3.1                                 | 3.2 | 3.3 | 3.4 | 3.5 |  |   |
| Name                |  |     |     |     |     |     |     |   |     |                                     |     |     |     |     |  |   |
| 1) Brenda Road East | y                                      | n   | n   | n   | n   | n   | n   | y   | y   | n/a                                 | n   | y   | n   | n   | retain   | Constrained land of low economic value. However, could still serve a range of industrial functions appropriate on land with a level of flood risk. Site location would be inappropriate for most alternative uses.  |
| 2) Brenda Road East | y                                      | n   | n   | n   | n   | n   | n   | y   | y   | n/a                                 | n   | y   | n   | n   | retain   | Constrained land of low economic value. However, could still serve a range of industrial functions appropriate on land with a level of flood risk. Site location would be inappropriate for most alternative uses.  |
| 3) Brenda Road East | y                                      | n   | n   | n   | n   | n   | n   | y   | y   | n/a                                 | n   | y   | n   | n   | retain   | This site has good main road frontage and could potentially support a more diverse range of employment uses including industrial, office and (ancillary) retail. Can also be used to open up Sites 1 and 2 for broader development. Landowner has aspirations for housing. However, the primarily industrial nature of the area means that it would still not be an appropriate site for housing. |
| 4) Tofts Farm West  | y                                      | n   | n   | y   | n   | n   | y   | y   | y   | n/a                                 | n   | y   | n   | n   | retain   | The owner has expressed long term interest in developing this land as new business park, effectively a second   |

|                                 | Site Appraisal Criteria                |     |     |     |     |     |     |   |     |                                     |     |     |     |     | Reallocate,<br>Deallocate<br>or Retain<br>Site | Comments   |   |
|---------------------------------|--|-----|-----|-----|-----|-----|-----|---|-----|-------------------------------------|-----|-----|-----|-----|--|--|---|
|                                 | 1.<br>Market Attractiveness<br>Factors |     |     |     |     |     |     | 2.<br>Sustainable<br>Development<br>Factors |     | 3.<br>Strategic<br>Planning Factors |     |     |     |     |  |  |   |
|                                 | 1.1                                    | 1.2 | 1.3 | 1.4 | 1.5 | 1.6 | 1.7 | 2.1   | 2.2 | 3.1                                 | 3.2 | 3.3 | 3.4 | 3.5 |  |  |   |
| Name                            |  |     |     |     |     |     |     |   |     |                                     |     |     |     |     |  |  |   |
|                                 |  |     |     |     |     |     |     |   |     |                                     |     |     |     |     |  |  | phase of the Tofts Farm Industrial Estate.<br>However, any plans would be subject to economic conditions and there is no timetable for bringing this forward. |
| 5) Tofts Farm East/Hunter House | y                                      | n   | y   | y   | n   | n   | y   | y   | y   | n/a                                 | n   | y   | n   | n   | retain   | Frontage expansion site in an established industrial estate. Would be suitable for meeting the expansion needs of an existing occupier or providing a design and build opportunity to a new occupier for the industrial estate.  |   |
| 6) Former Centura               | y                                      | y   | n   | y   | y   | n   | n   | n   | y   | n/a                                 | n   | n   | n   | n   | deallocate                                     | Heavily constrained, backland site with extremely limited access. Highly unlikely that this site could be redeveloped for new industrial premises. Development for other commercial uses would be equally problematic.   |   |
| 7) Golden Flatts                | y                                      | n   | n   | n   | n   | n   | n   | n   | y   | n/a                                 | n   | n   | n   | n   | reallocate                                     | Backland site with a frontage which is now mostly developed for housing (with further housing proposed). These factors significantly limit the attractiveness of the location for further industrial development.<br>In particular this would prevent the use of much of the site as expansion for neighbouring Tata.<br>Having regard to the northern |   |

|                                 | Site Appraisal Criteria          |     |     |     |     |     |     |                                    |     |                               |     |     |     |     | Reallocate, Deallocate or Retain Site | Comments   |   |
|---------------------------------|----------------------------------|-----|-----|-----|-----|-----|-----|------------------------------------|-----|-------------------------------|-----|-----|-----|-----|---------------------------------------|--|---|
|                                 | 1. Market Attractiveness Factors |     |     |     |     |     |     | 2. Sustainable Development Factors |     | 3. Strategic Planning Factors |     |     |     |     |                                       |  |   |
|                                 | 1.1                              | 1.2 | 1.3 | 1.4 | 1.5 | 1.6 | 1.7 | 2.1                                | 2.2 | 3.1                           | 3.2 | 3.3 | 3.4 | 3.5 |                                       |  |   |
| Name                            |                                  |     |     |     |     |     |     |                                    |     |                               |     |     |     |     |                                       |  |   |
|                                 |                                  |     |     |     |     |     |     |                                    |     |                               |     |     |     |     |                                       |  | frontage, the rest of the land would appear better suited for creation of a green wedge with an appropriate buffer in the south to the Tata steelworks. |
| 8) Longhill Industrial Estate   | y                                | n   | n   | y   | n   | n   | y   | y                                  | y   | n/a                           | n   | y   | n   | n   | retain                                | Infill plot within an established industrial estate. Would be suitable for a further development of light industrial units, as on Ullswater Road to the south. Or could accommodate the need of a single occupier.<br>Has particular value as the only remaining allocated site within the Longhill/Sandgate area, a key employment location for micro and small businesses in Hartlepool. |   |
| 9) Maritime Avenue North        | y                                | y   | y   | y   | n   | y   | y   | y                                  | y   | n/a                           | n   | y   | n   | y   | retain                                | Consent for offices here as part of a mixed-use scheme which supports the wider regeneration of Hartlepool Marina.   |   |
| 10) Maritime Avenue South       | y                                | y   | y   | y   | n   | y   | y   | y                                  | y   | n/a                           | n   | y   | n   | y   | retain                                | Consent for offices here as part of a mixed-use scheme which supports the wider regeneration of Hartlepool Marina.   |   |
| 11) North Burn Electronics Park | y                                | n   | n   | y   | n   | n   | n   | n                                  | y   | n/a                           | n   | y   | n   | n   | deallocate                            | Long term strategic landholding by Langtree. Developer has no plans to bring this site forward at present, particularly given ongoing availability at Wynyard Park.  |   |

|                             | Site Appraisal Criteria                |     |     |     |     |     |     |   |     |                                     |     |     |     |     | Reallocate,<br>Deallocate<br>or Retain<br>Site | Comments   |   |
|-----------------------------|--|-----|-----|-----|-----|-----|-----|---|-----|-------------------------------------|-----|-----|-----|-----|--|--|---|
|                             | 1.<br>Market Attractiveness<br>Factors |     |     |     |     |     |     | 2.<br>Sustainable<br>Development<br>Factors |     | 3.<br>Strategic<br>Planning Factors |     |     |     |     |  |  |   |
|                             | 1.1                                    | 1.2 | 1.3 | 1.4 | 1.5 | 1.6 | 1.7 | 2.1   | 2.2 | 3.1                                 | 3.2 | 3.3 | 3.4 | 3.5 |  |  |   |
| Name                        |  |     |     |     |     |     |     |   |     |                                     |     |     |     |     |  |  |   |
|                             |  |     |     |     |     |     |     |   |     |                                     |     |     |     |     |  |  | Not clear if a development of B-Class uses would be viable here given the likely costs of creating a new A19 access.<br><br>If development occurs here it is more likely to be for uses associated with the Hospital proposal, previously consented for Wynyard Park. |
| 12) North Graythorp         | y                                      | n   | n   | y   | y   | n   | y   | y   | y   | n/a                                 | n   | y   | n   | n   | retain   | A range of backland industrial sites surrounding existing occupiers such as Enwold Technology. Portions of the site could provide expansion plans for these occupiers.<br><br>Backland nature of the land and general low quality of the surrounding area mean that this is not a desirable location for new occupiers.<br><br>However, the location would be appropriate for accommodating 'bad neighbour' uses such as waste recyclers, as indicated in the SBZ. |   |
| 13) North of Seaton Channel | y                                      | n   | y   | y   | n   | n   | y   | y   | y   | n/a                                 | y   | n   | n   | n   | retain   | Specialist site which is only suitable for port-related uses. However, owner PD Ports would like to retain this site. They cite the importance of having land readily available to meet the often unanticipated and urgent land requirements of existing and potential occupiers as those occupiers win new contacts.  |   |

|                    | Site Appraisal Criteria                |     |     |     |     |     |     |   |     |                                     |     |     |     |     | Reallocate,<br>Deallocate<br>or Retain<br>Site | Comments   |
|--------------------|--|-----|-----|-----|-----|-----|-----|---|-----|-------------------------------------|-----|-----|-----|-----|--|--|
|                    | 1.<br>Market Attractiveness<br>Factors |     |     |     |     |     |     | 2.<br>Sustainable<br>Development<br>Factors |     | 3.<br>Strategic<br>Planning Factors |     |     |     |     |  |  |
|                    | 1.1                                    | 1.2 | 1.3 | 1.4 | 1.5 | 1.6 | 1.7 | 2.1   | 2.2 | 3.1                                 | 3.2 | 3.3 | 3.4 | 3.5 |  |  |
| Name               |  |     |     |     |     |     |     |   |     |                                     |     |     |     |     |  |  |
| 14) Oakesway       | y                                      | n   | y   | y   | n   | n   | y   | y   | y   | n/a                                 | n   | y   | n   | y   | retain   | Enterprise Zone with interest from potential occupiers, albeit tentative interest at this stage.   |
| 15) Oakesway       | y                                      | n   | y   | y   | n   | n   | y   | y   | y   | n/a                                 | n   | y   | n   | y   | retain   | Enterprise Zone with interest from potential occupiers, albeit tentative interest at this stage.   |
| 16) Oakesway       | y                                      | n   | y   | y   | n   | n   | y   | y   | y   | n/a                                 | n   | y   | n   | y   | retain   | Enterprise Zone with interest from potential occupiers, albeit tentative interest at this stage.   |
| 17) Oakesway       | y                                      | n   | y   | y   | n   | n   | y   | y   | y   | n/a                                 | n   | y   | n   | y   | retain   | Enterprise Zone with interest from potential occupiers, albeit tentative interest at this stage.   |
| 18) Oakesway       | y                                      | n   | y   | y   | n   | n   | y   | y   | y   | n/a                                 | n   | y   | n   | y   | retain   | Enterprise Zone with interest from potential occupiers, albeit tentative interest at this stage.   |
| 19) Park View West | y                                      | n   | y   | y   | n   | n   | y   | y   | y   | n/a                                 | n   | y   | n   | n   | retain   | Infill plot within an established industrial estate. Would be suitable for a further development of light industrial units or could accommodate the need of a single occupier. |
| 20) Park View West | y                                      | n   | y   | y   | n   | n   | y   | y   | y   | n/a                                 | n   | y   | n   | n   | retain   | Infill plot within an established industrial estate. Would be suitable for a further development of light industrial units or could accommodate the need of a single occupier. |
| 21) Queen's Meadow | y                                      | y   | y   | y   | n   | n   | y   | y   | y   | n/a                                 | n   | y   | n   | y   | retain   | Enterprise Zone with schemes for development being actively pursued.   |

|                                  | Site Appraisal Criteria                |     |     |     |     |     |     |   |     |                                     |     |     |     |     | Reallocate,<br>Deallocate<br>or Retain<br>Site | Comments  |
|----------------------------------|--|-----|-----|-----|-----|-----|-----|---|-----|-------------------------------------|-----|-----|-----|-----|--|---|
|                                  | 1.<br>Market Attractiveness<br>Factors |     |     |     |     |     |     | 2.<br>Sustainable<br>Development<br>Factors |     | 3.<br>Strategic<br>Planning Factors |     |     |     |     |  |   |
|                                  | 1.1                                    | 1.2 | 1.3 | 1.4 | 1.5 | 1.6 | 1.7 | 2.1   | 2.2 | 3.1                                 | 3.2 | 3.3 | 3.4 | 3.5 |  |   |
| Name                             |  |     |     |     |     |     |     |   |     |                                     |     |     |     |     |  |   |
| 22) Queen's Meadow               | y                                      | y   | y   | y   | n   | y   | y   | y   | y   | n/a                                 | n   | y   | n   | y   | retain   | Enterprise Zone with schemes for development being actively pursued.  |
| 23) Sovereign Park               | y                                      | n   | y   | y   | n   | n   | n   | y   | y   | n/a                                 | n   | y   | n   | n   | retain   | Expansion land for an established industrial estate. However, site is constrained and owner has aspirations for housing uses here so ongoing monitoring and study is required to determine long term viability. |
| 24) Tees Bay Retail Park         | y                                      | n   | y   | y   | n   | n   | y   | y   | n   | n/a                                 | y   | y   | n   | n   | reallocate                                     | Expansion plot within a retail park, any further development is likely to be for A1 retail, A3-4 food or Sui Generis showroom uses.   |
| 25) Tees Bay Retail Park         | y                                      | y   | y   | y   | n   | y   | y   | y   | y   | n/a                                 | y   | y   | n   | n   | reallocate                                     | Expansion plot within a retail park, any further development is likely to be for A1 retail, A3-4 food or Sui Generis showroom uses.   |
| 26) Victoria Harbour North Docks | y                                      | y   | y   | y   | n   | n   | y   | y   | y   | n/a                                 | y   | y   | n   | y   | retain   | Enterprise Zone, with advanced interest from one major occupier.  |
| 27) Victoria Harbour North Docks | y                                      | n   | y   | y   | n   | n   | y   | y   | y   | n/a                                 | y   | y   | n   | y   | retain   | Enterprise Zone. Owner would seek to protect this land to meet the needs of existing port occupiers or potential investors.   |
| 28) Victoria Harbour North Docks | y                                      | n   | n   | y   | n   | n   | y   | y   | n   | n/a                                 | n   | n   | n   | n   | Deallocate/<br>reallocate                      | PD Ports do not require this land for port operations and view it as surplus. Would look to release it for other uses, possibly housing if supported by the Council. Main road frontage could                   |

|                           | Site Appraisal Criteria                |     |     |     |     |     |     |   |     |                                     |     |     |     |     | Reallocate,<br>Deallocate<br>or Retain<br>Site | Comments   |  |
|---------------------------|--|-----|-----|-----|-----|-----|-----|---|-----|-------------------------------------|-----|-----|-----|-----|--|--|--|
|                           | 1.<br>Market Attractiveness<br>Factors |     |     |     |     |     |     | 2.<br>Sustainable<br>Development<br>Factors |     | 3.<br>Strategic<br>Planning Factors |     |     |     |     |  |  |  |
|                           | 1.1                                    | 1.2 | 1.3 | 1.4 | 1.5 | 1.6 | 1.7 | 2.1   | 2.2 | 3.1                                 | 3.2 | 3.3 | 3.4 | 3.5 |  |  |  |
| Name                      |  |     |     |     |     |     |     |   |     |                                     |     |     |     |     |  |  |  |
|                           |  |     |     |     |     |     |     |   |     |                                     |     |     |     |     |  |  | make this land suitable for retail and commercial options, subject to site suitability. Conversely its position makes it unsuitable for the types of heavy/specialist industry likely to be delivered on the rest of the Port. |
| 29) Wynyard Business Park | y                                      | y   | n   | y   | n   | y   | y   | n   | n   | n/a                                 | n   | y   | n   | y   | retain   | Complex site with potentially significant constraints. However, owners remain committed to a development which includes a significant element of B1 employment, even if the strategic highways constraints here mean that the full extent of Wynyard 1-3 can never be brought forward. |  |

Source: BE Group/HBC, 2014



### **Future Land Supply**

- 6.20 Having reviewed the Borough's current employment land supply, this section considers options for the provision of further employment land, should it be required to meet qualitative or quantitative needs to the end of the Plan period and beyond. Two possible sources are considered here:
- Responses to the Call for Sites exercise, undertaken by the Council in May 2014
  - A review of regeneration opportunities which exist within Hartlepool's existing industrial estates and business parks (Employment Areas).

### **Call for Sites**

- 6.21 In May 2014 Hartlepool Borough Council sent out a letter asking those with an interest in land that they would like to see developed in the future (190 landowners) to submit sites for consideration as part of the Employment Land Review process. The deadline for returns was 20<sup>th</sup> June 2014.
- 6.22 Returns have been received from three organisations, relating to four distinct sites and these are outlined in Table 47. In the case of two of those sites, the respondent is suggesting the release of employment land for alternative, primarily residential, uses. Responses to these are provided in Table 47.
- 6.23 Sites with potential to provide employment uses include Land in the north of Tofts Farm (2.4 ha). Put forward by landowner Hansteen, it is in the north of that industrial estate and partly allocated as Green Space at present. This site is surrounded by a bund, to mark the boundary of the industrial estate and to deter trespassers and fly-tipping. This bund separates the site from other Green Space land in this area. It also faces into the Tofts Farm Industrial Estate from where it is accessed.
- 6.24 The landowner has put this site forward for housing and there is an opportunity to bring an access from the adjacent housing estate. However, the current orientation, bunding and access arrangements of this land do make it suitable as an expansion site for Tofts Farm.

**Table 47 – Call for Sites Responses**

| Respondent                                      | Site Name  | Present Use | Development Plan Designation                                      | Proposed Use | Comment   | Reasons  |
|---|--|-------------|---|--------------|---|--|
| McGough Planning on behalf of Hansteen Holdings | Sovereign Park Employment Site (Site 23 – 11.4 ha) | Vacant      | B1/B2/B8 - Ind4(a)  | Housing      | Retain for employment at this time (subject to future review) | <p>As was discussed above, in its submission Hansteen highlighted the flood risks at this location and argued that the level of flood mitigation required may make development uses economically unviable. This view also reflects the present modest level of demand at Sovereign Park.</p> <p>The site was therefore put forward as a housing opportunity. This reflects discussions held between the previous owner (Spencer Properties) and the Council. Related to these discussions, Spencer undertook a Flood Risk Assessment, which demonstrated the extent of flooding on the land. Further work was done to show how development platforms could be formed to allow residential development to come forward and create managed capacity for flood alleviation/wildlife/open-space. While it is accepted that this is a constrained site, it is not clear if this land which sits at the back of an existing industrial estate, is presently accessed through that estate and is separated from other nearby housing areas by roads/railways, etc. is necessarily a viable housing opportunity site.</p> <p>Therefore this study does not recommend deallocation from employment uses at this time, but does suggest further monitoring and study to clarify if land here is viable for employment uses over the long term.</p> |
| McGough Planning on behalf of Hansteen Holdings | Land in the north of Tofts Farm (2.4 ha)           | Vacant      | B1/B2/B8 – Ind5(f) in the south<br>Protected Green Space – GN3(g) | Housing      | Consider as future employment land allocation                 | <p>This site is surrounded by a bund, to mark the boundary of the industrial estate and to deter trespassers and fly-tipping. This bund separates the site from other Green Space land in this area. It also faces into the Tofts Farm Industrial Estate from where it is accessed.</p> <p>There is also an opportunity to bring an access from the adjacent housing estate and the respondent therefore puts the land forward for housing uses.</p> <p>It is beyond the scope of this study to recommend land for</p>   |

| Respondent   | Site Name   | Present Use | Development Plan Designation | Proposed Use                  | Comment  | Reasons  |
|--|---|-------------|------------------------------|-------------------------------|--|--|
|  |   |             |                              |                               |  | housing uses, but it is suggested that the current orientation, bunding and access arrangements of this land do make it suitable as an expansion site for Tofts Farm, for B1/B2/B8 uses.   |
| Nathaniel Lichfield and Partners on behalf of Wynyard Park Ltd | Wynyard Business Park Employment Site (Site 29 – 94.1 ha) | Vacant      | B1 Employment – Ind1         | Mixed use (Primarily housing) | Protect the 54.2 ha still available employment uses, other land to be reallocated /deallocated accordingly | <p>As part of its submission, Wynyard Park Ltd provides an Employment Land Assessment which is used to argue for the reallocation of land here for alternative uses. The argument for this release is measured against three tests for the viability of current allocations.</p> <p>The points set out below reflect the findings of that Employment Land Assessment, which are based on past research undertaken by Stockton and Hartlepool Councils. The supply and take-up figures suggested do not necessarily accord with the findings of this study.</p> <p><b>Test 1: Is there an appropriate provision of employment land in Stockton, Hartlepool, and the local area? What is the amount of any shortage or surplus?</b></p> <p>The research identifies that there are 548.64 ha of land available for general employment uses in the sub-region. When measured against take-up, this equates to a 40 year supply. In Stockton available land equates to 26 years supply, whilst in Hartlepool the available stock of land equates to 83 years supply. At local level there is an implied supply of 88 years at Wynyard. The Assessment therefore suggests that there could be some re-balancing of sites from B class uses without undermining the area's ability to provide a wide range and choice of employment sites.</p> <p><b>Test 2: Is the scale of the provision of employment land at Wynyard Park appropriate? Is there a</b></p> |

| Respondent | Site Name | Present Use | Development Plan Designation | Proposed Use | Comment | Reasons   |
|------------|-----------|-------------|------------------------------|--------------|---------|---|
|            |           |             |                              |              |         | <p><b>reasonable prospect of its take-up during the current plan period?</b></p> <p>At Wynyard Park there is 131.39 ha of available employment land, across Stockton and Hartlepool, and at North Burn there is a further 52.50 ha. When measured against past take-up, which has averaged 2.07 ha/year, the portfolio of available land at Wynyard Park equates to 63 years supply; if North Burn is included the implied supply increases to 88 years. As Wynyard Park is no longer reserved for major inward investment but is now available for B1/ B2/B8 there is no justification for retaining a level of supply that extends so far beyond the end of the plan period.</p> <p>Wynyard Park Ltd proposes the retention of 70 ha of available employment land. The total scale of the employment land allocation at Wynyard Park would thus be 105 ha (net).</p> <p><b>Test 3: Can all the available land at Wynyard Park be viably developed for employment uses?</b></p> <p>In the current economic and property market environment, the viable development of employment premises requires a pre-let or forward sale. The level of development activity has fallen sharply, and a return to more favourable market conditions is unlikely in the foreseeable future.</p> <p>Substantial infrastructure provision is required to bring forward future development plots at Wynyard Park. The high abnormal costs involved will undermine the viability of their development for employment uses.</p> <p>In response to these comments this study accepts that</p> |

| Respondent                        | Site Name   | Present Use                          | Development Plan Designation | Proposed Use | Comment  | Reasons  |
|-----------------------------------|---|--------------------------------------|------------------------------|--------------|--|--|
|                                   |   |                                      |                              |              |  | <p>Wynyard Park, in Hartlepool at least, will be developed as a mixed-use scheme. It is also accepted that such a mix of uses is necessary to cross-subsidise development and fund the infrastructure required here.</p> <p>Accordingly, and reflecting current planning applications, this study recommends the reallocation/deallocation of 42.4 percent of the current employment allocation in Hartlepool (i.e. Wynyard Three) for appropriate alternative uses. Separately, and reflecting the lack of demand here (along with the access constraints) Northburn is also proposed for deallocation. The 31.5 ha currently consented for B1/B2/B8 uses should be protected to provide Hartlepool with a good quality business park on the A19 Corridor. Another 22.7 ha also remains as employment land subject to the delivery of a new hospital which is currently proposed on the site.</p> <p>This recommendation does not prejudice any decisions made independently by Stockton Council on the land under its control, i.e. Wynyard One and Two.</p> |
| University Hospital of Hartlepool | Land in the north east corner of the hospital, south of Warren Road | Vacant/car parking/ancillary medical | Proposed for housing         | Employment   | Consider for B1 employment, but subject to Hospital relocation plans | <p>If the University Hospital of Hartlepool was remaining then this would be a good location for (B1) employment uses, possibly supporting medical services and ancillary R&amp;D and service uses. Such business parks, located alongside hospitals, can function very effectively and key examples include Wrexham Technology Park, Wrexham, and North Wales.</p> <p>However if, as is currently planned, all hospital services are to be relocated out of Hartlepool town to Wynyard Park by 2017, then the value of such an employment site is reduced. Reflecting the surrounding residential uses, and the distance of the site from other employment areas, housing then becomes a more viable option.</p>  |

Source: BE Group and Respondents, 2014

- 6.25 The University Hospital of Hartlepool has put forward the largely vacant land in the north east corner of the hospital, south of Warren Road, for employment uses. As mentioned, if the University Hospital of Hartlepool was remaining then this would be a good location for (B1) employment uses, possibly supporting medical services and ancillary R&D and service uses. Such business parks, located alongside hospitals, can function very effectively and key examples include Wrexham Technology Park, Wrexham, North Wales.
- 6.26 However if, as is currently planned, all hospital services are to be relocated out of Hartlepool town to Wynyard Park by 2017, then the value of such an employment site is reduced. Reflecting the surrounding residential uses, and the distance of the site from other employment areas, housing then becomes a more viable option.

#### **Employment Areas Assessments**

- 6.27 BE Group has reviewed a total of 15 Employment Areas across Hartlepool. Collectively these contain the bulk of the B1/B2/B8 premises in the Borough, and comprise the main industrial estates and business parks of Hartlepool, as defined under Local Plan Policies Ind3-Ind5 and Ind9.
- 6.28 This review does not consider undeveloped/unoccupied employment allocations such as Wynyard Park, the former Centura site, Golden Flatts (where the only developed land is now consented for housing), and North of Graythorp which have already been considered above. It also does not consider the mixed use development option of the Town Centre and Marina, some of which may also provide B-Class employment options. It is expected that such sites will be reviewed by the emerging Regeneration Masterplan, which will consider options for further B1/B2/B8 development in central Hartlepool. Finally, the Port is also considered separately, both above (in terms of its expansion land) and in the discussions with PD Ports, outlined in section 7.0.
- 6.29 Each area has been appraised and assessed through a combination of site visits, local intelligence, consultations with some owners and the views of those involved in the local property market. The analysis is summarised in Table 49 below and includes the following:
- The 'Area' contains the local authority's designated title for the area
  - A brief 'Description and Use Classes' is provided in the form of the consultancy team's comment on the area, including the main use classes

- Vacant land is identified, as is the scope for remodelling of particular properties or sites. Expansion possibilities are also included. All of these are identified, for simplicity, as ‘Opportunities for redevelopment/expansion’. However, in most cases, where an Employment Area is functioning well and most land/property is in use, there may be no such opportunities.
- ‘Grading’ refers to BE Group’s professional opinion on the ranking that should be afforded to the individual area. This has been based on a number of factors – critical mass of the area, companies like to cluster; accessibility, the closer to motorways and arterial roads the better; prominence, to main roads, and environment – setting of the location, servicing, parking and landscape treatment. For each element assessments are made as Poor, Average or Good. Combining this data leads to an overall hierarchical assessment banded A to E. These are described in Table 48. Finally, recommendations for the future role of the area are set out.

**Table 48 – Grades A to E Definitions**

| Grade | Definition   | Action  |
|-------|--|---|
| A     | High quality, prestigious, flagship business areas due to their scale, location and setting. Capable of competing for investment in the regional market place. These are prime sites for marketing to a cross section of users including new inward investors. They can also meet the needs of image-conscious, aspirational companies already in the local authority area | Protect strongly<br>Support and expand                  |
| B     | Good employment sites due to their scale, location and setting. Capable of competing for investment in the sub-regional market place. These are prime sites for marketing to a cross section of users, B1, B2 and B8, including some new inward investors.   | Protect strongly<br>Support and expand                  |
| C     | Key employment sites with an influence over the whole local authority area, but primarily geared towards local businesses and B1 light industrial, B2 and B8 uses.   | Protect<br>Support                                      |
| D     | Lower quality locations in residential areas suffering from poor accessibility and massing.  | Continue to<br>protect/review through<br>the Local Plan |
| E     | Very poor quality areas. Widespread vacancy and dereliction in poor environments.  | Promote alternative<br>uses if possible                 |

Source: BE Group 2014

**Table 49 – Summary of Hartlepool’s Existing Employment Areas**

| Area                                  | Description and Use Classes   | Opportunities for Redevelopment/expansion   | Grading  | Justification for Grading  | Recommendations  |
|---------------------------------------|---|---|--|--|--|
| Ind3:<br>Queen's Meadow Business Park | <p>An emerging high quality business park, prominently located on a gateway location off the A689.</p> <p>Much of the north west of the site has now been developed for a mix of micro business accommodation (Hartlepool Innovation Centre) and accommodation for larger businesses including Pro Pipe Fabrication and Cleveland Fire Brigade Headquarters.</p> <p>Some 44.7 ha of land remains undeveloped here, comprising one of Hartlepool's three Enterprise Zones. (B1(a, b, c), B2, B8)</p> | <p>The growth opportunities here clearly identified as the remaining 44.7 ha of development land within the area boundary. Current plans and proposals for this land are described above.</p> <p>Further expansion of the area is not possible without encroaching on the adjacent Tata industrial complex or Greatham Village.</p> | <p>Critical mass: Good<br/>Accessibility: Good<br/>Prominence: Good<br/>Environment: Good</p> <p><b>Total Grade: A</b></p>       | <p>Area has a good mix of existing high value occupiers (i.e. good critical mass), is accessible and prominent in a gateway location off the A689. Development to date has been of a high environmental quality.</p> <p>'A' grading also reflects the future growth potential here and the areas current Enterprise Zone status.</p> | <p><b>Retain</b> as key industrial area of sub-regional and regional significance for B1/B2/B8 (and appropriate ancillary) uses.</p> |
| Ind4(a):<br>Sovereign Park            | <p>Small but well established moderate quality industrial estate, part of the wider Brenda Road industrial complex.</p> <p>Provides some four mid-sized industrial units to</p>   | <p>Land to the rear represents the main opportunity for growth here and this has been identified as employment site 23 (11.4 ha). Current plans and proposals for this land are described above.</p>  | <p>Critical mass: Average<br/>Accessibility: Good<br/>Prominence: Good<br/>Environment: Average</p> <p><b>Total Grade: C</b></p> | <p>Small industrial estate accommodating a modest number of businesses (i.e. has an average critical mass) with a built environment that is of average quality. The area is prominently located on</p>   | <p><b>Retain</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses.</p>   |



| Area                       | Description and Use Classes  | Opportunities for Redevelopment/expansion   | Grading   | Justification for Grading   | Recommendations  |
|----------------------------|--|---|---|---|--|
|                            | <p>occupiers such as Carpet Line Direct, Whitestone Weavers and View Logistics. At least some units appear to be in trade use.</p> <p>(B1(c), B2, B8)</p>  | <p>Elsewhere, further expansion of the area is not possible without encroaching on surrounding Green Space and recreational land.</p>   |   | <p>a key local transport route (Brenda Road) which links many of the industrial estates of southern Hartlepool town.</p> <p>Generally, however, this is a local level industrial estate accommodating primarily micro, small and mid-sized business rather than larger regional or national firms. This conforms to the definition of a 'C' grade area i.e. <i>"primarily geared towards local businesses and B1 light industrial, B2 and B8 uses."</i></p> |  |
| Ind4(b):<br>Park View West | <p>Large, established industrial estate, part of the wider Brenda Road industrial complex. A key source of modern, mid-sized industrial premises in Hartlepool. The estate also accommodates larger employers, most notably Kerry foods.</p> <p>(B1(a, c), B2, B8)</p> | <p>Two expansion sites, totalling 2.2 ha, have already been identified as employment land. Current plans and proposals for this land are described above.</p> <p>There appears to be a third expansion site here comprising a vacant grassed site of some 0.5 ha, located off Prospect Way to the east of Merlin Flexibility.</p> | <p>Critical mass: Good<br/>Accessibility: Good<br/>Prominence: Good<br/>Environment: Average</p> <p><b>Total Grade: C</b></p> | <p>One of the larger industrial estates of Hartlepool accommodating a substantial critical mass of existing firms. Again the estate is prominently located on the Brenda Road Corridor. The environmental quality of the premises is reasonable but not exceptional for modern industrial units.</p>  | <p><b>Retain</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses.</p> |

| Area   | Description and Use Classes   | Opportunities for Redevelopment/expansion  | Grading   | Justification for Grading  | Recommendations   |
|--|---|--|---|--|---|
|  |   |  |   | <p>However, while the area does accommodate several larger employers (notably Kerry) it is generally a local industrial estate, accommodating primarily Hartlepool based small and mid-sized firms. Thus it conforms to the definition of a 'C' grade area.</p>  |   |
| <p>Ind5(a):<br/>Oakesway Industrial Estate</p> | <p>Older industrial estate comprising a range of budget and moderate quality industrial premises in the north and south, along with some 18.6 ha of undeveloped land, which includes some derelict properties. This comprises comprising one of Hartlepool's three Enterprise Zones.</p> <p>Quality varies in the developed part of the estate, but with the exception of one property, space is in use for larger companies such as TMD Friction, along with a scheme of five workshops for Bizspace.<br/>(B1(a, c), B2, B8)</p> | <p>The growth opportunities here clearly identified as the remaining 18.6 ha of development land within the area boundary. Current plans and proposals for this land are described above.</p> <p>Elsewhere land is largely in use and bounded by housing and the railway line.</p> | <p>Critical mass: Average<br/>Accessibility: Average<br/>Prominence: Average<br/>Environment: Poor</p> <p><b>Total Grade: B</b></p> | <p>Grading criteria reflect the current status of Oakesway. Specifically, that it has an average level of critical mass with existing occupiers dispersed through the site, some in peripheral locations. In terms of access and prominence, while the area does have some A179 frontage the bulk of the estate, including many of the larger occupiers, 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</p> | <p><b>Retain</b> as key industrial area of sub-regional significance for B1/B2/B8 (and appropriate ancillary) uses.</p> |

| Area                              | Description and Use Classes   | Opportunities for Redevelopment/expansion   | Grading  | Justification for Grading   | Recommendations  |
|-----------------------------------|---|---|--|---|--|
|                                   |   |   |  | <p>are also several vacant/derelict structures within the area.</p> <p>However, grading must also acknowledge the substantial opportunities for growth here. Oakesway is one of Hartlepool's Enterprise Zone, marketed for (and beginning to attract) new development, including a substantial area of inward investment. This option for future growth reflects the 'B' grade definition over C-E definitions.</p> |  |
| Ind5(b):<br>Longhill/<br>Sandgate | <p>Very large established industrial area, centrally located off the A689, to the south of Hartlepool Town Centre. The area includes a number of larger properties and waste disposal sites, but is also cited by property agents as the main source of budget and moderate quality industrial units, for local micro and small businesses, in the Borough.</p> <p>The low quality of space</p> | <p>In addition to the 1.0 ha employment site already identified above, there appear to be a wide range of possible redevelopment and regeneration opportunities here. A more detailed study is potentially required to identify the full range of options for change here, but some of the larger opportunities here include:</p> <p>Land West of Windermere Road – A site of 6.17 ha, with existing buildings of 8,598 sqm (former metal recycling facility)</p> | <p>Critical mass: Good<br/>Accessibility: Good<br/>Prominence: Good<br/>Environment: Poor</p> <p><b>Total Grade: C</b></p> | <p>One of the largest and most densely occupied employment areas in Hartlepool, with a very high critical mass of existing businesses. The industrial area is prominently located off the A689 and south of Hartlepool Town Centre. As indicated in this table the environmental quality of the area is low and some concern has been expressed over this by stakeholders.</p>                                      | <p><b>Retain</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses. Consider the range of medium and long term <b>redevelopment opportunities</b> that may be available here.</p> |

| Area                        | Description and Use Classes  | Opportunities for Redevelopment/expansion  | Grading   | Justification for Grading   | Recommendations   |
|-----------------------------|--|--|---|---|---|
|                             | <p>here is cited as a concern although industrial occupiers are unusually able to find the business space they need.</p> <p>(B1(a, c), B2, B8)</p> | <p>between Windermere Road and the A689 is on the market, for sale or to let</p> <p>Land East of Windermere Road – Land to the east comprises open storage/scrap yard facilities for Sims Metal Management. If this occupier ever vacated it would provide a further development site</p> <p>Land North and South of Tomlinson Road – Land here comprises a range of open storage, scrap yard and waste sites for companies such as EMR. Generally, land here is not being well used and could provide development opportunity sites</p> <p>Land east and west of Sarah Street/Ladysmith Street – again land is largely in use for open storage and some land west of Sarah Street appears vacant</p> <p>Mainsforth Terrace – There are a series of waste/open storage sites along this road which, while in use at present, could provide future development sites.</p> |   | <p>Longhill/Sandgate are cited by property agents as the main source of budget and moderate quality industrial units, for local micro and small businesses. This is reflected in the 'C' grading.</p> |   |
| <p>Ind5(c):<br/>Usworth</p> | <p>Small, densely developed local industrial estate, generally comprises a</p>   | <p>The area is fully developed and tightly bound by other</p>  | <p>Critical mass: Average<br/>Accessibility: Good</p> | <p>Smaller industrial estate, with a reasonable, but not high, critical mass. Again</p>   | <p><b>Retain</b> as local employment area for B1/B2/B8 (and</p> |

| Area                         | Description and Use Classes  | Opportunities for Redevelopment/expansion  | Grading   | Justification for Grading   | Recommendations   |
|------------------------------|--|--|---|---|---|
| Road                         | <p>range of older, moderate quality industrial units with occupiers including Stagecoach. Includes motor retail on the Brenda Road frontage.</p> <p>(B1(a, c), B2, B8, Sui Generis)</p>  | uses.  | <p>Prominence: Good<br/>Environment: Average</p> <p><b>Total Grade: C</b></p>   | <p>the estate is prominently located on the Brenda Road Corridor. The environmental quality of the premises is reasonable but not exceptional for modern industrial units.</p> <p>However, while the area does accommodate several larger employers (notably Stagecoach and motor retailers) it is generally a local industrial estate, accommodating primarily Hartlepool based small and mid-sized firms. Thus it conforms to the definition of a 'C' grade area.</p> | appropriate ancillary) uses.  |
| Ind5(d):<br>Brenda Road East | <p>Small area of trade uses, including some modern premises, with older industrial premises to the south and substantial areas of expansion land to the rear. Part of the wider Brenda Road industrial complex.</p> <p>(B1(c), B2, B8)</p> | <p>Three expansion sites, totalling 12 ha, have already been identified as employment land. Current plans and proposals for this land are described above.</p> <p>Further expansion, elsewhere is prevented by surrounding uses.</p> | <p>Critical mass: Poor<br/>Accessibility: Good<br/>Prominence: Good<br/>Environment: Average</p> <p><b>Total Grade: C</b></p> | <p>Smaller industrial area, with many units in trade rather than industrial use, i.e. a low level of critical mass. Again the estate is prominently located on the Brenda Road Corridor. The environmental quality of the premises is reasonable but not exceptional for modern industrial units.</p>   | <b>Retain</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses. |

| Area                    | Description and Use Classes                                | Opportunities for Redevelopment/expansion  | Grading   | Justification for Grading  | Recommendations  |
|-------------------------|--|--|---|--|--|
|                         |  |  |   | A small, but reasonably successful employment area offering modern premises to primarily local firms. Thus it conforms to the definition of a 'C' grade area.  |  |
| Ind5(e):<br>South Works | Major manufacturing facilities for Tata steel.<br><br>(B2) | While there is considerable unused land with the facility, it is assumed that this land is for the exclusive use of Tata and (at present at least) cannot be offered to other firms. | Critical mass: Poor<br>Accessibility: Good<br>Prominence: Good<br>Environment: Average<br><br><b>Total Grade: B</b> | Site has only one main occupier (Tata) and thus a poor critical mass. However, that occupier is of regional and national significance and the facility links to other Tata operations in the Tees Valley and beyond. Tata Hartlepool is identified by Tees Valley Unlimited and other stakeholders as a key asset for the Borough, particularly in terms of attracting inward investment. This informs the 'B' grading.<br><br>As with other locations on Brenda Road, access and prominence are generally good. The environmental quality of the area is broadly average. | <b>Retain</b> as facilities for a major national employer. |
| Ind5(f):                | Large modern industrial                                    | One employment site of 0.6 ha  | Critical mass: Good   | One of the larger  | <b>Retain</b> as local                                     |

| Area                         | Description and Use Classes   | Opportunities for Redevelopment/expansion  | Grading  | Justification for Grading  | Recommendations   |
|------------------------------|---|--|--|--|---|
| Tofts Farm East/Hunter House | <p>estate, developed to a comparatively low density and providing mostly mid-sized modern premises to established businesses. Includes larger production and warehouse properties in the centre, mostly occupied by Huntsman Tioxide and Knauf Insulation.</p> <p>B1(a, c), B2, B8)</p> | <p>has already been identified at the entrance to this site.</p> <p>The Call For Sites exercise has identified another small employment opportunity site in the north of the area, discussed above.</p> <p>There appear to be two further undeveloped expansion sites within the estate comprising land in the north east, north of Knauf Insulation, and land in the south east, to the rear of Huntsman and to the south of Knauf. Neither appears to fall within the curtilage of an existing business.</p> | <p>Accessibility: Good<br/>Prominence: Good<br/>Environment: Average</p> <p><b>Total Grade: C</b></p>                      | <p>industrial estates of Hartlepool accommodating a substantial critical mass of existing firms. Again the estate is prominently located on the Brenda Road Corridor. The environmental quality of the premises is reasonable but not exceptional for modern industrial units.</p> <p>However, while the area does accommodate several larger employers (notably Huntsman Tioxide and Knauf Insulation) it is generally a local industrial estate, accommodating primarily Hartlepool based small and mid-sized firms. Thus it conforms to the definition of a 'C' grade area.</p> | <p>employment area for B1/B2/B8 (and appropriate ancillary) uses. Consider the range of medium and long term <b>redevelopment opportunities</b> that may be available here.</p> |
| Ind5(g): Brenda Road East    | <p>Area comprises premises for Caparo Forging in the north (consulted in Section 7.0) along with facilities for Dean Group, and a large area of brownfield land. Further south are a range of</p>   | <p>8.2 ha of employment land is already identified in the north (Site 4).</p> <p>In the south larger businesses such as Exwold are surrounded by large areas of</p>  | <p>Critical mass: Poor<br/>Accessibility: Good<br/>Prominence: Good<br/>Environment: Poor</p> <p><b>Total Grade: C</b></p> | <p>Area only has a small number of current occupiers plus a large area of undeveloped land, hence the poor critical mass. As with other locations on Brenda</p>  | <p><b>Retain</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses. Consider the range of medium and long term</p>   |

| Area                                 | Description and Use Classes  | Opportunities for Redevelopment/expansion  | Grading   | Justification for Grading   | Recommendations  |
|--------------------------------------|--|--|---|---|--|
|                                      | <p>further production and storage units, surrounded by areas of undeveloped land.</p> <p>B1(a, c), B2, B8)</p>                                 | <p>unused land. While this could provide development opportunities, and provide linkages to site (12) North Graythorp, to the rear. In practice, however, much of this land will likely be retained to meet the expansion needs of those businesses.</p>           |   | <p>Road, access and prominence are generally good. The environmental quality of the area is low and most of the existing industrial units are of budget quality, although there is little vacant premises in the area.</p> <p>Again primarily a budget quality, local employment area which is reflected in the 'C' grade.</p>  | <p><b>redevelopment opportunities</b> that may be available here.</p>  |
| Ind5(h): Graythorp Industrial Estate | <p>Small, local industrial estate, providing budget and moderate quality premises to a range local micro businesses.</p> <p>B1(c), B2, B8)</p> | <p>Growth land here generally comprises employment site (12) North Graythorp (17.6 ha) to the north.</p> <p>Within the existing estate there is some underused land in the south west, but this is to the rear of other businesses and not readily accessible.</p> | <p>Critical mass: Average<br/>Accessibility: Average<br/>Prominence: Average<br/>Environment: Poor</p> <p><b>Total Grade: C</b></p> | <p>Small, local industrial estate with a modest critical mass of existing occupiers. The estate does access the A178 Tees Road but, in Hartlepool terms at least, is somewhat peripheral and distant from the other employment areas of Brenda Road. Few premises have main road frontage and access roads are narrow in places. Hence the lower accessibility and prominence gradings. The build quality of many premises is also comparatively low.</p> | <p><b>Retain</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses. Consider the range of medium and long term <b>redevelopment opportunities</b> that may be available here.</p> |



| Area                          | Description and Use Classes   | Opportunities for Redevelopment/expansion   | Grading  | Justification for Grading  | Recommendations  |
|-------------------------------|---|---|--|--|--|
|                               |   |   |  | Overall a modest, but generally well occupied industrial estate which meets the needs of local micro and small businesses. This is reflected in the 'C' grade.   |  |
| Ind5(i):<br>Graythorp<br>Yard | Land mostly comprises the Able (UK) Seaton Port, a large dry dock mostly bounded by open land, some 9,000 sqm of indoor fabrication, warehousing and storage space and over 3,000 sqm of office facilities.<br><br>(B2, B8) | As is discussed in Section 7.0, Able has been awarded a significant contract as part of the decommissioning of four offshore oil platforms. The contract will require the development of new quayside facilities, and Able hope to secure further contracts for decommissioning. It is unlikely that land will be released here, for other uses, in the short or medium term. | Critical mass: Poor<br>Accessibility: Average<br>Prominence: Average<br>Environment: Poor<br><br><b>Total Grade: B</b> | The actual number of businesses located here is small, hence the low critical mass (although there will be a range of contactors operating from here on a semi-permanent basis, supporting Able UKs activities). Location is peripheral in the Hartlepool context and not especially prominent on the A178, hence the lower accessibility/prominence grading. Environmental quality at this heavy industrial/port location is generally poor.<br><br>However, Able (UK) Seaton Port is identified by stakeholders, including Tees Valley Unlimited, as being of regional and national significance. It is a key component of | <b>Retain</b> as port and infrastructure facilities of sub-regional and regional significance. |

| Area  | Description and Use Classes   | Opportunities for Redevelopment/expansion   | Grading   | Justification for Grading  | Recommendations   |
|---|---|---|---|--|---|
|   |   |   |   | Hartlepool's offer to offshore industries and a facility which attracts inward investment into the Borough. Hence it achieves a higher grade (B) than it might based solely on its physical characteristics.   |   |
| Ind5(j):<br>Zinc Works Road                   | Small group of modern, light industrial units in an isolated location at North Gare close to Hartlepool Power Station.<br><br>(B1(c), B2, B8) | Growth would be possible but not without encroaching on land held by PD Ports or the Power Station  | Critical mass: Average<br>Accessibility: Poor<br>Prominence: Poor<br>Environment: Good<br><br><b>Total Grade: C</b> | Small, but well occupied industrial estate, serving local needs. Critical mass here is modest, while the site is in an isolated location at North Gare accessed via a long and comparatively narrow road, hence the poor grading for accessibility and prominence. However, the units themselves are modern and of good environmental quality.<br><br>Generally, a reasonable quality local employment area achieving a 'C' grade. | <b>Retain</b> as local employment area for B1/B2/B8 (and appropriate ancillary) uses. |
| Ind9(a):<br>West of Seaton Channel (Huntsman) | Major production facilities for Huntsman Tioxide.<br><br>(B2)   | There is some unused land to the south of Huntsman, to the rear of an electricity substation. However, this is assumed to be within the HSE | Critical mass: Poor<br>Accessibility: Average<br>Prominence: Good<br>Environment: Average                           | Site has only one main occupier (Huntsman Tioxide) and thus a poor critical mass. However, that occupier is of regional  | <b>Retain</b> as facilities for a major national employer.                            |

| Area                              | Description and Use Classes                           | Opportunities for Redevelopment/expansion  | Grading   | Justification for Grading   | Recommendations  |
|-----------------------------------|---|--|---|---|--|
| Tioxide Site)                     |   | caution zone for Huntsman and could therefore only be used for the expansion of Huntsman Tioxide           | <b>Total Grade: B</b>   | and national significance and the facility links to the wider Seal Sands Chemical Complex. Huntsman Hartlepool is identified by Tees Valley Unlimited and other stakeholders as a key asset for the Borough, particularly in terms of allowing Hartlepool to benefit from the growth and development of Seal Sands. This informs the 'B' grading.<br><br>The site is prominent on the A178 although peripheral in Hartlepool terms. The environmental quality of the area is broadly average. |  |
| Ind9(c):<br>Phillips<br>Tank Farm | Tank facilities serving Huntsman Tioxide.<br><br>(B2) | Again while there is unused space within this facility it could not be made available to other businesses. | Critical mass: N/A<br>Accessibility: Average<br>Prominence: Good<br>Environment: Average<br><br><b>Total Grade: B</b> | As this area is, effectively, part of the wider Huntsman Tioxide facility it receives the same grading.   | <b>Retain</b> as facilities for a major national employer. |

Source: BE Group 2014

6.30 A total of 15 Employment Areas across Hartlepool have now been reviewed. All are allocated for employment purposes under policies Ind3-Ind5 and Ind9 of the existing Local Plan (2006).

