

Cabinet

12th February 2014

Seaham New Housing Masterplan

Key Decision R&ED/08/13



Report of Corporate Management Team

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Purpose of the Report

1. This report explains the background to the procurement of a dedicated masterplan to guide the planning, design and delivery of a number of specific sites, located to the north-west of Seaham town centre, in which the Council has an interest and which are allocated for housing development in the Pre-Submission Draft of the County Durham Local Plan. The masterplan has been commissioned jointly with the Homes and Communities Agency (the "HCA") and is part of an ongoing process to bring forward land for redevelopment in a coherent fashion, maximising returns and regeneration benefits.
2. The report outlines the assessments and principles underlying the delivery of the sites and indicates the way in which the land will be released for development to optimise the potential for capital receipts and the achievement of wider economic and environmental benefits for Seaham in accordance with approved strategies under the Regeneration Statement (2012-2022) for the county and the wider Regeneration Masterplan for Seaham and Murton (approved by Cabinet in 2012). The delivery of the masterplan will be subject to ongoing review in the context of an existing Joint Venture Agreement made between the Council and the HCA which sets out aims and objectives and arrangements for joint marketing and sharing of costs and returns in relation to the sites.
3. Finally, the report outlines a number of key recommendations that have been made in the context of a baseline review of the subject sites and other potential housing sites in Seaham, demand assessment, site-specific design guidance and wider, spatial masterplanning.

Background

Strategic Context

4. The commencement and progression of masterplanning work for the housing allocation sites in the north of Seaham has been guided and influenced by established regeneration aims, the desire to provide a new, replacement secondary school for the town (supported by the Priority School Building Programme) and by emerging Local Plan priorities. Accordingly, there are a number of complementary and consistent strategic themes which have influenced the preparation of the masterplan. These include:
 - As a “Main Town”, Seaham is a focus for significant housing, retail, office and employment activity, offering high levels of transport and service provision.
 - It is essential that proposals deliver sustainable development; building a strong, responsive and competitive economy; supporting strong, vibrant and healthy communities and protecting and enhancing the natural, built and historic environment. Sufficient land of the right type should be available in the right places and at the right time to support growth.
 - The Council’s primary focus on raising employment rates for the resident population, reducing worklessness and supporting economic growth is reliant upon increasing migration to mitigate the expected reduction in the working age population. To this end a co-ordinated plan of realigning market led sites for economic development and business growth, additional housing and improved infrastructure is essential for our future prosperity.
 - The provision of sufficient housing to meet existing and projected housing need will also bring direct benefits in terms of new housing construction, the spending power of increased population and the ability to attract industry to areas which have good housing choice.
 - In Seaham, the Pre-Submission Draft of the County Durham Local Plan proposes sufficient land releases to meet an identified target of 610 new homes, to be delivered over the plan period. The 3 sites which form the subject of the Joint Venture Agreement and this masterplanning exercise are included as proposed housing allocations. The delivery of new homes in Seaham, to support previous and ongoing investments in the town centre, the marina, business sites and leisure opportunities is a key regeneration aim. The masterplan work is a logical extension of the County Durham Regeneration Statement 2012-2022 and the Seaham and Murton Masterplan 2012 which identifies the requirement to bring the sites forward for housing in support of the County Durham Local Plan.

Joint Venture Agreement (“JV”)

5. In April 2010, the Council entered into a JV with the Homes and Communities Agency (“HCA”) in order to regenerate land in Seaham by procuring a masterplan and then promoting appropriate, phased redevelopment by means of site disposals for agreed development proposals. The agreement places joint

obligations on the parties to procure a masterplan and to seek to dispose of land assets, sharing costs and returns, apportioned according to the respective quantum of land. The Council and the HCA have been working together under the JV to secure a viable development solution for underutilised land assets on the northern side of Seaham. Those assets forming the basis of the masterplan are identified on Plan 1 and can be summarised as follows:

Site 1. Seaham School of Technology, Burnhall Drive.

This site extends to 4.92 hectares (12.16 acres) and houses the operational secondary school and playing field to the north. There is a separate, ancillary landholding to the east, comprising a car park/bus drop-off area of 0.76 hectares (1.88 acres). The school is to be relocated to a reclaimed site, being the western portion of the former Seaham Colliery site at Station Road and rebuilt under the Priority Schools Building Programme. The current expectation is that construction of the new secondary school will commence in Spring 2015 with a target opening date of Autumn term 2016. The current school site, which is owned by the Council, has a proposed allocation of 100 new homes in the Pre-Submission Draft of the County Durham Local Plan (Ref Site H70).

Site 2. Former Seaham Colliery, Station Road.

The site of the former Seaham Colliery extends to some 13.9 hectares (34.4 acres) and has been reclaimed and part-serviced by the HCA for residential development. The western part of the site has been transferred by the HCA to the Council to accommodate the new secondary school. The HCA retains the eastern portion which extends to 6.3 hectares (15.57 acres) and has a proposed allocation of 180 new homes in the Pre-Submission Draft of the County Durham Local Plan (Ref Site H69).

