

# Item 6

**REPORT TO CABINET**

**3 February 2005**

**JOINT REPORT OF  
DIRECTOR OF  
NEIGHBOURHOOD  
SERVICES  
AND HEAD OF  
STRATEGY AND  
REGENERATION**

**Portfolio: Regeneration**

**VIEW: SHAPING THE NORTH EAST - REGIONAL SPATIAL STRATEGY CONSULTATION  
DRAFT**

## **1 SUMMARY**

- 1.1 The consultation draft Regional Spatial Strategy (RSS) sets out a long-term strategy for spatial development in the North East to 2021. The Planning and Compulsory Purchase Act 2004 requires the development of the RSS and it will replace the existing Regional Planning Guidance for the North East (RPG 1). Once approved, the RSS will form part of the statutory development plan for the Borough. The Council's Local Development Framework (which will replace the current adopted Local Plan) will have to be in general conformity with the RSS.
- 1.2 The consultation draft RSS is an aspiration document, that seeks to reduce the economic disparities between the North East and the rest of England. In order to achieve this aspiration, the RSS seeks to place most new development within the conurbations and main towns within the Tyne & Wear and Tees Valley City Regions. The City Region concept links with the development of the Northern Way Growth Strategy. Both the RSS and Northern Way Growth Strategy place Sedgefield Borough within the Tees Valley City Region.
- 1.3 The key issues raised by this draft version of the RSS for Sedgefield Borough are the introduction of City Regions; the development potential at NetPark; the need to provide for a stable population; and, to ensure that planned Housing Market Restructuring programmes are recognised and promoted. A draft formal response to the consultation document is attached as Appendix 1 to this report.

## **2 RECOMMENDATION**

- 2.1 That the Cabinet approves the attached Statement at Appendix 1 on the Regional Spatial Strategy as the formal response of the Council to the North East Assembly's consultation.

## **3 THE CONSULTATION DRAFT REGIONAL SPATIAL STRATEGY**

### **City Regions**

- 3.1 The Three Northern Regional Development Agencies (RDA's) in September 2004 submitted to the ODPM the 'Northern Way Growth Strategy' programme to facilitate and

sustain economic growth in the three Northern Regions (The North East, The North West & Yorkshire and the Humber). This is to address regional economic underperformance, labour market imbalance and a range of socio economic indicators, which illustrate the growing gap between the Northern Regions and the rest of the UK. The RSS will provide the land use interpretation of this Growth Strategy.

- 3.2 The locational strategy states that future development opportunities should be focused on the conurbations and main towns in the City Regions. In Sedgefield Borough, Newton Aycliffe, Spennymoor and Shildon are recognised as main towns in the Tees Valley City Region. The introduction of the City Region concept is broadly welcomed, however the RSS should recognise that within the City Regions, individual main towns also offer a variety of locational and sustainable development advantages. The inter-relationships between these centres and the larger conurbation areas are not fully explored in the current draft, for example in respect to the distribution of employment land and transport accessibility. In particular, it is felt the commentary on the Tees Valley City Region should give greater recognition to the economic contribution to the area of Aycliffe Industrial Park.

### **Housing Provision**

- 3.3 The consultation draft RSS is an aspirational document, that seeks to reduce the economic disparities between the region and the rest of the country. Whilst the RSS seeks to put in place a bold economic framework in which to achieve the vision, it is more conservative in its housing ambitions. The housing policies put forward seek to re-balance the housing stock in the region with an emphasis on development in the conurbations and main towns. This will be achieved through a combination of demolition and replacement of old housing stock, and the development of new housing sites in sustainable, predominately urban locations. The policy objective underpinning this approach is to secure a greater concentration of housing development in the larger urban centres and conurbations and to reduce the so-called “urban flight” from these areas to the surrounding counties of Northumberland and Durham<sup>1</sup>.
- 3.4 The outcome of this strategy for County Durham is a housing allocation that is less than that required to maintain a stable population with the risk it serves to undermine local objectives to deliver sustainable communities and restricts actions to promote physical renewal of the Counties housing stock and communities. Whilst the impact of this policy approach is less restrictive in Sedgefield Borough than elsewhere it will be detrimental to the Borough realising its full potential of available investment and development opportunities. It is therefore felt to be important that the Council supports a wider County Durham argument to seek amendments to the RSS that provides for a stable population level in the County over the period to 2021.
- 3.5 The RSS recognises the formal status of the Newcastle Gateshead Pathfinder and other renewal areas, such as the Durham Coalfield. This is strongly welcomed. It will however be important that in this regional context, the priority for Housing Market Restructuring in County Durham is maintained and not weakened to aid the promotion of similar conurbation based programmes. The Durham Coalfield Housing Market initiative equally supports the RSS’s strategy to achieve more sustainable communities,