6.31 The research has also identified a number of 'redevelopment opportunities', generally undeveloped/partially developed land within the boundaries of the 15 Employment Areas. These have the potential to provide additional/alternative employment land and/or meet the growth needs of existing local firms or other requirements, which cannot be met on Hartlepool's existing allocated employment sites. These include:

- Ind4(b): Park View West – Alongside the identified employment sites, there is a be a third expansion site here comprising a vacant grassed site of some 0.5 ha, located off Prospect Way to the east of Merlin Flexibility.
- Ind5(b): Longhill/Sandgate – In addition to the 1.0 ha employment site already identified above, there appear to be a wide range of possible redevelopment and regeneration opportunities here, including:
  - Land West of Windermere Road – A site of 6.17 ha, with existing buildings of 8,598 sqm (former metal recycling facility) between Windermere Road and the A689 is on the market, for sale or to let
  - Land East of Windermere Road – Land to the east comprises open storage/scrap yard facilities for Sims Metal Management. If this occupier ever vacated it would provide a further development site
  - Land North and South of Tomlinson Road – Land here comprises a range of open storage, scrap yard and waste sites for companies such as EMR. Generally, land here is not being well used and could provide development opportunity sites
  - Land east and west of Sarah Street/Ladysmith Street – again land is largely in use for open storage and some land west of Sarah Street appears vacant
  - Mainsforth Terrace – There are a series of waste/open storage sites along this road which, while in use at present, could provide future development sites.
- Ind5(f): Tofts Farm East/Hunter House – There appear to be two further undeveloped expansion sites within the estate comprising land in the north east, north of Knauf Insulation, and land in the south east, to the rear of Huntsman and to the south of Knauf

- Ind5(g): Brenda Road East – In the south larger businesses such as Exwold are surrounded by large areas of unused land. While this could provide development opportunities, and provide linkages to site (12) North Graythorp, to the rear. In practice, however, much of this land will likely be retained to meet the expansion needs of those businesses.

### Summary

- 6.32 As of 31 March 2014, the baseline land supply of the study area was 409.7 ha. However, consideration of the sites on an individual basis suggests that (6) Former Centura is constrained and unlikely to ever come forward for development, in its present form at least. This site should be deallocated.
- 6.33 Another 93.8 ha comprises land in five sites where a mixture of owner aspirations and site conditions suggest that the land is better suited for alternative uses, primarily retail and housing. Based on the evidence gathered in this study and subject to other planning considerations, these sites should be reallocated accordingly.
- 6.34 Finally, the gross land supply includes some 94.1ha at Wynyard Business Park (Wynyard Three). However, examining the current planning consent (which remains subject to the signing of a Section 106 agreement) suggests that only 57.6 percent, some 54.2 ha remains available for B1/B2/B8 uses at the time of writing. The remainder, 39.9 ha, will be developed for other uses (and needs to be reallocated to those uses), or is considered undevelopable and needs to be deallocated. This land should not be included in the employment land supply. As Table 42 shows, removing all these sites gives a realistic employment land supply of **257.9 ha**.
- 6.35 None of the sites is likely to be developed within a year. 38% of Hartlepool's stock (156.7 ha) is likely to be brought forward in the medium term (1-5 years). The remaining 62% (253.0 ha) comprises a longer term supply which is unlikely to be brought forward in less than five years. This includes Wynyard Park where the scale of the proposed development (of which office uses are just one part), and strategic highways issues, make full development a long term prospect.
- 6.36 The Call for Sites exercise only identified one additional site with strong potential for employment use. This is Land in the north of Tofts Farm (2.4 ha). The landowner has put this site forward for housing. However, the current orientation, bunding and

access arrangements of this land do make it suitable as an expansion site for Tofts Farm Industrial Estate.

- 6.37 A review of Hartlepool's 15 main employment areas indicates that most are established industrial areas, of moderate quality, which are aimed at meeting local needs and should be protected for that purpose. These are generally graded C in this study's scoring. There are also several major manufacturing and production complexes, and these are graded B. The Borough's flagship (A Grade) location is Queen's Meadow Business Park.
- 6.38 There are a number of potential redevelopment/regeneration opportunities, which might deliver additional land supply, should it be required. However, these are caveated in that owner/developer aspirations for B1/B2/B8 development on these sites has not been tested.

## 7.0 STAKEHOLDER CONSULTATIONS

### Introduction

- 7.1 This section provides commentary about Hartlepool, drawn from consultations with the public sector and other stakeholders – primarily the major businesses and landowners. It should be noted that each organisation’s comments are their perception of the situation, and may well reflect their role and involvement, rather than being the complete picture.
- 7.2 This section also considers the property market in the four local authority areas of the Tees Valley, along with neighbouring Durham. Understanding the supply and demand of employment land and premises in neighbouring areas is important in assessing their impact on the study area’s land and property market.
- 7.3 It should also be noted that all the Parish Councils and Parish Meetings in the Borough have been contacted by letter. However, no responses were received from any of these organisations during the study period.

### Education and Health Providers

#### *Hartlepool College*

- 7.4 The college provides further and higher education, as well as apprenticeships and adult learning to its 5,500 students. It is a general education college that specialises in engineering disciplines (aerospace, mechanical, fabrication, welding), environmental technology (micro-generation), as well as providing skills for the off-shore wind turbine sector, a sector which they see as a growing industry and one that should be targeted.
- 7.5 They work with approximately 1,000 companies across a number of commercial courses as well providing apprenticeship links.
- 7.6 The College was demolished and re-constructed in August 2011. The College also has a fabrication and welding facility and hire facilities from the Council, as and when they need to. As a result of their recent investment the College does not have any plans to expand or consolidate.

### **Key Businesses/Landowners**

- 7.7 One to one consultations have taken place with eight major businesses located in Hartlepool. Many are national or international businesses, with facilities in the study area being part of a wider network of research and development, production, service and logistics operations.

### **Coveris**

- 7.8 Previously known as Britton Group, in 2013 five leading packaging companies joined to create the sixth largest plastics packaging firm in the world, and renamed to Coveris. The firm, located at Oakesway Business Park, established in Hartlepool due to grant funding. The Hartlepool operation manufacture, supply and export flexible film products serving the financial, mailing and retail sectors.
- 7.9 Approximately 93% of employees are from the local area with no reports of staff recruitment concerns. A number of employees car-share and cycle to work, and there are no issues with parking.
- 7.10 Coveris has a two year lease remaining on its property and the company is looking at a number of options to renew the lease, purchase the property or relocate. Currently, the property is considered unfit for business operations. It is an old building and there are issues with the layout due to the locations of internal pillars obstructing machinery. An off-site storage facility is also leased by the company.
- 7.11 Ideally, Coveris want to lease or acquire a brand new factory in Hartlepool within a presentable business park or industrial estate location to meet the standards of their blue chip clients. However, they would entertain the idea of leasing an older building dependant on the landlord's refurbishment strategy. As part of any relocation the company require tanks outside for the storage of solvent and secure yard storage.

### **Pearts**

- 7.12 Pearts established in Hartlepool in 1923, initially as a coal merchant, now supply fuel and lubricants throughout the east of England for the domestic, commercial and agricultural industry. The company also manufacture and undertake an installation service at the site.

- 7.13 Part of the Peart's Group of companies, they have no issues with staff recruitment



owning Baltic Recruitment based within the North East who undertake all the human resources activities they require.

- 7.14 The site is fit-for-purpose and the company will not be looking for alternative or additional property in the foreseeable future.

***Kerry***

- 7.15 Irish-based Kerry brought the former Hibernia Foods site in Hartlepool in 2004 and invested significant resources on the site. As a result the premises are fit-for-purpose. They manufacture ready meals within the frozen and chilled departments. Three areas of processing at the site include the creation of bouillon, garlic butter and sauces.

- 7.16 The Hartlepool division employs circa 120 Full Time Equivalent (FTE) employees and whilst not having difficulties in recruiting factory operatives, Kerry has struggled to attract the professional and technical staff. They also compete for jobs at the non-skilled level with companies such as B&Q and Tesco. Kerry work with recruitment agencies to flex up the numbers as demand for work increases.

- 7.17 The Kerry Group has undergone significant consolidation in recent years within a number of their divisions across the UK. They are also currently undertaking a rebranding strategy, and will be investing in sites for their capital project on bouillon.

***Caparo Forging***

- 7.18 Caparo Forging undertakes a range of processes at the Hartlepool site including die and tool manufacture, forging, heat treatment, laboratory services, machining and fabrication. The site has a historic precedence for forging operations (pre-1935) and has since then been contracted. They are the second largest manufacturer in the UK, and as a Group have a £1.4 billion turnover.

- 7.19 The plant size is 31,600 sqm and the buildings occupy 10,485 sqm and comprise a finishing shop, administration building, forging shop, a lab and a dilapidated building known as 'B Shop' which is dead space. Specialising in the supply of forgings in carbon, alloy, stainless steels and non-ferrous materials, the site has mechanical presses to 2,500 tonnes and a range of hammers up to 6 tonnes.

- 7.20 At the time of consultation, Caparao Forging was installing a high-tech remote surveillance system made possible by Council grant and was as a result of security concerns. The company has issues with recruiting senior positions, in particular 'master forge men'. Caparao want to expand from a 5-day operation into a 7-day operation.

***Whitestone Weavers***

- 7.21 Established in 1991, Whitestone Weavers manufacture woven and tufted carpets and supply to the mid to higher end of the retail market place, from its purpose built offices and logistics headquarters in Hartlepool. Originally based in Middlesbrough for some 16 years, the move in 2007 to Hartlepool allowed consolidating from two sites into one operation.
- 7.22 The company employ 104 FTE staff and have had issues with recruiting from the local labour pool. The A689 into Hartlepool has been closed off due to maintenance, causing logistical problems for the company.
- 7.23 Whitestone Weaver owns the site at Hartlepool, and has developed the facility to meet their business needs. Thus, the company has no requirement for property or land.

***Exwold***

- 7.24 Exwold was established in 1992, operating from two separate sites, with one at Stockton. In 2004 the company underwent expansion when warehousing and packing operation began at the Brenda Road site in Hartlepool. In 2006 the company relocated its Stockton operations into the facility at Hartlepool.
- 7.25 The company are a specialist contract chemical processing company, employing 60 FTE staff alongside a number of temporary staff. The company undertake training to up-skill their staff. Whilst some employees cycle in, the majority either use private cars or taxis, as there is no good public transport link.
- 7.26 They undertake a 24/7 shift system and are a global company supplying the likes of Europe, USA, India etc. A fifth of the stock is distributed within the UK whilst the remaining 80% is exported.

- 7.27 There are issues with the roof of the property, but other than that Exwold is satisfied with the premises. Exwold do have concerns with the external area in particular the street lighting along Brenda Road, as well as the lack of signage. Also, the road surface along the A689 is not presentable. Other concerns include the Council's lack of recognition to the chemical cluster at the Banks of the Tees, which in Exwold's opinion should be exploited. As well as that, Exwold has problems with the illegal grazing of horses, a problem which is experienced across the borough.
- 7.28 Exwold aspire to own the freehold to their property and also to own the property opposite, which is currently occupied so that they can expand onto it.

**Able UK**

- 7.29 Able (UK) Seaton Port is located close to the mouth of the River Tees and covers 51 ha including a 10 ha dry dock. It is capable of handling all types of offshore construction vessels, has significant capacity and quays, which has been constructed to suit the requirements of the heavy fabrication industry.
- 7.30 There is over 9,000 sqm of indoor fabrication, warehousing and storage space available and over 3,000 sqm of office facilities.
- 7.31 Able has been awarded a significant contract as part of the decommissioning of four offshore platforms from the Shell-operated Brent Field in the North Sea. The contract will see three platform topsides, as well as a 138 metre high steel platform jacket, transported from a field more than 100 miles north east of Scotland to Able (UK) Seaton Port. Around 100 jobs will be created during the 18 month construction of the new quay with the six year recycling contract generating a further 100 new jobs. As part of this the Port will see further investment with the construction of one of Europe's heaviest load bearing quays to receive the structures. The decommissioning sector is an industry in which Able will continue to reinvest so as to retain their decommissioning position.
- 7.32 As a major landowner and employer Able raise concerns to the exclusion of the site from the Enterprise Zones. The financial assistance through the Enterprise Zone would have improved the site's ability to attract inward investment and occupation by major industrial enterprises.

- 7.33 Graythorp Industrial Estate, approximately 20 ha in size, is also owned by Able. There are no concrete plans in place for change in the estate.

***PD Ports***

- 7.34 PD Ports own 110 ha at Victoria Harbour, and with the inclusion of the dock itself takes this up to circa 121 ha. The land was previously a Vauxhall cars import compound, and this was relocated to make way for port activity. They employ 700 people at Teesside, and nationally employ 1,200.
- 7.35 In 2002, the Port considered non-port related activities and secured residential planning consent for 3,500 dwellings in the northern most owned site expanding to 200 acres of land. The costs to develop the housing development escalated once highways and services were considered, making it an unviable scheme. This site is now vacant, but PD Ports state it is important to have vacant land to meet demand as the industry is dominated by contractual workings and one-off contracts, which can generate sudden and unpredictable requirements for space.
- 7.36 McDermott has taken an option on a site to operate as pipe spool base at the Port. The site, of approximately 12 ha, will allow McDermott to assemble long line pipe stalks that will be spooled to their pipe-laying vessel for offshore oil and gas works. The facility, which is expected to be fully operational in 2015, will form part of McDermott's portfolio enabling them to expand into new markets McDermott adds to the existing businesses of Heerema Offshore and JDR Cables already located within the Port.
- 7.37 PD Ports also own the former nuclear site known as North Gare (Employment Site (13) North of Seaton Channel), and would like to hold onto this allocation for future initiatives. The only site which they would release from their ownership is an irregular shaped land alongside the A179 as the site is bisected by road and separate from the rest of the port area.
- 7.38 The Port area is part of the Enterprise Zone, and provides capital allowances and a simplified planning process, though the success of the latter initiative is questioned by the Port. Rental levels at the docks are achieving £50/sqm and elsewhere are £10/sqm.

### **Neighbouring Areas**

- 7.39 Paragraph 160 of the NPPF states that local planning authorities should have a clear understanding of business needs within their local economic markets, by working with county and neighbouring authorities to prepare and maintain a robust evidence base about business needs and likely market changes.
- 7.40 Hartlepool sits in the north of the Tees Valley. To the south west are Stockton and Darlington. Further south, on the opposite side of the River Tees are Middlesbrough and Redcar and Cleveland. Hartlepool is bounded by the Durham unitary authority to the north and east.

### **Tees Valley Authorities**

#### ***Middlesbrough***

- 7.41 The city is the largest employment and office centre in the Tees Valley, as well as a centre for high technology linked to the University of Teesside. Industrial decline has freed up significant areas of brownfield land, most notably around the docklands, north of the city centre. This has allowed the development of strategic links between Middlesbrough and Stockton on the other side of the River Tees.
- 7.42 Middlesbrough's Core Strategy was adopted in 2008, with a Regeneration Development Plan Document (DPD) adopted in 2009. A review of the housing figures in the Core Strategy has recently been completed and the Council is now beginning to prepare a new Local Plan. Employment land allocations in the Core Strategy, to 2023 are:
- Greater Middlehaven (brownfield mixed use land) – approximately 100 ha
  - Riverside Park (general employment land) – approximately 35 ha
  - Middlesbrough Town Centre (office and commercial development) – approximately 10 ha
  - Greater Hemlington (general employment land – to be provided as part of a mixed use scheme) approximately 15 ha
  - East Middlesbrough (general employment land) approximately 15 ha.

#### ***Middlehaven/Greater Middlehaven***

- 7.43 An 80 ha former docklands site north of the city centre, Middlehaven is being redeveloped as a mixed-use riverside quarter. The primary office development,

Manhattan Gate, will provide 13,234 sqm of office space.

- 7.44 Developments also include a media cluster linked to the University of Teesside. Completed facilities to date include Boho One and Bohouses, a hub for digital enterprises. Construction is now underway on a further incubation centre, Boho Five, which will provide a home for up to 50 start-up firms. Construction is also underway on a £20 million Centre of Engineering Excellence for Middlesbrough College.
- 7.45 A wider regeneration programme (Greater Middlehaven) will provide further employment development at the adjacent site of St Hilda's, as well as remediate unused land at Riverside Park.

### ***Redcar and Cleveland***

- 7.46 The latest Redcar and Cleveland Employment Land Review (2013) recommended that the Council's future portfolio should comprise of between 51.58 ha and 77.65 ha of general employment land (with an additional 0.43 ha of pipeline supply). A further 323.88 ha should be safeguarded for port, steel and chemical uses only.
- 7.47 The Draft Local Plan was agreed by Cabinet in September 2013, setting out policies to 2029. However, the plan was not subsequently approved by the full Council, due to concerns over housing numbers. Redcar and Cleveland is now working on a revised Local Plan with a detailed timetable to be determined.
- 7.48 The Local Plan proposed some 343 ha to be developed and safeguarded to protect key industrial sectors. These are considered below.

### ***Teesport and land along the River Tees***

- 7.49 Teesport covers some 315 ha to the south of the River Tees, handling 5,000 vessels each year and around 38 million tonnes of cargo. The site also includes some 280,000 sqm of warehouse accommodation, including a 32,500 sqm logistics centre for Asda and additional facilities for Tesco. Teesport has two container terminals (TCT1 and TCT2) each comprising of two berths and has consent for a further deep sea container terminal.
- 7.50 Further growth at Teesport is expected to focus around the growing container shipping market and this will generate need for logistics space around the Tees

Valley. However, the lack of direct road linkages between Teesport and Hartlepool may make it difficult for Hartlepool to capitalise on the growth opportunities this presents. It is also expected that the Port of Hartlepool will focus on a separate, but complimentary market (offshore energy) to Teesport.

*Wilton International*

- 7.51 Wilton International is a world class chemicals and energy complex with large multinational operators such as Sabic, Lotte and Huntsman currently operating from the site. The site is operated by Sembcorp who provide a range of utilities to meet the needs of operators. The site directly employs some 10,000 people within the Tees Valley and has secured £3 billion of investment during the last five years, with a potential £3-6 billion in the pipeline over the next 10 years.
- 7.52 Land at Wilton International (164 ha) has been designated as an Enterprise Zone site for the chemicals and renewable energy sectors. The site also benefits from 100% enhanced capital allowances on plant and machinery for businesses operating within the target sectors.
- 7.53 Wilton International is complimented by facilities in the south of Hartlepool, notably the Huntsman site, and these operations compete collectively in the global marketplace.

*Tata/SSI steelworks at South Tees, Redcar and Skinningrove*

- 7.54 Tata facilities in Redcar and Cleveland focus on blast furnace and heavy steel processing along with some further processing at Skinningrove. Tata facilities in Hartlepool focus on the production of cabling for undersea industries. Again the facilities are complimentary but serving distinct markets.

*South Tees Eco Park, South Bank*

- 7.55 Waste processing park serving recycling related activities.
- 7.56 There are two further Enterprise Zones in the Borough:
- Land at Kirkleatham Business Park (12.6ha), marketed to new businesses in the target sectors of advanced manufacturing and engineering; chemicals and renewable energy sectors.
  - Land at South Bank Wharf (80.7ha) is allocated for development by the

renewable energy and advanced engineering sectors.

- 7.57 Some 64 ha is proposed for general employment development in the Borough, with around half of that focused in the South Tees area, 30% in Redcar and 20% in Guisborough and East Cleveland.

### **Stockton**

- 7.58 A major employment centre and a focus for financial and business services in the Tees Valley. The development of the Tees Barrage has transformed the riverside area, providing a focus for further office and industrial development. Approximately, 300,000 sqm of new office accommodation will be developed by 2016. Stockton is also a centre for the chemicals industry with facilities at Seal Sands, North Tees and Billingham.

- 7.59 Core Strategy employment land allocations include the following:

- General Employment Land – 255 ha
- Wynyard Park – 70 ha (although 40 ha of this will now be developed for a housing-led scheme)
- Durham Tees Valley Airport – 50 ha
- Land for Chemical and Steel Industries, up to 445 ha.

- 7.60 The main locations for general employment land will be:

- Durham Lane Industrial Estate – 40 ha
- Belasis Technology Park – 20 ha
- Teesside Industrial Estate – 30 ha
- Urray Nook – 20 ha
- Core Area – 10 ha.

### *Teesdale Business Park*

- 7.61 The main financial and business centre for the Tees Valley (including regional headquarters for Barclays and Santander), Teesdale has 30,000 sqm of developed office space. Two employment sites remain here with development consented or under construction, which will deliver a further eight buildings. Expansion land is also available for a Research and Development Business adjacent to the University of Durham's campus here.



*North Shore*

- 7.62 The focus of development has now moved to North Shore, a 23 ha waterfront site, adjacent to Teesdale Business Park. Now an Enterprise Zone, some 60,000 sqm of office space is already developed with a further 40,000 proposed. It will include a research-based business park linked to the University of Durham.

*Stockton Town Centre*

- 7.63 Ongoing projects in the Town Centre include the Eastern Gateway and Riverside. Eastern Gateway will largely be developed for town centre uses, but will include a new office facility for Stockton Council. Riverside is now largely being developed for housing or retained for open space, with a net loss of existing employment uses.

*Preston Farm*

- 7.64 This 49 ha scheme, off the A66, south east of Stockton, provides purpose built freehold units for major companies including Caterpillar UK and Hygena. General office accommodation is available at Falcon Court, which provides two storey leasehold units of 484 sqm each. Outstanding employment land includes a 4-5 ha site in the north (Western Way/Mount Pleasant) proposed for offices and 7 ha at Lockheed Close. Stockton Council feel that further growth is threatened by encroaching housing here, following the development of part of the adjacent Green Wedge.

*Seal Sands/ Belasis Business Park*

- 7.65 Situated in the mouth of the river Tees on recovered land from the sea, an area of Seal Sands became an industrial park for the Chemical Industry in the 1960s. Operators here include INEOS, Fine Organics, BP CATS, SABIC, Vertilus, Conoco Phillips, Vopak, Simon Storage, Harvest Energy and Greenergy. Air Products will soon begin to operate its plasma gasification energy-from-waste facilities here.
- 7.66 The area is now an Enterprise Zone with a specialism in the Chemicals and Processes and development is expected to include a New Energy and Technology Centre. Other major proposals include an Anhydrite Mine with consents for specialist waste storage while in the south west, the Clarence Works will be a focus for the biofuels industry. Overall, some 100 ha of employment land is allocated here, although most will be developed for specialist uses and so will not meet general needs for B1/B2/B8 uses.

- 7.67 Seal Sands, in effect, extends into southern Hartlepool to incorporate major local facilities such as Huntsman. From the Stockton Council's perspective, its most pressing planning requirement is to provide strategic mitigation land to offset the ecological impact of further development around the Teesmouth area.

*Wynyard Park*

- 7.68 As is discussed in Section 6.0, Wynyard One and Wynyard Two are within Stockton, while Wynyard Three is within Hartlepool. Wynyard One is now an established office location along with two large logistics properties. Further development here will be for B-Class employment.
- 7.69 Stockton has strong local housing pressures and reflecting this, 40 ha in the north of Wynyard Two will now be developed for a housing-led scheme. Space exists for some 1,000 homes here but only 400 have consent to date. Delivery of the remaining 600 will largely be dependent on the level of strategic highways improvement which can be provided at the A689/A19 junction and along those two A-roads.

*Durham Tees Valley Airport*

- 7.70 Durham Tees Valley Airport straddles the Stockton-Darlington boundary. The main terminal buildings and runways are in Darlington, as is the adjacent housing development land. Facilities in Stockton include airport taxiways and some 50 ha of employment land. This site is proposed as a major new logistics park, focusing on air freight. It is expected that development here will meet most logistics needs in the Tees Valley for the foreseeable future.

***Darlington***

- 7.71 Darlington marks the western gateway to the Tees Valley with access to the A1(M) and Durham Tees Valley Airport. Work is underway to prepare a new Local Plan for the Borough of Darlington. The new Local Plan will gradually replace saved policies in the existing Borough of Darlington Local Plan (adopted 1997, with alterations in 2001).
- 7.72 The Darlington Core Strategy was adopted in 2011. It provides for some 235 ha of additional employment land to be provided to 2021. 17 ha of this will be in Darlington Town Centre, for office use, and town centre fringe sites, for mixed uses. Other key

locations are discussed below.

#### *Durham Tees Valley Airport*

- 7.73 The Airport is a key asset, both as a transport hub and as a focus for business park and logistics development. The Core Strategy allocates some 20 ha for airport related development and 5 ha for general employment. However, development within Darlington at present is focused on a housing scheme and airport related leisure and retail uses.

#### *Morton Palms*

- 7.74 A 11 ha site on the A66, south west of Darlington, Morton Palms provides prestige office space for the west of the Tees Valley. Some 16,000 sqm of space has been developed to date. A particularly successful scheme has been Pioneer Court, which provides twelve semi-detached/detached leasehold units ranging in size from 218 sqm to 1532 sqm.

#### *Central Park*

- 7.75 Adjoining Darlington Town Centre and railway station, Central Park is a 30-h brownfield site, situated between Haughton Road, Yarm Road, Hundens Lane and the railway. It has been selected as one of the regeneration flagship projects for the Tees Valley and is to be developed over the coming few years. The area was masterplanned in 2012 and an outline planning application, with details for the first phase of residential development was approved in September of that year. The new developments will provide:

- Up to 500 new homes
- Hotel and facilities close to the railway station
- Leisure and community facilities
- Green open space
- 28,000 sqm of office and retail space (on 10 ha), including a Business Growth Hub.

- 7.76 Keepmoat Homes have commenced development of Central Park North, a scheme which will deliver 332 new homes over the next 10 years. In Central Park South, work began on a new Business Growth Hub in March 2014, with completion expected by spring 2015. The Hub will be able to house up to 64 new and small businesses at any one time, offering office space and practical support.

7.77 The Hub sits within the Central Park Enterprise Zone. There are a number of additional development plots available for commercial and similar developments within the Enterprise Zone. Darlington Council and HCA are formulating a programme to realise the delivery of these additional plots, providing a new access from Yarm Road.

7.78 The residential components for Central Park South will be delivered by Keepmoat once the Council has successfully acquired the remaining interests required in order to deliver the new access from Yarm Road. It is likely that residential development on this portion of the site will commence in 5-7 years.

#### *Faverdale Business Park*

7.79 This is a 35 ha greenfield development, west of Darlington town centre providing general industry and warehousing space. Recent developments here include a 70,606 sqm distribution centre for Argos with a 23,226 sqm Aldi distribution centre adjacent

7.80 50 ha was allocated at Faverdale in the Core Strategy. While a further 125 ha of land will be made available at the key employment locations of Faverdale and Heighington Lane.

7.81 Some 24 ha is currently on the market with St Modwen as 'Faverdale 58', offered as design and build opportunities for major distribution and warehousing up to 102,000 sqm. Alternatively sizes from 1,858 sqm can be accommodated for industrial, warehousing and distribution uses.

#### *Lingfield Point*

7.82 A 43 ha brownfield site, east of Darlington, for a mixed-use residential and employment development. The employment space already provides 34 industrial, office and warehousing units of up to 6,503 sqm. It also includes two small office schemes, the Studios (with suites ranging from 51 to 699 sqm) and the Beehive (with suites of 169 to 486 sqm). Occupiers include Student Loans Company, Capita, Darlington Borough Council, NHS, FaulknerBrowns, Four Seasons Health Care, NFU Mutual, NAAFI and AMEC. A further 15 ha is allocated here in the Core Strategy for a mix of uses. Further development options are potentially available at nearby

Darlington Great Park

### **County Durham**

7.83 The latest Employment Land Review (2012) identified that Durham had a significant oversupply of employment land, resulting from the amalgamation of the different County Durham local authorities into a single unitary authority. The study recommended that Durham's portfolio should comprise of a minimum of 67 employment sites, totalling 310-325ha. This meant that some 302 ha of land, relating to 53 sites, could be deallocated or reallocated for other uses. However, a further 13ha could be allocated in the in the A19 Corridor.

7.84 The County Durham Local Plan is due to go to Public Examination in October 2014. The Plan proposes Employment Land allocations of some 297 ha of employment land. This will include three prestige employment sites:

- Amazon Park, Newton Aycliffe – 34.53 ha
- Newton Park, Newton Aycliffe – 48 ha
- South of Drum, Chester-le-Street – 11.66 ha.

Other specialised sites include:

- NetPark, Sedgefield – 30.6 ha is allocated for uses within use class B1, specifically for Research and Development purposes only. In addition an area of 25 ha to the north of the NetPark allocation is safeguarded for future expansion land beyond the end of the Plan period.
- Tursdale, Bowburn – 122.7 ha is safeguarded for uses which are associated with the development of a rail freight facility and related activity.
- South of Seaham – 58.5 ha is allocated for the development of a film studio and associated uses.

7.85 Development within the City of Durham will inevitably focus on B1 uses. The Council also argue that Durham has a comparatively self contained market, distinct from that in the Tees Valley.

7.86 The 'East Durham Delivery Area' has more direct linkages to Hartlepool. Focused around Peterlee there is some 48 ha of employment land allocated here, primarily at Hawthorn and Peterlee North West/South West Industrial Estates. The two industrial estates are established employment areas which accommodate a range of major

occupiers, notably Caterpillar, Coca Cola Enterprises and Momentive Speciality Chemicals which will draw some of their labour from Hartlepool.

### **Summary**

- 7.87 Six major public sector organisations including all the other local authorities of the Tees Valley, other key organisations and eight key businesses/landowners were consulted on a one to one basis as part of the study.
- 7.88 Consultations with a sample of the larger businesses in the Borough suggest most are satisfied with their current premises. Only one business, Coveris at Oakesway, is actively seeking alternative premises at this time. Ideally, Coveris want to lease or acquire a brand new factory in Hartlepool within a business park or industrial estate location to meet the standards of their blue chip clients. However, they would entertain the idea of leasing an older building dependant on the landlord's refurbishment strategy. Elsewhere companies such as Exwold are able to expand within their current sites or have now completed programmes for change and remodelling.
- 7.89 Able UK has now secured contracts for the decommissioning of four offshore platforms from the Shell-operated Brent Field in the North Sea. The contract will support further investment into facilities at Able (UK) Seaton Port. The decommissioning sector is an industry in which Able will continue to reinvest so as to retain their decommissioning position.
- 7.90 At the Port of Hartlepool, some 12 ha, will now be provided to McDermott for the assembly of long line pipe stalks that will be spooled to their pipe-laying vessel for offshore oil and gas works. The facility will be fully operational in 2015.
- 7.91 PD Ports also own the former North Gare nuclear site, and would like to hold onto this allocation for future initiatives. Other land at the port will be retained to meet the, often unpredictable, land needs of businesses in relevant sectors. The only site which they would release from their ownership is an irregular shaped land alongside the A179 as the site is bisected by road and separate from the rest of the port area.
- 7.92 All of the local authorities which neighbour Hartlepool feel they are able to meet their economic needs on land within their own local authority area boundaries.

- 7.93 In Redcar and Cleveland, further growth at Teesport is expected to focus around the growing container shipping market and this will generate need for logistics space around the Tees Valley. However, the lack of direct road linkages between Teesport and Hartlepool may make it difficult for Hartlepool to capitalise on the growth opportunities this presents. It is also expected that the Port of Hartlepool will focus on a separate, but complimentary market (offshore energy) to Teesport.
- 7.94 Land at Wilton International has been designated as an Enterprise Zone site for the chemicals and renewable energy sectors. Wilton International is complimented by facilities in the south of Hartlepool, notably the Huntsman site, and these operations compete collectively in the global marketplace.
- 7.95 Tata facilities in Redcar and Cleveland focus on blast furnace and heavy steel processing along with some further processing at Skinningrove. Tata facilities in Hartlepool focus on the production of cabling for undersea industries. Again the facilities are complimentary but serving distinct markets.
- 7.96 Within Stockton, Seal Sands is now partly an Enterprise Zone with a specialism in the Chemicals and Processes and development is expected to include a New Energy and Technology Centre. Seal Sands, in effect, extends into southern Hartlepool to incorporate major local facilities such as Huntsman. From Stockton Council's perspective, its most pressing planning requirement is to provide strategic mitigation land to offset the ecological impact of further development around the Teesmouth area. Stockton Council would look for Hartlepool to provide some of this.
- 7.97 Stockton has strong local housing pressures and reflecting this, 40 ha in the north of Wynyard Two will now be developed for a housing-led scheme. Space exists for some 1,000 homes here but only 400 have consent to date. Delivery of the remaining 600 will largely be dependent on the level of strategic highways improvement which can be provided at the A689/A19 junction and along those two A-roads.

## 8.0 COMPANY SURVEY

### Introduction

- 8.1 A business survey has been carried out to establish evidence of demand for land and property, and substantiate findings in other sections of this study. It also widens the consultation process and provides direct empirical data on the demand for property and land. It is another strand of evidence that will be used to inform the Study's conclusions and recommendations.

### Methodology

- 8.2 A questionnaire (included at Appendix 4), with explanatory covering letter and pre-paid envelope, was sent out to 170 companies. The list of companies to be surveyed was sourced from EGi, a specialist commercial property database. In 2014 there were approximately 2,420 businesses across the whole study area (according to the Office of National Statistics data). Allowing for the fact that approximately 30% will be non-B1, B2 or B8 relevant (e.g. retail), a representative sample of 170 businesses equates to a 10% sample.

### Response

- 8.3 Initially, the postal/online response achieved was 4%. Building on this, follow-up telephone calls were made to elicit better co-operation from businesses. These actions significantly enhanced the numbers of responses, as well as establishing those companies who have either ceased trading or are no longer in the study area.
- 8.4 Overall 87 questionnaires have been completed, 51% of the total originally targeted (170). This equates to a 5% sample of the study area's relevant business population. The responses are broken down as follows:
- Hartlepool Town Centre – 11 companies
  - Hartlepool Marina Business Park – 1 company
  - Longhill and Sandgate Industrial Estates – 11 companies
  - Oakesway Industrial Estate – 1 company
  - Brenda Road and Tees Road Industrial Estates – 29 companies
  - Other Urban Area (e.g. companies working from home) – 26 companies
  - Rural Area – 8 companies.



## Company Size

- 8.5 The 87 companies across Hartlepool employ 1,910 people. Of these, 6.6% are part-time employees, as shown in Table 50.

**Table 50 – Number of Employees**

| Area   | Full Time    | Part Time  | Total        |
|--|--------------|------------|--------------|
| Brenda Road and Tees Road Industrial Estates | 892          | 79         | 971          |
| Hartlepool Town Centre                       | 266          | 26         | 292          |
| Hartlepool Marina Business Park              | 196          | 8          | 204          |
| Other Urban Area                             | 140          | 7          | 147          |
| Oakesway Industrial Estate                   | 140          | -          | 140          |
| Longhill and Sandgate Industrial Estates     | 92           | 2          | 94           |
| Rural Area                                   | 58           | 4          | 62           |
| <b>Total</b>                                 | <b>1,784</b> | <b>126</b> | <b>1,910</b> |

Source: BE Group 2014

- 8.6 Table 51 shows that responses generally follow the national profile of small company employment. A high proportion (74.7%) are micro businesses (1-10 employees), with 92.0% employing less than 50. There are seven companies with over 50 employees, including one company employing 300 or more employees (Huntsman Pigments, with 334 employees).

**Table 51 – Company Size**

| No. of Companies Responding                  | Company Size, employees |           |           |          |          |          | Total     |
|--|-------------------------|-----------|-----------|----------|----------|----------|-----------|
|  | 0-2                     | 3-5       | 6-10      | 11-20    | 21-50    | 51 +     |           |
| Brenda Road and Tees Road Industrial Estates | 1                       | 5         | 10        | 5        | 5        | 3        | 29        |
| Hartlepool Town Centre                       | 2                       | 4         | 2         | 2        | -        | 1        | 11        |
| Hartlepool Marina Business Park              | -                       | -         | -         | -        | -        | 1        | 1         |
| Other Urban Area                             | 10                      | 9         | 6         | -        | -        | 1        | 26        |
| Oakesway Industrial Estate                   | -                       | -         | -         | -        | -        | 1        | 1         |
| Longhill and Sandgate Industrial Estates     | 1                       | 4         | 4         | 1        | 1        | -        | 11        |
| Rural Area                                   | 2                       | 1         | 4         | -        | 1        | -        | 8         |
| <b>Total</b>                                 | <b>16</b>               | <b>23</b> | <b>26</b> | <b>8</b> | <b>7</b> | <b>7</b> | <b>87</b> |

Source: BE Group 2014

### Current Premises

- 8.7 Companies were asked to state the type of property they occupy e.g. offices, industrial, warehouse, etc. A number of companies occupy more than one type of accommodation, resulting in 116 responses. Industrial premises dominate. Table 52 shows that 56.0% of the companies replying occupy industrial/warehouse accommodation. Just over a quarter of respondents are in offices, and 18.1% work from home.