Site 3. Malvern Crescent/Land North of Portland Avenue.

The Malvern Crescent site extends to 8.38 hectares (20.71 acres) and is, in the main, owned by Durham County Council although there are parts of the site that the Council has yet to acquire. The land was previously used for housing and a club house and accommodates an infilled clay pit. Part of the site is the subject of a proposed allocation of 100 new homes in the Pre-Submission Draft of the County Durham Local Plan (Ref Site H66).

The obligation under Clause 5.2 of the Joint Venture Agreement requires the Council to seek to acquire a small parcel of land at Malvern Crescent to enable comprehensive development of the site, in association with the Colliery Site (Plan 2). The land owner is currently not known. Funding for this acquisition will be through the RED capital programme.

Masterplan Procurement

6. The Council and the HCA have established, under the terms of the JV, a Project Group. In the Spring of 2012, the Project Group sought to commission a body of work, in accordance with the joint obligations of the JV, to provide a development masterplan, design brief, delivery plan and CDM Co-ordination service, all to be led by detailed assessment of demand and with the express purpose of enabling the Council and the HCA to meet their joint objectives in relation to the sites and

in supporting the wider economy and environment of Seaham. Following a procurement process, utilising the HCA's panel of approved, multi-disciplinary consultants, a team comprising AECOM and property advisors, GVA was appointed to undertake the work.

7. The work was commissioned to assist in meeting the agreed aims and objectives of the Council and the HCA in this regard, which are:

- To facilitate the development of sustainable and high quality homes, together with the construction of new secondary school facilities for the Seaham Technology School, all such facilities being integrated into the existing townscape and adding to the facilities, image and economy of Seaham.
- To ensure that all development of land is in accordance with a masterplan and meets specified design requirements.
- To work in collaboration to ensure that the individual development, financial, community, environmental and sustainability objectives of the Council and the HCA are maximised.
- To ensure that what is proposed and what is created is publicised and marketed on a local, regional and national basis.
- To ensure that this project is complementary to and fully integrated with the regeneration of Seaham.
- To establish a coordinated approach and development timetable for delivery of the Council and the HCA's respective input into the project.
- To ensure the provision (subject to internal approval by the Council and the HCA respectively) of appropriate resources and expertise to deliver the project.
- To ensure an open exchange of information on specific development interests (acknowledging the requirement at all times to preserve third party confidentiality of particular interests or end users).
- To co-ordinate all publicity material related to the project to ensure that the contributions of the Council and the HCA are recognised appropriately.

8. The original brief to consultants comprised a review of 7 sites which, at that stage, were being considered and consulted upon as potential housing allocations in The Local Plan Preferred Options Document (September 2012). The sites which have been considered but which are **now excluded** from the JV delivery proposals are:

- Land at New Drive – excluded due to difficulties in identifying a satisfactory access solution;
- Land at The Lawns – excluded due to an emerging proposal to deliver via Durham Villages Regeneration Company;

- Seaham Leisure Centre, Laurel Avenue – excluded due to difficulties in identifying likely sources of funding that would permit suitable re-provision within a reasonable timeframe; and
- Seaham School Playing Fields, North of Lord Byron's Walk – excluded as site lies within green belt to the north of the settlement boundary.

Progress to Date

9. Guided by the Project Group, during the latter part of 2012 consultants prepared a full baseline review, to set masterplanning and delivery planning against a clear appreciation of context, constraints and development opportunities and influences. Undertaken with the involvement of the Council, the HCA and (where appropriate) external/statutory consultees, this work has produced a range of baseline topic papers covering spatial characteristics, transportation and movement, environmental appraisal and a market demand review for each site.
10. Consultation on the Local Plan Preferred Options Document in late 2012, together with further consultations on the delivery arrangements for some of the sites, including access arrangements, open space provision and timescale for availability, led to a number of the original sites in the masterplanning exercise being removed from the emerging housing allocations. This has necessitated a change of emphasis in the work, with a concentration upon the 3 sites referred to at paragraph 5 and a review of their development and housing delivery potential.
11. The proposals are now available in the form of the Seaham New Housing Masterplan Final Draft Masterplan Report (a copy of which has been placed in the Members' Library) which identifies a delivery plan for the 3 sites, defining potential development opportunities that are capable of attracting private sector developer interest and investment. Further, the masterplan identifies the potential, via intelligent phasing and development/design guidance for delivering beneficial changes on a wider scale. The approach adopted in the development of the masterplan has been based on:
 - Enhancing the individual prospects and viability of each site by illustrating how particular development approaches and housing 'products' on one site can complement and strengthen the market appeal of the others.
 - Articulating a specific role for each site; a particular environmental and market character which forms part of a bigger picture of relevant and bespoke development for Seaham.
 - Maximising potential benefits to the wider community – making a significant contribution to quality of life across Seaham, including a better environment and improved facilities.
12. The preparation of the masterplan proposals has been informed by demand assessment, soft market testing with potential developers, market interpretation and strategic development advice from property consultants GVA. This work informs a delivery plan which proposes the arrangements for land release in order to secure the preferred forms of development, optimise sales receipts and achieve wider regeneration benefits.