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<sup>1</sup> Within Sedgefield Borough, there is little movement of migration patterns between the Borough and the conurbations. The main migration movements are within the County boundary.

and is particularly important because of its contribution towards settlement renewal and physical regeneration in areas facing economic restructuring.

### **Employment**

- 3.6 The RSS seeks to strengthen the region's economic competitiveness, by encouraging development within the City Regions it also links to the Region's Economic Strategy and its focus on the development of a strong knowledge based economy for the region.
- 3.7 NetPark is recognised as a regionally significant prestige employment location. However, at present the RSS only anticipates the development of 15 hectares of land by 2021, which relates solely to the current site. It is expected that this initial phase of development will be significantly committed by 2007. In order to maintain momentum and the critical mass of development necessary to create a regionally significant and self-sustaining location for scientific and technology based business development; there is a need for the RSS to allocate additional land to support the development of a wider NetPark area. It is therefore recommended that the RSS should identify a land allocation for NetPark (including the Phase 1 site area) of 77 hectares (gross) to encompass the area to the north of the present site bounded by the A177 and B1257 roads with the River Skerne forming the northern boundary. Within this area it is anticipated that developable sites of some 49 hectares could be provided with in the period of the RSS up to 2021.

### **Other Matters**

- 3.8 The Consultation Draft RSS raises a number of other matters that the Borough should provide comments, such as the airport-related expansion of Newcastle and Durham-Tees Valley Airports and the importance given to the tourism sector of the economy. These matters are fully explored in Appendix 1.

## **4 RESOURCE IMPLICATIONS**

- 4.1 There are no direct implications at this stage in the consultation process, though there might be additional impacts in terms of staff resources and on other priorities in promoting the Council's representations at any future Public Examination into the RSS on behalf of the ODPM.

## **5 CONSULTATIONS**

- 5.1 The Regional Assembly as part of the preparation process for the RSS has engaged officers in numerous consultations. A report considering the implications of the RSS for the Borough will be presented to Overview and Scrutiny Committee 3 on 1st February. Any comments resulting from this consultation will be reported to Cabinet.
- 5.2 The current timetable for preparing the RSS is for its submission to the Secretary of State at the end of March 2005 following consideration of the issues raised through this consultation period. This will be followed by a Public Examination in January 2006. Final approval by the Secretary of State of the RSS is expected in the spring of 2006.

## 6 OTHER MATERIAL CONSIDERATIONS

- 6.1 In terms of environmental sustainability the draft RSS's proposals and policies have been subject to a Sustainability Appraisal report, produced by an independent consultancy. The RSS will also have an impact in the longer term on issues such as social inclusion and community safety issues. There are no risk management issues associated with the report.

## 7 OVERVIEW AND SCRUTINY IMPLICATIONS

- 7.1 As noted above the RSS consultation will be considered by Overview and Scrutiny Committee 3 on 1st February 2005.

## 8 LIST OF APPENDICES

- 8.1 Appendix 1 - Response of Sedgefield Borough Council to the Consultation Draft Regional Spatial Strategy.