**Table 52 – Responses by Premises Type Occupied**

| No. of Companies Responding                  | Property Type |           |           |           |                 | Total      |
|--|---------------|-----------|-----------|-----------|-----------------|------------|
|  | Industrial    | Office    | Home      | Warehouse | Serviced Office |            |
| Brenda Road and Tees Road Industrial Estates | 26            | 14        | 1         | 6         | 1               | 48         |
| Hartlepool Town Centre                       | 5             | 8         | -         | 1         | 2               | 16         |
| Hartlepool Marina Business Park              | 1             | 1         | -         | -         | -               | 2          |
| Other Urban Area                             | 6             | -         | 20        | -         | -               | 26         |
| Oakesway Industrial Estate                   | 1             | 1         | -         | 1         | -               | 3          |
| Longhill and Sandgate Industrial Estates     | 10            | 2         |           | 1         |                 | 13         |
| Rural Area                                   | 6             | 1         | -         | 1         | -               | 8          |
| <b>Total</b>                                 | <b>55</b>     | <b>27</b> | <b>21</b> | <b>10</b> | <b>3</b>        | <b>116</b> |

Source: BE Group 2014

- 8.8 Companies were asked to indicate whether they own or rent their property. Table 53 shows that overall a higher proportion of companies own their premises than lease them. It should also be noted that 18.1% work from home – most of which will be owned freehold.

**Table 53 –Tenure of Premises Occupied**

| No. of Companies Responding                  | Property Tenure |          |
|--|-----------------|----------|
|  | Leasehold       | Freehold |
| Brenda Road and Tees Road Industrial Estates | 15              | 14       |
| Hartlepool Town Centre                       | 2               | 9        |
| Hartlepool Marina Business Park              | 1               | -        |

| No. of Companies Responding              | Property Tenure |           |
|--|-----------------|-----------|
|  | Leasehold       | Freehold  |
| Other Urban Area                         | 5               | 17        |
| Oakesway Industrial Estate               | -               | 1         |
| Longhill and Sandgate Industrial Estates | 9               | 2         |
| Rural Area                               | 3               | 4         |
| <b>Total</b>                             | <b>35</b>       | <b>47</b> |

Source: BE Group 2014

8.9 Table 54 indicates the sizes of premises occupied by companies. Overall, emphasis is on premises of 1,000 sqm or less (52.9%).

**Table 54 – Size of Premises Occupied**

| No. of Companies Responding                  | Size, sqm |          |           |           |             |             |          |                             | Total     |
|--|-----------|----------|-----------|-----------|-------------|-------------|----------|-----------------------------|-----------|
|  | 0-100     | 101-200  | 201-500   | 501-1,000 | 1,001-2,000 | 2,001-5,000 | 5,000+   | Not Stated / work from home |           |
| Brenda Road and Tees Road Industrial Estates | 1         | -        | 4         | 9         | 10          | 5           | -        | -                           | 29        |
| Hartlepool Town Centre                       | 1         | 3        | 5         | 1         | -           | 1           | -        | -                           | 11        |
| Hartlepool Marina Business Park              | -         | -        | 1         | -         | -           | -           | -        | -                           | 1         |
| Other Urban Area                             | -         | -        | 4         | 2         | 1           | -           | -        | 19                          | 8         |
| Oakesway Industrial Estate                   | -         | -        | -         | -         | -           | -           | 1        | -                           | 1         |
| Longhill and Sandgate Industrial Estates     | 2         | -        | 3         | 4         | 1           | -           | -        | 1                           | 11        |
| Rural Area                                   | -         | 1        | 3         | 2         | 1           | -           | -        | 1                           | 8         |
| <b>Total</b>                                 | <b>4</b>  | <b>4</b> | <b>20</b> | <b>18</b> | <b>13</b>   | <b>6</b>    | <b>1</b> | <b>21</b>                   | <b>87</b> |

Source: BE Group 2014

8.10 Respondents were asked to comment on whether they were satisfied with their present accommodation, and if not to explain why. Table 55 shows that 97.7% are content.

**Table 55 – Satisfaction with Current Premises**

| No. of Companies Responding                  | Satisfaction Level |           |             |                  | Total     |
|--|--------------------|-----------|-------------|------------------|-----------|
|  | Very Satisfied     | Satisfied | Unsatisfied | Very Unsatisfied |           |
| Brenda Road and Tees Road Industrial Estates | 1                  | 28        | -           | -                | 29        |
| Hartlepool Town Centre                       | 1                  | 10        | -           | -                | 11        |
| Hartlepool Marina Business Park              | -                  | -         | 1           | -                | 1         |
| Other Urban Area                             | 2                  | 24        | -           | -                | 26        |
| Oakesway Industrial Estate                   | -                  | 1         | -           | -                | 1         |
| Longhill and Sandgate Industrial Estates     | -                  | 10        | 1           | -                | 11        |
| Rural Area                                   | -                  | 8         | -           | -                | 8         |
| <b>Total</b>                                 | <b>4</b>           | <b>81</b> | <b>2</b>    | <b>-</b>         | <b>87</b> |

Source: BE Group 2014

8.11 Both companies that are unsatisfied with their property provided explanation. Whilst they state they have a poor landlord, the Marina-company's property is also too small for their business needs. The company located at Sandgate Industrial Estate, although being dissatisfied with their landlord, are not looking for additional or alternative property in the short or long term.

#### **Future Accommodation Requirements**

8.12 Companies were asked to indicate whether they are considering moving premises in the next 12 months, or 2-5 years. Three companies indicated that they are intending to relocate in the next 2-5 years. All have different property requirements: one company requires a hybrid unit of office and industrial accommodation, and ancillary yard space; the second requires warehousing space only; and the final company requires a serviced office. There are no land requirements identified by the company survey.

8.13 The forecasted future space needs by size, tenure, quality and location type are shown in Tables 56 and 57.

**Table 56 – Property Requirements by Location and Type – Offices**

| Location Type                 | Current Size, sqm | Required Size, sqm | Tenure and Quality  | Area Preferred         |
|-------------------------------|-------------------|--------------------|---------------------|------------------------|
| <b>Hartlepool Town Centre</b> |                   |                    |                     |                        |
| Town Centre                   | 101-200           | 101-200            | Freehold / Moderate | Hartlepool Town Centre |
| <b>Total</b>                  | <b>101-200</b>    | <b>101-200</b>     |                     |                        |

Source: BE Group 2014

**Table 57 – Property Requirements by Location and Type – Industrial**

| Location Type                                       | Current Size, sqm | Required Size, sqm | Tenure and Quality       | Area Preferred  |
|---|-------------------|--------------------|--------------------------|---|
| <b>Hartlepool Marina Business Park</b>              |                   |                    |                          |   |
| Technology / Business Park                          | 201-500           | 501-1,000          | No preference / Moderate | Hartlepool Town Centre / Hartlepool Marina Business Park / Longhill and Sandgate Industrial Estates / Victoria Harbour / Hartlepool Port Estates / Brenda Road and Tees Road Industrial Estates / Billingham / Peterlee |
| <b>Brenda Road and Tees Road Industrial Estates</b> |                   |                    |                          |   |
| Town Centre   | 501-1,000         | 201-500            | Freehold / Moderate      | Hartlepool Town Centre  |
| <b>Total</b>  | <b>702-1,500</b>  | <b>702-1,500</b>   |                          |   |

Source: BE Group 2014

**Summary Tables of Office Requirements**

**Table 58 – Summary of Office Requirements – Sizes**

| Size, sqm    | Number of Companies Responding | Proportion of Companies Responding, % |
|--------------|--------------------------------|---------------------------------------|
| 0-100        | -                              | -                                     |
| 101-200      | 1                              | 100.0                                 |
| 201-500      | -                              | -                                     |
| 501-1000     | -                              | -                                     |
| 1001-2000    | -                              | -                                     |
| 2001-5000    | -                              | -                                     |
| 5001+        | -                              | -                                     |
| <b>Total</b> | <b>1</b>                       | <b>100.0</b>                          |

Source: BE Group 2014

**Table 59 – Summary of Office Requirements – Tenure**

| Tenure        | Number of Companies Responding | Proportion of Companies Responding, % |
|---------------|--------------------------------|---------------------------------------|
| Leasehold     | -                              | -                                     |
| Freehold      | 1                              | 100.0                                 |
| No Preference | -                              | -                                     |
| <b>Total</b>  | <b>1</b>                       | <b>100.0</b>                          |

Source: BE Group 2014

**Table 60 – Summary of Office Requirements – Quality**

| Quality         | Number of Companies Responding | Proportion of Companies Responding, % |
|-----------------|--------------------------------|---------------------------------------|
| Basic/Budget    | -                              | -                                     |
| Moderate        | 1                              | 100.0                                 |
| Prestigious/New | -                              | -                                     |
| No Preference   | -                              | -                                     |
| <b>Total</b>    | <b>1</b>                       | <b>100.0</b>                          |

Source: BE Group 2014

**Table 61 – Summary of Office Requirements – Location Type**

| Location Type     | Number of Companies Responding | Proportion of Companies Responding, % |
|-------------------|--------------------------------|---------------------------------------|
| Town Centre       | 1                              | 100.0                                 |
| Industrial Estate | -                              | -                                     |
| Business Park     | -                              | -                                     |

| Location Type | Number of Companies Responding | Proportion of Companies Responding, % |
|---------------|--------------------------------|---------------------------------------|
| Rural         | -                              | -                                     |
| <b>Total</b>  | <b>1</b>                       | <b>100.0</b>                          |

Source: BE Group 2014

- 8.14 Analysis of the one office requirement reveals that the property requirement by floorspace remains the same at 101-200 sqm and should continue to be associated with a town centre serviced accommodation. The difference between the company's existing property and their future requirement, is the tenure of the unit, where they will be looking to own an office unit in the long term.

### Summary Tables of Industrial Requirements

**Table 62 – Summary of Industrial Requirements – Sizes**

| Size, sqm    | Number of Companies Responding | Proportion of Companies Responding, % |
|--------------|--------------------------------|---------------------------------------|
| 0-100        | -                              | -                                     |
| 101-200      | -                              | -                                     |
| 201-500      | 1                              | 50.0                                  |
| 501-1,000    | 1                              | 50.0                                  |
| 1,001-2,000  | -                              | -                                     |
| 2,001-5,000  | -                              | -                                     |
| 5,001+       | -                              | -                                     |
| <b>Total</b> | <b>2</b>                       | <b>100.0</b>                          |

Source: BE Group 2014

**Table 63 – Summary of Industrial Requirements – Tenure**

| Tenure        | Number of Companies Responding | Proportion of Companies Responding, % |
|---------------|--------------------------------|---------------------------------------|
| Freehold      | 1                              | 50.0                                  |
| Leasehold     | -                              | -                                     |
| No Preference | 1                              | 50.0                                  |
| <b>Total</b>  | <b>2</b>                       | <b>100.0</b>                          |

Source: BE Group 2014

**Table 64 – Summary of Industrial Requirements – Quality**

| Quality         | Number of Companies Responding | Proportion of Companies Responding, % |
|-----------------|--------------------------------|---------------------------------------|
| Prestigious/New | -                              | -                                     |
| Moderate        | 2                              | 100.0                                 |
| Basic/Budget    | -                              | -                                     |
| No Preference   | -                              | -                                     |
| <b>Total</b>    | <b>2</b>                       | <b>100.0</b>                          |

Source: BE Group 2014

**Table 65 – Summary of Industrial Requirements – Location Type**

| Location Type              | Number of Companies Responding | Proportion of Companies Responding, % |
|----------------------------|--------------------------------|---------------------------------------|
| Town Centre                | 1                              | 50.0                                  |
| Industrial Estate          | -                              | -                                     |
| Technology / Business Park | 1                              | 50.0                                  |
| Rural                      | -                              | -                                     |
| <b>Total</b>               | <b>2</b>                       | <b>100.0</b>                          |

Source: BE Group 2014

- 8.15 Stated demand is for both a small workshop unit of 201-500 sqm and a mid-sized industrial unit of 501-1,000. Whilst both requirements are committed to Hartlepool, the larger property requirement is also considering areas in Billingham and Peterlee. The smaller requirement should be in Hartlepool Town Centre, and be a freehold property of moderate quality. The larger requirement has no tenure preference, but the unit should be of moderate quality and associated with a Technology /Business Park location. As one of the requirements is for a reduction in floorspace, the floorspace requirement for industrial space has not changed.
- 8.16 Hartlepool Town Centre is the most popular location for all requirements. The companies appear to be committed to the Borough, with only one suggesting that an expansion or relocation may also occur outside the area (in Billingham or Peterlee).
- 8.17 Two of the three companies require a freehold property, with one company not stating a preference. Demand is for moderate quality premises and locations in town centres are preferred.



### **Property Factors and Additional Comments**

- 8.18 All three companies expecting to move in the next five years identified the most important factor(s) when looking for alternative accommodation. The hybrid requirement considers the ability to occupy an office and plant yard together, is crucial for their future business operations. The warehousing requirement considers customer parking and low rates to be the most important factors to their relocation. Price is the most important factor to the third requirement.
- 8.19 The hybrid requirement also made additional comments to the wider business environment, stating that business support and funding availability are important for their operations.

### **Summary**

- 8.20 The company survey secured a 51% response rate.
- 8.21 The company survey produced only a small property requirement, with one office and two industrial requirements, and no land requirements. In terms of office and industrial need, the demand analysis does not increase the floorspace requirement for either property types. The office requirement is for a freehold property to replace the current leased accommodation. Industrial demand is for a property reduction to the 201-500 sqm size range and a property expansion to the 501-1,000 sqm size range. Where companies have indicated a preference, this is for a freehold property. All requirements are for accommodation of moderate quality. Hartlepool Town Centre is the most popular location.
- 8.22 The findings in Section 4.0 – Property Market General, assess the supply of available premises. In Table 66 the available properties are aligned to the identified company requirements as one test of the supply and demand situation.
- 8.23 Table 66 illustrates that overall Hartlepool has a reasonable range of industrial premises, in that there is some availability in all size bands. Based against this relatively small sample of the Borough's stock of businesses there would appear to be no shortages of premises, in any size range, which could constrain expansion plans, or see relocations to available property outside the Borough.

8.24 Table 66 also shows that the supply of office accommodation is very much geared to micro businesses or start up/small operations. 62% of the available properties represent sizes of 100 sqm or less and there is only one larger (1,001 sqm and above) option on the market.

**Table 66 – Hartlepool Borough Premises Supply and Demand Analysis**

| Requirement Property Size, sqm | Industrial      |   | Office          |   |
|--------------------------------|-----------------|---|-----------------|---|
|                                | Available Units | Number of Requirements Identified by Company Survey | Available Units | Number of Requirements Identified by Company Survey |
| 0-100                          | 2               | -   | 26              | -   |
| 101-200                        | 3               | -   | 2               | 1   |
| 201-500                        | 5               | 1   | 10              | -   |
| 501-1,000                      | 7               | 1   | 3               | -   |
| 1,001-2,000                    | 5               | -   | -               | -   |
| 2,001-5,000                    | 5               | -   | 1               | -   |
| 5,001+                         | 2               | -   | -               | -   |

Source: BE Group 2014

8.25 As Table 67 illustrates, in terms of tenure and quality, the available accommodation meets the identified requirements.

**Table 67 – Hartlepool Borough Premises Supply – Qualitative Analysis**

| Requirement Property Size, sqm | Industrial      |   | Office          |   |
|--------------------------------|-----------------|---|-----------------|---|
|                                | Available Units | Number of Requirements Identified by Company Survey | Available Units | Number of Requirements Identified by Company Survey |
| Leasehold                      | 17              | -   | 33              | -   |
| Freehold (or Either)           | 12              | 2   | 9               | 1   |
| Good Quality/New               | 7               | -   | 30              | -   |
| Moderate                       | 20              | 2   | 8               | 1   |
| Basic/Budget                   | 2               | -   | 4               | -   |

Source: BE Group 2014

8.26 It should be remembered that the company survey is just one strand of evidence, providing an illustration of pent-up demand. It is not the sole answer. It is probable that not all the company requirements identified by the survey returns will come to

fruition. Equally there will be other companies who were surveyed that stated that they do not intend to relocate or expand at the moment, but which may well do so over the next five years.

## 9.0 GROWTH FORECASTS

### Introduction

9.1 Planning Practice Guidance (2014) states that the assessment of future land needs should be determined by looking at both past trends and future forecasting methods. This section explains the methodology we have used which take account of the PPG. These use three models to assess land needs. None provide a definitive answer, but they are influences to be considered. They must be considered in light of the market overview undertaken as part of this study. The three models are:

- Historic land take-up forecast
- Employment based forecast
- Labour supply forecast.

9.2 Forecasts are based on data commissioned for this study from Oxford Economics. As such they represent up to date forecasts that reflect the impact of the recent recession, and the recent improvement of the economy. A detailed description of Oxford Economics modelling approach, and the assumptions behind the model, is provided as Appendix 5.

9.3 For each model we have commented upon the implications in terms of the volume of land required. Historic take-up is a direct comparison of land developed, whereas forecast data must be translated from jobs numbers to land. This is achieved through estimating the number of employees likely to be employed on a per floorspace basis, and that floorspace in turn is translated to a rate per hectare. Job related densities used equate to those identified in the Homes and Communities Agency and OFFPAT (Office of Project and Programme Advice and Training) Employment Densities Guide 2nd Edition, published in 2010. Floorspace to land ratios are based on our experience of development requirements, and are in line with industry accepted ratios.

### Model 1: Historic Land Take-Up

9.4 Employment land take-up is recorded by the Borough Council. In Table 68 a schedule of completions between 2008 and 2013 is shown. The 14.932 ha of land developed over this period equates to an annual average take-up of 2.99 ha/year.

**Table 68 – Employment Land Take-Up 2008-2013**

| <b>Completion Period</b> | <b>Total (ha)</b> |
|--------------------------|-------------------|
| 2008-2009                | 0.124             |
| 2009-2010                | 0.025             |
| 2010-2011                | 2.435             |
| 2011-2012                | 11.694            |
| 2012-2013                | 0.654             |
| 2013-2014                | -                 |
| <b>Total</b>             | <b>14.932</b>     |

Source: Hartlepool BC, 2014

- 9.5 The Annual Monitoring Report does not give a breakdown of land by use class, instead, the Report provides the amount of floorspace completed during each year, broken down between Industrial sites and mixed use sites. The take-up used is from the industrial site data, and it is considered that there was no relevant employment use within the take-up for the mixed use.
- 9.6 The total for 2011-2012 included the largest single completion of this period, 10.48 ha which was recorded at Tofts Farm East/Hunter House, for the development of the O'Brian Waste Recycling Facility. If this is excluded the average drops to 0.89 ha/annum
- 9.7 Application of the take-up figure suggests Hartlepool would need 50.83 ha to cater for an estimated annual take-up of 2.99 ha/year for the next 17 years, however, if the Tofts Farm East site is excluded, then predicted need drops to 15.13 ha. It is reasonable to assume that during the 17 year period larger requirements will be accommodated, and therefore to allow for choice and potential large occupier need, the higher figure is adopted.
- 9.8 The Borough should have a buffer of five years supply to reflect a choice of sites by size, quality and location and to provide a continuum of supply beyond the end of the Plan period. Based on the historic take-up trend this would increase land supply need to 65.78 ha.

- 9.9 At March 31 2014 there was 409.7 ha (gross) of available land in the Borough (see Section 6.0), which clearly shows that the Council has an over-supply of 343.92 ha to match historic trends. As noted in Section 6.0 for a variety of reasons the supply position could be reduced to 257.9 ha.

**Model 2: Employment Based Forecast**

- 9.10 This scenario uses as its base the Oxford Economics Forecasts referred to above. The forecasts project employment change through to 2031 and include annual employment figures for the Borough from 1991. Thus both historic trends can be compared with the land take-up over the recent past and employment growth can be forecast for the current Plan period.
- 9.11 The forecasts break down employment to the level of 19 industry sectors, although not all are relevant to this Employment Land review. It should be noted that for this model the forecasts reflects both 'policy off', a non-intervention scenario, where no account is taken of any planned or emerging investment programmes and 'policy on' which sets a scenario for projected activity at the Enterprise Zone sites during the Plan Period. The policy on scenario also takes account of changes in the health and education sectors, most notably the proposal to consolidate hospital activities from Hartlepool and Stockton onto Wynyard Park. Figures for these latter changes were sourced from Tees Valley Unlimited (Paper 6, 2014).
- 9.12 Oxford Economics baseline (Table 69) indicates that Hartlepool's employment has been significantly impacted by the recent recession, and looking forward to 2031, few sectors are showing any marked growth with a number of sectors facing an ongoing decline in job numbers.
- 9.13 Over the Plan period the baseline, policy off, total employment is forecast to remain effectively the same, once losses and gains are accounted for, with an unchanged total of 29,500 jobs. During the period nine of the 19 sectors are predicted to grow, producing 1,600 jobs, but other sectors, including manufacturing utilities and public administration are forecast to see a reduction in jobs numbers totalling 1,600, the vast majority of these are in the manufacturing sector. This partly reflects the shrinking manufacturing base nationally, but also the changing nature of the sector, with increased automation. The highest growth sector is construction with 400 new jobs.

**Table 69 – Employment Change by Employee Numbers 2014-2031**

| Sector   | Baseline/Policy Off |               |                   |                 | Policy On     |               |                   |                 |
|--|---------------------|---------------|-------------------|-----------------|---------------|---------------|-------------------|-----------------|
|  | Jobs in 2014        | Jobs in 2031  | Total Jobs change | Jobs Change (%) | Jobs in 2014  | Jobs in 2031  | Total Jobs change | Jobs Change (%) |
| Agriculture                                    | 100                 | 100           | 0                 | 0               | 100           | 100           | 0                 | 0               |
| Mining   | 0                   | 0             | 0                 | 0               | 0             | 0             | 0                 | 0               |
| Manufacturing                                  | 4,200               | 3,300         | -900              | -21.4           | 4,200         | 3,800         | -400              | -9.5            |
| Electricity, gas, steam air conditioning       | 700                 | 600           | -100              | -14.3           | 700           | 600           | -100              | -14.3           |
| Water, sewerage, waste management, remediation | 400                 | 300           | -100              | -25.0           | 400           | 300           | -100              | -25.0           |
| Construction                                   | 1,800               | 2,200         | 400               | 22.2            | 1,800         | 2,200         | 400               | 22.2            |
| Wholesale and retail                           | 4,500               | 4,600         | 100               | 2.2             | 4,500         | 4,600         | 100               | 2.2             |
| Transportation and storage                     | 800                 | 900           | 100               | 12.5            | 800           | 900           | 100               | 12.5            |
| Accommodation/Foodservices                     | 1,900               | 2,000         | 100               | 5.3             | 1,900         | 2,000         | 100               | 5.3             |
| ICT  | 200                 | 300           | 100               | 50.0            | 200           | 300           | 100               | 50.0            |
| Finance and Insurance                          | 300                 | 300           | 0                 | 0               | 300           | 300           | 0                 | 0               |
| Real Estate                                    | 700                 | 900           | 200               | 28.6            | 700           | 900           | 200               | 28.6            |
| Professional, Scientific and technical         | 900                 | 1,100         | 200               | 22.2            | 900           | 1,100         | 200               | 22.2            |
| Administrative support                         | 1,500               | 1,700         | 200               | 13.3            | 1,500         | 1,700         | 200               | 13.3            |
| Public admin and defence                       | 1,700               | 1,400         | -300              | -17.6           | 1,700         | 1,400         | -300              | -17.6           |
| Education                                      | 3,200               | 3,000         | -200              | -6.3            | 3,200         | 3,350         | 150*              | 4.7             |
| Human health and social work                   | 4,800               | 4,800         | 0                 | 0               | 4,800         | 5,550         | 750*              | 15.6            |
| Arts entertainment and recreation              | 1,100               | 1,300         | 200               | 18.2            | 1,100         | 1,300         | 200               | 18.2            |
| Other service activities                       | 700                 | 700           | 0                 | 0               | 700           | 800           | 100               | 14.2            |
| <b>Net growth/Decline</b>                      | <b>29,500</b>       | <b>29,500</b> | <b>0</b>          | <b>0</b>        | <b>29,500</b> | <b>31,200</b> | <b>1,700</b>      | <b>5.8</b>      |

Source: Oxford Economics, 2014

\*Reflects projected change in The Tees Valley Unlimited Paper 6 (2014) and accounts for projected growth in the health sector, including the consolidation of hospital activities from Hartlepool and Stockton onto Wynyard Park.

9.14 In comparison, the 'policy on' scenario accounts for growth in the Enterprise Zones (manufacturing related), medical and education sectors (although the latter two are not directly relevant to this study) which are projected to generate 1,700 additional jobs by 2031.

- 9.15 To put this into context growth in the wider economy is considered by the change in Gross Added Value (GVA). This measures the contribution to the economy of each individual sector (Table 70).
- 9.16 Assuming the policy off, or baseline position, GVA change during the period 2014 to 2031 is set to increase by 37.5% for the period. The manufacturing sector is predicted to see a change representing an increase of 31.1% over the period. This is against an overall jobs reduction. The greatest increases in GVA output are in the ICT, professional, scientific and technical sectors and administrative support, although the baseline levels are low.
- 9.17 The policy on scenario suggests that the Enterprise Zones will increase GVA in manufacturing by around 45% during the Plan period. Other sectors show marginal changes.
- 9.18 In terms of future employment land requirements, only certain sectors will translate jobs into a requirement for employment land. The model assesses what percentage of jobs in each sector translate to floorspace. For example in transport and storage a percentage of jobs will be warehouse based, whilst the remainder will be drivers. Thus this model is likely to be affected by a number of key factors:
- The future mix of activities in respect of office, manufacturing and warehousing employment within different sectors. It is not possible to predict the impact of evolving technical change over the Local Plan period, and we have therefore assumed that this mix will not change over the period
  - The percentage of employees in each sector that will translate to floorspace  
The proportion of people in each industry sector that occupy B1, B2 or B8 space conforms to those ratios used in other studies and accepted in comparable locations and are sourced from the South East Regional Planning Conference's 'The Use of Business Space'
  - The average space each employee occupies – the employment density. We have assumed no variation in the density rates through to 2031 and have used those densities identified in the HCA 2010 published Employment Densities Guide 2<sup>nd</sup> Edition
  - The average development floorspace per hectare for office, manufacturing and warehousing activities. We have applied the uniform amount of 3,900 sqm per ha.



**Table 70 – GVA Change by Sector 2014-2031 (£)**

| Sector   | Baseline/Policy Off |             |                  |                | Policy On   |             |                  |                |
|--|---------------------|-------------|------------------|----------------|-------------|-------------|------------------|----------------|
|  | GVA in 2014         | GVA in 2031 | Total GVA change | GVA Change (%) | GVA in 2014 | GVA in 2031 | Total GVA change | GVA Change (%) |
| Agriculture                                    | 3,100,000           | 3,600,000   | 500,000          | 16.1           | 3,100,000   | 3,600,000   | 500,000          | 16.1           |
| Mining   | 1,400,000           | 1,400,000   | 0                | 0.0            | 1,400,000   | 1,400,000   | 0                | 0              |
| Manufacturing                                  | 231,600,000         | 303,500,000 | 71,900,000       | 31.0           | 231,600,000 | 336,600,000 | 105,000,000      | 45.3           |
| Electricity, gas, steam air conditioning       | 0                   | 0           | 0                | 0              | 0           | 0           | 0                | 0              |
| Water, sewerage, waste management, remediation | 34,900,000          | 47,100,000  | 12,200,000       | 35.0           | 35,000,000  | 47,100,000  | 12,100,000       | 34.6           |
| Construction                                   | 62,700,000          | 92,000,000  | 29,300,000       | 46.7           | 62,700,000  | 92,000,000  | 29,300,000       | 46.7           |
| Wholesale and retail                           | 118,000,000         | 168,200,000 | 50,200,000       | 42.5           | 118,000,000 | 168,200,000 | 50,200,000       | 42.5           |
| Transportation and storage                     | 22,900,000          | 32,400,000  | 9,500,000        | 41.5           | 23,000,000  | 324,000,002 | 9,400,000        | 40.9           |
| Accommodation/Foodservices                     | 24,500,000          | 35,100,000  | 10,600,000       | 43.3           | 24,700,000  | 35,100,000  | 10,400,000       | 42.1           |
| ICT  | 9,200,000           | 17,200,000  | 8,000,000        | 87.0           | 9,200,000   | 17,200,000  | 8,000,000        | 87             |
| Finance and Insurance                          | 23,600,000          | 34,000,000  | 10,400,000       | 44.1           | 23,700,000  | 34,000,000  | 10,300,000       | 43.5           |
| Real Estate                                    | 127,600,000         | 201,900,000 | 74,300,000       | 58.2           | 128,200,000 | 201,900,000 | 73,700,000       | 57.5           |
| Professional, Scientific and technical         | 22,800,000          | 41,800,000  | 19,000,000       | 83.3           | 22,900,000  | 41,800,000  | 18,900,000       | 82.5           |
| Administrative support                         | 39,300,000          | 69,100,000  | 29,800,000       | 75.8           | 39,400,000  | 69,100,000  | 29,700,000       | 75.4           |
| Public admin and defence                       | 62,400,000          | 66,400,000  | 4,000,000        | 6.4            | 62,400,000  | 66,400,000  | 4,000,000        | 6.4            |
| Education                                      | 102,900,000         | 108,500,000 | 5,600,000        | 5.4            | 103,000,000 | 108,800,000 | 5,800,000        | 5.6            |
| Human health and social work                   | 130,500,000         | 179,400,000 | 48,900,000       | 37.5           | 130,600,000 | 179,400,000 | 48,800,000       | 37.4           |

| Sector                            | Baseline/Policy Off  |                      |                    |                | Policy On            |                      |                    |                |
|-----------------------------------|----------------------|----------------------|--------------------|----------------|----------------------|----------------------|--------------------|----------------|
|                                   | GVA in 2014          | GVA in 2031          | Total GVA change   | GVA Change (%) | GVA in 2014          | GVA in 2031          | Total GVA change   | GVA Change (%) |
| Arts entertainment and recreation | 18,300,000           | 24,500,000           | 6,200,000          | 33.9           | 18,400,000           | 24,500,000           | 6,100,000          | 33.2           |
| Other service activities          | 14,300,000           | 17,900,000           | 3,600,000          | 25.2           | 14,300,000           | 17,900,000           | 3,600,000          | 25.2           |
| <b>Net Growth/Decline</b>         | <b>1,050,200,000</b> | <b>1,444,000,000</b> | <b>393,800,000</b> | <b>37.5</b>    | <b>1,051,600,000</b> | <b>1,465,200,000</b> | <b>413,600,000</b> | <b>39.3</b>    |

Source: Oxford Economics, 2014

9.19 These assumptions are summarised as follows (Table 71):

**Table 71 – Model Assumptions**

| Industry Sector             | Employees                                    |                            |  |
|-----------------------------|--|----------------------------|--|
|                             | Proportion Occupying B1, B2, B8 Floorspace,% | Floorspace per person, sqm | Other Comments   |
| Agriculture                 | 5  | 12                         | Managerial, admin  |
| Manufacturing               | 100  | 47                         | Higher density reflects largely B2;a lower density can be applied to B1 light industry |
| Utilities                   | 26   | 12                         | Managerial, admin  |
| Construction                | 26   | 12                         | Managerial, admin  |
| Distribution                | 48   | 70                         | Warehouses, offices-non large scale/high bay facilities                                |
| Transport                   | 48   | 70                         | Warehouses, offices-non large scale/high bay facilities                                |
| Financial & Business        | 100  | 12                         |  |
| Government & Other Services | 22   | 12                         | Local Government, Public Administration  |

Source: SERPLAN and Employment Densities Guide 2<sup>nd</sup> Edition, 2010

9.20 Therefore, the net job figure for each sector is adjusted to reflect the proportion occupying 'B' floorspace. That figure is then multiplied by the floorspace per person to give total floorspace for each sector. Finally that can be translated to a land requirement per hectare.

9.21 Application of these assumptions suggests the following in terms of future employment land provision:

**Policy off**

- From sectors predicted to grow, the need for a further 1.54 ha
- From those sectors where employment is forecast to reduce there will be a potential loss of 12.39 ha, suggesting that if jobs change translates directly to land change, potentially net land supply, 10.85 ha will come back to the market during the plan period.

**Policy on**

- From sectors predicted to grow, the need for a further 3.03 ha
- From those sectors where employment is forecast to reduce there will be a potential loss of 6.39 ha, suggesting that if jobs change translates directly to land change, potentially net land supply 3.36 ha will come back to the market during the plan period.

9.22 The net result of this suggests Hartlepool would have a substantial oversupply of employment land of up to 268.20 ha to 2031.

9.23 In reality the employment change does not translate to land provision in this way. There are a number of factors that will influence the land requirement and it is necessary to understand the market signals to predict a more accurate employment land requirement. These factors include:

- How far does the growth in office employment take place in a town centre locations, at higher densities, rather than in low-density business parks. It is more likely to be the latter in view of the Borough's characteristics. Where growth is predicted in town or city centres different densities would be applied, closer to 100% site coverage
- Will the decline in jobs particularly in some manufacturing sub-sectors actually lead to the release of land
- Land take-up/property needs can be for different reasons such as modernisation, geographic relocation
- Expansion may be within existing premises or on expansion land not accounted for in land allocations.

9.24 It is considered that the land requirements' calculations can represent a false position. Irrespective of changes to employment densities, whilst growth sectors seek to expand by taking additional space, declining sectors may actually not release land in line with the above assumptions. Taking manufacturing, whilst jobs are predicted to decline, the sector is predicted to show growth in GVA, albeit at a much lower level than other sectors. The move to automation and other efficiencies can account for these changes. From the limited number of consultations with companies there is no suggestion that floorspace will reduce, rather demand for additional space has been identified for a number of businesses.

- 9.25 To test how closely jobs change translates to land take-up, historic trends have been compared in Table 72. Using the same methodology, the land needs based on employment change has been calculated for the period 2008 -2013, and compared to the actual land take-up during that period.

**Table 72 – Historic Trends Analysis**

| <b>Employment Change</b> | <b>Total Jobs</b> | <b>Land (Ha)</b> |
|--------------------------|-------------------|------------------|
| Growth                   | 700               | 0.62             |
| Decline                  | -3700             | -8.24            |
| Net growth               | <b>2090</b>       | <b>-7.62</b>     |
| Historic land take up    | -                 | <b>14.93</b>     |

*Source: Oxford Economics, Hartlepool BC, BE Group, 2014*

- 9.26 The trend shows that net jobs growth is not an accurate method of calculating land as, whilst the jobs change during that period suggests that there would be an overall land reduction, take-up accounted for 14.93 ha. If the Waste Recycling facility at tofts farm is excluded, there was still a take up of 4.45 ha, which is seven times the jobs based land take id growth sectors only are assessed.
- 9.27 It is possible the Local Plan period will see further changes in employment densities. For office employment this could be the result of trends towards remote working, hot desking, increased use of ICT and smaller businesses. Densities in manufacturing and distribution may well continue to fall as a result of automation. However, it is impossible to project what the percentage change in densities might be and thus what the impact on future land requirements might be.

### **Model 3: Labour Supply Forecast**

- 9.28 This scenario is based upon Oxford Economics Population Forecasts. The projections indicate a rise in total population numbers for the borough from 92,000 to 96,000 by 2031. This represents a 4.3% increase. During the same period, the working age population figure would see a decrease of 9.6% – from 57,000 to 52,000.
- 9.29 It is possible to apply a similar methodology used for the employment forecasting to the population figures, but it is considered that there is little value in this as the population growth represents labour supply, whereas the employment figures

represent labour demand and are much more relevant to determining land needs for industry.

- 9.30 The significance of the population figures are to demonstrate that where there is an anticipated increase in jobs being created within the Borough, that the labour supply forecasts are such that the population growth can meet this demand. With no change in overall jobs numbers for the period against a modest increase in population of 4,000, there is not a significant difference between the two figures. The loss of 4,000 of the working age population does suggest that if there was an anticipated growth in jobs demand, businesses could find an employment/skills shortage, but this needs to be offset by the unemployment level which currently is around 3,500, or 12.5% of the working population.

### Summary

- 9.31 The two alternative forecast options have been produced and considered for the Plan period. The calculations for each are summarised in Table 73 and show varied outcomes.

**Table 73 – Land Forecast Models – Summary**

| Model  | Land Stock 2014, ha | Land Need 2014-2031, ha      | Buffer (five years take-up rate) ha | Surplus (Shortfall), ha | Assumptions   |
|--|---------------------|------------------------------|-------------------------------------|-------------------------|---|
| Historic Land Take-Up Rate/ Headline stock     | 409.7               | 50.83 High<br>15.13 Low      | 14.95 High<br>4.45 Low              | 343.92<br>390.12        | High- based on 2.99 ha/annum<br>Low – based on 0.89 ha/annum                            |
| Historic Land Take-Up Rate/ Adjusted stock     | 257.9               | 50.83 High<br>15.13 Low      | 14.95 High<br>4.45 Low              | 192.12<br>238.32        | High- based on 2.99 ha/annum<br>Low – based on 0.89 ha/annum                            |
| Policy off-Employment based on adjusted stock  | 257.9               | 1.54 Growth<br>-10.85 Change | 0.55<br>0.55                        | 255.81<br>268.20        | Based on<br>1.projected growth sectors<br>2. projected employment change across sectors |
| Policy on - Employment based on adjusted stock | 257.9               | 3.03 Growth<br>-3.36 Change  | 1.08<br>1.08                        | 253.79<br>260.18        | Based on<br>1.projected growth sectors<br>2. projected                                  |

| Model | Land Stock 2014, ha | Land Need 2014-2031, ha | Buffer (five years take-up rate) ha | Surplus (Shortfall), ha | Assumptions                      |
|-------|---------------------|-------------------------|-------------------------------------|-------------------------|----------------------------------|
|       |                     |                         |                                     |                         | employment change across sectors |

Source: BE Group 2014

- 9.32 The figures allow for a five year buffer to allow for choice and potential change in needs during the Plan Period.
- 9.33 The worst case scenario is that based on the adjusted land availability where sites considered undeliverable are excluded, then there is a potential surplus during the Plan Period of 192.12 ha.
- 9.34 If employment based forecasts are taken then there will be an estimated surplus of between 255.81 ha and 268.20 ha, depending on whether baseline or 'policy on' are applied.
- 9.35 From the market assessment and also reviewing the historic trends in employment change and land take up, the conclusion is that the jobs based forecasts underestimates land needs significantly. When a comparison of past employment changeover the period 2008-2013 is made, actual land take-up is several times the estimate that the growth only sectors suggest. Applying this ratio to future needs would suggest that the policy off figure would be in the region of 10.78 ha, which is close to the lower level historic take-up figure of 21.21 ha, applying policy on.
- 9.36 In all scenarios, Hartlepool has a considerable over supply of land to 2031. Allowing for a number of significant developments during the period, and allowing for a good choice of sites and locations, and thus adopting a figure of 65.96 ha, there will still be an over-supply of 192.12 ha.

## 10.0 LAND NEEDS OF NON-B CLASS USES

### Introduction

10.1 Reflecting a wider definition of economic development this section considers, as far as is possible, future requirements for land from non-B class sectors that are also employment generators. Whilst retailing falls into these sectors it is noted that in 2009 Hartlepool Borough Council separately commissioned a 'Hartlepool Retail Study' that examines future need.

10.2 For this study the following broad sectors have been identified:

- Retail
- Accommodation and food service activities
- Education
- Human health and social work activities
- Arts, entertainment and recreation.

10.3 It must be recognised that the job and space requirements associated with these sectors are estimated and planned for in a different way to B class uses. For example, health facilities will have quite specific land needs that are not linked directly to job numbers; education facilities are planned based on forecasts for pupil roll numbers and capacity in existing schools/colleges. Retail or leisure operators will often locate in town centres, within mixed-use schemes or in locations of their choice, rather than on specifically allocated sites.

10.4 A key factor relating to many of these sectors is the likely level of population and housing growth in the Borough. Oxford Economic forecasts, commissioned to inform this study, estimate that the overall population will grow from 92,000 in 2014 to 96,000 by 2031.

### Retail

10.5 As stated above future retailing requirements are separately considered in the Hartlepool Retail Study. The Report suggests that there is no need for significant additional convenience or comparison floorspace to 2026. However, there was a qualitative need to enhance Hartlepool's comparison offer. In particular



- 10.6 Local property agents, consulted for this study also argue that Hartlepool Town Centre struggling as the quality of the building stock is poor, retail businesses are moving out to out-of-town retail parks and lack of free car parking deters would-be occupiers. Edge of town developments have better quality, modern buildings and ample free car parking and are therefore more attractive to businesses.
- 10.7 However, the Council is in the process of completing a Regeneration Masterplan for the Town Centre and Marina areas. This will include a 'Retail Revival Strategy' to look at opportunities for expanding this use in the central area.
- 10.8 Within the Marina, land at Maritime Avenue North and South has for consent 6,518 sqm of A1/A2/A3 retail/food, 18, 573 sqm of offices, 6,650 sqm hotel (developed and occupied by Travelodge), 4,620 sqm C2 residential institutions and 7,591 sqm of C3 housing. This forms the Trincomalee Wharf scheme. Land is being marketed by Jomast Developments as development opportunity sites for the consented uses. However current marketing is focusing on the nearby Hartlepool Bay residential scheme. Oxford Economics forecasts that growth in retail sectors will generate a further 100 jobs over the Plan period.
- 10.9 Therefore it is assumed that retail development will be focused in the town centre and at the Marina, including land at Maritime Avenue North and South. The two employment sites at Tees Bay Retail Park, which total 3.2 ha are also likely to be developed for retail rather than B1/B2/B8 employment uses. Mixed use proposals in the three Wynyard sites will also include elements of ancillary retail development. In Wynyard Three, in Hartlepool, this is presently expected to comprise a local centre of up to 400 sqm. Thus some 4-5 ha of employment land could potentially be lost to retail uses over the plan period.

#### **Accommodation and Food Service Activities**

- 10.10 The sector covers employment generated by hotel, bed and breakfast self-catering accommodation, as well as bars and restaurants. This sector currently employs 1,900 and is expected to grow by 100 jobs up to 2031.
- 10.11 Demand for this sector is generated from both domestic, and to a lesser extent overseas tourism (hotels and restaurants), as well as spend by the Borough's residents (most likely to be restaurants and other catering). Future growth depends

on visitor numbers and business activity. In the case of the latter, many business parks now include three or four star hotels as part of their offer of support services for occupiers.

10.12 Accessibility and prominence are locational factors that will determine where hotels locate. There are already two hotels at the Marina and the Regeneration Masterplan will determine what further demand exists in central Hartlepool. Development at Wynyard Park is also expected to include at least one hotel over the three sites.

10.13 There is a demand for pub restaurants in out of town locations. Prominently located business parks are targeted, and will provide a complimentary function for business users as well as recreational diners. Again development at Wynyard Park is expected to include at least one such facility. While land at Maritime Avenue North and South has for consent 6,518 sqm of A1/A2/A3 uses, which will include food options. A typical site will be up to 0.5 ha, and may be grouped with other restaurant uses and roadside uses.

### **Education**

10.14 This sector incorporates primary and secondary schools, further education colleges as well as commercial nurseries. In 2014 the sector comprised 3,200 jobs in the Borough. However, Oxford Economics that employment in this sector will fall slightly over the Plan Period to 3,000. This does suggest that significant new education facilities will not be required in Hartlepool.