13. The masterplan identifies a series of potential opportunities that can be achieved for Seaham through the release of the sites. Examples include:

- Opportunities to enhance the local network of foot and cycle paths and open up new and improved connections which will benefit pedestrians and cyclists. Of particular relevance is the opportunity to enhance north-south links in the area by creating new connections;
- The potential to contribute to the improvement of the local highway network and public transport offer e.g. by contributing to solutions to address local congestion points (e.g. at Seaton Lane/Lord Byron's Walk and Station Road/B1285 junction at the Mill Inn);
- The development process can prompt (and become a means through which to deliver) plans for a more effective, varied and multifunctional network of open spaces, including new and improved playing pitch provision. The prospect of a new school in combination with Sites 2 and 3 creates the potential for a central green space opportunity. There is also potential for the land of former mineral railway line from the east of Seaham Colliery to be upgraded to a pedestrian/cyclist only route.
- The potential to secure improved social infrastructure and more balanced communities. The sites could include non-residential uses which could make a direct contribution to community life. Similarly, the sites offer opportunities to balance type and character of housing development at the neighbourhood / town scale.

14. The key proposals involve the early joint marketing of the land at the former Seaham Colliery and at Malvern Crescent involving a total developable area of 10.23 hectares and capacity for 350 dwellings. Based upon assumed build out rates of between 25 and 50 houses per annum, full development of the land will be achieved between Winter 2020 and Autumn 2026. Marketing of the site of the existing school would commence subsequently, but in advance of the school being vacated in the course of relocation to the new site in Autumn 2016. This site produces identifiable development plots of a total of 2.87 hectares with capacity for 100 new homes. It is anticipated that these can be delivered at a rate of between 25 and 35 units per year. There is potential for the delivery of affordable homes to be supported via the next round of the HCA's Affordable Homes Guarantee Programme and potential developers will be signposted to this assistance as part of site marketing.

15. The masterplanning work has produced a design rationale for each site, identifying the context of the sites, issues that will need to be addressed in the course of formulating redevelopment proposals and opportunities to utilise design to improve existing public realm and connectivity. These opportunities include, for example, taking advantages of attractive views, creating improved links to local amenities and services, extending pedestrian and cycle links and green spaces and corridors, enhancing public transport accessibility and utilising new development to link existing communities which are disconnected due to previous use of spaces for colliery/waste operations.

16. The three sites identified for housing delivery under the JV are all allocated for residential development within the Pre-Submission Draft of the County Durham Local Plan which has been through a number of consultation stages prior to

anticipated Examination in Public in 2014. It is proposed that a dedicated consultation strategy will be developed in order to discuss the implementation of development under the JV agreement.

Recommendations and reasons

It is recommended that Cabinet:

- a) Approves the masterplan as the document which will guide and govern the delivery (jointly with the HCA) of sites under the Joint Venture Agreement; and
- b) Authorise the Corporate Director of Regeneration and Economic Development in consultation with the Portfolio Holder for Economic Regeneration to acquire remaining land at Malvern Crescent to enable comprehensive development of the site.

Background papers

Joint Venture Agreement between Homes & Communities Agency and Durham County Council – 7th April 2010

Location Map of Sites within the Joint Venture Agreement

Draft Seaham New Housing Masterplan October 2013

Indicative Development Parcel Plan Seaham School Site

Indicative Development Parcel Plan Former Colliery & Malvern Crescent Site

Equalities Impact Assessment 2013

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Appendix 1: Implications

Finance – The recommendation to authorise the acquisition of a parcel of land (of circa 0.38 hectares) at Malvern Crescent is in accordance with an existing obligation under a Joint Venture Agreement entered into in 2010. The land ownership is not currently known. We are investigating whether the Council has a claim on this parcel of land. Provision is being made through the Regeneration and Economic Development capital programme for the purchase of this land and a further report will be brought back to Cabinet.

Staffing – None

Risk

Detailed Risk Assessments will be undertaken for each project/development

Equality and Diversity / Public Sector Equality Duty

EqlA completed and it has been approved by the Equalities Team.

Accommodation - none

Crime and Disorder - none

Human Rights - None

Consultation – Significant consultation on the allocation of the sites for housing has been undertaken through the development of the County Durham Local Plan. A dedicated consultation strategy to discuss the implementation of development on the sites will be developed and will incorporate detailed consultation with local members, Seaham Town Council, East Durham Area Action Partnership

Procurement – Procurement of a development partner or partners will be conducted jointly with the HCA according to the relevant guidelines applying to both the HCA and the Council at the appropriate time.

Disability Issues - None

Legal Implications

The masterplan will provide evidence to help support the delivery of The County Durham Local Plan but will not have any statutory weight in the planning process. Delivery of the masterplan will be conducted so as to discharge the Council's obligations under the Joint Venture Agreement.