10.15 As was noted in Section 7.0, Hartlepool College underwent a major redevelopment in 2011. As a result of this the College does not have any further plans to expand or consolidate.

10.16 Cleveland College of Art and Design's does have plans for expansion on its Hartlepool campus. These will include demolition of the main college site in Church Square, to be replaced with a 4,200 sqm facility on the same general site. The college is also looking to develop more residential accommodation for first year students. This will include a 25-bed student accommodation facility in refurbished premises in Lime Crescent.

- 10.17 Three schools in Hartlepool – Manor College of Technology, Barnard Grove Primary School and Holy Trinity C of E Primary School – are all going to be redeveloped under the Priority Schools Building Programme over the next few years. At least one additional primary school is also likely to be developed as part of plans at Wynyard Park.
- 10.18 However, as these schemes will mostly be delivered on existing identified education sites it is not expected that there is need to plan for any substantial additional land requirements during the Local Plan period.

### **Human Health and Social Work Activities**

- 10.19 Included within this sector are hospitals, medical centres, GP and dental surgeries, private or specialist healthcare (e.g. physiotherapy), veterinary practices and residential care homes. Currently some 4,800 are employed in this sector locally and this is not forecast to change significantly over the plan period.
- 10.20 Although there will inevitably be changes to local clinics, surgeries, dentists, etc. over the Plan period, the most significant healthcare development in Hartlepool will be the development of a hospital at Wynyard Three and North Burn for the North Tees and Hartlepool NHS, which will merge existing facilities in Stockton and Hartlepool. The NHS Trust is presently reviewing funding options for this facility, which is targeted to open in 2017.
- 10.21 Despite a slowdown in Government spending on health, the increasing numbers and longevity of the elderly population and possible growth in demand for private health care may lead to further provision of residential care homes. Nevertheless in general employment sites are inappropriate locations for care homes, due to amenity considerations.
- 10.22 There is evidence elsewhere of veterinary practices, GP and private or specialist healthcare operations being accommodated on employment sites, or through a change of use of existing office buildings. The informal health sector, with its many micro-business practitioners, tends to operate from dwellings, converted retail premises or community buildings. Whilst they can contribute to local job growth, they do not require significant amounts of floorspace.

10.23 Consequently it is considered the growth in employment from this sector will be limited in terms of requirements for new space (more probably existing buildings will be occupied through changes of use) and there will be very little requirement for additional land.

### **Arts Entertainment and Leisure**

10.24 This sector includes, amongst other activities, forms of commercial leisure such as cinemas, theatres, bowling alleys, bingo halls and nightclubs. The Retail Study does identify a need for new leisure and entertainment, in particular a cinema. It is considered that this would be located around Hartlepool Town Centre on one of the opportunity sites. The growth in health awareness has seen an increase in demand for private health clubs and gyms and these are uses that will look to locate on business parks, either through new build or conversion of existing industrial space. Such facilities can range in size from 500 sqm to 2,000 sqm, which could translate to up to 1.5 ha of land with car parking. The jobs forecast is modest for the recreational sector predicting an additional 200 jobs during the Plan period. Local property agents comment that there is unmet demand for D1 uses in the town centre, but a lack of buildings which could viably accommodate such uses.

### **Summary**

10.25 The non B-Class uses could provide some 300 more jobs in Hartlepool by 2031. It is likely that a large portion of Wynyard Three, and potentially North Burn as well, will be lost to such uses when this areas is ultimately brought forward, as will sites at Tees Bay Retail Park. These losses have been accounted for in the land supply analysis in Section 6.0.

10.26 Other developments, particularly the provision of new and redeveloped education facilities in the Borough are expected to take place on land already held by the relevant provider, or be incorporated within mixed-use developments, often town centre based. Most growth will be in Hartlepool Town Centre and the Marina, or in Wynyard Park. In the case of the latter, masterplanning will ensure that any development is separate from the employment land proposed, although there will be some overlap of B1 and non B-Class in the local centres proposed.

10.27 Excluding the occasional redevelopment of an older factory complex, uses that may be located on employment land, are likely to be limited to gyms, small scale medical

and veterinary clinics, and food outlets. These uses are likely to take up no more than 3 ha of allocated employment land over the plan period.

## 11.0 CONCLUSIONS

### Introduction

- 11.1 This study has included a wide-ranging look at the factors affecting Hartlepool's economy, with particular reference to those that are likely to affect the future need for land and property within the Borough. This section draws together the main issues that will need to be addressed as a preliminary to the more detailed recommendations set out in Section 12.0.

### Planning Policy Position

- 11.2 The National Planning Policy Framework (NPPF) places a strong emphasis on delivering sustainable development through the planning system. This includes reviewing employment land allocations to ensure supply meets identified objectively assessed needs; proactively supporting sustainable economic development to deliver business and industrial units, and encouraging the effective use of land by reusing brownfield land.
- 11.3 The Government's planning policy approach, recently restated in Planning Practice Guidance (2014), sees responsibility resting with Hartlepool Borough Council to set employment land requirement figures for the Local Plan. Land targets will be tested through the Local Plan process and the Council therefore needs to collect and use reliable information to justify employment land supply policies. This report provides this information.
- 11.4 The economic role that the planning system must perform incorporates contributing to the building of a strong, responsive and competitive economy, by ensuring sufficient land of the right type is available in the right locations, at the right time, to support growth and innovation.
- 11.5 The NPPF states that 'significant weight' should be placed on the need to support economic growth through the planning system. To help achieve this growth, Local Plans should set criteria, or identify strategic sites, for local and inward investment and to meet anticipated needs over the Local Plan period. For Hartlepool this means to 2031.

- 11.6 The NPPF also highlights that allocated employment sites for which there is no reasonable prospect of development should not be protected in the long term. Proposals for alternative uses on such sites should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities.

### **Economic Profile**

- 11.7 The socio-economic profile of Hartlepool reveals that the Borough has a reasonably active workforce; with 62.3% of the working age population in employment in spring 2014. However, this is below average for the Tees Valley and the North East where 67.3% of the working age population is in employment. At 13.6% unemployment rates are high in the context of the Tees Valley. Only Middlesbrough has a comparable proportion of its economically active population out of work.
- 11.8 Hartlepool is the second most deprived local authority in the Tees Valley, after Middlesbrough. Areas of deprivation cover much of northern and central Hartlepool town, excluding the Headland area. However, there are low levels of deprivation in the suburban west of Hartlepool town, extending to Owton Manor.
- 11.9 More generally, the proportion of people qualified to degree level (23.8%) is low while a substantial proportion (14.2%, above wider averages) has no qualifications. Low proportions work in managerial and professional occupations compared to the rest of the sub-region and region.
- 11.10 In terms of employment, Hartlepool is strongly dependant on the public sector, with 35% of working residents employed in public administration, education and health. However, that proportion is in line with the Tees Valley and North East contexts where, on average, more than a third of employment is in state sectors. Oxford Economics' forecasting predicts an increase in public sector employment to 2031 as a result of the hospital relocation/consolidation plans and growth in the education sector. However, as a proportion of overall employment, state employment will remain largely the same at around a third of all jobs..
- 11.11 Elsewhere, manufacturing continues to dominate, accounting for 14.6% of employment in the Borough, compared to Tees Valley/North East averages of 10-11%. This is unsurprising given the wide range of manufacturing businesses located

in Hartlepool, with data suggesting that the manufacture of tubes, pipes, hollow profiles and related fittings, of steel (i.e. Tata); the manufacture of plastics products and the manufacture of basic chemicals, fertilisers and nitrogen compounds, plastics and synthetic rubber in primary forms (i.e. Huntsman Tioxide) are the strongest sectors.

- 11.12 Oxford Economics' forecasting suggests that local employment in manufacturing will decrease by some 27.1% to 2031 (a reduction of some 900 jobs) although this will still leave 11.2% of the workforce (3,300 people) employed in manufacturing. If the Enterprise Zone growth is taken into account that decrease reduces to 400 jobs less by 2031.
- 11.13 Local employment in most relevant service sectors is low, notably ICT where employment is less than a third of the Tees Valley average. However, a modest increase in ICT employment is forecast by Oxford Economics over the next 17 years. If realised, this will provide some 100 additional jobs in this sector.
- 11.14 Hartlepool was home to some 2,420 businesses in 2013, average for the sub-region. Business start-up rates in Hartlepool are average for the Tees Valley and North East. However, the rate of business death is comparatively modest and some 54-55% of local businesses survive into their fourth year, with 47.1% surviving into their fifth year. These survival rates are the highest in the Tees Valley and also exceed regional and national levels.
- 11.15 Almost 78.5% of companies are micro-businesses (less than 10 employees). A further 17.1% employ up to 49 people (small businesses). Only a tiny minority of those businesses are home based and only 6.6% of the economically active population, in employment, worked from home in 2011, compared to 8.8% across the North East. Homeworking is a characteristic of rural west of the Borough.
- 11.16 In terms of commuting, Hartlepool is a relatively self contained local authority area. 69% of Hartlepool's working residents live and work in the area. By comparison only 61% of Middlesbrough's and 58% of Redcar and Cleveland's residents live and work within those two local authority areas.



### **Property Market Assessment**

- 11.17 Reflecting employment patterns, the current structure of premises in the Borough is strongly industrial. The number of industrial and warehousing units is two and a half times greater than the number of offices. Spatially the bulk of the business space is located in the central and southern areas of Hartlepool town. Offices are focused in, and around, Hartlepool Town Centre and the Marina.
- 11.18 Although there has been new development in the Borough, notably at Queens Meadow. The bulk of the industrial and warehouse premises currently being marketed in Hartlepool comprise older premises, much of it originally developed in the 1970s and 1980s. These properties are of budget or moderate quality and property market stakeholders argue that re-investment, necessary to bring property up to modern standards, has not occurred.
- 11.19 Hartlepool's main strategic weakness is its lack of good quality office premises. While Wynyard Park already provides some good quality offices in Stockton, with the potential for further development in Hartlepool, the wider Wynyard scheme is separate from Hartlepool town and serves a broader commuter market along the A19 Corridor. With this in mind, Queens Meadow rather than Wynyard must be seen as the key location for delivering office space which will serve the local market.

### **Inward Investment**

- 11.20 In discussions, Tees Valley Unlimited highlight that Hartlepool has a number of assets which are of national significance and will draw investment into the Borough. These include:
- Able (UK) Seaton Port which can be operated as one of the largest dry docks in Europe and has recently secured contracts for the decommissioning of North Sea oil rigs
  - Hartlepool Power Station is one of 10 sites identified across the UK for expansion, potentially including the provision of a new power station here
  - Hartlepool Port is increasingly establishing itself as a major support and manufacturing facility for the offshore wind energy sector, with land for supporting industries at nearby Oakesway
  - The offshore sector at the Port is now supported by Tata Hartlepool which has now secured contracts with Subsea Seven, to provide undersea cabling for the offshore industry

- Seal Sands, which extends into Hartlepool at Huntsman Tioxide is a major UK centre for chemicals process industries. Huntsman has a number of expansion proposals which are likely to be brought forward over the next few years.

### **Industrial Market**

- 11.21 Companies are mainly looking for moderate/good quality units of up to 1,000 sqm, including some incubation units of around 100 sqm. Market activity is focused around Longhill Industrial Estate, where much of Hartlepool's supply of light industrial space can be found. Smaller units can be let here very quickly although the quality of space here is comparatively low. Many local industrial occupiers appear willing to accept budget quality space, but for others it can cause problems or security, etc. and may discourage potential occupiers who require a higher grade of accommodation.
- 11.22 Better quality industrial units are found at Toft's Farm and along Brenda Road more generally, although there is still a need for more moderate/good quality light industrial space to meet local needs. Oakesway is not seen as a desirable location for businesses at present although no new space has been provided here to date.
- 11.23 Around 33,622 sqm of industrial space is currently vacant – 4% of the total floorspace and 3% by premises numbers. Premises are focused in Longhill/Sandgate and Usworth Road Industrial Estates.

### **Office Market**

- 11.24 The office market in the Borough is small. According to ONS data around 59% of the existing stock is located in, and around, Hartlepool Town Centre and the Marina. The office market generally meets the needs of local service sector businesses and provides ancillary space for existing industrial firms. Requirements rarely exceed 150 sqm and larger suites can struggle to find occupiers. There is a lack of modern premises, in this size range, at present.
- 11.25 The larger office properties at Hartlepool Marina have enjoyed some interest, but generally views suggest they are too large (i.e. more than 2,000 sqm) for the current market. Although the sub-division of space is certainly possible here, to create smaller suites.

11.26 There is 9,521 sqm of vacant office floorspace, which equates to vacancy rates of 12% by floorspace and 15% by number of premises.

### **Current Land Availability**

11.27 Hartlepool's current potential employment land resource (at 31st March 2014) amounts to 409.7 ha, located across 29 sites. However, analysis of this land supply suggests the need to reallocate or deallocate a number of sites to reflect landowner aspirations, site constraints and market conditions. The following deallocations and reallocations are proposed:

- 6) Former Centura – Heavily constrained, backland site with extremely limited access. It is highly unlikely that this site could be redeveloped for new industrial premises. Development for other commercial uses would be equally problematic – deallocate
- (11) North Burn Electronics Park – Developer has no plans to bring this site forward at present, particularly given ongoing availability at Wynyard Park. Not clear of a development of B-Class uses would be viable here given the likely costs of creating a new A19 access. If development occurs here it is more likely to be for uses associated with the Hospital proposal, previously consented for Wynyard Park – deallocate (unless there is clear evidence that funds will be available during the plan period to address the infrastructural issues associated with developing this site)
- (7) Golden Flatts – Backland site with a northern frontage which is now mostly developed for housing (with further housing proposed). These factors significantly limit the attractiveness of the location for further industrial development. In particular would prevent the use of much of the site as expansion for neighbouring Tata. Having regard to the northern frontage, the rest of the land would appear better suited for creation of a green wedge with an appropriate buffer in the south to the Tata steelworks – reallocate
- Tees Bay Retail Park (24 and 25) – Tees Bay Retail Park is an established retail location and future development here will be for A1-A4 retail or Sui Generis, not B1, B2, B8 employment – reallocate
- (28) Victoria Harbour North – PD Ports do not require this land for port operations and view it as surplus. PD Ports would look to release it for other uses, possibly housing if supported by the Council. Main road frontage could

make this land suitable for retail and commercial options, subject to site suitability – deallocate (or reallocate for alternative uses, if appropriate).

11.28 At Wynyard Park, some 94.1 ha is allocated for employment uses. In practice, however, Wynyard Three will be developed for a mix of uses including housing, a local centre and a new hospital, combining facilities from Stockton and Hartlepool. Examining the current planning consent, which remains subject to the signing of a Section 106 agreement, suggests that only 57.6 percent of the land, some 54.2 ha, remains in employment use at the time of this study. Further, 41.9 percent of that 54.2 ha (22.7 ha) is proposed for the development of a new hospital, but continues to be considered as employment land until that development is realised.

11.29 The remaining 39.9 ha of land at Wynyard Three is either proposed for alternative uses (housing and a local centre) or considered undevelopable and appropriate for deallocation. This land should not be included in the employment land supply. Removing/recalibrating all these sites gives a realistic employment land supply of 257.9 ha.

11.30 Almost three quarters of the Borough's land supply comprises a longer term supply which is unlikely to be brought forward in less than five years. This includes Wynyard Park where the scale of the proposed development (of which office uses are just one part), and strategic highways issues, make full development a long term prospect

### Employment Areas

11.31 The Borough's 15 main Employment Areas, which were allocated under Local Plan Policies Ind3-Ind5 and Ind9 have been appraised and graded A-E, as defined in Table 74.

**Table 74 – Grades A to E Definitions**

| Grade | Definition   | Action                                 |
|-------|--|--|
| A     | High quality, prestigious, flagship business areas due to their scale, location and setting. Capable of competing for investment in the regional market place. These are prime sites for marketing to a cross section of users including new inward investors. They can also meet the needs of image-conscious, aspirational companies already in the local authority area | Protect strongly<br>Support and expand |
| B     | Good employment sites due to their scale, location and setting. Capable of competing for investment in the sub-  | Protect strongly<br>Support and expand |

| Grade | Definition   | Action  |
|-------|--|---|
|       | regional market place. These are prime sites for marketing to a cross section of users, B1, B2 and B8, including some new inward investors.                        |   |
| C     | Key employment sites with an influence over the whole local authority area, but primarily geared towards local businesses and B1 light industrial, B2 and B8 uses. | Protect Support                                   |
| D     | Lower quality locations in residential areas suffering from poor accessibility and massing.  | Continue to protect/review through the Local Plan |
| E     | Very poor quality areas. Widespread vacancy and dereliction in poor environments.  | Promote alternative uses if possible              |

Source: BE Group 2014

11.32 Table 75 summarises the Employment Areas by each of the above grades. It is assumed that future growth will be focused around the six flagship locations (Grade A or B), which could be further extended to include the Port.

**Table 75 – Employment Areas’ Appraisal by Category**

| Category  | Number of Sites | Comments   |
|---|-----------------|--|
| A and B - Key/Flagship Areas                        | 6               | <ul style="list-style-type: none"> <li>Ind3: Queen’s Meadow Business Park</li> <li>Ind5(a): Oakesway Industrial Estate</li> <li>Ind5(e): South Works</li> <li>Ind5(i): Graythorp Yard</li> <li>Ind9(a): West of Seaton Channel (Huntsman Tioxide Site)</li> <li>Ind9(c): Phillips Tank Farm</li> </ul> The Borough’s current ‘flagship’ locations, the focus for growth proposals and inward investment enquiries. |
| C - Fit-for-Purpose Local Employment Areas          | 9               | Active and established industrial estates/business parks in the area, primarily catering to local business needs.  |
| D - Lower Quality in Residential/ Rural Areas       | -               | None   |
| E – Areas of Concern, Requiring Immediate Attention | -               | No areas suffer from widespread vacancy and/or dereliction.  |
| <b>TOTAL</b>  | <b>15</b>       |  |

Source: BE Group, 2014

11.33 Areas graded C generally represent the Borough’s supply of B1/B2/B8 premises for meeting local needs. They should be protected for that use. It is not envisaged that large scale growth will take place at these locations, outside of the allocated

employment sites. However, this study has identified a number of small scale 'regeneration opportunities' which have the potential to provide additional/alternative employment land, meet the growth needs of existing local firms or other requirements. These include:

- Ind4(b): Park View West – Alongside the identified employment sites, there is a be a third expansion site here comprising a vacant grassed site of some 0.5 ha, located off Prospect Way to the east of Merlin Flexibility
- Ind5(b): Longhill/Sandgate – In addition to the 1.0 ha employment site already identified above, there appear to be a wide range of possible redevelopment and regeneration opportunities here, including:
  - Land West of Windermere Road – A site of 6.17 ha, with existing buildings of 8,598 sqm (former metal recycling facility) between Windermere Road and the A689 is on the market, for sale or to let
  - Land East of Windermere Road – Land to the east comprises open storage/scrap yard facilities for Sims Metal Management. If this occupier ever vacated it would provide a further development site
  - Land North and South of Tomlinson Road – Land here comprises a range of open storage, scrap yard and waste sites for companies such as EMR. Generally, land here is not being well used and could provide development opportunity sites
  - Land east and west of Sarah Street/Ladysmith Street – again land is largely in use for open storage and some land west of Sarah Street appears vacant
  - Mainsforth Terrace – There are a series of waste/open storage sites along this road which, while in use at present, could provide future development sites.
- Ind5(f): Tofts Farm East/Hunter House – There appear to be two further undeveloped expansion sites within the estate comprising land in the north east, north of Knauf Insulation, and land in the south east, to the rear of Huntsman and to the south of Knauf
- Ind5(g): Brenda Road East – In the south larger businesses such as Exwold are surrounded by large areas of unused land. While this could provide development opportunities, and provide linkages to site (12) North Graythorp, to the rear. In practice, however, much of this land will likely be retained to meet the expansion needs of those businesses.

11.34 The Call for Sites exercise only identified one additional site with strong potential for employment use. This is Land in the north of Tofts Farm (2.4 ha). The landowner has put this site forward for housing, however, the current orientation, bunding and access arrangements of this land do make it suitable as an expansion site for Tofts Farm Industrial Estate.

### **Stakeholder Engagement**

11.35 Consultation with various stakeholders was conducted as part of the market research, which Parish Councils and Parish Meetings, key employers and landowners and public sector organisations including relevant neighbouring local authorities, which are considered separately below.

11.36 Consultations with a sample of the larger businesses in the Borough suggest most are satisfied with their current premises. Only one business, Coveris at Oakesway, is actively seeking alternative premises at this time. Elsewhere companies such as Exwold are able to expand within their current sites or have now completed programmes for change and remodelling.

11.37 A key point raised by the major businesses and landowners is that how their needs for land and premises are contract driven. Businesses such as Able UK and PD Ports may hold land in reserve for long periods, but they are unwilling to release sites as they know that it will be needed when they, or the operators they accommodate, win new contracts which will require investment in new facilities and processes. Since businesses cannot predict when (over the long term at least) they will win bids, they cannot predict exactly how and when their reserve sites will be needed.

11.38 As an example of this, Able UK has now secured contracts for the decommissioning of four offshore platforms from the Shell-operated Brent Field in the North Sea. The contract will support further investment into facilities at Able (UK) Seaton Port. The decommissioning sector is an industry in which Able will continue to reinvest so as to retain their decommissioning position.

11.39 At the Port of Hartlepool, some 12 ha, will now be provided to McDermott for the assembly of long line pipe stalks that will be spooled to their pipe-laying vessel for offshore oil and gas works. The facility will be fully operational in 2015.

11.40 More generally, companies did not perceive that there were major issues in respect of the local workforce. Only Kerry, indicated that they had struggled to secure appropriate staff, both technical professional and technical personnel and non-skilled workers.

#### **Impact of Neighbouring Areas**

11.41 All the four other local authorities of the Tees Valley have been consulted, along with County Durham because of its common boundary with Hartlepool.

11.42 All of the local authority areas that neighbour Hartlepool indicate that they are able to meet their employment land needs through a mixture of existing and proposed additional land allocations. As a consequence they do not expect to have to look to Hartlepool to meet any shortfalls in employment land or premises supply.

11.43 In Redcar and Cleveland, further growth at Teesport is expected to focus around the growing container shipping market and this will generate need for logistics space around the Tees Valley. However, the lack of direct road linkages between Teesport and Hartlepool may make it difficult for Hartlepool to capitalise on the growth opportunities this presents. It is also expected that the Port of Hartlepool will focus on a separate, but complimentary market (offshore energy) to Teesport.

11.44 Land at Wilton International has been designated as an Enterprise Zone site for the chemicals and renewable energy sectors. Wilton International is complimented by facilities in the south of Hartlepool, notably the Huntsman site, and these operations compete collectively in the global marketplace.

11.45 Tata facilities in Redcar and Cleveland focus on blast furnace and heavy steel processing along with some further processing at Skinningrove. Tata facilities in Hartlepool focus on the production of cabling for undersea industries. Again the facilities are complimentary but serving distinct markets.

11.46 Within Stockton, Seal Sands is now partly an Enterprise Zone with a specialism in the Chemicals and Processes and development is expected to include a New Energy and Technology Centre. Seal Sands, in effect, extends into southern Hartlepool to incorporate major local facilities such as Huntsman. From Stockton Council's perspective, its most pressing planning requirement is to provide strategic mitigation



land to offset the ecological impact of further development around the Teesmouth area. Stockton Council would look for Hartlepool to provide some of this.

- 11.47 Stockton has strong local housing pressures and reflecting this, 40 ha in the north of Wynyard Two will now be developed for a housing-led scheme. Space exists for some 1,000 homes here but only 400 have consent to date. Delivery of the remaining 600 will largely be dependent on the level of strategic highways improvement which can be provided at the A689/A19 junction and along those two A-roads.

### **Company Survey**

- 11.48 Overall 87 questionnaires were completed as part of the company survey, representing 51% of the 170 businesses targeted. With 2,420 companies in Hartlepool, this is a representative picture of B1, B2 and B8 performance and is an important strand of the evidence base.
- 11.49 Small units of less than 1,000 sqm are the most prevalent size, accounting for the business structure being dominated by SMEs. This is typical of the national profile. Over half of the respondents occupy industrial/warehouse property, whilst just above a quarter are in offices/serviced offices. Leasehold properties are the most common tenure across the Borough.
- 11.50 Two companies provided reasons as to their dissatisfaction with existing premises which generally related to dissatisfaction with their current landlord.
- 11.51 Three companies indicated that they are intending to relocate in the next 2-5 years. All have different property requirements: one company requires a hybrid unit of office and industrial accommodation, and ancillary yard space; the second requires warehousing space only; and the final company requires a serviced office of 101-200 sqm. Stated industrial demand is for both a small workshop unit of 201-500 sqm and a mid-sized industrial unit of 501-1,000. Companies want freehold space. There are no land requirements identified by the company survey.

### **Future Land Requirements**

- 11.52 It is a responsibility of local government to support and encourage economic growth. This includes the provision, initially through planning policy of sufficient employment land and premises. Provision must be of the right scale, type, location and be readily

available for, and capable of, development. The allocated land must be in sustainable locations and comprise a portfolio that is balanced, to adequately cater to all sectors of the economy i.e. small and large companies, offices and industrial, high and low quality operations.

- 11.53 Since the adoption of the existing Local Plan in 2006 there have been changes to the planning policy and strategy landscape. Government has now formally approved the NPPF, which provides the framework for the production of local and neighbourhood plans. The NPPF replaces all the previous Planning Policy Statements and Guidance Notes. Replacing the previous ODPM 2004 Employment Land Review Guidance note, the recently published Planning Practice Guidance provides guidance on how local Authorities should approach both housing and employment land reviews. Two guidance notes have been produced – *Housing and Economic Land Availability Assessment* which provides a methodology of reviewing suitable land, and *Housing and Economic Development Needs Assessments*, which provides guidance on how future needs can be determined.
- 11.54 This study is primarily concerned with those uses included within the planning Use Class B (B1, offices, research and development and light industrial; B2, general industrial; B8, storage and distribution) and appropriate sui generis uses including recycling and the environmental industry, together with uses such as leisure, health and education. It considers a number of different employment land scenarios. All look at the situation as it stands now. As such the land supply required is balanced against what is currently available. Furthermore it sets forecasts for a 17 year period (to 2031).
- 11.55 There is no definitive model for forecasting future employment land needs. Two models have been used to assess future employment land provision. These are the projection forward of historic land take-up (based on both long and medium term trends) and a forecast based on employment sector change, which reflect both a 'policy off', a non-intervention scenario, where no account is taken of any planned or emerging investment programmes and 'policy on' which sets a scenario for projected activity at the Enterprise Zone sites during the Plan Period
- 11.56 From data provided it has been possible to establish trends for the period 2008-2013 that can be used in the projection forward of historic take-up rates achieved in

Hartlepool. The annual average is 2.99 ha/year. It must be recognised that the take-up sampled covers a recessionary period (2008-2013) and does not show the Borough's rate of development during any years of high economic growth.

11.57 The long term take-up forecast suggests a need for 50.83 ha for the period 2014-2031. Incorporating a five year take-up buffer to provide a choice and range of sites and a continuum of supply beyond the Plan period, indicates a surplus of 343.92 ha against the current headline supply. When potential loss from the headline supply is taken into account, this surplus decreases to 192.12 ha.

11.58 The take-up total recorded for 2011-2012 included one unusually large completion of 10.48 ha which was recorded at Tofts Farm East/Hunter House, for the development of the O'Brian Waste Recycling Facility. If this is excluded the average drops to 0.89 ha/annum. Using this lower average annual take up rate generates a reduced need of 15.13 ha. When allowance is made for a five years buffer at the same rate, there is a surplus of 390.12 ha, based on the headline supply figure. After taking into account the potential loss from the headline supply then the surplus reduces to 215.62 ha.

11.59 The employment based forecast suggests the following in terms of future employment land provision:

***Policy off***

- From sectors predicted to grow, the need for a further 1.54 ha
- From those sectors where employment is forecast to reduce there will be a potential loss of 12.39 ha, suggesting that if jobs change translates directly to land change, potentially net land supply, 10.85 ha will come back to the market during the plan period.

***Policy on***

- From sectors predicted to grow, the need for a further 3.03 ha
- From those sectors where employment is forecast to reduce there will be a potential loss of 6.39 ha, suggesting that if jobs change translates directly to land change, potentially net land supply 3.36 ha will come back to the market during the plan period.

11.60 Taking forward these two measures suggests that, even after the inclusion of the five years buffer figure to allow for a range and choice of sites, there is a surplus of between 253.79 ha and 268.20 ha against the realistic land supply.

11.61 However the employment methods of forecasting make no allowance for issues such as the extent that growth in office employment takes place in a town centre locations, at higher densities, rather than in low-density business parks. Also that land take-up/property needs can be for different reasons such as modernisation or geographic relocation or that expansion may also be within existing premises or on expansion land not accounted for in land allocations. Past experience also suggests that even where businesses are contracting, they will continue to hold onto sites in anticipation of future improvements. Also, where jobs are being lost to automation, those new automated processes will still require land on which to operate.

11.62 It is therefore considered that the land requirements' calculations can represent a false position. To test how closely jobs change translates to land take-up, historic trends have been compared. Using the same methodology, the land needs based on employment change has been calculated for the period 2008 -2013, and compared to the actual land take-up during that period (see Table 76).

**Table 76 – Historic Trends Analysis**

| <b>Employment Change</b> | <b>Total Jobs</b> | <b>Land (Ha)</b> |
|--------------------------|-------------------|------------------|
| Growth                   | 700               | 0.62             |
| Decline                  | -3700             | -8.24            |
| Net growth               | <b>2090</b>       | <b>-7.62</b>     |
| Historic land take up    | -                 | <b>14.93</b>     |

*Source: Oxford Economics, Hartlepool BC, BE Group, 2014*

11.63 The trend shows that net jobs growth is not an accurate method of calculating land with some three times the amount of land being developed against the land calculated from the jobs prediction

11.64 A summary of the various forecast scenarios is set out in Table 77. They relate solely to the Plan period 2014-2031 and illustrate the effect of a five year buffer as proposed in Section 9.0, to facilitate an ongoing range and choice of sites to accommodate the anticipated structural change in employment sectors and a continuum of available supply beyond 2031.

**Table 77 – Land Forecast Models – Summary**

| Model  | Land Stock 2014, ha | Land Need 2014-2031, ha      | Buffer (five years take-up rate) ha | Surplus (Shortfall), ha | Assumptions   |
|--|---------------------|------------------------------|-------------------------------------|-------------------------|---|
| Historic Land Take-Up Rate/ Headline stock     | 409.7               | 50.83 High<br>15.13 Low      | 14.95 High<br>4.45 Low              | 343.92<br>390.12        | High- based on 2.99 ha/annum<br>Low – based on 0.89 ha/annum                            |
| Historic Land Take-Up Rate/ Adjusted stock     | 257.9               | 50.83 High<br>15.13 Low      | 14.95 High<br>4.45 Low              | 192.12<br>238.32        | High- based on 2.99 ha/annum<br>Low – based on 0.89 ha/annum                            |
| Policy off-Employment based on adjusted stock  | 257.9               | 1.54 Growth<br>-10.85 Change | 0.55<br>0.55                        | 255.81<br>268.20        | Based on<br>1.projected growth sectors<br>2. projected employment change across sectors |
| Policy on - Employment based on adjusted stock | 257.9               | 3.03 Growth<br>-3.36 Change  | 1.08<br>1.08                        | 253.79<br>260.18        | Based on<br>1.projected growth sectors<br>2. projected employment change across sectors |

Source: BE Group 2014

11.65 The variation in the outcome figures demonstrates the uncertainty of forecasting, however, all suggest that Hartlepool has more than sufficient land to meet its future needs. The level of surplus ranges from 192.12-390.12 ha. However, from the market assessment and also reviewing the historic trends in employment change and land take up, the conclusion is that the employment-based forecasts underestimate land needs significantly. When a comparison of past employment changeover the period 2008-2013 is made, actual land take-up is several times the estimate that the growth only sectors suggest. Applying this ratio to future needs brings the estimated land requirement much closer.

11.66 In conclusion, it is considered that the most appropriate forecast is the high historic take-up rate based on the adjusted stock, suggesting a surplus of 192.12 ha during the Plan period. Some of the issues and recommendations emerging from this surplus are considered in Section 12.0.

### **The Needs of Non-B Class Uses**

- 11.67 Forecasting suggests that relevant non B-Class uses (Retail; accommodation and food service activities; education; human health and social work activities; arts, entertainment and recreation) could provide some 300 more jobs in Hartlepool by 2031.
- 11.68 Consultation suggests that the most significant healthcare development in Hartlepool will be the development of a hospital at Wynyard Three/North Burn for the North Tees and Hartlepool NHS, which will merge existing facilities in Stockton and Hartlepool. The NHS Trust is presently reviewing funding options for this facility, which is targeted to open in 2017. Future growth at Cleveland College of Art and Design will primarily be contained within its existing campus.
- 11.69 Three schools in Hartlepool – Manor College of Technology, Barnard Grove Primary School and Holy Trinity C of E Primary School – are all going to be redeveloped under the Priority Schools Building Programme over the next few years. At least one additional primary school is also likely to be developed as part of plans at Wynyard Park.
- 11.70 However, as these schemes will mostly be delivered on existing identified education sites it is not expected that there is need to plan for any substantial additional land requirements during the Local Plan period. Identified losses for alternatives uses at Wynyard, North Burn and elsewhere have been accounted for in the land supply analysis in Section 6.0.
- 11.71 Uses that may be located on active employment land are likely to be limited to gyms, small scale medical and veterinary clinics, and food outlets. These uses are likely to take up no more than 3 ha of allocated employment land over the plan period.

## 12.0 RECOMMENDATIONS

### Introduction

12.1 This section sets out the consultants' recommendations arising from the Employment Land Review. The recommendations in this report have had full regard to the requirements of the NPPF to encourage and deliver growth through the planning system. The recommendations are grouped around four aspects:

- Employment Land Supply
- Spatial Implications
- Provision of Premises
- External Influences.

### Employment Land Supply

#### Recommendation 1 – Employment Land Provision Definition

12.2 The NPPF does not define employment land provision within the main document. However Annex 2 defines economic development as *“development, including those uses within the B use classes, public and community uses and main town centre uses (but excluding housing development)”*.

12.3 For the purpose of this study the current available land supply in Hartlepool is defined as the 29 sites defined in this study as available as at 31 March 2014. These total 409.7 ha and are identified in Section 6.0, Table 41, Employment land site proformas for the 29 sites are included within Appendix 3.

#### Recommendation 2 – Employment Sites and Areas to be Retained

12.4 Existing sites and premises provide valuable opportunities for employment close to where people live. They benefit the local economy, and the loss of employment uses can negatively impact on local access to jobs and the economic competitiveness of local areas. Ultimately this challenges the Borough's economic growth.

12.5 The NPPF provides the opportunity for Hartlepool Borough Council to identify 'key employment sites' that are considered to significantly contribute to the Borough's land supply for B class uses. It enables these to be safeguarded for B class uses and other employment uses which achieve economic enhancement without detrimental impact to either the site or the wider area.

12.6 The Employment Areas' assessment (Section 6.0) identifies six key/flagship locations, graded A or B in the analysis, which are identified of being of a scale or of exceptional economic value (i.e. of being of sub-regional/regional value, rather than local value) that aligns to the NPPF 'key employment sites' designation. It is recommended that Hartlepool Borough Council therefore designates the following as key employment sites to be safeguarded for B Class uses and other employment uses which achieve economic enhancement without detrimental impact to either the site or the wider area:

- Ind3: Queen's Meadow Business Park
- Ind5(a): Oakesway Industrial Estate
- Ind5(e): South Works
- Ind5(i): Graythorp Yard
- Ind9(a): West of Seaton Channel (Huntsman Tioxide Site)
- Ind9(c): Phillips Tank Farm.

12.7 The Port could also be added to this list.

12.8 Within these areas, only applications for B class use should be permitted. Non - B Class uses should only be allowed if an applicant can demonstrate exceptional circumstances and that the proposals will not have a significant adverse impact on surrounding local uses. The use for employment purposes other than B class uses may be appropriate but only if it can be shown that the use provides on-site support facilities or demonstrates an economic enhancement over and above B class uses. Such development should however not prejudice the efficient and effective uses of the remainder of the employment area.

12.9 Retail uses should not generally be supported on employment areas. Exceptionally, uses which have trade links with employment uses or are un-neighbourly in character (such as car showrooms, tyre and exhaust centres, or trade counters) may be permitted on employment sites which have good access to a range of sustainable transport options. Sites that may be suitable for such options include the nine Employment Areas graded C in Section 6.0, Table 49.

12.10 Where non- B Class uses are proposed for, or within, such areas then Hartlepool Borough Council should require the applicants to demonstrate that:



- The site/premises are no longer suitable or reasonably capable of being redeveloped for employment purposes, and
- The site/premises has been proactively marketed for employment purposes for a reasonable period of time (a minimum of twelve months) at a reasonable market rate (i.e. rent or capital value) as supported through a documented formal marketing strategy and campaign, or
- There will be a significant community benefit which outweighs the impact of losing the employment site/premises.

12.11 At Appendix 6 Developer Marketing Standards are set out that provide the template for delivering the evidence that premises or sites have been appropriately marketed without success. Whilst these are primarily directed at B Use Class situations they are equally applicable to other property types e.g. public houses, community facilities, etc.

12.12 Hartlepool Borough Council should also recognise the increasing level of precedents of non-B use employment activity provision within employment areas across the UK. Sui generis uses, such as vets practices, and D1 non-residential institutions including training centres, nurseries/children's play facilities and activity centres do generate employment opportunities. Such applications within the Borough should be treated on their individual merits, including employment outputs, but should be restricted to the Employment Areas graded C. This study has estimated that some 3 ha of land, currently in B1/B2/B8 use, will be lost to such non-B use employment over the Plan period.

12.13 It is suggested that in terms of protecting employment sites that do not sit within Employment Areas, the redevelopment of employment land and premises for non-employment uses be allowed in the following circumstances:

- The present (or previous, if vacant or derelict) use causes significant harm to the character or amenities of the surrounding area, and it is demonstrated that no other appropriate viable alternative employment uses could be attracted to the site, or
- Mixed-use redevelopment would provide important community and/or regeneration benefits with no significant loss of jobs, potential jobs, and the proposed mix of uses accords with other planning policies.

12.14 This advice is offered without consideration of other planning, traffic/highways issues, etc. which might render some uses or mixed use developments inappropriate on particular employment areas. It is clearly for Hartlepool Borough Council to judge proposals on their merits taking account of these factors.

### **Recommendation 3 – Future Employment Land Provision**

12.15 The identified realistic land supply of 257.9, at 31 March 2014, suggests a surplus of 192.12-238.32 ha when measured against the employment land take up. The forecasts of industry sector activity (jobs), suggest there will be much larger surpluses of employment land in the future.

12.16 However, BE Group does not recommend that the economic forecasts be the basis for defining employment land provision up to 2031. This is because the forecasts represent the absolute minimum amount of land required to accommodate the activities of different industry sectors. Furthermore they take no account:

- That within sectors expected to decline (particularly manufacturing) there will still be businesses that will grow and expand
- That there will be local market churn
- That there will be need to maintain a choice of supply by size, type, location and quality of sites and premises for businesses at differing levels of their maturity
- That there should be a continuing forward supply to accommodate site development beyond the end of the Local Plan period
- Of reference to the level and nature of the existing employment land supply at 31 March 2014.

12.17 Oxford Economics forecasting also appears pessimistic in that it suggests that overall jobs growth in Hartlepool over the next 17 years will be far lower than the growth that has been achieved since 1991. Although it is accepted that an ongoing decline in manufacturing employment is likely, other service sectors are forecast to grow and provide additional employment. Hartlepool should therefore aspire to match (and exceed) the economic growth it has achieved in the recent past.

12.18 It is therefore recommended that Hartlepool Borough Council use the roll forward of historic take-up as the main measure of Hartlepool's future land needs for the period up to 2031. This indicates a minimum need of 19.58 ha, comprising 15.13 ha, plus a

five year buffer of 4.45 ha to reflect a choice of sites and to provide a continuum of supply beyond the end of the plan period. Measured against the Borough's current realistic supply, there is a supply surplus of 238.32 ha to 2031.

12.19 The higher rate of need would be 65.78 ha, comprising 50.83 ha, plus a five year buffer of 14.95 ha to reflect a choice of sites and to provide a continuum of supply beyond the end of the plan period. Measured against the Borough's current realistic supply, there is a surplus of 192.12 ha to 2031.

12.20 This study also suggests that further **3 ha** will be required to 2031 to replace active employment land lost to non B-Class uses over the Plan period.

12.21 Total need is therefore likely to be for some **23-69 ha** over the Plan period. However, whichever total is accepted, Hartlepool clearly has ample land to meet projected requirements.

12.22 The level of surplus leaves Hartlepool with considerable scope to rationalise its currently large land supply. Reflecting this, and the findings of market research and sites appraisal, Section 6.0 suggests land supply reductions totalling 151.8 ha. These encompass sites judged unlikely to come forward, sites to be developed for alternative uses and assuming that (reflecting current consents) only 58 percent of Wynyard Three will be developed for B Class employment, reducing to a third if the hospital proposal is brought forward.

12.23 Of course, this still leaves Hartlepool with a sizable land surplus, and therefore provides scope for further rationalisation over the Plan period, to address other needs. However, this study does not recommend further land losses at this time, for the following reasons:

- The main measure of need in our forecast projections is a roll forward of historic take-up. The take-up figures used were from the period 2008-2013, a period of national recession, limited property demand and development activity. It must be assumed that take-up rates in the improving economy from 2013-2014 onwards will be higher, although how much higher is impossible to accurately predict. Thus there is a case for considering the need figures expressed above as a **minimum** rather than a **maximum** measure of

demand. If this view is accepted then there is a case for retaining at least some surplus supply

- PD Ports, Able UK and several other large landowners/businesses highlighted that much of the land need in Hartlepool is driven by the winning or losing of major infrastructure contracts. Thus Able is now bringing more of Able (UK) Seaton Port into use as it now secured a contract for the decommissioning of North Sea oil rigs while PD Ports has secured McDermott as an operator on 12 ha because of offshore supply contracts that business won. At other times businesses land needs will reduce as other contracts are lost. Such contract-led demand is impossible to predict over the long term and thus landowners, notably PD Ports, must retain a strategic reserve of land which can be brought forward at short notice
- This study has identified land requirements at both the Queen's Meadow and, to a lesser degree, Oakesway Employment Areas. However, at both locations, it is still 'early days' in the sense that relevant requirements are only just being identified and initial plans for change drawn up. The full level of demand at both locations will take some time to emerge and it will probably not be possible to say, with any certainty, if there is surplus land at either location until later in the Plan period
- There is a need to protect smaller employment sites along Brenda Road to provide opportunities for the development of modern small business space, something felt to be lacking in the Borough. Stakeholders identified demand for moderate/good quality units of up to 1,000 sqm, including some incubation units of around 100 sqm, and offices of up to 150 sqm. Such sites also allow growing companies to find expansion land and deliver design and build options for businesses looking to own their own unit
- Decommissioning and potential rebuild works around Hartlepool Power Station will generate some land needs which cannot be accounted for at present
- This study does not account for further demand and requirements that may be identified in the Regeneration Masterplan for central Hartlepool.

12.24 Finally, it is recognised that Tees Valley Unlimited has set strong and aspirational targets for employment and economic growth in the sub-region. In the Tees Valley Strategic Economic Plan (2013) a net increase of 25,000 jobs (10% growth) bringing with it, £1 billion of GVA benefits, is forecast to 2024. Specific projects identified for

Hartlepool include a possible innovation and skills quarter around the new Hartlepool College and the Queen’s Meadow Enterprise Zone. Local growth in sectors such as process engineering, offshore/subsea engineering, energy and the low carbon sector is forecast. Finally, there is a need support growth and expansion of the existing SME base from engineering and advanced manufacturing to digital/creative and ICT – and providing appropriate business accommodation on Enterprise Zones and key strategic sites. Supporting these aspirations are major LEP, ERDF and ESF funding pots.

12.25 It is not possible to translate these sub-regional plans and policies into clear land requirements for the Borough, beyond the Enterprise Zones, whose projected jobs outputs have been included in policy on forecasting. However, it is clear that Hartlepool will need to have the land available to take advantage of new opportunities as they emerge.

12.26 Thus it is recommended that, apart from the sites and land identified in Table 79 below, the Council should seek to protect its identified employment land for B1/B2/B8 (and appropriate ancillary) uses unless a clear case can be made for the release of land for other uses.

12.27 Reflecting these views Table 78 makes a number of site and area specific recommendations.

**Table 78 – Site/Area Specific Recommendations**

| Site/Area                     | Comment  |
|-------------------------------|--|
| Former Centura                | Heavily constrained, backland site with extremely limited access. It is highly unlikely that this site could be redeveloped for new industrial premises and the land should be deallocated   |
| Golden Flatts                 | A backland site with a northern frontage which is now mostly developed for housing (with further housing proposed). Having regard to the northern frontage, the rest of the land would appear better suited for creation of a green wedge with an appropriate buffer in the south to the Tata steelworks. The land should be reallocated accordingly.                  |
| Hartlepool Town Centre/Marina | These locations are the subject of a detailed Regeneration Masterplan which will provide guidance on appropriate employment and mixed-use development opportunities here.  |
| Longhill/Sandgate             | Market research has established this area as a key location for local industrial businesses. The low quality of space here is cited as a concern by some stakeholders, however, others consider it an advantage as it ensures a ready availability of flexible budget accommodation and sites suitable for ‘bad neighbour’ uses. There appear to be a number of vacant |

| Site/Area                           | Comment   |
|-------------------------------------|---|
|                                     | <p>and underused sites, particularly in the south of the area which have potential to provide redevelopment and regeneration sites.</p> <p>It is therefore recommended that the Council undertake a separate and more detailed study into regeneration opportunities here complementing past studies into the Southern Business Zone and the emerging Regeneration Masterplan for central Hartlepool.</p>   |
| North Burn Electronics Park         | Development of B-Class employment uses here is considered unlikely given access constraints. It is recommended that this site be deallocated unless there is clear evidence that funds will be available during the plan period to address the infrastructural issues associated with developing this site.   |
| Oakesway                            | <p>Land at Oakesway is attracting developer/occupier interest, but that interest remains tentative at this time. While there is no justification for the release of land here at present 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 here. Long term change may also highlight some parcels of land which are ultimately undesirable for industrial and office occupiers and could better support other uses.</p> <p>The Council should therefore continue to monitor this location, responding to changing economic circumstances as appropriate.</p>   |
| Queen's Meadow Business Park        | Planning policy already identifies this as a key employment area for the Borough and future policy should continue to highlight this. Market research identifies Queen's Meadow as the likely focus for growth, particularly of in the provision of micro/small business space, in the short and medium term. In particular, Queen's Meadow is the most viable location, until Wynyard Three is brought forward at least, for good quality office uses.   |
| Tees Bay Retail Park                | Tees Bay Retail Park is an established retail location and future development here will be for A1-A4 retail or Sui Generis, not B1, B2, B8 employment. The identified employment sites (sites 24 and 25) should be reallocated.   |
| Victoria Harbour/Port of Hartlepool | <p>Of the 63.2 ha currently available at the Port only 12 ha is likely to be taken up in the short term. However, PD Ports highlighted the importance of protecting the bulk of the remaining land here to meet the contract driven and therefore often unpredictable needs of port occupiers. Land here and at North of Seaton Channel (24.5 ha) therefore needs to be protected even if there is little chance of significant further take up in the short or medium term.</p> <p>The exception is employment site 28 Victoria Harbour North (3.1 ha) west of Marina Way – PD Ports do not require this land for port operations and view it as surplus. PD Ports would look to release it for other uses, possibly housing if supported by the Council. Main road frontage could make this land suitable for retail and commercial options, subject to site suitability and the land should be deallocated or reallocated accordingly.</p> |
| Wynyard Park                        | Over the long term, the full development of Wynyard Park will be dependent on the ability to provide strategic highways improvements. However, development will be for a mix of uses (subject to signing of a Section 106) comprising, at present at least, 31.5 ha of B-Class uses, 22.7 ha for a hospital (which can be considered as employment land until the hospital development is realised) and 17.4 ha for housing and local   |

| Site/Area | Comment  |
|-----------|--|
|           | services. Another 22.7 ha in the north is considered undevelopable hence should be deallocated and become white land. The employment allocation should be amended to reflect this. |

Source: BE Group, 2014

#### **Recommendation 4 – Future Reviews**

12.28 Whilst BE Group does not recommend the allocation of a further land. Conditions in the Borough's Employment Areas are evolving. Demand in the three Enterprise Zones is at an early stage, but does seem to be increasing. Demand for land at the Port and elsewhere is regularly described as 'contract driven' and subject to regular fluctuation, reflecting change in, for example, markets for offshore energy generation. The scale of delivery at Wynyard Park will ultimately be determined by the scale of strategic highways improvement which can be provided. In view of these factors Hartlepool should review its employment land portfolio at intervals of around three years. This is also broadly in accordance with the NPPF which recommends regular monitoring and review of the local land supply to ensure a robust evidence base.

#### **External Influences**

##### **Recommendation 5 – Maintain Awareness of External Influences**

12.29 As a first point, Hartlepool Borough Council must recognise its role, together with the other Tees Valley authorities, in developing the sub-region's economy. In this respect they are interconnected, to varying degrees, on a number of levels. Because of its location Hartlepool also has a similar relationship with County Durham.

12.30 Discussions with the adjoining local authorities of the Tees Valley and County Durham indicate that they all have sufficient land allocations (both existing and proposed) to meet their projected needs. There is therefore no immediate need for them to look to Hartlepool for support in land provision.

12.31 However, there are a number of other issues and opportunities in which the wider area local authorities' interests will overlap, and where joint working is advisable. The most pressing issues are with neighbouring Stockton, specifically:

- The (effective) joint development of Seal Sands and opportunities for Hartlepool to benefit from growth here. There should be further debate as to

what inputs Hartlepool could provide and what concrete economic benefits it can accrue

- How major strategic highways improvement which can be provided at the A689/A19 junction, and along those two A-roads, to allow the large-scale delivery of employment opportunities (and housing) at Wynyard Park.



**Appendix 1**  
**List of Consultees**

## Appendix 1 – List of Consultees

Able UK  
Caparo Forging  
Coveris  
Creig Cavey  
Darlington Borough Council  
DTZ  
Durham County Council  
Exwold  
Hansteen  
Hartlepool Borough Council  
Hartlepool College  
Hartlepool Innovation Centre  
Jomast Developments  
Kerry  
McGough Planning  
Middlesbrough Council  
Nathaniel Lichfield and Partners  
PD Ports  
Pearts  
Redcar and Cleveland Borough Council  
Sanderson Weatherall  
Stockton Borough Council  
Tees Valley Unlimited  
University Hospital of Hartlepool  
Whitestone Weavers  
Whittle Jones  
Wynyard Park Ltd

*NB. In addition to the above, questionnaire surveys were issued to 8 Parish Councils and Parish Meetings and to 170 companies. Also a related Call for Sites exercise was undertaken with 190 landowners.*

## **Appendix 2**

### **Hartlepool Vacant Property Schedules**

## Appendix 2 – Hartlepool Vacant Property Schedules

**Table A2.1 – Schedule of Industrial Premises**

| Property   | Employment Site/Area                  | Tenure    | Quality | Size, Sqm |
|--|---------------------------------------|-----------|---------|-----------|
| Windermere Road  | Ind5(b): Longhill/Sandgate            | Either    | Average | 8,598     |
| Burn Road, Longhill Industrial Estate                      | Ind5(b): Longhill/Sandgate            | Leasehold | Budget  | 5,793     |
| Unit M, Sovereign Park                                     | Ind4(a): Sovereign Park               | Either    | Good    | 2,323     |
| 28 Oakesway  | Ind5(a): Oakesway Industrial Estate   | Either    | Budget  | 2,251     |
| Unit 10B, Park View Industrial Estate                      | Ind4(b): Park View West               | Leasehold | Average | 1,968     |
| Unit B2, Sovereign Park                                    | Ind4(a): Sovereign Park               | Either    | Good    | 1,895     |
| Unit D1, Sovereign Park                                    | Ind4(a): Sovereign Park               | Either    | Good    | 1,895     |
| Unit B1, Sovereign Park                                    | Ind4(a): Sovereign Park               | Either    | Good    | 1,421     |
| (Proposed Waste Transfer Station Site), Mainsforth Terrace | Ind5(b): Longhill/Sandgate            | Freehold  | Average | 1,310     |
| Unit 1, Prospect Way, Park View Industrial Estate          | Ind4(b): Park View West               | Leasehold | Average | 743       |
| Unit 2, Prospect Way, Park View Industrial Estate          | Ind4(b): Park View West               | Leasehold | Average | 743       |
| Unit 3, Prospect Way, Park View Industrial Estate          | Ind4(b): Park View West               | Leasehold | Average | 743       |
| 3 Hunter House Industrial Estate                           | Ind5(f): Tofts Farm East/Hunter House | Freehold  | Average | 682       |
| Unit 3, Sandgate Industrial Estate, Mainsforth Terrace     | Ind5(b): Longhill/Sandgate            | Either    | Budget  | 544       |
| Workshop, Windermere Road                                  | Ind5(b): Longhill/Sandgate            | Freehold  | Average | 309       |
| 78-79 Graythorp Industrial Estate                          | Ind5(h): Graythorp Industrial Estate  | Either    | Average | 298       |
| Former PTS Premises, Green Street                          | Ind5(b): Longhill/Sandgate            | Leasehold | Average | 278       |
| Workshop, Hartlepool Workshops                             | Ind5(b): Usworth Road                 | Leasehold | Average | 243       |
| Unit 11, Enterprise House, Thomlinson Road                 | Ind5(b): Longhill/Sandgate            | Freehold  | Average | 236       |
| Workshop, Hartlepool Workshops                             | Ind5(b): Usworth Road                 | Leasehold | Average | 227       |
| Workshop, Hartlepool                                       | Ind5(b): Usworth Road                 | Leasehold | Average | 213       |

| Property  | Employment Site/Area       | Tenure    | Quality | Size, Sqm |
|---|----------------------------|-----------|---------|-----------|
| Workshops   |                            |           |         |           |
| Workshop, Philips House, Mainsforth Terrace       | Ind5(b): Longhill/Sandgate | Leasehold | Budget  | 186       |
| Workshop, Hartlepool Workshops                    | Ind5(b): Usworth Road      | Leasehold | Average | 181       |
| Unit 16 Belle Vue Way Trade Centre, Belle Vue Way | Ind5(b): Longhill/Sandgate | Leasehold | Good    | 151       |
| Workshop, Hartlepool Workshops                    | Ind5(b): Usworth Road      | Leasehold | Average | 123       |
| Workshop, Hartlepool Workshops                    | Ind5(b): Usworth Road      | Leasehold | Average | 113       |
| Unit 2P, Longhill Industrial Estate               | Ind5(b): Longhill/Sandgate | Leasehold | Average | 64        |
| Unit 2R, Longhill Industrial Estate               | Ind5(b): Longhill/Sandgate | Leasehold | Average | 64        |
| Workshop, Hartlepool Workshops                    | Ind5(b): Usworth Road      | Leasehold | Average | 27        |

Source: BE Group, 2014

**Table A2.2 – Schedule of Office Premises**

| Property   | Employment Site/Area                 | Tenure    | Quality | Size, Sqm |
|--|--------------------------------------|-----------|---------|-----------|
| New Clarence House, Wesley Square  | N/A                                  | Freehold  | Good    | 2,452     |
| Offices, Graythorp Industrial Estate   | Ind5(h): Graythorp Industrial Estate | Either    | Average | 912       |
| Part First and Second Floor, Bovis House, 7-9 Victoria Road                        | N/A                                  | Leasehold | Average | 886       |
| Ground and Part First Floor, Bovis House, 7-9 Victoria Road                        | N/A                                  | Leasehold | Average | 616       |
| Third Floor, Marina House, Harbour Walk  | N/A                                  | Leasehold | Good    | 474       |
| Second Floor, Marina House, Harbour Walk   | N/A                                  | Leasehold | Good    | 460       |
| Waverley Buildings, Mainsforth Terrace   | Ind5(b): Longhill/Sandgate           | Either    | Budget  | 456       |
| Ground Floor, Marina House, Harbour Walk   | N/A                                  | Leasehold | Good    | 432       |
| First Floor, Marina House, Harbour Walk  | N/A                                  | Leasehold | Good    | 432       |
| Whitehouse, 4 Church Square  | N/A                                  | Either    | Budget  | 308       |
| Units 1-2, Baltic Street   | Ind5(b): Longhill/Sandgate           | Either    | Budget  | 219       |
| Unit 4, Crown Buildings, Raby Road   | N/A                                  | Leasehold | Average | 219       |
| 76 Church Street   | N/A                                  | Either    | Average | 211       |
| 1 Lowthian Road  | N/A                                  | Either    | Budget  | 204       |
| 20 Scarborough Street  | N/A                                  | Either    | Average | 111       |
| 4 Scarborough Street   | N/A                                  | Either    | Average | 103       |
| Unit 103, Hartlepool Innovation Centre, Venture Court, Queens Meadow Business Park | Ind3: Queens Meadow Business Park    | Leasehold | Good    | 75        |
| First Floor, 144-148 York Road   | N/A                                  | Leasehold | Average | 49        |
| Unit 209, Hartlepool Innovation Centre, Venture Court, Queens Meadow Business Park | Ind3: Queens Meadow Business Park    | Leasehold | Good    | 45        |
| Unit 504, Hartlepool Innovation Centre, Venture Court, Queens Meadow Business Park | Ind3: Queens Meadow Business Park    | Leasehold | Good    | 41        |
| Unit 308, Hartlepool   | Ind3: Queens Meadow                  | Leasehold | Good    | 41        |

| Property  | Employment Site/Area                 | Tenure    | Quality | Size, Sqm |
|---|--------------------------------------|-----------|---------|-----------|
| Innovation Centre,<br>Venture Court, Queens<br>Meadow Business Park                         | Business Park                        |           |         |           |
| Unit 312, Hartlepool<br>Innovation Centre,<br>Venture Court, Queens<br>Meadow Business Park | Ind3: Queens Meadow<br>Business Park | Leasehold | Good    | 41        |
| Unit 406, Hartlepool<br>Innovation Centre,<br>Venture Court, Queens<br>Meadow Business Park | Ind3: Queens Meadow<br>Business Park | Leasehold | Good    | 40        |
| Unit 408, Hartlepool<br>Innovation Centre,<br>Venture Court, Queens<br>Meadow Business Park | Ind3: Queens Meadow<br>Business Park | Leasehold | Good    | 40        |
| Unit 410, Hartlepool<br>Innovation Centre,<br>Venture Court, Queens<br>Meadow Business Park | Ind3: Queens Meadow<br>Business Park | Leasehold | Good    | 40        |
| Unit 412, Hartlepool<br>Innovation Centre,<br>Venture Court, Queens<br>Meadow Business Park | Ind3: Queens Meadow<br>Business Park | Leasehold | Good    | 40        |
| Unit 414, Hartlepool<br>Innovation Centre,<br>Venture Court, Queens<br>Meadow Business Park | Ind3: Queens Meadow<br>Business Park | Leasehold | Good    | 40        |
| Unit 503, Hartlepool<br>Innovation Centre,<br>Venture Court, Queens<br>Meadow Business Park | Ind3: Queens Meadow<br>Business Park | Leasehold | Good    | 38        |
| Unit 505, Hartlepool<br>Innovation Centre,<br>Venture Court, Queens<br>Meadow Business Park | Ind3: Queens Meadow<br>Business Park | Leasehold | Good    | 38        |
| Unit 507, Hartlepool<br>Innovation Centre,<br>Venture Court, Queens<br>Meadow Business Park | Ind3: Queens Meadow<br>Business Park | Leasehold | Good    | 38        |
| Unit 301, Hartlepool<br>Innovation Centre,<br>Venture Court, Queens<br>Meadow Business Park | Ind3: Queens Meadow<br>Business Park | Leasehold | Good    | 38        |
| Unit 303, Hartlepool<br>Innovation Centre,<br>Venture Court, Queens<br>Meadow Business Park | Ind3: Queens Meadow<br>Business Park | Leasehold | Good    | 38        |
| Unit 309, Hartlepool<br>Innovation Centre,<br>Venture Court, Queens<br>Meadow Business Park | Ind3: Queens Meadow<br>Business Park | Leasehold | Good    | 38        |

| Property   | Employment Site/Area              | Tenure    | Quality | Size, Sqm |
|--|-----------------------------------|-----------|---------|-----------|
| Unit 311, Hartlepool Innovation Centre, Venture Court, Queens Meadow Business Park | Ind3: Queens Meadow Business Park | Leasehold | Good    | 38        |
| Unit 313, Hartlepool Innovation Centre, Venture Court, Queens Meadow Business Park | Ind3: Queens Meadow Business Park | Leasehold | Good    | 38        |
| Unit 403, Hartlepool Innovation Centre, Venture Court, Queens Meadow Business Park | Ind3: Queens Meadow Business Park | Leasehold | Good    | 38        |
| Unit 513, Hartlepool Innovation Centre, Venture Court, Queens Meadow Business Park | Ind3: Queens Meadow Business Park | Leasehold | Good    | 38        |
| Unit 204, Hartlepool Innovation Centre, Venture Court, Queens Meadow Business Park | Ind3: Queens Meadow Business Park | Leasehold | Good    | 36        |
| Unit 206, Hartlepool Innovation Centre, Venture Court, Queens Meadow Business Park | Ind3: Queens Meadow Business Park | Leasehold | Good    | 36        |
| Unit 515, Hartlepool Innovation Centre, Venture Court, Queens Meadow Business Park | Ind3: Queens Meadow Business Park | Leasehold | Good    | 36        |
| Unit 113, Hartlepool Innovation Centre, Venture Court, Queens Meadow Business Park | Ind3: Queens Meadow Business Park | Leasehold | Good    | 23        |
| Unit 117, Hartlepool Innovation Centre, Venture Court, Queens Meadow Business Park | Ind3: Queens Meadow Business Park | Leasehold | Good    | 23        |

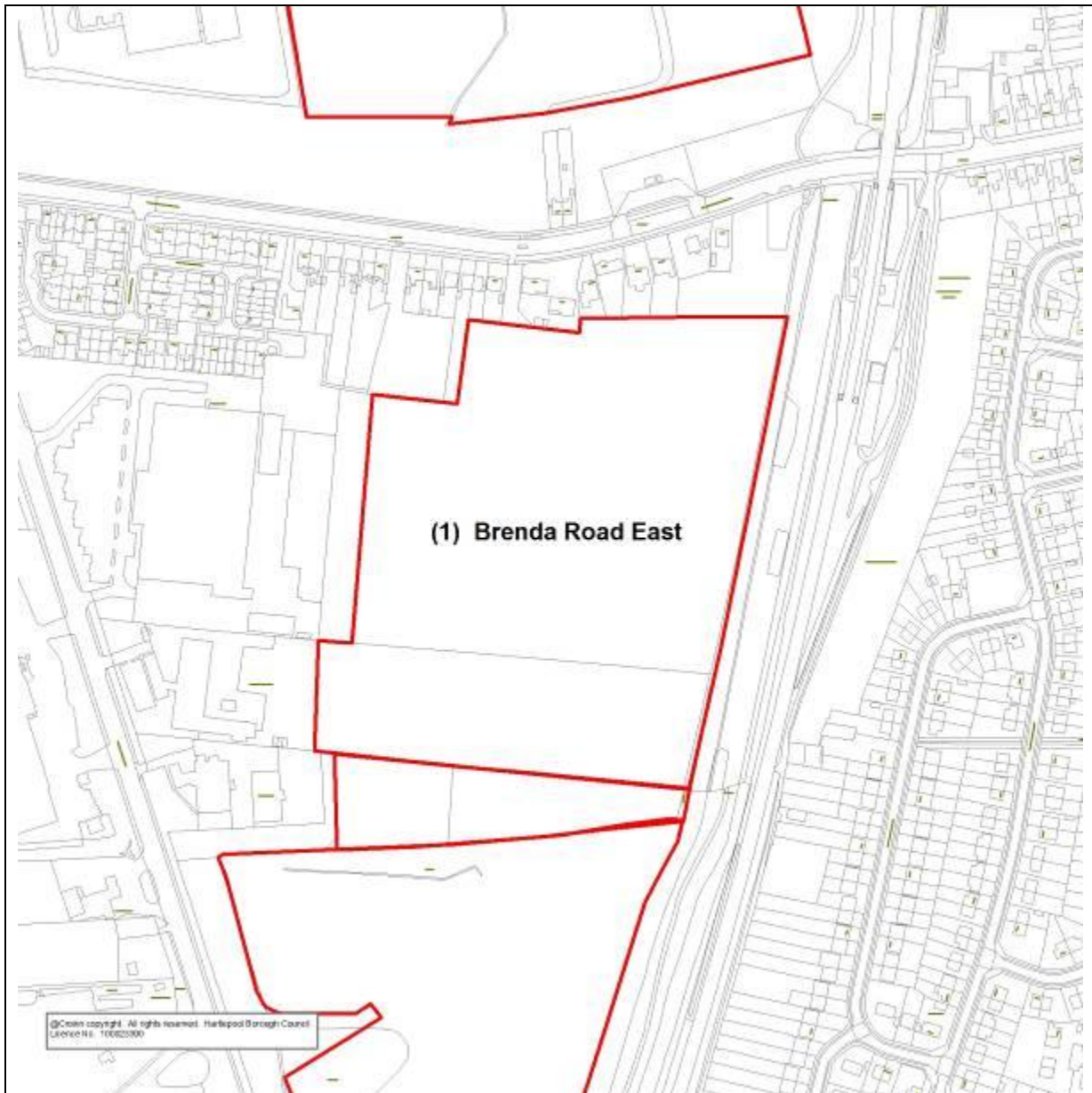
Source: BE Group, 2014



**Appendix 3**  
**Site Proformas**

### **Appendix 3 – Site Proformas**

The employment land site proformas relate to undeveloped land (or a significant redevelopment opportunity) which are allocated for employment in the Local Plan (policies Ind1-Ind9, Com4, 7 and 15). These proformas are linked to the analysis in Section 6.0 of the main Employment Land Review document and are informed by the Stage 1 Employment Land Review Research undertaken by the Council.



|   |   |
|---|---|
| (Site Ref.) Site Name   | (1) Brenda Road East  |
| Policy Reference  | Ind5(d)   |
| Owner   | Mixed Ownership (private)   |
| Agent   | -   |
| Size, ha  | 6.1   |
| Market Availability   | Not available   |
| Planning Status (Allocated Uses)  | Allocated for B1/B2/B8  |
| Proposal  | Brenda Road Holdings are proposing housing on this site   |
| Constraints (e.g. historic environment, ecology, highways, env. health) | <p>Culverted watercourse (The Stell) and sewer overflow run through this area. Potential flood risk.</p> <p>An existing public footpath lies within the site, with a permissive bridleway running down the east and south side of the site.</p> <p>Brenda Road bridge can only support a maximum load of 44 tonnes.</p> |

|  |  |
|--|--|
|  | Protected Green Space (Policy GN3(e)) to the east.<br>Noise constraints as close to residential properties.  |
| Comments                               | A backland site, located to the rear of industrial uses. Not an appropriate site for housing.<br>However, no alternative B-Class employment proposals are identified at this time. |
| Likely development potential           | Industrial   |
| Potential guidance market segment uses | General Business/Industrial Area   |
| Serviced                               | No   |
| Availability, years                    | 5+   |



|   |   |
|---|---|
| (Site Ref.) Site Name   | (2) Brenda Road East  |
| Policy Reference  | Ind5(d)   |
| Owner   | JJ Hardy/Abbot  |
| Agent   | -   |
| Size, ha  | 5.0   |
| Market Availability   | Not available   |
| Planning Status (Allocated Uses)  | Allocated for B1/B2/B8  |
| Proposal  | Brenda Road Holdings are proposing housing on this site   |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | <p>Culverted watercourse (The Stell) and sewer overflow run through this area. Potential flood risk.</p> <p>An existing public footpath lies within the site, with a permissive bridleway running down the east and south side of the site.</p> <p>Brenda Road bridge can only support a maximum load of 44 tonnes.</p> |

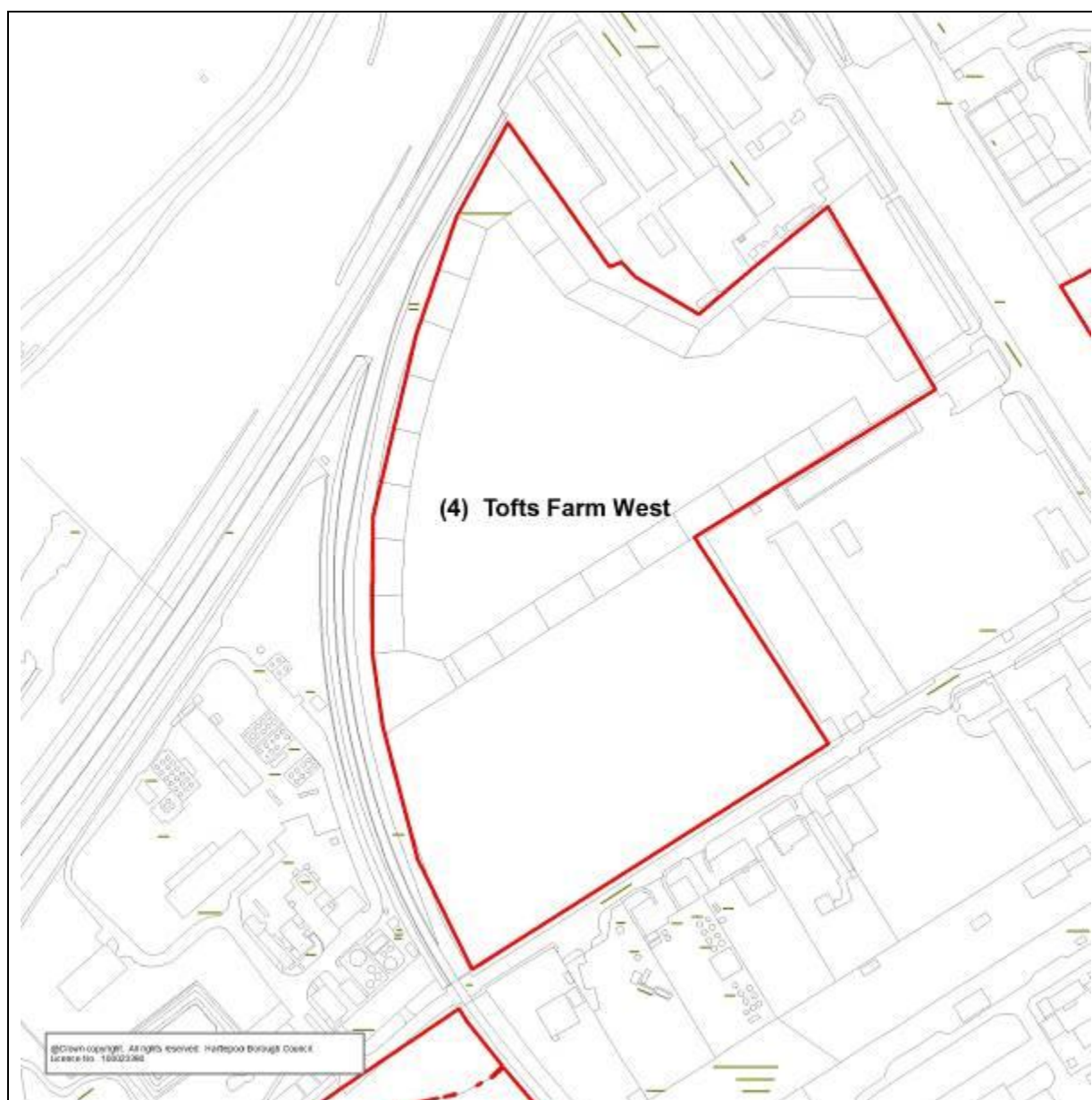
|  |  |
|--|--|
|  | Protected Green Space (Policy GN3(e)) to the east.<br>Noise constraints as close to residential properties.  |
| Comments                               | A backland site, located to the rear of industrial uses. Not an appropriate site for housing.<br>However, no alternative B-Class employment proposals are identified at this time. |
| Likely development potential           | Industrial   |
| Potential guidance market segment uses | General Business/Industrial Area   |
| Serviced                               | No   |
| Availability, years                    | 5+   |



|   |   |
|---|---|
| (Site Ref.) Site Name   | (3) Brenda Road East  |
| Policy Reference  | Ind5(d)   |
| Owner   | Hartlepool Borough Council  |
| Agent   | -   |
| Size, ha  | 0.9   |
| Market Availability   | Not available   |
| Planning Status (Allocated Uses)  | Allocated for B1/B2/B8  |
| Proposal  | Brenda Road Holdings are proposing housing on this site   |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | <p>Culverted watercourse (The Stell) and sewer overflow run through this area. Potential flood risk.</p> <p>An existing public footpath lies within the site, with a permissive bridleway running down the east and south side of the site.</p> <p>Brenda Road bridge can only support a maximum load of 44</p> |

|  |   |
|--|---|
|  | tonnes.<br>Protected Green Space (Policy GN3(e)) to the east.<br>Noise constraints as close to residential properties.  |
| Comments                               | This site has good main road frontage and could potentially support a more diverse range of employment uses including industrial, office and (ancillary) retail.<br>However, the primarily industrial nature of the area means that it would still not be an appropriate site for housing.<br>However, no alternative B-Class employment proposals are identified at this time. |
| Likely development potential           | Office/industrial   |
| Potential guidance market segment uses | General Business/Industrial Area  |
| Serviced                               | No  |
| Availability, years                    | 3-5   |





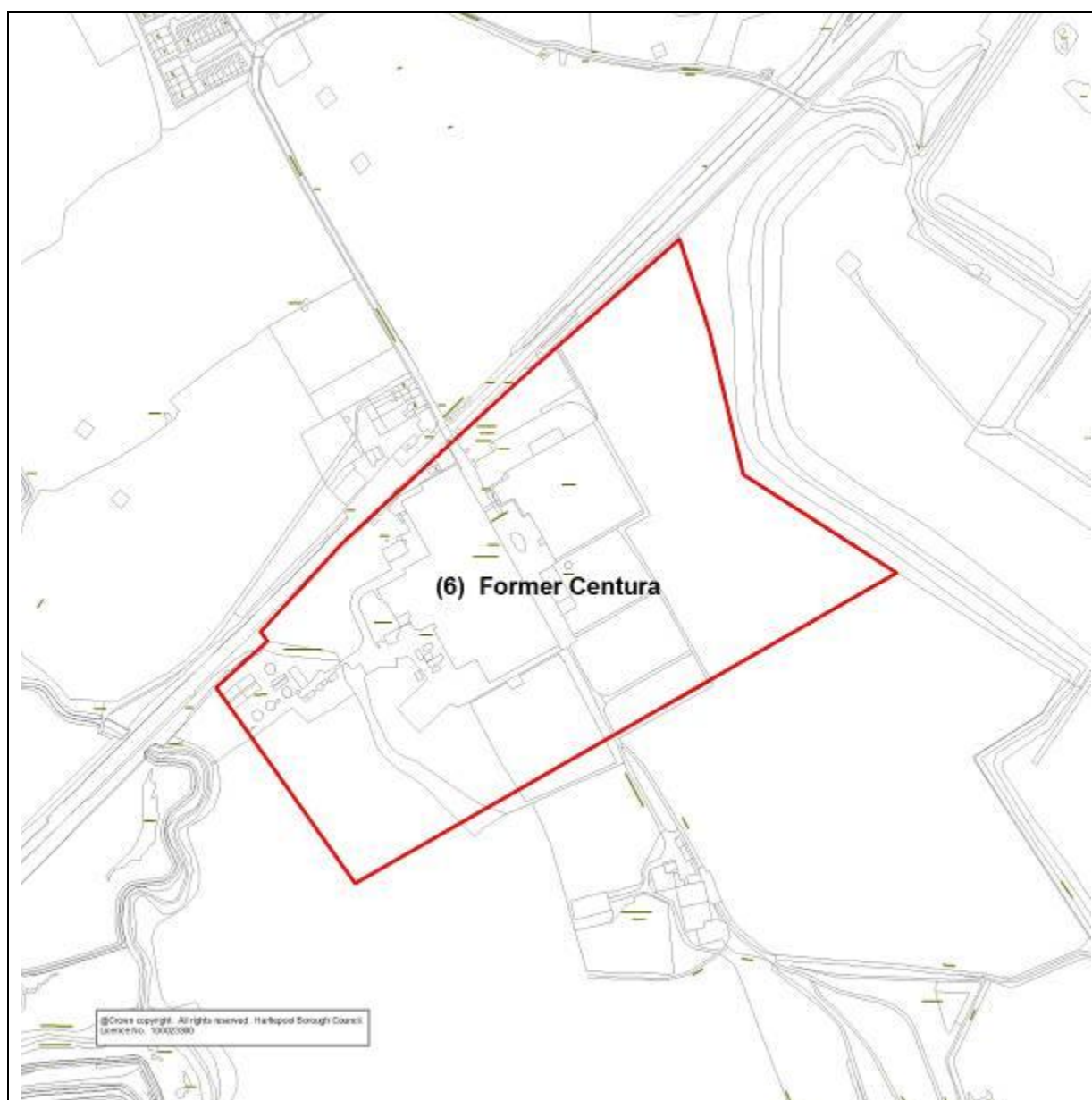
|                                  |   |
|----------------------------------|---|
| (Site Ref.) Site Name            | (4) Tofts Farm West   |
| Policy Reference                 | Ind5(g)   |
| Owner                            | Dean Group and Private Individual   |
| Agent                            | -   |
| Size, ha                         | 8.2   |
| Market Availability              | Available   |
| Planning Status (Allocated Uses) | Allocated for B1/B2/B8<br>Planning consents in the area generally relate to surrounding industrial facilities   |
| Proposal                         | The owner has expressed long term interest in developing this land as new business park, effectively a second phase of the Tofts Farm Industrial Estate.<br>However, any plans would be subject to economic conditions and there is no timetable for bringing this forward. |
| Constraints (e.g. historic)      | Possible Great Crested Newts onsite   |

|  |  |
|--|--|
| environment, access, ecology, highways, env. health) | Brenda Road bridge can only support a maximum load of 44 Tonnes. |
| Comments   | -  |
| Likely development potential                         | Industrial   |
| Potential guidance market segment uses               | General Business/Industrial Area                                 |
| Serviced   | No   |
| Availability, years                                  | 3-5  |



|   |   |
|---|---|
| (Site Ref.) Site Name   | (5) Tofts Farm East/Hunter House  |
| Policy Reference  | Ind5(f)   |
| Owner   | Hansteen  |
| Agent   | Hansteen  |
| Size, ha  | 0.6   |
| Market Availability   | On the market   |
| Planning Status (Allocated Uses)  | Allocated for B1/B2/B8<br>Planning consents in the area generally relate to surrounding industrial facilities |
| Proposal  | No identified plans   |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | -   |

|  |   |
|--|---|
| Comments                               | Frontage expansion site in an established industrial estate. Would be suitable for meeting the expansion needs of an existing occupier or providing a design and build opportunity to a new occupier for the industrial estate. |
| Likely development potential           | Industrial  |
| Potential guidance market segment uses | General Business/Industrial Area  |
| Serviced                               | No  |
| Availability, years                    | 3-5   |



|   |  |
|---|--|
| (Site Ref.) Site Name   | (6) Former Centura   |
| Policy Reference  | Ind5(k)  |
| Owner   | Private Individuals  |
| Agent   | -  |
| Size, ha  | 18.1   |
| Market Availability   | Not available  |
| Planning Status (Allocated Uses)  | Allocated for B1/B2/B8<br>Prior notification application in relation to demolition (App. No. H/2011/0610) approved in 2011   |
| Proposal  | Buildings now cleared although significant materials and foundations remain on the site  |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | Former salt works, chemical manufacture, rail infrastructure. Site investigation would be required for re-development.<br>Noise constraints to north east boundary as close to residential properties. |

|  |   |
|--|---|
|  | <p>An existing public footpath lies within the site, with another public footpath running along the northern boundary, towards Conoco Philips rear fence line.</p> <p>Potential need for access road from Tees Road, depending on the scale of development.</p> <p>Tees Forest (Policy Rur14) to the north</p> <p>Major access issues through Greatham village, along roads that do not support HGV traffic.</p> <p>Access passes through railway level crossing.</p> |
| Comments                               | <p>Heavily constrained, backland site with extremely limited access. Highly unlikely that this site could be redeveloped for new industrial premises. Development for other commercial uses would be equally problematic.</p> <p>Site should be deallocated from employment use.</p>  |
| Likely development potential           | N/A   |
| Potential guidance market segment uses | General Business/Industrial Area  |
| Serviced                               | No  |
| Availability, years                    | 5+  |



|  |   |
|--|---|
| (Site Ref.) Site Name                                    | (7) Golden Flatts   |
| Policy Reference   | Ind4(c)   |
| Owner  | Hartlepool Borough Council  |
| Agent  | -   |
| Size, ha   | 20.8  |
| Market Availability                                      | Not available   |
| Planning Status (Allocated Uses)                         | Allocated for B1/B2/B8  |
| Proposal   | Full planning consent for the erection of 70, 2 and 3 bedroom houses and 12 flats on land to the east   |
| Constraints (e.g. historic environment, ecology, health) | An existing public footpath lies to the south and unrecorded public footpaths lie within the site.<br>Potential need for link road through to Brenda Road, depending on the scale of development.<br>Noise constraints, close to residential properties. Also provides a buffer between pipe mills and residential. |

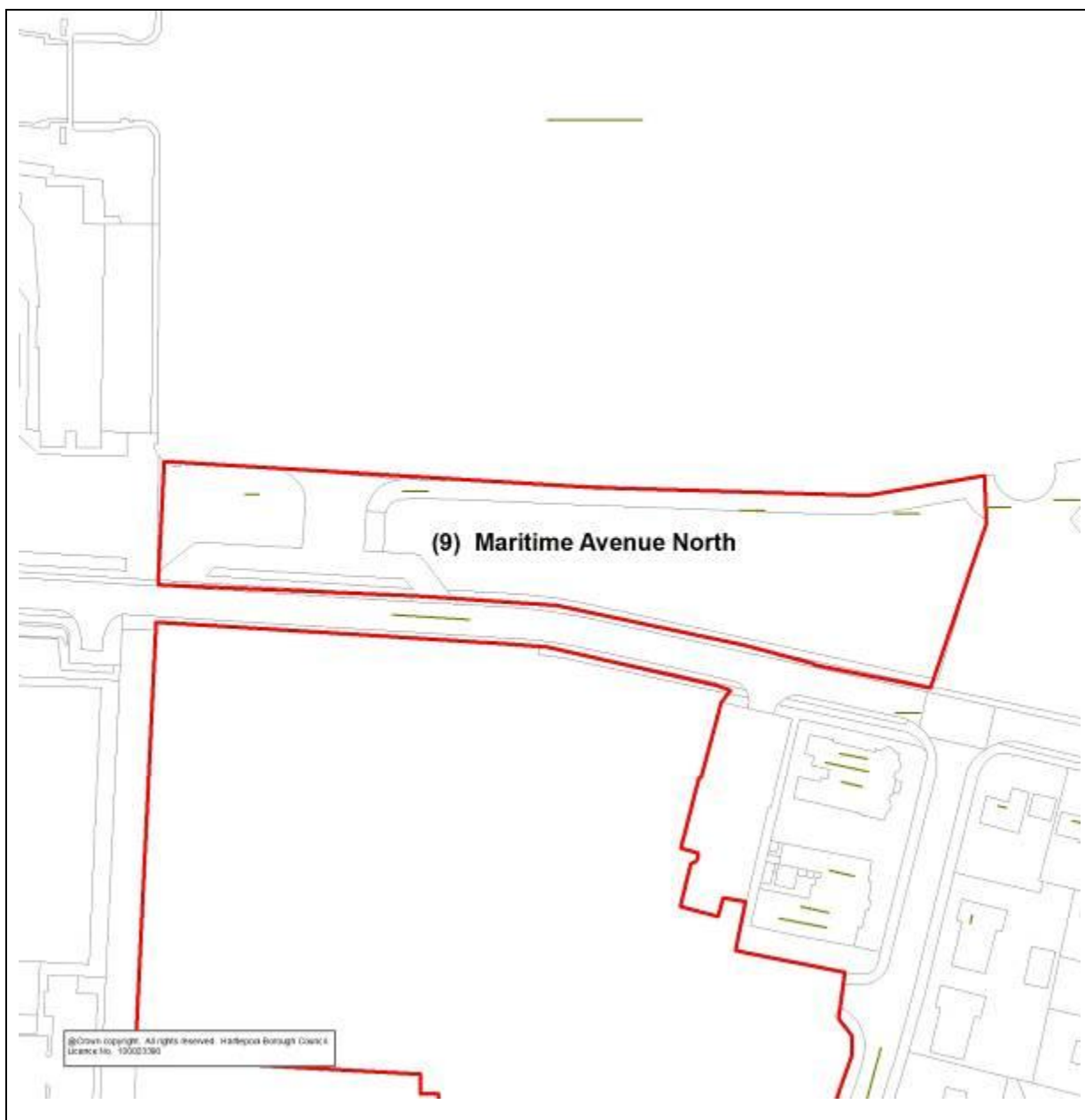
|  |  |
|--|--|
|  | <p>Various drains cross the site.<br/>Protected Green Spaces (Policies Rec4 and GN3(g)) to north and south.</p>  |
| Comments                               | <p>Backland site with a frontage which is now mostly developed for housing (with further housing proposed). These factors significantly limit the attractiveness of the location for further industrial development.<br/>In particular this would prevent the use of much of the site as expansion for neighbouring Tata.<br/>This land would appear better suited to accommodating further housing development, with an appropriate buffer in the south to the Tata steelworks.</p> |
| Likely development potential           | Housing  |
| Potential guidance market segment uses | General Business/Industrial Area   |
| Serviced                               | No   |
| Availability, years                    | 5+   |





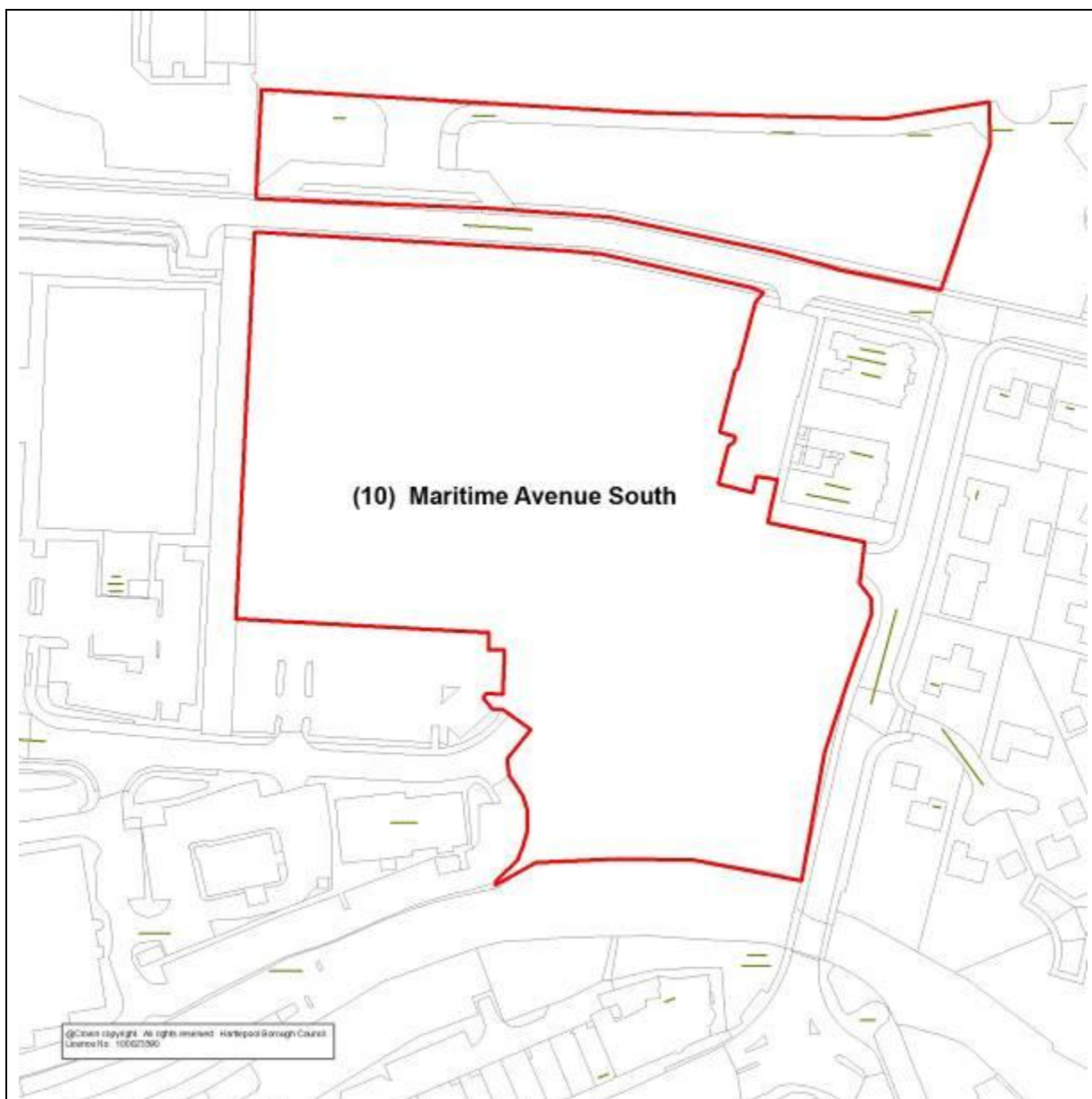
|   |   |
|---|---|
| (Site Ref.) Site Name   | (8) Longhill Industrial Estate  |
| Policy Reference  | Ind5(b), Ind8   |
| Owner   | Multiple Ownership  |
| Agent   | -   |
| Size, ha  | 1.0   |
| Market Availability   | Not available   |
| Planning Status (Allocated Uses)  | Allocated for B1/B2/B8  |
| Proposal  | No identified development plans   |
| Constraints (e.g. historic environment, ecology, highways, env. health) | Brick works, clay pit, rail infrastructure. Site investigation would be required for re-development.  |
| Comments  | Infill plot within an established industrial estate. Would be suitable for a further development of light industrial units, as on Ullswater Road to the south. Or could accommodate the |

|  |  |
|--|--|
|  | need of a single occupier.<br>Eastern parts of the site appear in use, possibly informally,<br>by Topmix for open storage of aggregates. |
| Likely development potential           | Industrial   |
| Potential guidance market segment uses | General Business/Industrial Area   |
| Serviced                               | No   |
| Availability, years                    | 3-5  |



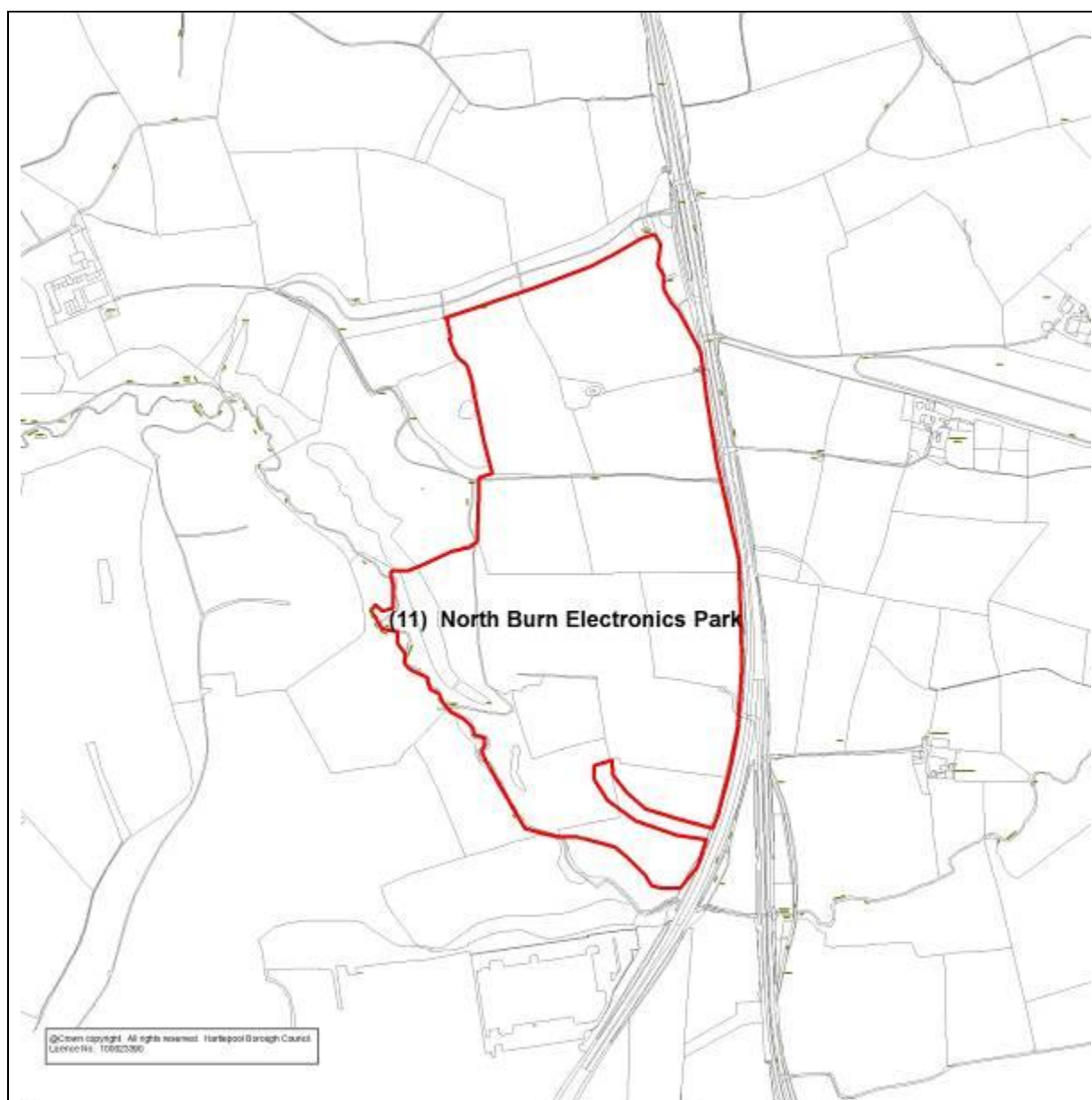
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|----------------------------------|---|
| (Site Ref.) Site Name            | (9) Maritime Avenue North   |
| Policy Reference                 | Com4/10   |
| Owner                            | Private Individuals   |
| Agent                            | Jomast Developments   |
| Size, ha                         | 0.7   |
| Market Availability              | On the market   |
| Planning Status (Allocated Uses) | Allocated for mixed uses<br>Full planning permission for a mixed use scheme ( App. Ref H/2007/0918)   |
| Proposal                         | Maritime Avenue North and South have for consent 6,518 sqm of A1/A2/A3 retail/food, 18, 573 sqm of offices, 6,650 sqm hotel (developed and occupied by Travelodge), 4,620 sqm C2 residential institutions and 7,591 sqm of C3 housing. This forms the Trincomalee Wharf scheme. |
| Constraints (e.g. historic)      | The site bounds the Church Street Conservation Area. In   |

|  |  |
|--|--|
| environment, access, ecology, highways, env. health) | close proximity to this site is two Grade II listed buildings on Victoria Terrace, the Old Dock Office including boundary wall and Old Customs House.<br>Noise constraints as close to residential properties.<br>Abnormal load route.<br>Protected Green Space (Policy GN3(a)) to the east.   |
| Comments   | Based on the current consent only a portion of the two sites will be developed for B-Class employment, although sufficient office accommodation is consented to cover both sites.<br><br>Land is being marketed by Jomast Developments as development opportunity sites for the consented uses. However current marketing is focusing on the nearby Hartlepool Bay residential scheme. |
| Likely development potential                         | Office   |
| Potential guidance market segment uses               | Established/Potential Office Location  |
| Serviced   | Yes  |
| Availability, years                                  | 3-5  |



|   |  |
|---|--|
| (Site Ref.) Site Name                           | (10) Maritime Avenue South   |
| Policy Reference                                | Com4/8   |
| Owner   | Private Individuals  |
| Agent   | Jomast Developments  |
| Size, ha  | 2.1  |
| Market Availability                             | On the market  |
| Planning Status (Allocated Uses)                | Allocated for mixed uses<br>Full planning permission for a mixed use scheme ( App. Ref H/2007/0918)  |
| Proposal  | Maritime Avenue North and South have consent for 6,518 sqm of A1/A2/A3 retail/food, 18, 573 sqm of offices, 6,650 sqm hotel (developed and occupied by Travelodge), 4,620 sqm C2 residential institution and 7,591 sqm of C3 housing. This forms the Trincomalee Wharf scheme. |
| Constraints (e.g. historic environment, access, | The site bounds the Church Street Conservation Area. In close proximity to this site is two Grade II listed buildings on   |

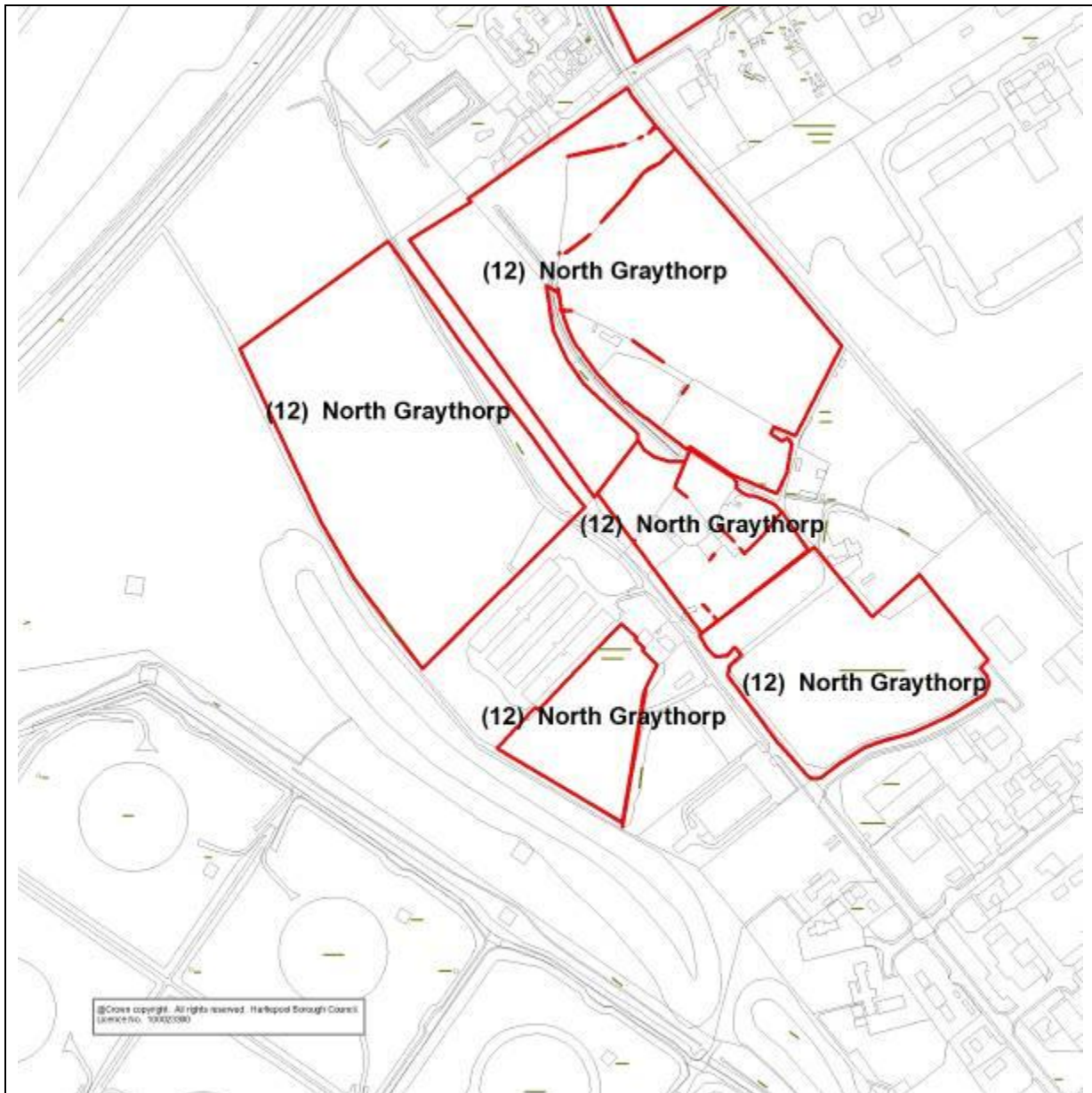
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| ecology, highways, env. health)        | Victoria Terrace, the Old Dock Office including boundary wall and Old Customs House.<br>Noise constraints as close to residential properties.<br>Abnormal load route.  |
| Comments                               | Based on the current consent only a portion of the two sites will be developed for B-Class employment, although sufficient office accommodation is consented to cover both sites.<br><br>Land is being marketed by Jomast Developments as development opportunity sites for the consented uses. However current marketing is focusing on the nearby Hartlepool Bay residential scheme. |
| Likely development potential           | Office   |
| Potential guidance market segment uses | Established/Potential Office Location  |
| Serviced                               | Yes  |
| Availability, years                    | 3-5  |



|   |  |
|---|--|
| (Site Ref.) Site Name   | (11) North Burn Electronics Park   |
| Policy Reference  | Ind2   |
| Owner   | Langtree/Onsite  |
| Agent   | Langtree/Onsite  |
| Size, ha  | 66.7   |
| Market Availability   | Available  |
| Planning Status (Allocated Uses)  | Allocated for B1/B2/B8 (related to the electronics industry)<br>Only high quality business uses permitted  |
| Proposal  | No identified development plans  |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | There was previously a listed building and a scheduled ancient monument (policy HE13) in close proximity to this site. However, the listed building (the Cart Shed) has now been removed.<br>Consultation with Tees Archaeology required on the Scheduled Ancient Monument.<br>New access from A19 required. |

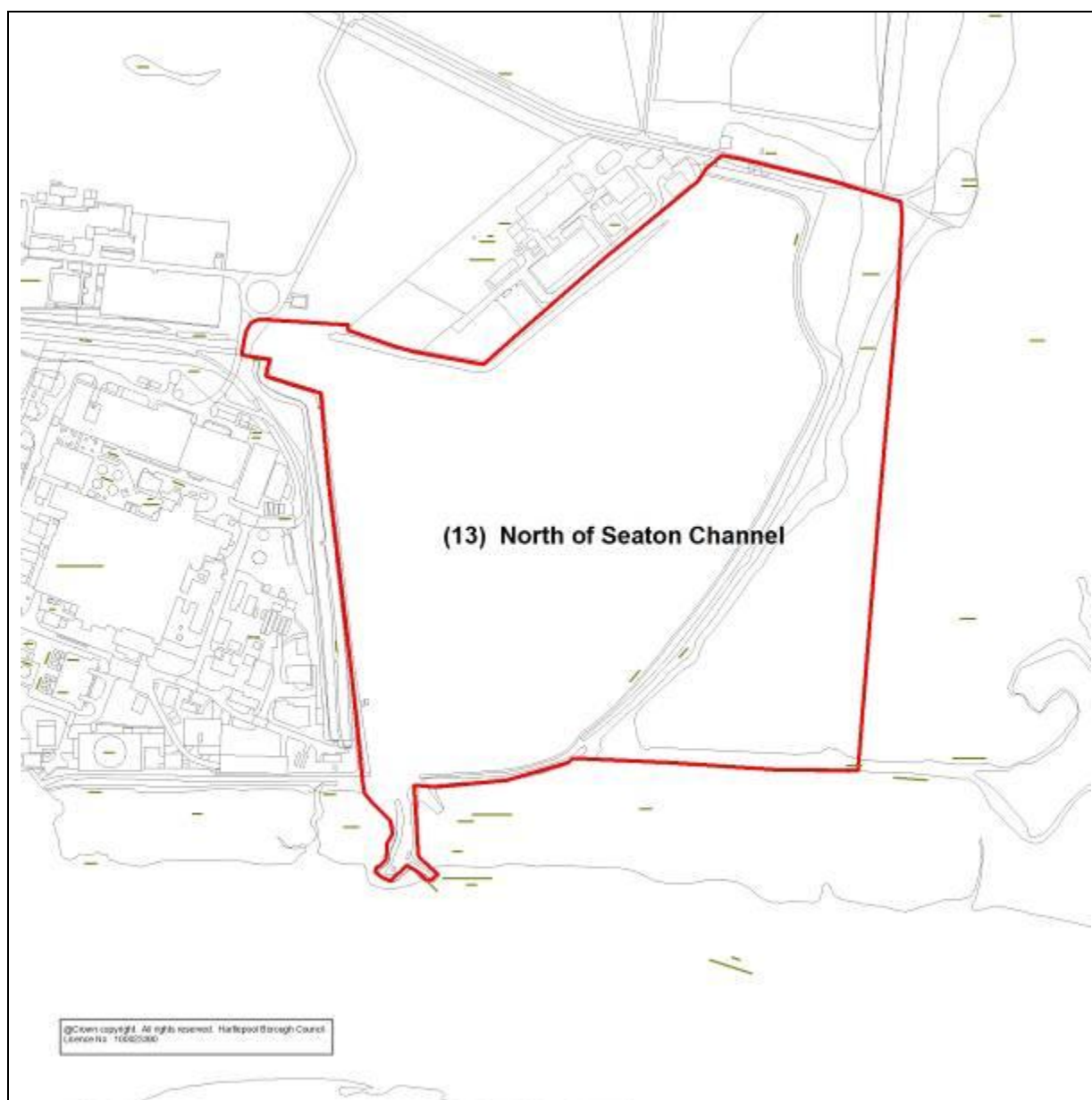
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|  | <p>Special Landscape Areas (Policy Rur20), Mineral Consultation Areas (Policy Min1) and Locally Important Natural Conservation/Geomorphological Sites (Policies WL5, WL7) to the west.</p> <p>Small Gateway Site (policy Rur15) to the north east</p>  |
| Comments                               | <p>Long term strategic landholding by Langtree. Developer has no plans to bring this site forward at present, particularly given ongoing availability at Wynyard Park.</p> <p>Not clear if a development of B-Class uses would be viable here given the likely costs of creating a new A19 access.</p> <p>If development occurs here it is more likely to be for uses associated with the Hospital proposal, previously consented for Wynyard Park.</p> <p>Consider deallocating</p> |
| Likely development potential           | N/A  |
| Potential guidance market segment uses | High Quality Business Park   |
| Serviced                               | No   |
| Availability, years                    | 5+   |





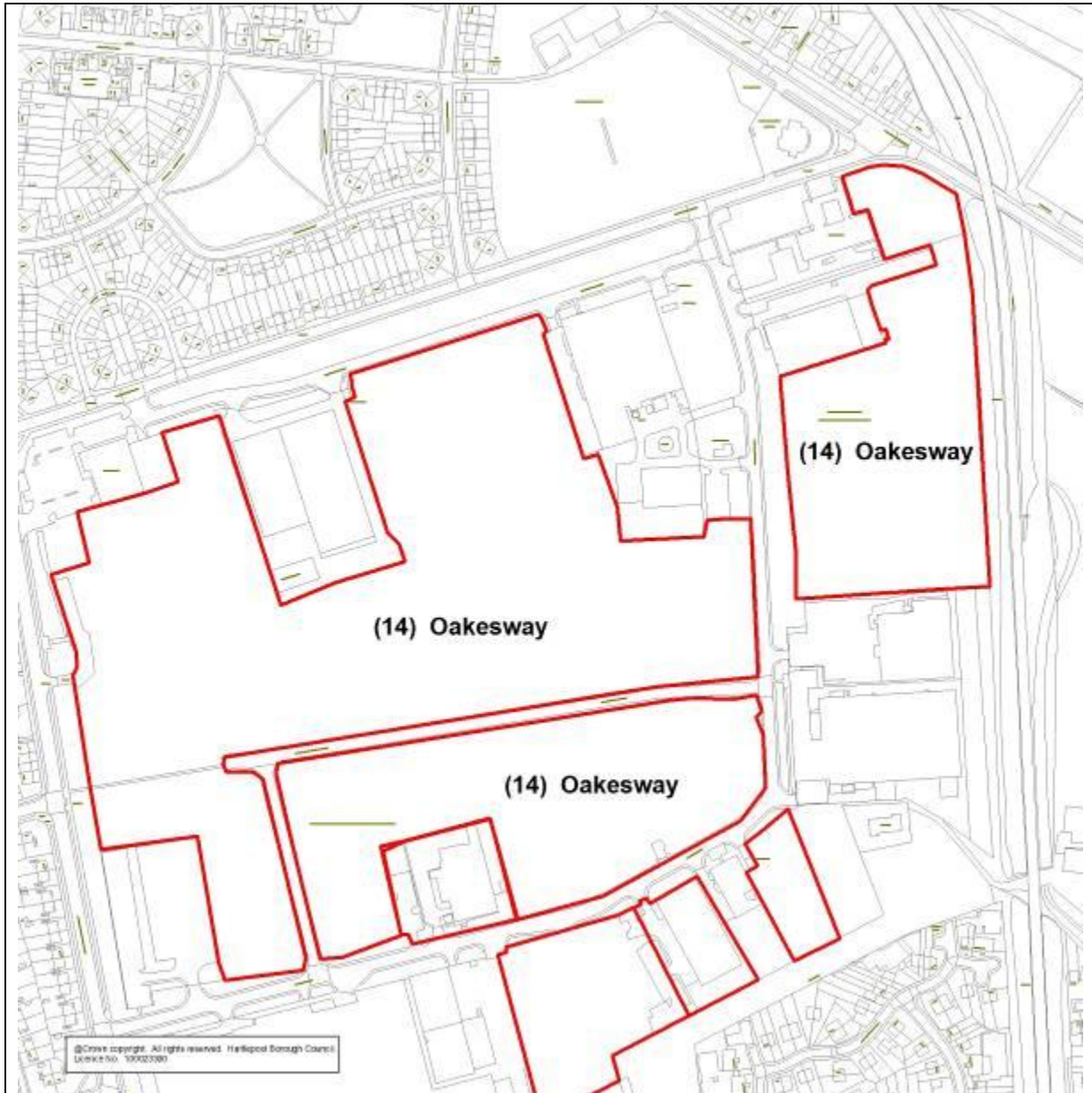
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|---|---|
| (Site Ref.) Site Name   | (12) North Graythorp  |
| Policy Reference  | Ind9(b)   |
| Owner   | Mixed Ownership   |
| Agent   | -   |
| Size, ha  | 17.6  |
| Market Availability   | Not available   |
| Planning Status (Allocated Uses)  | Allocated for B2 (potentially polluting or hazardous development)   |
| Proposal  | No identified development plans   |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | Limited access.<br>An existing public footpath lies to the south west and of the site, with the probability of further accesses being created to the north and through the centre of the site.<br>Possibly Great Crested Newts onsite |
| Comments  | Recommended for waste recycling in the SBZ<br>A range of backland industrial sites surrounding existing   |

|  |   |
|--|---|
|  | <p>occupiers such as Exwold Technology. Portions of the site could provide expansion plans for these occupiers.</p> <p>Backland nature of the land and general low quality of the surrounding area mean that this is not a desirable location for new occupiers.</p> <p>However, the location would be appropriate for accommodating 'bad neighbour' uses such as waste recyclers, as indicated in the SBZ.</p> |
| Likely development potential           | Industrial  |
| Potential guidance market segment uses | Heavy/Specialist Industrial Site  |
| Serviced                               | No  |
| Availability, years                    | 3-5   |



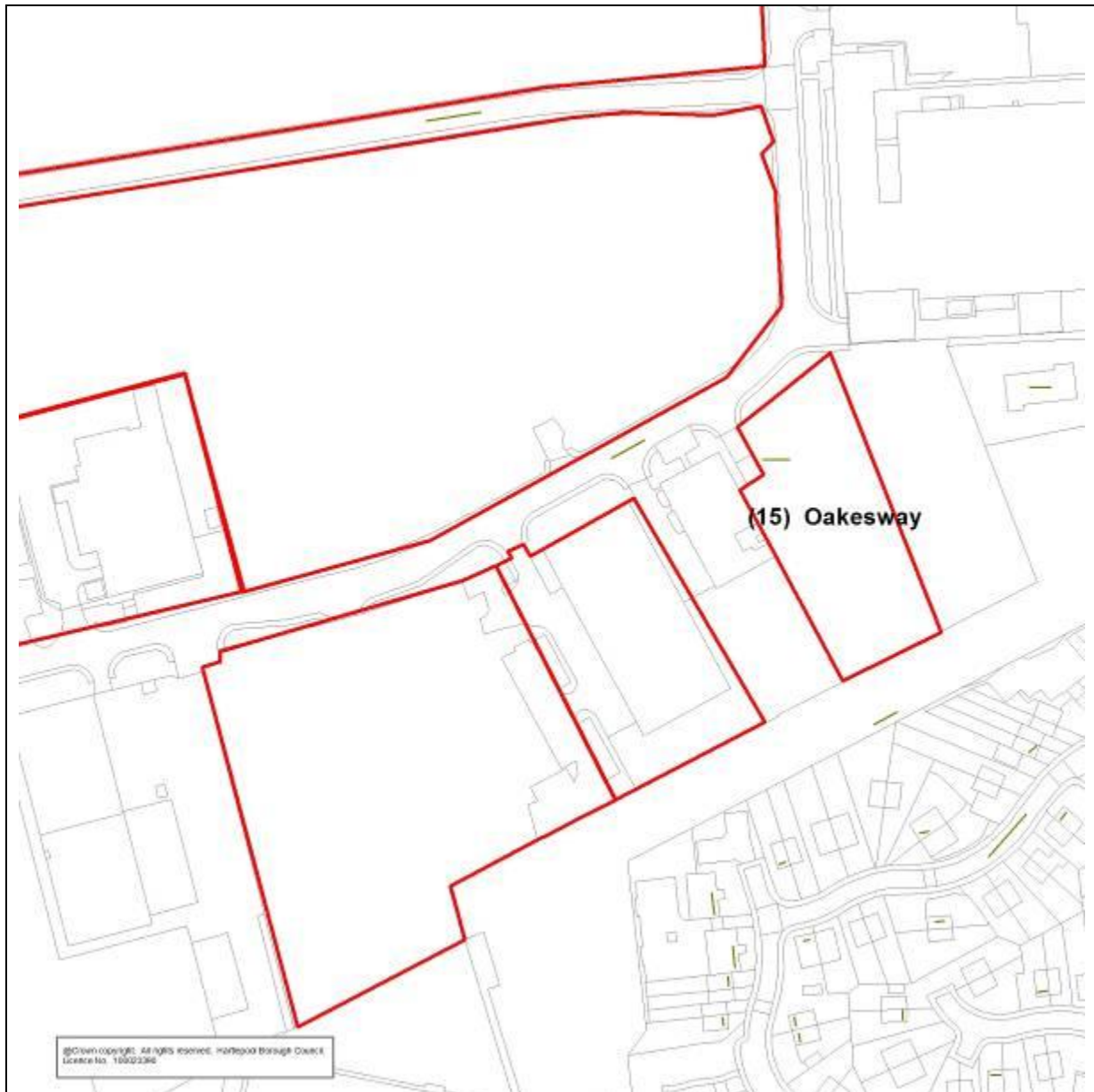
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|---|---|
| (Site Ref.) Site Name   | (13) North of Seaton Channel  |
| Policy Reference  | Ind7  |
| Owner   | Hartlepool Borough Council (leased to PD Ports)   |
| Agent   | P D Ports   |
| Size, ha  | 24.5  |
| Market Availability   | Not Available   |
| Planning Status (Allocated Uses)  | Allocated for B2 (port related)   |
| Proposal  | PD Ports has no current plans for this land   |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | Former Leathers chemical works. Site investigation would be required for re-development.<br>Local Wildlife Site. Part is SSSI.<br>South east of site is below the Mean High Water mark<br>Special Landscape Areas (Policy Rur20), Mineral Consultation Areas (Policy Min1) and Locally Important Natural Conservation/Geomorphological Sites (Policies WL5, WL7), |

|  |  |
|--|--|
|  | International Nature Conservation Sites (Policy WL1) surrounding.  |
| Comments                               | <p>PD Port's existing/potential occupiers can have unanticipated and urgent land requirements as they win new contracts. Thus the port owner wishes to retain this land to meet such unpredictable future land needs.</p> <p>In this case, the land may also be used to take advantage of growing opportunities in the nuclear sector.</p> |
| Likely development potential           | Industrial   |
| Potential guidance market segment uses | Specialist Freight Terminal  |
| Serviced                               | No   |
| Availability, years                    | 5+   |



|                                  |   |
|----------------------------------|---|
| (Site Ref.) Site Name            | (14) Oakesway   |
| Policy Reference                 | Ind5(a), Ind8   |
| Owner                            | Langtree/Onsite   |
| Agent                            | Langtree  |
| Size, ha                         | 16.1  |
| Market Availability              | On the market   |
| Planning Status (Allocated Uses) | Allocated for B1/B2/B8  |
| Proposal                         | Enterprise Zone, identified for Advanced Engineering, Advanced Manufacturing and Renewable Energy Manufacturing and subject to an LDO<br>Enterprise Zone type is Business Rate Discount, aimed at fostering indigenous small- and medium sized businesses which form the supply chain of the area's heavy industries such as renewable energy and advanced engineering.<br>Oakesway particularly considered suitable for supply chain |

|   |   |
|---|---|
|   | businesses associated with the Port.  |
| Constraints (e.g. historic environment, ecology, highways, env. health) | Brick yard. Site investigation would be required for re-development.<br>Noise constraints (condition on the LDO).   |
| Comments  | <p>Previous wind turbine proposal, which looked at new access route through railway underpass to docks area.</p> <p>The Council has received a number of (confidential) enquiries for sites of around 0.4 ha. However, all interest remains tentative at this stage.</p> <p>Site has been considered for housing in the past, the Hartlepool SHLAA (2010) identified the land for some 77 units and the HCA have made submissions on the site's suitability for housing.</p> <p>However, a release for housing is not justified at this time given the sites Enterprise Zone status and the occupier interest that is being recorded. If, after Enterprise Zone status has lapsed, significant portions of the site have not been (or are not about to be) occupied, this option could be reconsidered.</p> |
| Likely development potential  | Industrial  |
| Potential guidance market segment uses                                  | General Business/Industrial Area  |
| Serviced  | No  |
| Availability, years   | 1-3   |



|                                  |   |
|----------------------------------|---|
| (Site Ref.) Site Name            | (15) Oakesway   |
| Policy Reference                 | Ind5(a), Ind8   |
| Owner                            | Langtree/Onsite   |
| Agent                            | Langtree  |
| Size, ha                         | 0.40  |
| Market Availability              | On the market   |
| Planning Status (Allocated Uses) | Allocated for B1/B2/B8  |
| Proposal                         | Enterprise Zone, identified for Advanced Engineering, Advanced Manufacturing and Renewable Energy Manufacturing and subject to an LDO<br>Enterprise Zone type is Business Rate Discount, aimed at fostering indigenous small- and medium sized businesses which form the supply chain of the area's heavy industries such as renewable energy and advanced engineering.<br>Oakesway particularly considered suitable for supply chain |

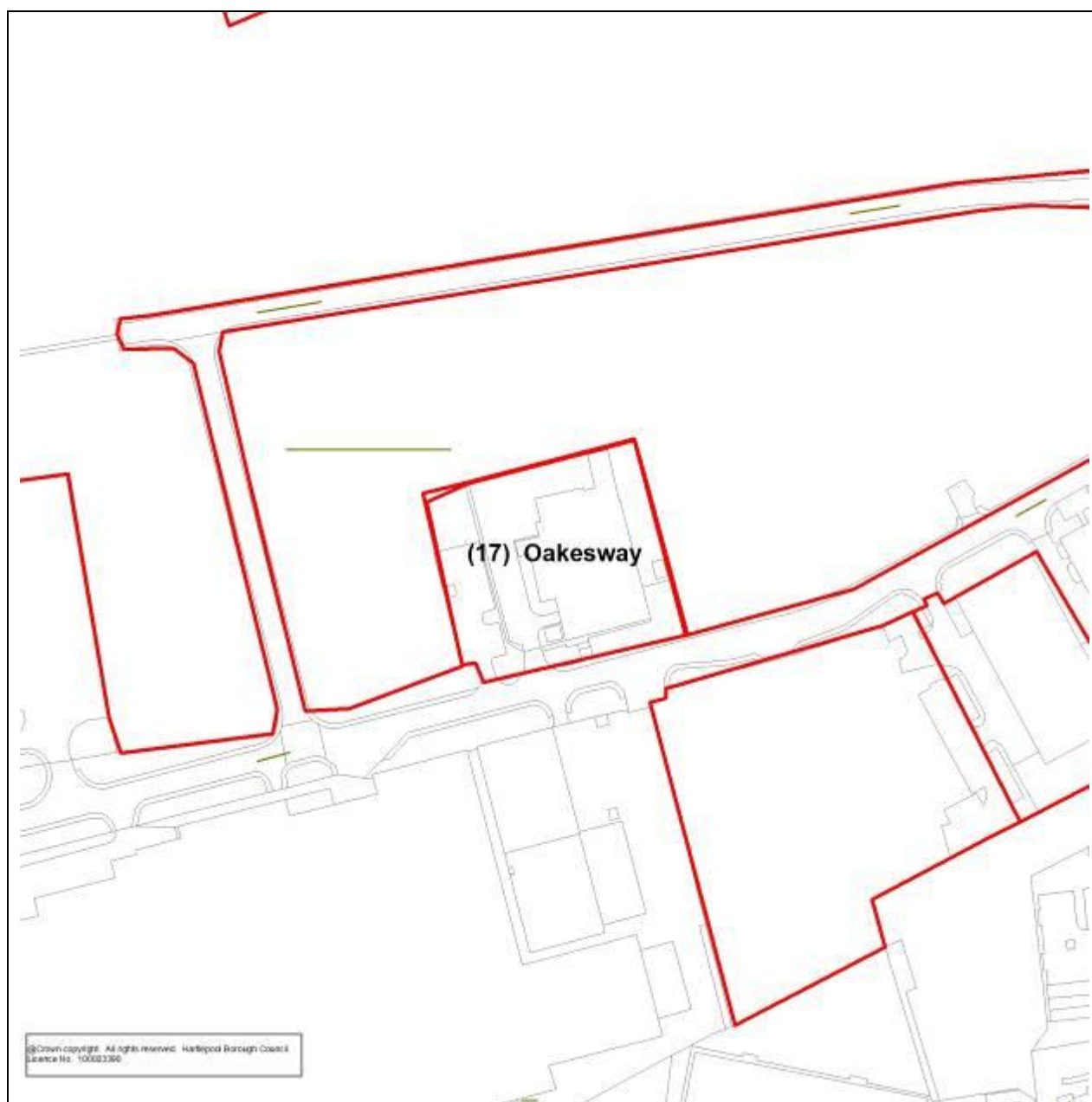
|   |   |
|---|---|
|   | businesses associated with the Port.  |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | Brick yard. Site investigation would be required for re-development.<br>Noise constraints (condition on the LDO).   |
| Comments  | <p>Previous wind turbine proposal, which looked at new access route through railway underpass to docks area.</p> <p>The Council has received a number of (confidential) enquiries for sites of around 0.4 ha. However, all interest remains tentative at this stage.</p> <p>Site has been considered for housing in the past, the Hartlepool SHLAA (2010) identified the land for some 77 units and the HCA have made submissions on the site's suitability for housing.</p> <p>However, a release for housing is not justified at this time given the sites Enterprise Zone status and the occupier interest that is being recorded. If, after Enterprise Zone status has lapsed, significant portions of the site have not been (or are not about to be) occupied, this option could be reconsidered.</p> |
| Likely development potential  | Industrial  |
| Potential guidance market segment uses  | General Business/Industrial Area  |
| Serviced  | No  |
| Availability, years   | 1-3   |





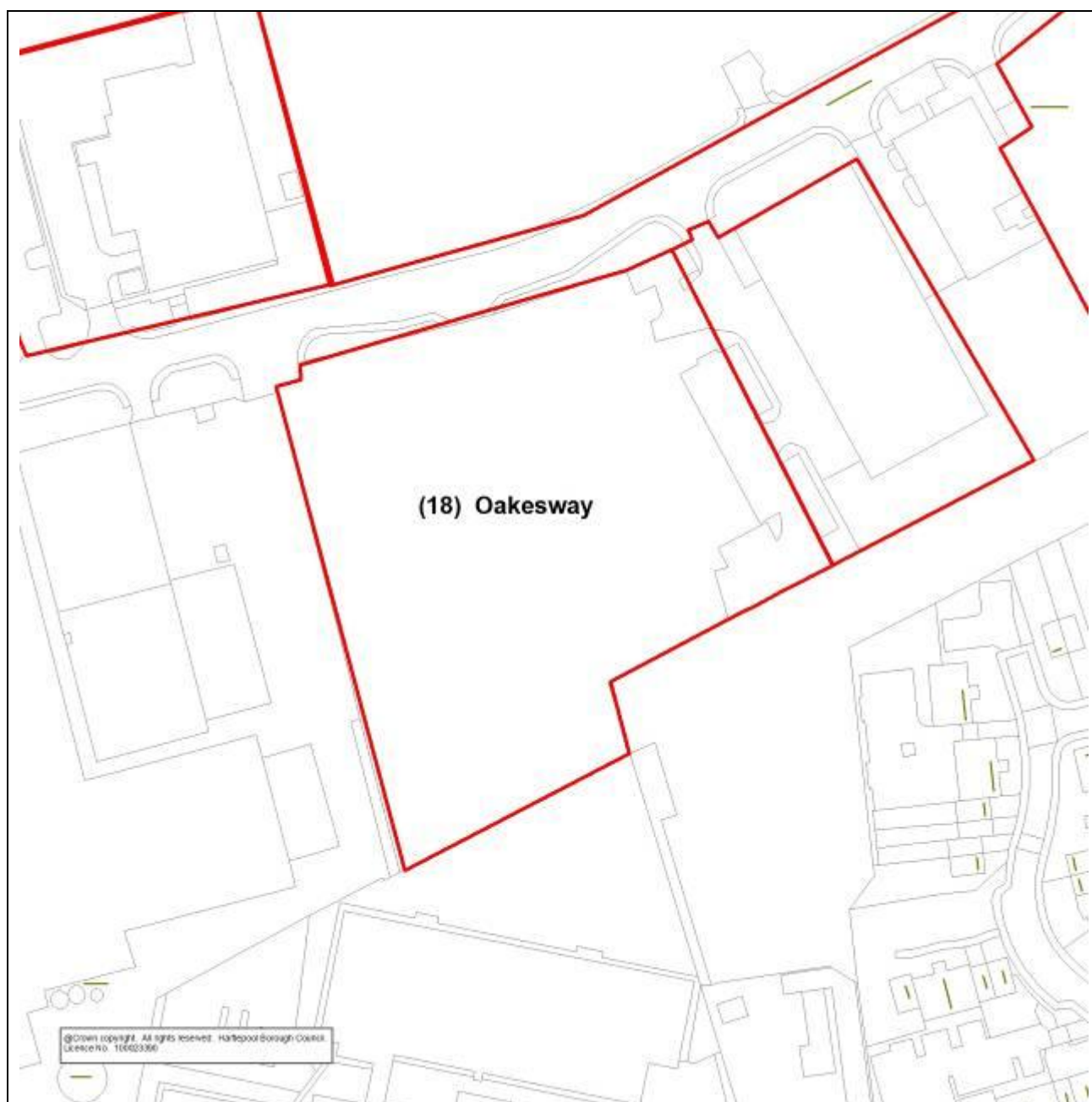
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| (Site Ref.) Site Name            | (16) Oakesway   |
| Policy Reference                 | Ind5(a), Ind8   |
| Owner                            | Private Owner   |
| Agent                            | Sanderson Weatherall  |
| Size, ha                         | 0.40  |
| Market Availability              | On the market   |
| Planning Status (Allocated Uses) | Allocated for B1/B2/B8  |
| Proposal                         | Enterprise Zone, identified for Advanced Engineering, Advanced Manufacturing and Renewable Energy Manufacturing and subject to an LDO<br>Enterprise Zone type is Business Rate Discount, aimed at fostering indigenous small- and medium sized businesses which form the supply chain of the area's heavy industries such as renewable energy and advanced engineering. |

|   |   |
|---|---|
|   | Oakesway particularly considered suitable for supply chain businesses associated with the Port.   |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | Brick yard. Site investigation would be required for re-development.<br>Noise constraints (condition on the LDO).   |
| Comments  | <p>Previous wind turbine proposal, which looked at new access route through railway underpass to docks area.</p> <p>The Council has received a number of (confidential) enquiries for sites of around 0.4 ha. However, all interest remains tentative at this stage.</p> <p>Site has been considered for housing in the past, the Hartlepool SHLAA (2010) identified the land for some 77 units and the HCA have made submissions on the site's suitability for housing.</p> <p>However, a release for housing is not justified at this time given the sites Enterprise Zone status and the occupier interest that is being recorded. If, after Enterprise Zone status has lapsed, significant portions of the site have not been (or are not about to be) occupied, this option could be reconsidered.</p> |
| Likely development potential  | Industrial  |
| Potential guidance market segment uses  | General Business/Industrial Area  |
| Serviced  | No  |
| Availability, years   | 1-3   |



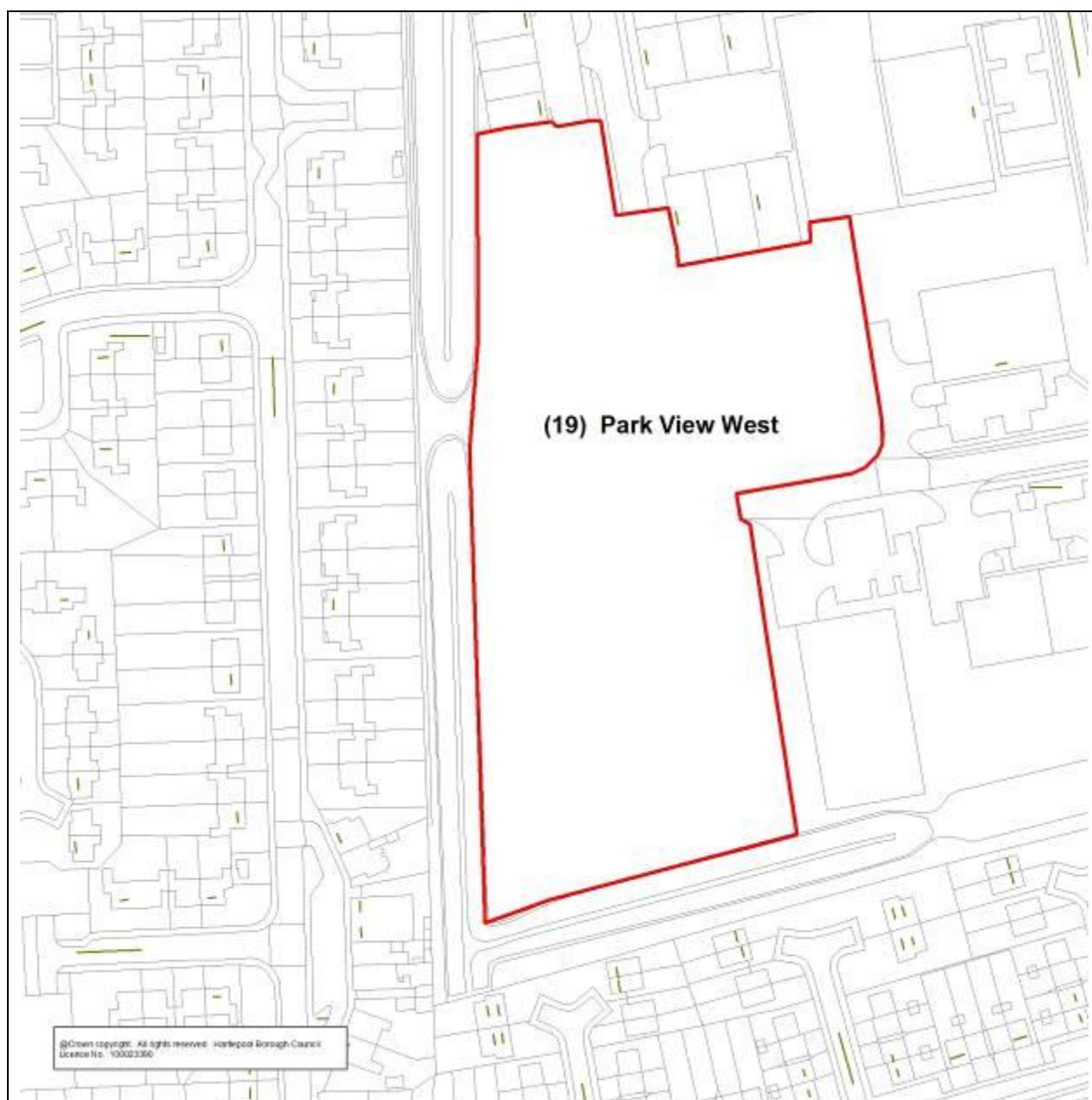
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| (Site Ref.) Site Name            | (17) Oakesway   |
| Policy Reference                 | Ind5(a), Ind8   |
| Owner                            | Private Owner   |
| Agent                            | -   |
| Size, ha                         | 0.60  |
| Market Availability              | Not available   |
| Planning Status (Allocated Uses) | Allocated for B1/B2/B8  |
| Proposal                         | Enterprise Zone, identified for Advanced Engineering, Advanced Manufacturing and Renewable Energy Manufacturing and subject to an LDO<br>Enterprise Zone type is Business Rate Discount, aimed at fostering indigenous small- and medium sized businesses which form the supply chain of the area's heavy industries such as renewable energy and advanced engineering. |

|   |   |
|---|---|
|   | Oakesway particularly considered suitable for supply chain businesses associated with the Port.   |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | Brick yard. Site investigation would be required for re-development.<br>Noise constraints (condition on the LDO).   |
| Comments  | <p>Previous wind turbine proposal, which looked at new access route through railway underpass to docks area.</p> <p>The Council has received a number of (confidential) enquiries for sites of around 0.4 ha. However, all interest remains tentative at this stage.</p> <p>Site has been considered for housing in the past, the Hartlepool SHLAA (2010) identified the land for some 77 units and the HCA have made submissions on the site's suitability for housing.</p> <p>However, a release for housing is not justified at this time given the sites Enterprise Zone status and the occupier interest that is being recorded. If, after Enterprise Zone status has lapsed, significant portions of the site have not been (or are not about to be) occupied, this option could be reconsidered.</p> |
| Likely development potential  | Industrial  |
| Potential guidance market segment uses  | General Business/Industrial Area  |
| Serviced  | No  |
| Availability, years   | 1-3   |



|                                  |  |
|----------------------------------|--|
| (Site Ref.) Site Name            | (18) Oakesway  |
| Policy Reference                 | Ind5(a), Ind8  |
| Owner                            | Private Owner  |
| Agent                            | -  |
| Size, ha                         | 1.10   |
| Market Availability              | Not available  |
| Planning Status (Allocated Uses) | Allocated for B1/B2/B8   |
| Proposal                         | Enterprise Zone, identified for Advanced Engineering, Advanced Manufacturing and Renewable Energy Manufacturing and subject to an LDO<br>Enterprise Zone type is Business Rate Discount, aimed at fostering indigenous small- and medium sized businesses which form the supply chain of the area's heavy industries |

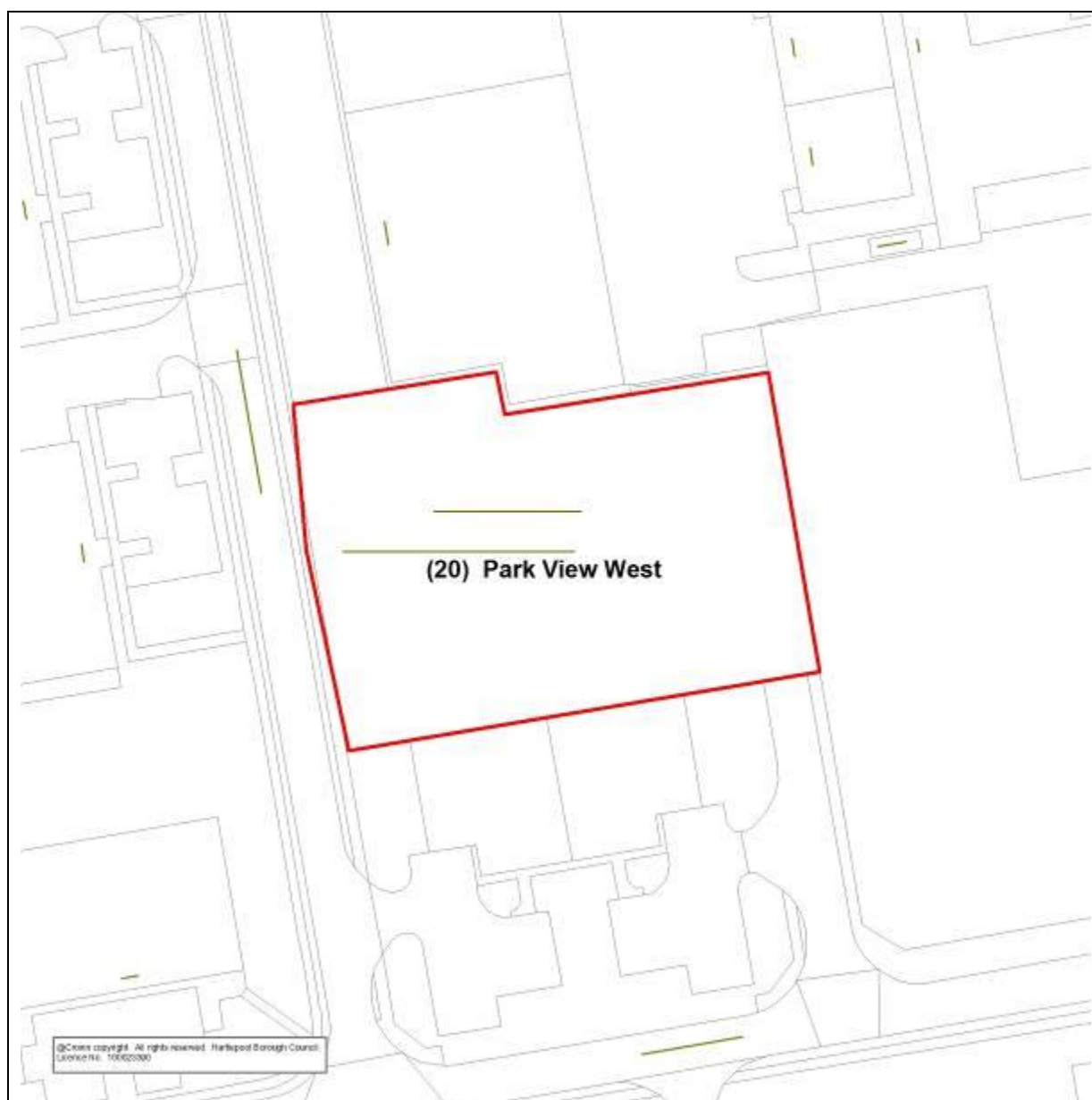
|   |   |
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|   | such as renewable energy and advanced engineering. Oakesway particularly considered suitable for supply chain businesses associated with the Port.  |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | Brick yard. Site investigation would be required for re-development.<br>Noise constraints (condition on the LDO).   |
| Comments  | <p>Previous wind turbine proposal, which looked at new access route through railway underpass to docks area.</p> <p>The Council has received a number of (confidential) enquiries for sites of around 0.4 ha. However, all interest remains tentative at this stage.</p> <p>Site has been considered for housing in the past, the Hartlepool SHLAA (2010) identified the land for some 77 units and the HCA have made submissions on the site's suitability for housing.</p> <p>However, a release for housing is not justified at this time given the sites Enterprise Zone status and the occupier interest that is being recorded. If, after Enterprise Zone status has lapsed, significant portions of the site have not been (or are not about to be) occupied, this option could be reconsidered.</p> |
| Likely development potential  | Industrial  |
| Potential guidance market segment uses  | General Business/Industrial Area  |
| Serviced  | No  |
| Availability, years   | 1-3   |



|   |  |
|---|--|
| (Site Ref.) Site Name   | (19) Park View West  |
| Policy Reference  | Ind4(b)  |
| Owner   | UK Land Estates  |
| Agent   | UK Land Estates/Sanderson Weatherall   |
| Size, ha  | 1.8  |
| Market Availability   | On the market  |
| Planning Status (Allocated Uses)  | Allocated for B1/B2/B8   |
| Proposal  | No identified development plans  |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | Noise constraints due to boundary with residential and retail properties   |
| Comments  | Large expansion site within an established industrial estate.<br>Could support a new development of light industrial units |

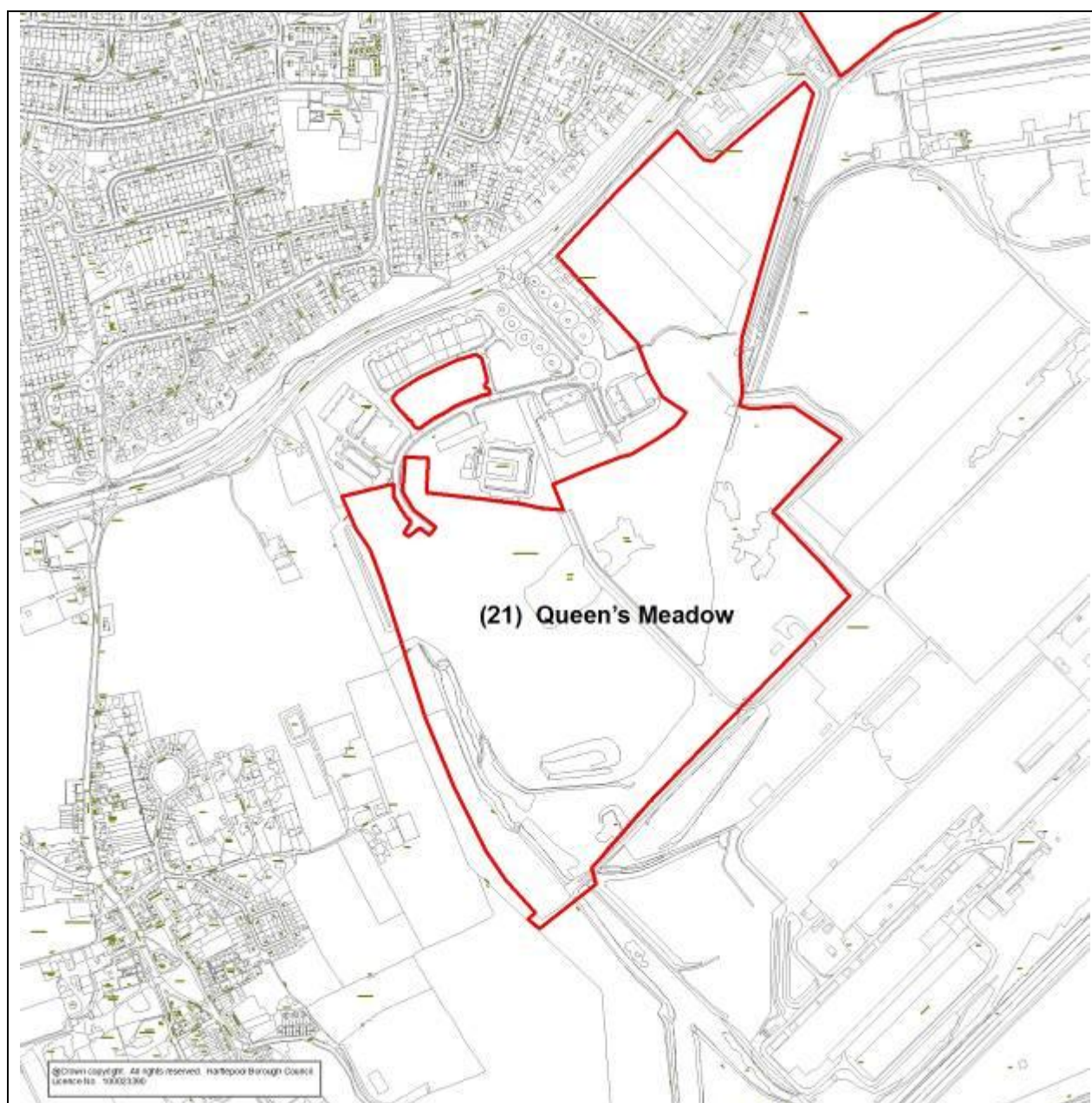
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|  | or accommodate larger occupier(s).<br>No developer or occupier interest at this time. |
| Likely development potential           | Industrial  |
| Potential guidance market segment uses | General Business/Industrial Area  |
| Serviced                               | No  |
| Availability, years                    | 3-5   |





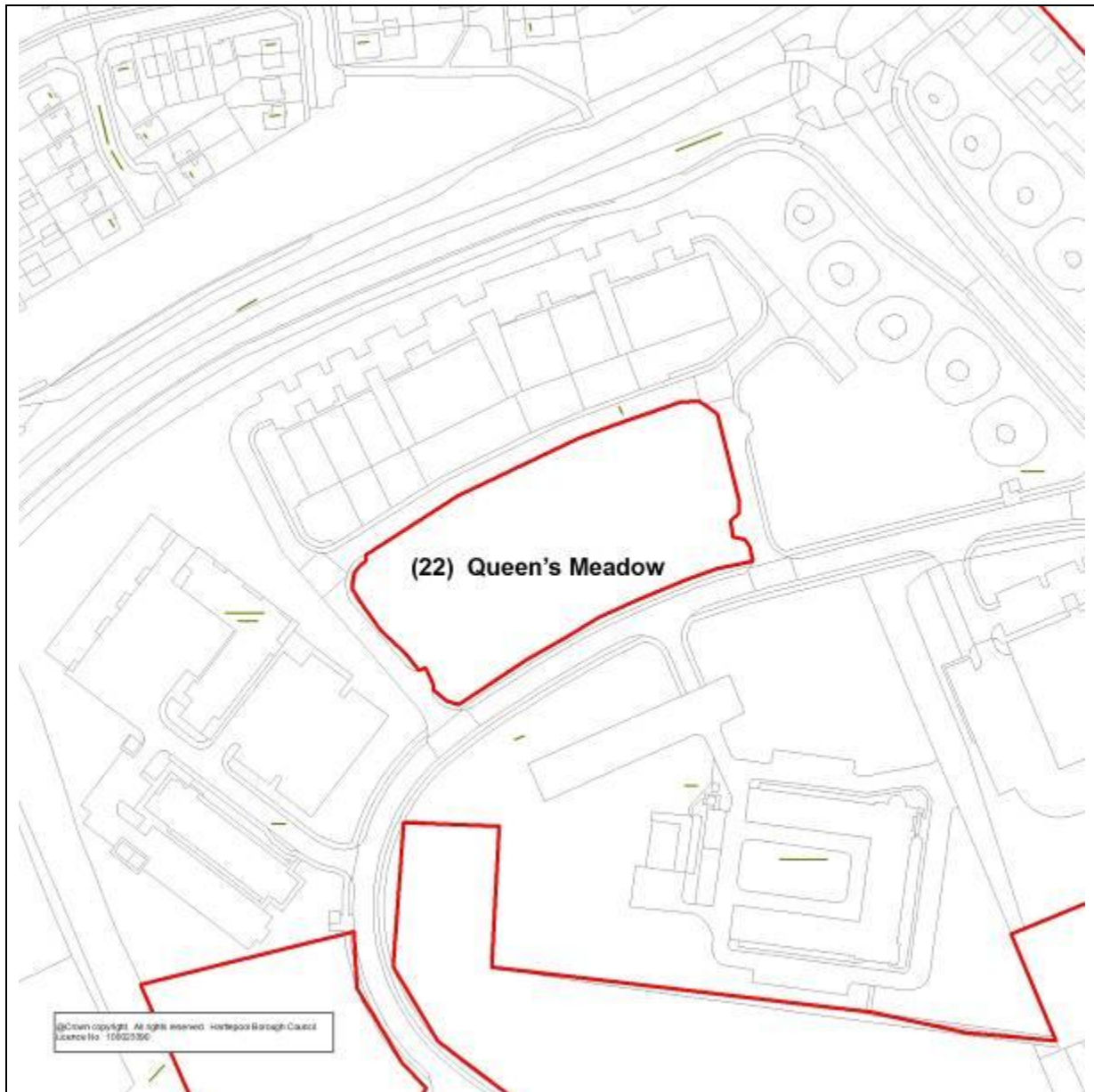
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|---|---|
| (Site Ref.) Site Name   | (20) Park View West   |
| Policy Reference  | Ind4(b)   |
| Owner   | UK Land Estates   |
| Agent   | UK Land Estates/Sanderson Weatherall  |
| Size, ha  | 0.4   |
| Market Availability   | On the market   |
| Planning Status (Allocated Uses)  | Allocated for B1/B2/B8  |
| Proposal  | No identified development plans   |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | -   |
| Comments  | Expansion site within an established industrial estate. Could support a new development of light industrial units or accommodate a larger occupier. |

|  |   |
|--|---|
|  | No developer or occupier interest at this time. |
| Likely development potential           | Industrial                                      |
| Potential guidance market segment uses | General Business/Industrial Area                |
| Serviced                               | No  |
| Availability, years                    | 3-5   |



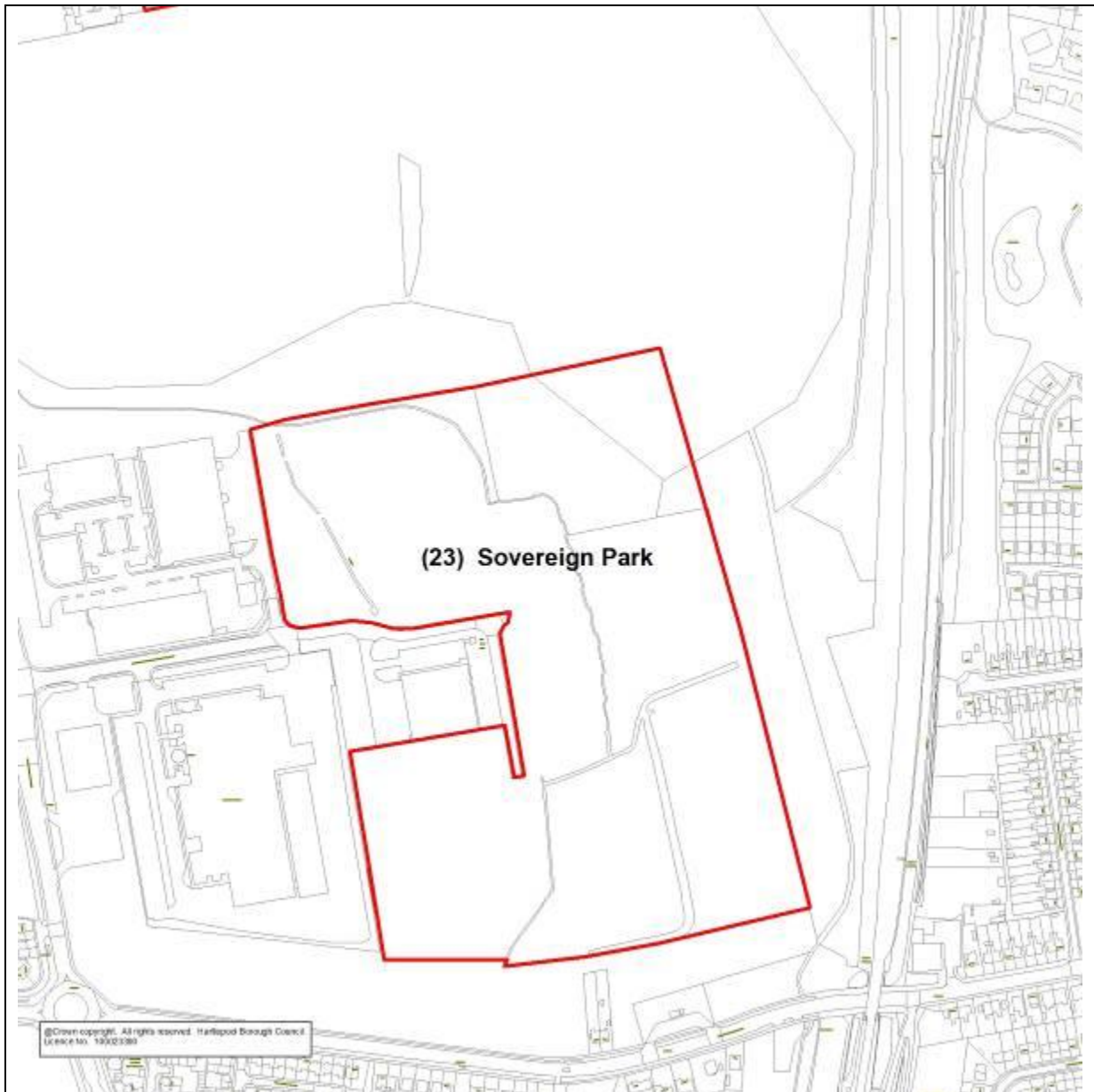
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|----------------------------------|---|
| (Site Ref.) Site Name            | (21) Queen's Meadow   |
| Policy Reference                 | Ind3  |
| Owner                            | Langtree/Onsite   |
| Agent                            | Langtree/Onsite, Hartlepool Borough Council, Sanderson Weatherall, Colliers International   |
| Size, ha                         | 43.8  |
| Market Availability              | On the market   |
| Planning Status (Allocated Uses) | Allocated for B1/B2/B8  |
| Proposal                         | Enterprise Zone, identified for: <ul style="list-style-type: none"> <li>• Advanced Engineering and Advanced Manufacturing</li> <li>• Chemical, Pharmaceutical and Biotechnology</li> <li>• Renewable Energy Manufacturing.</li> </ul> Subject to LDO. |

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|   | <p>Enterprise Zone type is Business Rate Discount, aimed at fostering indigenous small- and medium sized businesses which form the supply chain of the area's heavy industries such as renewable energy and advanced engineering.</p> <p>Proposal (LDO Compliance Application) submitted by the HCA in August 2014 (App. No. E/2014/0002) for 2,937 sqm of B1(c) light industrial space on 2.4 ha. Will provide some 25 new workshop units of 70-200 sqm.</p> <p>In June 2014, Cleveland Fire Brigade requested an Environmental Impact Assessment Screening Opinion (No. H/2014/0281) for a new Training Complex associated with their current HQ building at Queen's Meadow.</p> |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | <p>Only high quality business uses permitted.</p> <p>Strong possibility that new permissive access could be created from south of the site to join up to the adopted highway.</p> <p>Part of site is a Local Wildlife Site</p> <p>Potential need for a link road through to Brenda Road, depending on the scale of development.</p> <p>Noise Constraints (condition on LDO) due to proximity to residential properties.</p>  |
| Comments  | Good interest for land here as evidenced by the two schemes currently being put forward.   |
| Likely development potential  | Office/Industrial  |
| Potential guidance market segment uses  | High Quality Business Park   |
| Serviced  | No   |
| Availability, years   | 1-3  |



|                                  |   |
|----------------------------------|---|
| (Site Ref.) Site Name            | (22) Queen's Meadow   |
| Policy Reference                 | Ind3  |
| Owner                            | Langtree/Onsite   |
| Agent                            | Langtree/Onsite, Hartlepool Borough Council, Sanderson Weatherall, Colliers International   |
| Size, ha                         | 0.9   |
| Market Availability              | On the market   |
| Planning Status (Allocated Uses) | Allocated for B1/B2/B8  |
| Proposal                         | Enterprise Zone, identified for: <ul style="list-style-type: none"> <li>• Advanced Engineering and Advanced Manufacturing</li> <li>• Chemical, Pharmaceutical and Biotechnology</li> <li>• Renewable Energy Manufacturing.</li> </ul> Subject to LDO.<br><br>Enterprise Zone type is Business Rate Discount, aimed at |

|  |   |
|--|---|
|  | <p>fostering indigenous small- and medium sized businesses which form the supply chain of the area's heavy industries such as renewable energy and advanced engineering.</p> <p>Two current proposals are identified for Queen's Meadow in relation to Site 21. However neither will include this plot.</p>   |
| <p>Constraints (e.g. historic environment, access, ecology, highways, env. health)</p> | <p>Only high quality business uses permitted.<br/>Strong possibility that new permissive access could be created from south of the site to join up to the adopted highway.<br/>Part of site is a Local Wildlife Site<br/>Potential need for a link road through to Brenda Road, depending on the scale of development.<br/>Noise Constraints (condition on LDO) due to proximity to residential properties.</p> |
| <p>Comments</p>  | <p>Good interest for land here as evidenced by the two schemes currently being put forward.</p>   |
| <p>Likely development potential</p>  | <p>Office/Industrial</p>  |
| <p>Potential guidance market segment uses</p>  | <p>High Quality Business Park</p>   |
| <p>Serviced</p>  | <p>No</p>   |
| <p>Availability, years</p>   | <p>1-3</p>  |



|  |   |
|--|---|
| (Site Ref.) Site Name                                    | (23) Sovereign Park   |
| Policy Reference   | Ind4(a)   |
| Owner  | Hansteen  |
| Agent  | Hansteen  |
| Size, ha   | 11.4  |
| Market Availability                                      | Available   |
| Planning Status (Allocated Uses)                         | Allocated for B1/B2/B8  |
| Proposal   | No identified development plans   |
| Constraints (e.g. historic environment, ecology, health) | An existing public footpath lies to the north and east of the site.<br>Protected Green Space (Policy GN3(e)) surrounding.<br>In a flood risk area |
| Comments   | Land available for the future expansion of Sovereign Park<br>Hansteen acquired Sovereign Park in 2013. It has no plans                            |

|  |   |
|--|---|
|  | <p>to expand the park at this time.</p> <p>In a submission to the Call for Sites exercise Hansteen highlighted the flood risks at this location and argued that the level flood mitigation required may make development uses economically unviable. This view also reflects the present modest level of demand at Sovereign Park.</p> <p>The site was therefore put forward as a housing opportunity. This reflects discussions held between the previous owner (Spencer Properties) and the Council. Related to these discussions, Spencer undertook a Flood Risk Assessment, which demonstrated the extent of flooding on the land. Further work was done to show how development platforms could be formed to allow residential development to come forward and create managed capacity for flood alleviation/wildlife/open-space.</p> <p>While it is accepted that this is a constrained site, it is not clear if this land which sits at the back of an existing industrial estate, is presently accessed through that estate and is separated from other nearby housing areas by roads/railways, etc. is necessarily a viable housing opportunity site.</p> <p>Therefore this study does not recommend deallocation from employment uses at this time, but does suggest further monitoring and study to clarify if land here is viable for employment uses over the long term.</p> |
| Likely development potential           | Industrial  |
| Potential guidance market segment uses | General Business/Industrial Area  |
| Serviced                               | No  |
| Availability, years                    | 5+  |





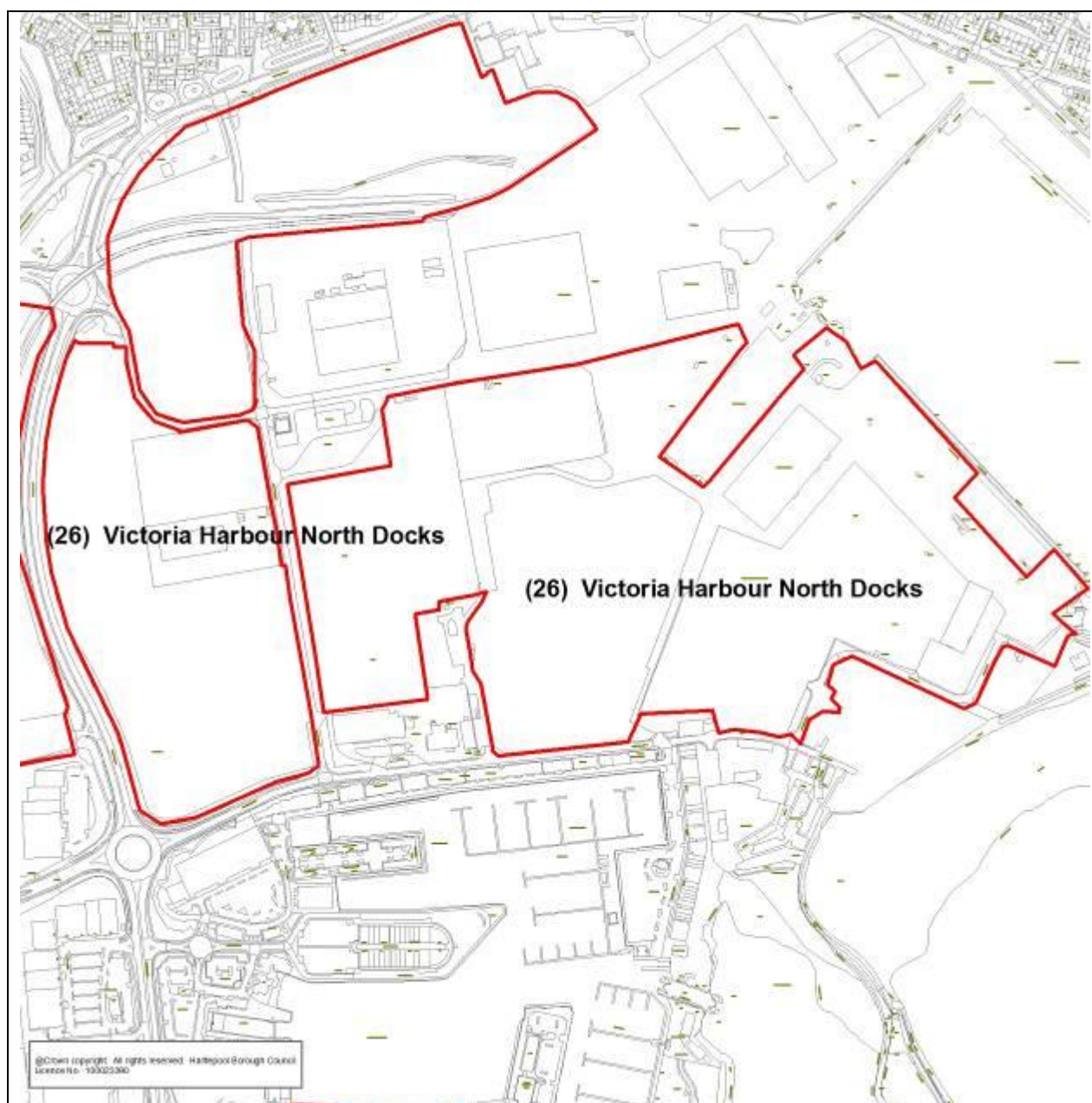
|   |  |
|---|--|
| (Site Ref.) Site Name   | (24) Tees Bay Retail Park  |
| Policy Reference  | Com7   |
| Owner   | Hartlepool Borough Council   |
| Agent   | -  |
| Size, ha  | 1.9  |
| Market Availability   | Available  |
| Planning Status (Allocated Uses)  | Allocated for A1, B1, B8, D2   |
| Proposal  | Expansion site for Tees Bay Retail Park, but no specific proposals for this land, at this time.  |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | Former landfill site, may be contaminated. Includes unknown filled ground and the remains of cement/brick manufacturing facility. Site investigation would be required for re-development.<br>Noise constraints as the north of the site is close to residential properties. |

|  |  |
|--|--|
|  | An unrecorded public footpath runs through the site. Protected Green Space (Policy GN3(e)) to the north. Outdoor Recreation Site (Policy Rec7(c)) to the east.   |
| Comments                               | Occasional enquiries received from retail and showroom operators but no firm interest.<br>Tees Bay Retail Park is an established retail location and future development here will be for A1-A4 retail or Sui Generis, not B1, B2, B8 employment.<br>The planning allocation should be amended to reflect this and the site excluded from the employment land supply. |
| Likely development potential           | Retail   |
| Potential guidance market segment uses | N/A  |
| Serviced                               | No   |
| Availability, years                    | 5+   |



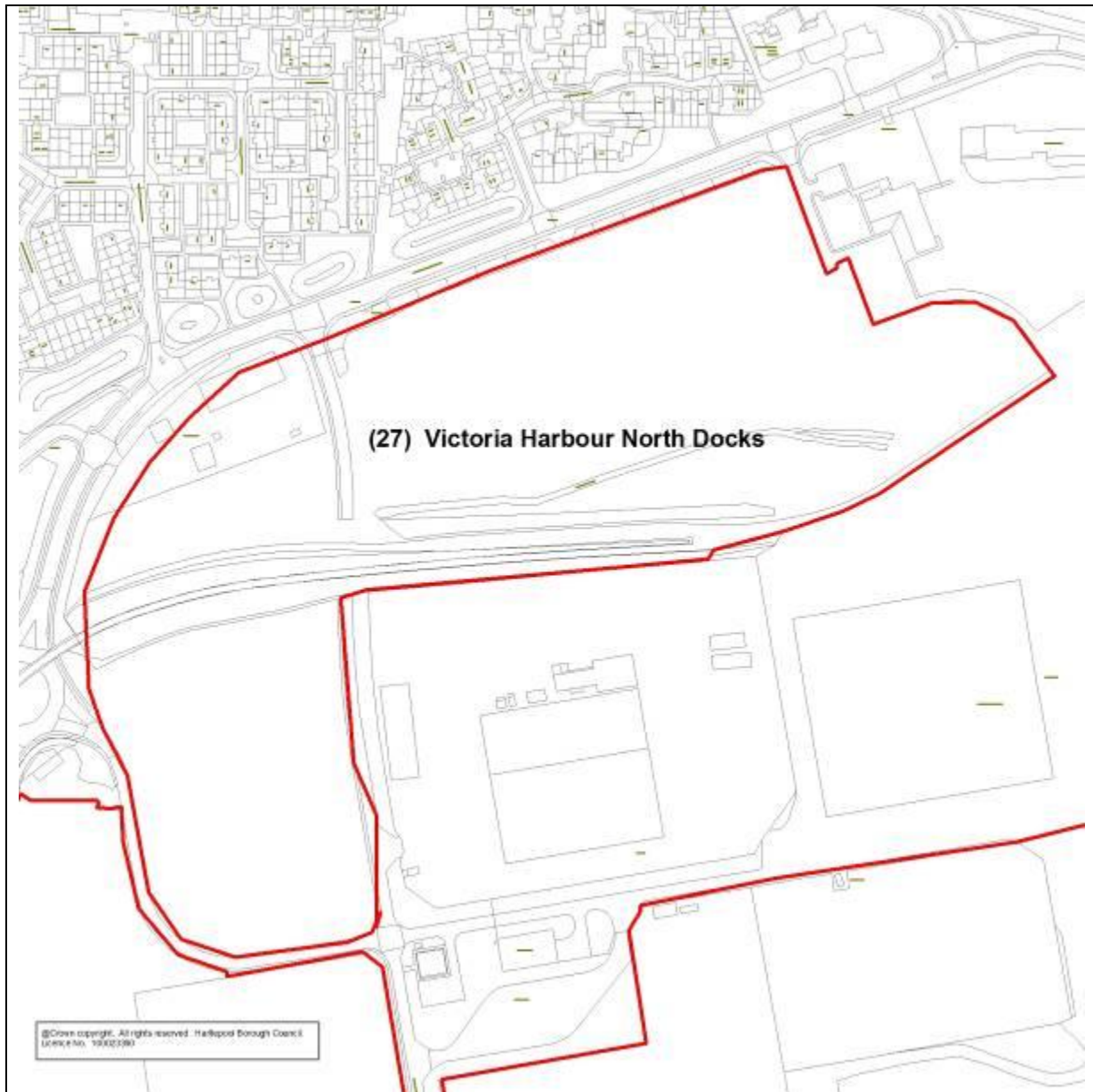
|                                  |   |
|----------------------------------|---|
| (Site Ref.) Site Name            | (25) Tees Bay Retail Park   |
| Policy Reference                 | Com7  |
| Owner                            | Chase Properties  |
| Agent                            | -   |
| Size, ha                         | 1.3   |
| Market Availability              | Available   |
| Planning Status (Allocated Uses) | Allocated for mixed uses<br>Outline consent for 6,480 sqm of new retail warehouse accommodation across Tees Bay Retail Park (App. No. H/2005/5921). Subsequent consent (App. No. H/2009/0390) to remove planning conditions relating to the amount of floorspace that can be provided, unit size and the range of goods permitted to be sold. H/2013/0139 then sought an extension to the time limit on this application. |
| Proposal                         | Outline consent for new retail warehouse accommodation across Tees Bay Retail Park.   |

|   |  |
|---|--|
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | Former landfill site, may be contaminated. Includes unknown filled ground and the remains of cement/brick manufacturing facility. Site investigation would be required for re-development.<br>Outdoor Recreation Site (Policy Rec7(c)) to the east and south.  |
| Comments  | Occasional enquiries received from retail and showroom operators but no firm interest.<br>Tees Bay Retail Park is an established retail location and future development here will be for A1-A4 retail or Sui Generis, not B1, B2, B8 employment.<br>The planning allocation should be amended to reflect this and the site excluded from the employment land supply. |
| Likely development potential  | Retail   |
| Potential guidance market segment uses  | N/A  |
| Serviced  | Yes  |
| Availability, years   | 5+   |



|                                  |  |
|----------------------------------|--|
| (Site Ref.) Site Name            | (26) Victoria Harbour North Docks  |
| Policy Reference                 | Com15/Hsg6   |
| Owner                            | PD Ports   |
| Agent                            | PD Ports   |
| Size, ha                         | 47.5   |
| Market Availability              | On the market  |
| Planning Status (Allocated Uses) | Allocated for A1,A3-5, B1, C1, C3, D1-2  |
| Proposal                         | <p>Enterprise Zone, identified for:</p> <ul style="list-style-type: none"> <li>• Advanced Engineering and Advanced Manufacturing</li> <li>• Chemical, Pharmaceutical and Biotechnology</li> <li>• Renewable Energy Manufacturing.</li> </ul> <p>Subject to LDO.</p> <p>Enterprise Zone type is Enhanced Capital Allowances, to</p> |

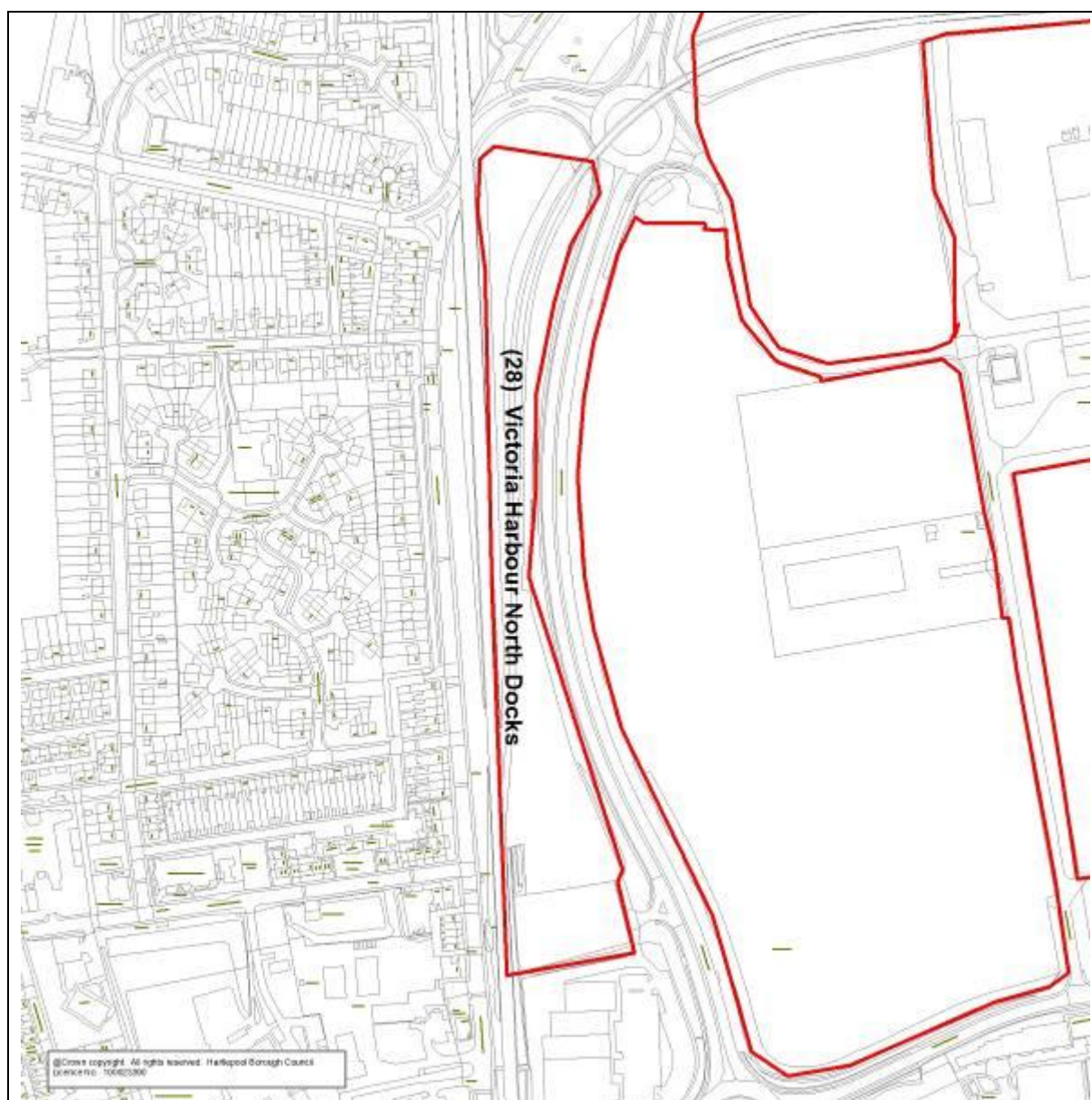
|   |  |
|---|--|
|   | <p>support the petro-chemical, renewable energy production and fabrication and advanced engineering sectors to modernise and expand their activities and to attract large-scale inward investors, particularly Foreign Direct Investment.</p> <p>PD Ports is currently in negotiation with McDermott International, who have an option on 12.1 ha of land to on which to assemble long pipe stalks that will be spooled to their pipe-laying vessel for offshore oil and gas work. It is intended that McDermott will begin operations by January 2015. However, this remains subject to McDermott securing a number of contracts.</p> |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | <p>Site includes docks, timber works and rail infrastructure. Site investigation would be required for re-development.</p> <p>Noise constraints (condition on the LDO).</p> <p>The England coast Path national Trail runs through but not within these sites.</p> <p>Major highway improvements linked to previous Victoria Harbour proposals.</p> <p>Protected Green Space (Policy GN3(e)) to the west.</p>   |
| Comments  | <p>PD Port's existing/potential occupiers can have unanticipated and urgent land requirements as they win new contracts. Thus the port own wishes to retain all this land to meet such unpredictable future land needs.</p>  |
| Likely development potential  | Industrial   |
| Potential guidance market segment uses  | Mixed use area   |
| Serviced  | No   |
| Availability, years   | 1-3  |



|                                  |  |
|----------------------------------|--|
| (Site Ref.) Site Name            | (27) Victoria Harbour North Docks  |
| Policy Reference                 | Com15  |
| Owner                            | PD Ports   |
| Agent                            | PD Ports   |
| Size, ha                         | 12.6   |
| Market Availability              | On the market  |
| Planning Status (Allocated Uses) | Allocated for A1,A3-5, B1, C1, C3, D1-2<br>No current plans for this land  |
| Proposal                         | Enterprise Zone, identified for: <ul style="list-style-type: none"> <li>• Advanced Engineering and Advanced Manufacturing</li> <li>• Chemical, Pharmaceutical and Biotechnology</li> <li>• Renewable Energy Manufacturing.</li> </ul> Subject to LDO.<br><br>Enterprise Zone type is Enhanced Capital Allowances, to support the petro-chemical, renewable |

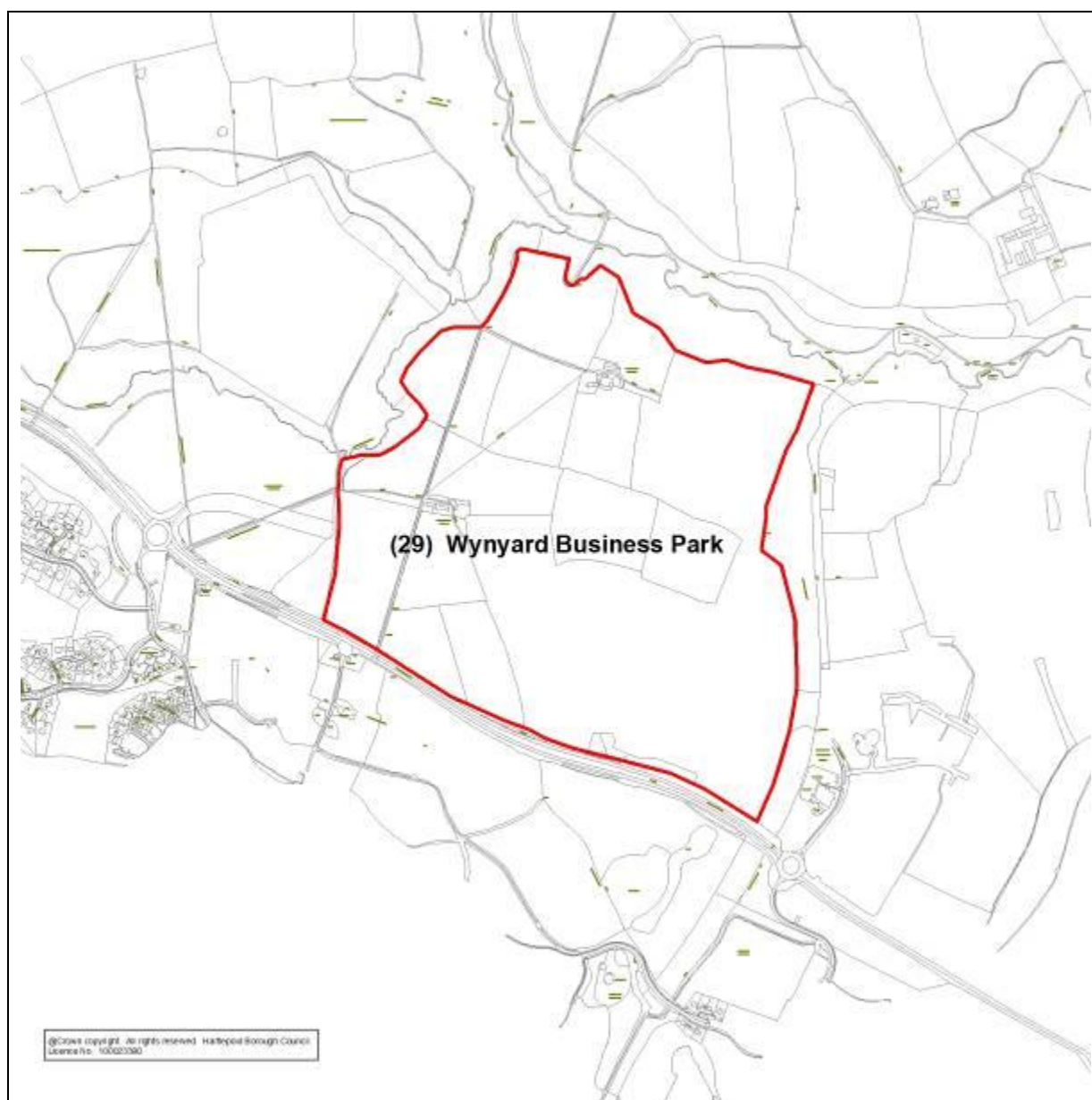
|   |   |
|---|---|
|   | energy production and fabrication and advanced engineering sectors to modernise and expand their activities and to attract large-scale inward investors, particularly Foreign Direct Investment.  |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | Site includes docks, timber works and rail infrastructure. Site investigation would be required for re-development.<br>Noise constraints (condition on the LDO).<br>The England coast Path national Trail runs through but not within these sites.<br>Major highway improvements linked to previous Victoria Harbour proposals.<br>Protected Green Space (Policy GN3(e)) to the north and west.<br>Locally Important Natural Conservation/Geomorphological Sites (Policy WL7) in the south of the site. |
| Comments  | PD Port's existing/potential occupiers can have unanticipated and urgent land requirements as they win new contracts. Thus the port own wishes to retain all this land to meet such unpredictable future land needs.  |
| Likely development potential  | Industrial  |
| Potential guidance market segment uses  | Mixed use area  |
| Serviced  | No  |
| Availability, years   | 1-3   |





|   |  |
|---|--|
| (Site Ref.) Site Name   | (28) Victoria Harbour North Docks  |
| Policy Reference  | Com15  |
| Owner   | PD Ports   |
| Agent   | PD Ports   |
| Size, ha  | 3.1  |
| Market Availability   | Available  |
| Planning Status (Allocated Uses)  | Allocated for A1,A3-5, B1, C1, C3, D1-2<br>Outside of the Enterprise Zone  |
| Proposal  | PD Ports do not require this land for port operations and view it as surplus.<br>Would look to release it for other uses, possibly housing if supported by the Council.  |
| Constraints (e.g. historic environment, access, ecology, highways, env. health) | Site includes timber works and rail infrastructure. Site investigation would be required for re-development<br>Major highway improvements linked to previous Victoria Harbour proposals.<br>Protected Green Space (Policy GN3(e)) to the east. |

|  |  |
|--|--|
| Comments                               | Main road frontage could make this land suitable for retail and commercial options, subject to site suitability. |
| Likely development potential           | Retail/housing(?)  |
| Potential guidance market segment uses | Mixed use area   |
| Serviced                               | No   |
| Availability, years                    | 5+   |



|                                  |  |
|----------------------------------|--|
| (Site Ref.) Site Name            | (29) Wynyard Business Park   |
| Policy Reference                 | Ind1   |
| Owner                            | Wynyard Park Ltd   |
| Agent                            | Multiple   |
| Size, ha                         | 94.1   |
| Market Availability              | Not available  |
| Planning Status (Allocated Uses) | Allocated for B1/B2/B8<br>Further planning status discussed in detail below  |
| Proposal                         | <p>Wynyard Park is divided into three parts, extending across 358 ha. Wynyards One and Two are in Stockton, Three is in Hartlepool. Overall proposals, across the three areas, are:</p> <ul style="list-style-type: none"> <li>• 335,000 sqm of prestige business / industrial space (Class B1/B2/B8) of which around 90,000sqm of Class B1/B8 floorspace has already been built in Stockton</li> <li>• 1,580 homes</li> <li>• An Extra Care retirement village for 220 dwellings</li> </ul> |

|  |   |
|--|---|
|  | <ul style="list-style-type: none"> <li>• Primary school for up to 370 pupils</li> <li>• Neighbourhood centre including shops and a village hall</li> <li>• New hospital containing 626 beds</li> <li>• A hotel and pub / restaurant.</li> </ul> <p>Wynyard Park Ltd is currently seeking outline consent for 400 dwellings, schools and a local centre on Wynyard Two in Stockton. This is reduced from 1,000 homes to reflect highways constraints on the A19 and A689.</p> <p>On Wynyard Three, Hartlepool the following has consent subject to the signing of a Section 106 agreement (App. No. H/2013/0033):</p> <ul style="list-style-type: none"> <li>• A hospital for the North Tees and Hartlepool NHS. Taking up some 22.7 ha of land in the east of Wynyard Three, this new hospital will, when delivered, merge existing facilities in Stockton and Hartlepool</li> <li>• 200 new homes and a local centre of up to 400 sqm, on the western extent of Wynyard Three, on 17.4 ha. This was reduced from 603 dwellings, again to reflect highways constraints (although land remains to accommodate the outstanding 403 dwellings). A detailed planning application was submitted by Taylor Wimpey for 168 dwellings on the majority of this land</li> <li>• Up to 102,000 sqm of Class B1 floorspace.</li> </ul> <p>The Class B1 business uses lie south of the proposed main spine road and adjacent to the A689 on 31.5 ha of land. Up to 102,000 sqm of Class B1 floorspace is proposed, within 21 office blocks (most of around 5,271 sqm each) which vary in height from between 2 to 4 storeys. Reserved matters permission was granted for this as part of a wider business park development in October 2010 (H/2009/0494). That permission consented 275,205 sqm of Class B1 floorspace, 12,469 sqm of Class B2 floorspace and 26,504 sqm of Class B8 floorspace</p> <p>The remaining land, 22.7 ha in the north of the site is considered undevelopable due to highways capacity issues. It is now expected that this land will be deallocated from its current employment designation to become white land.</p> |
| <p>Constraints (e.g. historic environment, access, ecology, highways, env. health)</p> | <p>Only high quality business uses permitted.</p> <p>Likely that the Council would create new public rights of way through this area, to link to existing public rights of way further north.</p> <p>Special Landscape Areas (Policy Rur20), Mineral Consultation Areas (Policy Min1) and Locally Important Natural Conservation/Geomorphological Sites (Policies WL5, WL7) surrounding.</p>  |
| <p>Comments</p>  | <p>Ongoing discussions between Hartlepool Borough Council, Tees Valley Unlimited, the Highways Agency and Stockton Borough Council on how to address strategic highways</p>   |

|  |  |
|--|--|
|  | <p>constraints around the A19 and A689. However, the level of upgrade required on the A19 to provide capacity for the full Wynyard Park development is extensive, effectively bringing the carriageway up to the standard of a motorway. Achieving this would require the co-operation of all Tees Valley Authorities as well as national level investment. It is not clear if this can be delivered.</p> <p>Wynyard Park Ltd is seeking to maximise the provision of high value housing development across the three Wynyard Park sites. A maximum of 1,600 dwelling were originally sought, which has been reduced to around 600 in the present applications/consents.</p> <p>However, the emphasis remains on housing development here and it is likely that housing (and associated uses) will be developed ahead of any B-Class employment.</p> |
| Likely development potential           | High Quality Business Park   |
| Potential guidance market segment uses | Office   |
| Serviced                               | No   |
| Availability, years                    | 5+   |

**Appendix 4**  
**Hartlepool Business Survey**

|   |  |
|---|--|
| <b>Company Name</b>                             |  |
| <b>Contact Name</b>                             |  |
| <b>Position</b>                                 |  |
| <b>Address</b>                                  |  |
| <b>Email Address</b>                            |  |
| <b>Tel No</b>                                   |  |
| <b>Business Activity<br/>e.g. manufacturing</b> |  |

### Employees/Hours of Operation

1. Number of: **full-time** employees                      and/or **part-time** employees
2. What are your current hours of operation and are there any issues relating to out of hours operations?

### Current Accommodation

3. Type of accommodation (please tick main type/use):
 

|            |                          |                 |                          |                               |                          |
|------------|--------------------------|-----------------|--------------------------|-------------------------------|--------------------------|
| Office     | <input type="checkbox"/> | Serviced office | <input type="checkbox"/> | High-tech/lab                 | <input type="checkbox"/> |
| Industrial | <input type="checkbox"/> | Warehouse       | <input type="checkbox"/> | Barn conversion/Farm location | <input type="checkbox"/> |
| Homeworker | <input type="checkbox"/> |                 |                          |                               |                          |
4. Current Location:
 

|                          |                          |                   |                          |      |                          |
|--------------------------|--------------------------|-------------------|--------------------------|------|--------------------------|
| Town centre              | <input type="checkbox"/> | Industrial estate | <input type="checkbox"/> | Home | <input type="checkbox"/> |
| Technology/Business park | <input type="checkbox"/> | Rural             | <input type="checkbox"/> |      |                          |
5. Is the property:
 

|       |                          |        |                          |
|-------|--------------------------|--------|--------------------------|
| Owned | <input type="checkbox"/> | Rented | <input type="checkbox"/> |
|-------|--------------------------|--------|--------------------------|
6. Size of unit:
 

|                                    |                          |                                       |                          |                                       |                          |
|------------------------------------|--------------------------|---------------------------------------|--------------------------|---------------------------------------|--------------------------|
| 0-100 sqm<br>(0-1076 sqft)         | <input type="checkbox"/> | 101-200 sqm<br>(1077-2152 sqft)       | <input type="checkbox"/> | 201-500 sqm<br>(2153-5382 sqft)       | <input type="checkbox"/> |
| 501-1000 sqm<br>(5383-10,764 sqft) | <input type="checkbox"/> | 1001-2000 sqm<br>(10,765-21,529 sqft) | <input type="checkbox"/> | 2001-5000 sqm<br>(21,530-53,821 sqft) | <input type="checkbox"/> |

If larger than 5000 sqm,  
please specify floorspace

Site size, hectares/acres
7. How satisfied are you with your current accommodation?
 

|                |                          |           |                          |             |                          |                  |                          |
|----------------|--------------------------|-----------|--------------------------|-------------|--------------------------|------------------|--------------------------|
| Very satisfied | <input type="checkbox"/> | Satisfied | <input type="checkbox"/> | Unsatisfied | <input type="checkbox"/> | Very unsatisfied | <input type="checkbox"/> |
|----------------|--------------------------|-----------|--------------------------|-------------|--------------------------|------------------|--------------------------|
8. If you are unsatisfied or very unsatisfied, please state your reasons.

9a. Do you require superfast broadband for your business needs? Yes  No

9b. If Yes, is it currently available to your premises? Yes  No

**Future Accommodation**

10. Are you considering moving premises within the next:  
12 months? Yes  No  2-5 years? Yes  No

If yes to either of the above, please respond to questions 11a – 11i, otherwise go directly to question 12.

11a. What type of accommodation will you be looking for? (please tick main type/use):  
Office  Industrial  Serviced office   
Warehouse  High-tech/Lab  Land   
Other (please specify):

11b. Tenure required?  
Freehold  Leasehold  No Preference

11c. Quality of premises preferred?  
Prestigious/New  Moderate  Basic/Budget  No Preference

11d. Will this be **additional**  or **alternative**  to existing property?

11e. What size of unit/site will you be looking for?  
0-100 sqm  (0-1076 sqft) 101-200 sqm  (1077-2152 sqft) 201-500 sqm  (2153-5382 sqft)  
501-1000 sqm  (5383-10,764 sqft) 1001-2000 sqm  (10,765-21,529 sqft) 2001-5000 sqm  (21,530-53,821 sqft)

If larger than 5,000 sqm,  
please specify floorspace

Site size, hectares/acres

11f. General location – please indicate preferred areas(s) below (continued on page 3):

**Hartlepool Borough**

Hartlepool Town Centre  Hartlepool Marina Business Park  Longhill and Sandgate Industrial Estates

Victoria Harbour/Hartlepool Port Estates (Enterprise Zone)  Oakesway Industrial Estate (Enterprise Zone)  Queens Meadow Business Park (Enterprise Zone)



( Other) Brenda Road/Tees Road Industrial Estates  Tees Estuary (e.g. Leathers Site)  Wynyard Business Park

Elsewhere in Hartlepool Borough (please specify):

**Other Locations**

Middlesbrough  Stockton-on-Tees  Billingham   
Redcar  Elsewhere in Tees Valley  Durham   
Peterlee  Elsewhere in County Durham   
Newcastle/Gateshead  Sunderland

Other locations (please specify):

**11g.** Location type preferred:

Town centre  Industrial estate   
Technology/Business park  Rural

**11h.** What do you consider to be the most important factor when seeking alternative accommodation? Please state below.

**11i.** Will the move result in additional jobs being created?

Yes  No  If yes, how many?

**Additional Comments**

**12.** If you have any additional comments affecting your choice of premises please use the space below (please continue on another page if necessary).

Topics might include:

- Road Infrastructure
- Business support
- Planning issues (including ecological issues)
- Public transport
- Funding availability
- Staff availability
- Property availability

Please indicate if you are happy to be contacted for further research YES / NO

Please return the questionnaire by the 30<sup>th</sup> May 2014 using our pre-paid reply envelope or fax to 01925 822113. You can also complete the questionnaire by visiting: [www.bepropertygroup.co.uk/latest-news](http://www.bepropertygroup.co.uk/latest-news) and navigate to the Hartlepool Business Survey article.

Thank You for Your Assistance

For further details of this survey contact Christopher Wilson on 01925 822112

## **Appendix 5**

### **Oxford Economics Hartlepool Forecasts: Methodological Note**

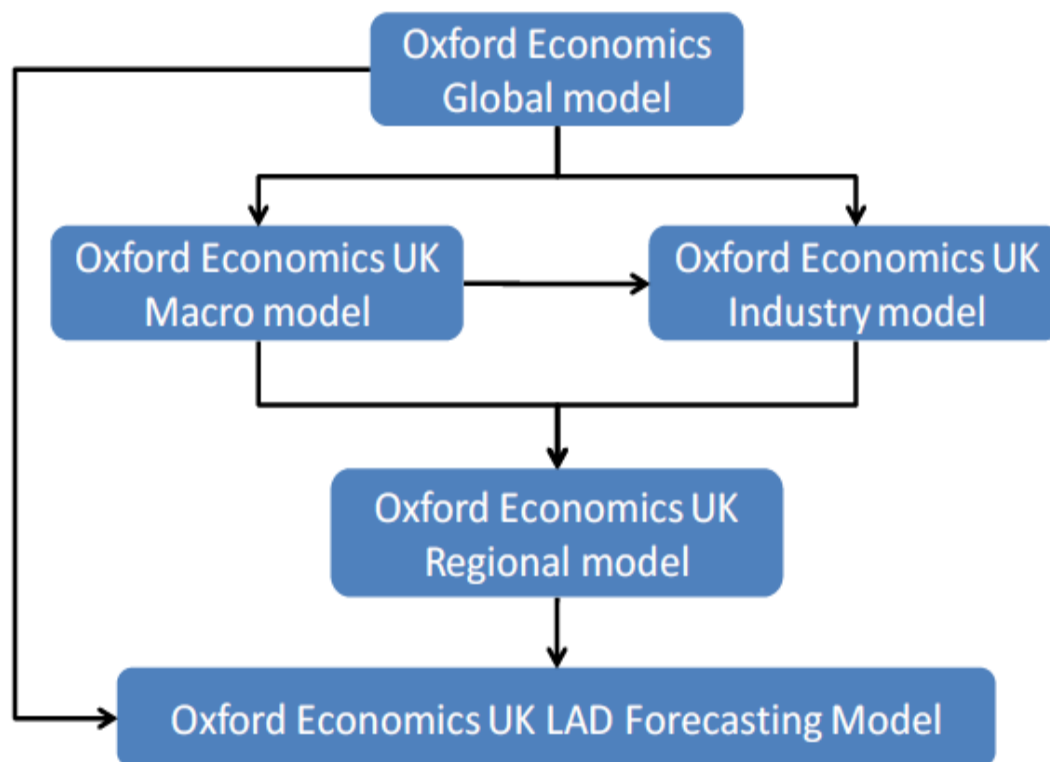
## Appendix 5 – Oxford Economics Hartlepool Forecasts: Methodological Note

### 1.0 MODEL OF ADMINISTRATIVE DISTRICTS

#### Model Overview

- 1.1 This section provides technical information on the structure of Oxford Economics Local Authority District (LAD) Forecasting Model and details of the data sources and definitions of variables within the model. The model should be viewed as one piece of evidence in making policy decisions and tracking economic and demographic change. It is not intended to be used on its own to set employment targets for local authority areas. Such targets will need to take account of local opportunities, constraints and community aspirations. As with all models it is subject to margins of error which increase as the level of geographical detail becomes smaller, and relies heavily upon published data.
- 1.2 Models, though predominantly quantitative, also require a degree of local knowledge and past experience, or more generally forecasting art, to make plausible long term projections. To this end the Oxford model has been developed by a team of senior staff who have a long history in model building and forecasting at both local and regional levels.
- 1.3 The Local Authority District Forecasting Model sits within the Oxford suite of forecasting models (see Figure A5.1). This structure ensures that global and national factors (such as developments in the Eurozone and UK Government fiscal policy) have an appropriate impact on the forecasts at a local authority level. This empirical framework (or set of 'controls') is critical in ensuring that the forecasts are much more than just an extrapolation of historical trends. Rather, the trends in our global, national and sectoral forecasts have an impact on the local area forecasts. In the current economic climate this means most, if not all, local areas will face challenges in the short-term, irrespective of how they have performed over the past 15 years.

**Figure A5.1: Hierarchical Structure of Oxford Economics' Suite of Models**



Source: Oxford Economics, 2014

1.4 The Local Authority District Forecasting Model produces base forecasts, which can be compared with other published forecasts (though care should be taken over data definition issues), and as a guide to aid commentary or analysis of Hartlepool. These forecasts can in one sense be considered to provide baseline 'policy off' projections with which the actual outturn under policy initiatives could be compared. However it must be realised that there are inherent difficulties in using the forecasts as a 'policy-off' baseline. In particular the base projections are 'unconstrained' in the sense that they make no allowance for constraints on development which may be greater than in the past.

1.5 Our local forecasting model depends essentially upon three factors:

- National/regional outlooks – all the forecasting models we operate are fully consistent with the broader global and national forecasts which are updated on a monthly basis
- Historical trends in an area (which implicitly factor in supply side factors impinging on demand), augmented where appropriate by local knowledge and understanding of patterns of economic development built up over decades of

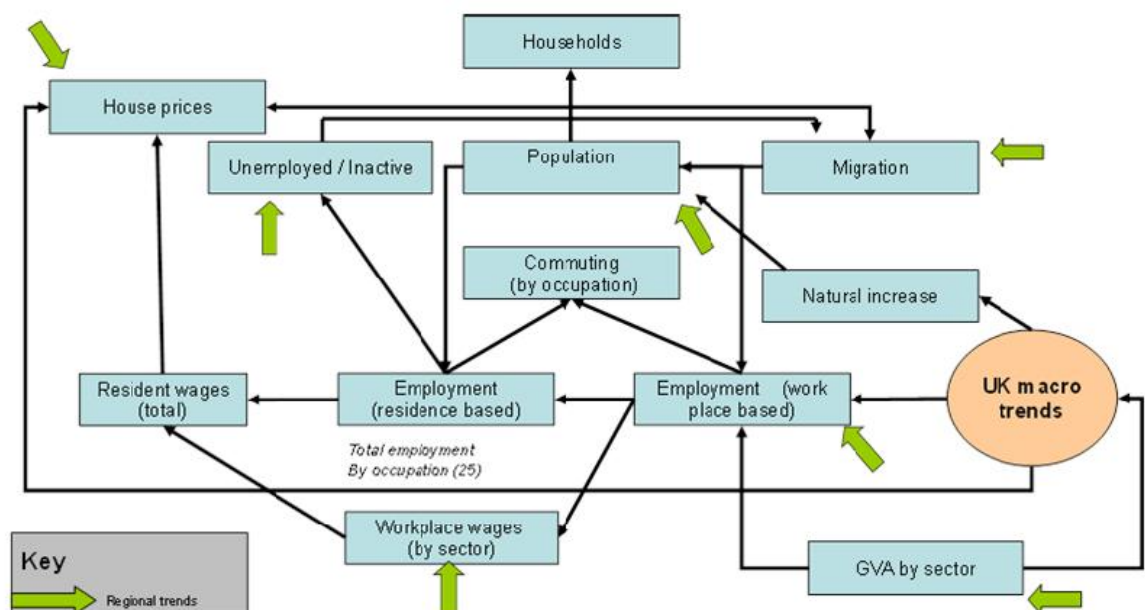
expertise

- Fundamental economic relationships which interlink the various elements of the outlook.

### Model Structure

- 1.6 The main internal relationships between variables are summarised in Figure A5.2. Each variable is related to others within the models. Key variables are also related to variables in the other Oxford Economics models.

**Figure A5.2: Main Relationships between variables in the LAD Forecasting Model**



Source: Oxford Economics, 2014

- 1.7 The forecasts are produced within a fully-integrated system, which makes assumptions about migration, commuting and activity rates when producing employment and population forecasts.
- 1.8 Our local authority area forecasts are predominately 'economics led' in so much that our view of employment growth shapes population through the mechanism of migration. The rationale being that migratory labour tends to be attracted to locations which provide the best perceived job opportunities. Our methodology also takes account of the fact that jobs in local area will also be filled by existing non-employed local residents and commuters, as well as migrants. An example is the best way to

illustrate this. Let us assume a town generates 1,000 new jobs over the next decade. Our method will allocate these new jobs partly to existing local residents who are not economically active (i.e. the unemployed or inactive), in-commuters or new migrants. The balance between these three groups depends on existing economic/employment rates of non-employed existing residents (so if everyone already has a job then the new jobs must be filled by commuters or migrants) and existing commuting patterns (low paid jobs are less likely to be filled by commuters than high paid jobs), and finally the balance from migrants.

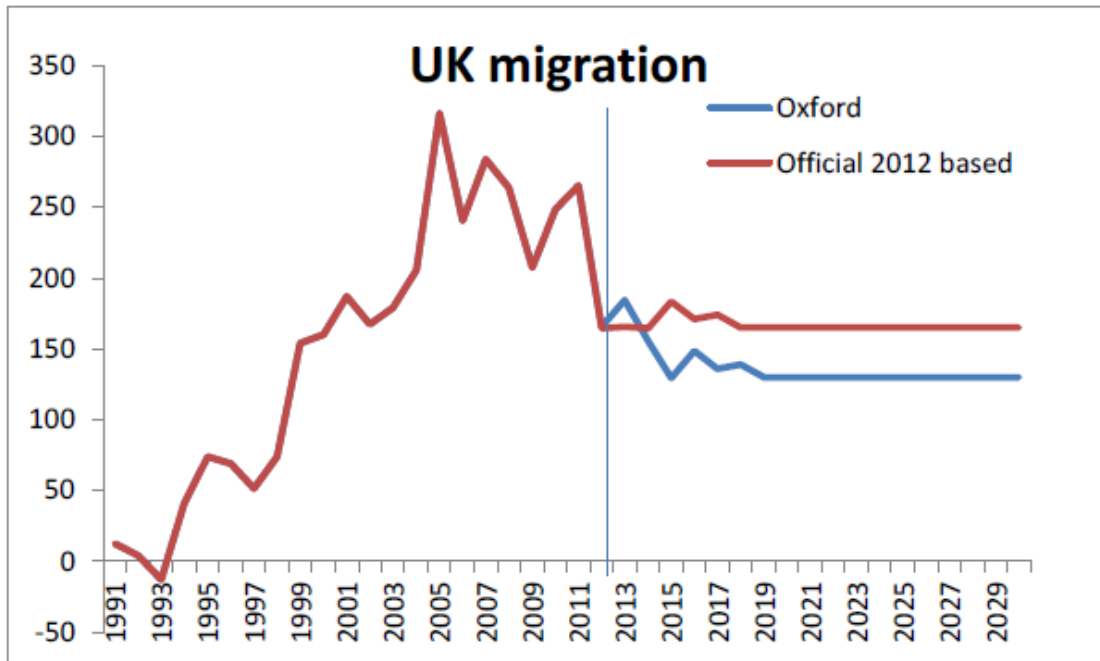
- 1.9 The population and employment forecasts are inter-linked, thus if more people are attracted into an area this will have implications for the employment forecasts via demand for local services (education, healthcare, retailing, leisure etc.).
- 1.10 Therefore forecasts from other sources, including alternative population forecasts, should not be set aside those produced by Oxford Economics' Local Authority District Forecasting Model as they will not be consistent given linkages within the Oxford model.

## **2.0 DATA SOURCES AND ASSUMPTIONS**

### **Population and Migration**

- 2.1 Population and migration data are collected from the Mid-Year estimates (MYE) for each area. These have been revised in line with the 2011 Census results. The latest data available is for 2012.
- 2.2 Oxford Economics produce their own forecasts of population which are economically driven and thus differ from the official population projections. Official births and deaths projections from 2012-based population projections are used but we have our own view on UK migration. Figure A5.3 below sets out the Oxford migration forecast for the UK compared with the 2012-based population projection. Oxford Economics expect UK net migration to average 130,000 per annum compared to 165,000 in the official projections.

**Figure A5.3 – Oxford Economics Migration Figures**



Source: Oxford Economics, 2014

- 2.3 The divergence reflects the removal of one-off effects from EU enlargement and weaker economic prospects. Oxford Economics' population forecasts are derived from an economically driven model whereas official projections are trend based and do not consider how demand in the economy (and the likely impact on employment rates) affects migration.
- 2.4 At the local level, migration is linked to the employment rate forecast. If the employment rate within an area is falling too fast, migration reacts as the model assumes that people would not be attracted into this area to live, given that the employment prospects are weak. This approach ensures that the relationship between the labour market outlook and the demographic forecasts is sensible. This series is scaled to be consistent with the migration forecast for the North East from the UK Regional Model.
- 2.5 The total population forecast is then constructed using the forecast of migration and the natural increase assumptions. Natural increase for local areas is forecast based upon recent trends in both the historical data and the official projections.

### **Working Age Population**

- 2.6 Working age population data is also collected from the Mid-Year estimates (MYE) for each area up to 2012. It is defined at all people aged 16 to 64.
- 2.7 The share of working age to total population is forecast using both trends in the official projections and trends in the North East forecast from our UK Regional Model. This is applied to the total population forecast and scaled to be consistent with the working age population for the North East.

### **Employees in Employment**

- 2.8 There are two key sources for the employee jobs data – ONS Workforce Jobs (WFJ) and the Business Register and Employment Survey (BRES):
- The WFJ series is reported on a quarterly basis, providing estimates of employee jobs by sector (based on the 2007 Standard Industrial Classification – SIC 2007) for the UK and its constituent government office regions, over the period 1981 Q3 to 2013 Q3
  - The BRES is an employment survey which has replaced the Annual Business Inquiry (ABI). Similar to WFJ, BRES data is based upon SIC 2007, but it is only published for the years 2008-12. Prior to this, ABI and Annual Employment Survey (AES) data is available for employee jobs data, however this is based on an older industrial classification (SIC 2003). Data is available at local authority level and more detailed sector definitions. It is worth noting that the BRES is first and foremost a survey and is therefore subject to volatility, particularly when the level of detail becomes more refined. The survey is collected in September of each year and not seasonally adjusted.
- 2.9 There are a number of steps in constructing regional employee jobs, due to changes in sectoral classifications across the various sources, and restrictions on data availability over particular periods of time. Initially, we take employee jobs data for each sector directly from the BRES over the years 2009-12, which reflects recent methodological changes to the BRES in accounting for working proprietors. This relates to September figures and is based upon SIC 2007 sectors. In 2008, levels of employee jobs are constructed by extrapolating back the trend in the old BRES. Data from the ABI and AES is used to construct the data back to 1991.
- 2.10 This constructed local dataset is then scaled to be consistent with the UK employee



jobs series from WFJ, by applying an adjustment factor to all sectors which converts the data to annual average values (seasonally adjusted). This is measured on a workplace basis.

2.11 The starting point in producing employment forecasts is the determination of workplace-based employees in employment in each of broad 19 SIC2007 based sectors consistent with the North East and UK outlooks. At local authority level some of the sectors are driven predominantly by population estimates, others by total employment in the area and the remainder relative to the regional performance (largely exporting sectors). All sectors are also influenced by past trends in the local area. Taken in totality, employment is cross referenced with a number of variables (including population, relative performance across similar areas, historical cyclical performance and known policy) for checking and validation purposes. Where necessary, manual adjustments are made to the projected trends to reflect this validation process. The methods of sectoral projection are as follows, each of which are forecast based upon recent trends:

- Agriculture - share of the North East total
- Mining and quarrying - share of the North East total
- Manufacturing - share of the North East total
- Electricity, gas and steam - share of the North East total
- Water supply; sewerage, waste management - share of the North East total
- Construction - location quotient based upon total employment
- Wholesale and retail trade - location quotient based upon consumer spending
- Transportation and storage - location quotient based upon consumer spending
- Accommodation and food service activities - location quotient based upon consumer spending
- Information and communication - share of the North East total
- Financial and insurance activities - share of the North East total
- Real estate activities - location quotient based upon total employment
- Professional, scientific and technical activities - location quotient based upon total employment
- Administrative and support service activities - location quotient based upon total employment
- Public administration and defence - location quotient based upon population
- Education - location quotient based upon population

- Human health and social work activities - location quotient based upon population
- Arts, entertainment and recreation - location quotient based upon consumer spending
- Other service activities - location quotient based upon consumer spending.

### **Self-Employment**

- 2.12 Self-employment data is taken from Workforce jobs (19 sector detail). The data is broken down into detailed sectors using both employee trends and the UK data for self-employment by 2 digit SIC2007 sector. Data for the local authorities is Census based (and scaled to self-employed jobs estimates) and is broken down using the employees in employment sectoral structure. The sectors are forecast using the growth in the sectoral employees in employment data and the estimates are scaled to the regional estimate of self-employment by sector.

### **Total Employment (Jobs)**

- 2.13 Total employment includes employees in employment, the self-employed and Her Majesty's Forces. This is measured on a workplace basis. No specific forecasting for this measure is required - it is calculated from the forecasted elements discussed above.
- 2.14 Note that this estimate is a jobs and not people measure (i.e. one person can have more than one job and would be counted more than once in this indicator).

### **Gross Value Added**

- 2.15 GVA forecasts are available for detailed sectors for the North East region from our UK Regional Model. For areas within the region, data on total GVA is available at NUTS 3 level. This includes counties and former Metropolitan counties. Our forecasts at local authority level are obtained firstly by calculating an 'expected' GVA in each area. This is calculated by multiplying the North East region's GVA per employee in each sector by workplace employment in each sector within each local authority area. An adjustment factor based upon relative earnings is also applied as areas with higher wages should produce higher levels of GVA. Expected GVA is then scaled to add the GVA at NUTS 3 level and the North East sectoral forecasts from the UK Regional Model.

## Policy-On Forecasting

- 2.16 The Policy-on model follows the above modelling approach but also accounts for the projected growth in Hartlepool's three Enterprise Zones. Figures for that growth, by relevant industry sector, were provided by Tees Valley Unlimited (see Table A5.1). That data identified the projected investments into each Enterprise Zone and the confirmed/expected jobs generated by each investment, to 2015.

**Table A5.1 – Projected Investment in Hartlepool's Enterprise Zones**

| Projected Investments              | Sector                                 | Confirmed Jobs | Comments                                    |
|------------------------------------|--|----------------|---|
| <b>Queens Meadow Business Park</b> |  |                |   |
| Propipe                            | Advanced engineering/<br>Manufacturing | 32             | This is expected to increase to 140 by 2015 |
| Solomon Europe                     | Chemicals                              | 5              |   |
| Omega Plastics                     | Advanced engineering/<br>Manufacturing | 16             |   |
| Durable Technologies               | Advanced engineering/<br>Manufacturing | 9              |   |
| Contract Laboratory Services       | Chemicals                              | 10             |   |
| <b>Total</b>                       |  | <b>72</b>      |   |
| <b>Oakesway Industrial Estate</b>  |  |                |   |
| Innovation Centre                  |  | 40             | This is expected to increase to 140 by 2015 |
| <b>Port Estates</b>                |  |                |   |
| Subsea Engineering                 |  | 20             | This is expected to increase to 260 by 2015 |

Source: Oxford Economics/Tees Valley Unlimited, 2014

- 2.17 Overall, the three Enterprise Zones are projected to generate some 540 additional jobs for Hartlepool, which were not accounted for in baseline (policy-off) modelling. The policy-on model accounts for that growth in the early stages of the model period (to 2015) and divides it by the relevant industry sectors. However, the model also assumes that some 15-20 percent of the jobs will not be new for the Borough, but rather the displacement of existing jobs from elsewhere in Hartlepool. This is the standard rate of displacement for such policy-led growth scenarios.

**Appendix 6**  
**Developer Marketing Standards**

## Appendix 6 – Developer Marketing Standards

Where a sites' or premises' owner is applying to a Local Authority for change of use from employment to an alternative use, they have to prove there is a lack of demand for that site or premises.

This table itemises the various marketing tools that should typically be used to market the interest.

Should these tools fail to identify potential purchasers or occupiers then it may be considered that there is a lack of employment demand for the site or premises in question.

| Marketing Tool   | Premises | Site, 0-2 ha | Site, 2+ ha |
|--|----------|--------------|-------------|
| On-site Marketing Board in prominent position                                      | ✓        | ✓            | ✓           |
| Local Property Agent   | ✓        | ✓            | ✓           |
| Regional Property Agent (joint or sole)  | ✓        |              | ✓           |
| Liase with Hartlepool Borough Council  | ✓        | ✓            | ✓           |
| Produce Marketing Particulars (in hard copy/PDF)                                   | ✓        | ✓            | ✓           |
| Targeted mailing to Local/County/Regional Property Agents (Internet)               | ✓        | ✓            | ✓           |
| Targeted mailing to Local/County/Regional Property Developers/Investors (Internet) | ✓        | ✓            | ✓           |
| Targeted mailing to UK Property Agents/Developer/Investors (Internet/postal)       |          |              | ✓           |

| <b>Marketing Tool</b>   | <b>Premises</b> | <b>Site, 0-2 ha</b> | <b>Site, 2+ ha</b> |
|---|-----------------|---------------------|--------------------|
| Targeted mailing to selected potential occupiers (large local companies) (Postal) | ✓               | ✓                   | ✓                  |
| Advertise in Local/County/Regional Business Press                                 |                 | ✓                   | ✓                  |
| Advertise in UK Property Press  |                 |                     | ✓                  |
| Website   | ✓               | ✓                   | ✓                  |
| Internet Mailing to Targeted Business Sectors (e-shot type mailing)               | ✓               | ✓                   | ✓                  |
| <b>Marketing Period, months</b>   | <b>6-12</b>     | <b>6-12</b>         | <b>9-18</b>        |

Source: BE Group, 2014