**Contact Officers:** Chris Myers  
**Telephone No:** (01388) 816166 ext 4328  
**Email Address:** [cmyers@sedgefield.gov.uk](mailto:cmyers@sedgefield.gov.uk)

**Ward(s)**  
All

**Key Decision Validation:** This is not a Key Decision as the report relates to a consultation document

### Background Papers

View: Shaping the North East – Regional Spatial Strategy Consultation Draft  
RSS Background Technical Papers (10)  
Sustainability Appraisal of the Consultation Draft RSS

### Examination by Statutory Officers

	Yes	Not Applicable
1. The report has been examined by the Councils Head of the Paid Service or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. The content has been examined by the Councils S.151 Officer or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. The content has been examined by the Council's Monitoring Officer or his representative	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. The report has been approved by Management Team	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## Appendix 1

### RESPONSE OF SEDGEFIELD BOROUGH COUNCIL TO THE CONSULTATION DRAFT REGIONAL SPATIAL STRATEGY

Sedgefield Borough is situated in the South of County Durham with a resident of population of 87,206 (Census 2001). The Borough contrasts modern and developing business and industrial areas, with a mix of rural and former colliery settlements. Strategically located for good access to both the Tyne and Wear and Teesside areas, Sedgefield is well placed to access many of the facilities in the North East, while also offering great potential for further development. This is evidenced through major projects such as NetPark and Locomotion, the National Railway Museum in Shildon demonstrate the Borough's contribution to the RSS's vision for the North East Region.

#### City Regions

The locational strategy states that future development opportunities should be focused on the conurbations and main towns in the City Regions. In Sedgefield Borough, Newton Aycliffe, Spennymoor and Shildon are recognised as main towns in the Tees Valley City Region. The Borough welcomes the broad City Region concept, in terms of land use planning opportunities, in both the RSS and Northern Way Growth Strategy. However, it should be recognised that within the City Regions, the conurbations and main towns offer a variety of locational and sustainable advantages. These inter-relationships are complex and not fully explored in the current draft. In particular, the Newton Aycliffe area with its major Industrial Park (including Heighington Lane West (see Policy 22) is not mentioned in the RSS yet in size terms, it is the second highest concentration of employment land in the Region behind the Team Valley Estate in Gateshead providing employment for some 8,500 people and accommodating approximately 250 companies across an area of 401ha. As such Aycliffe Industrial Park represents a major economic and employment generator within the Tees Valley area and should be recognised as such as the of the Tees Valley City Region description at para 2.55 (page 30).

Similarly, the economic and tourism value of the Darlington and Shildon areas in terms of railway heritage has not been fully recognised as part of the Tees Valley City Region context. This economic and tourism potential has now been enhanced by the development of 'Locomotion' – the National Railway Museum in Shildon.

It is important that the economic opportunities offered by the Aycliffe Industrial Park along with Newton Aycliffe and the connectivity of the Darlington-Bishop Auckland rail corridor for employment, retail and leisure activities, as well as serving some of the most disadvantaged communities in the South Durham part of the Tees Valley City Region is fully identified in the RSS to ensure that economic opportunities are maximised.

**Sedgefield Borough Council therefore broadly welcomes the introduction of the City Region concept as expressed in the draft RSS but requests that the description of the area is amended at pages 29/30 to acknowledge the locational and sustainable**

**advantages offered by the main towns within the City Regions such as Newton Aycliffe; and the opportunities offered by Aycliffe Industrial Park, and the Darlington-Bishop Auckland rail corridor for employment, retail, residential and tourism activities.**

### Housing

It is accepted that the housing policies put forward in the RSS seek to re-balance the housing stock in the region with an emphasis on development in the conurbations and the larger urban centre so as to secure more sustainable patterns of development and reduce the so-called “urban flight” from these areas to the surrounding counties of Northumberland and Durham.

The outcome of this strategy for County Durham is a housing allocation that is less than that required to maintain a stable population with the risk it serves to undermine local objectives to deliver sustainable communities and to restrict actions to promote physical renewal of the Counties housing stock and communities. Whilst the impact of this policy approach is less restrictive in Sedgefield Borough than elsewhere, it will still be detrimental to, and have an adverse impact on the Borough realising its full potential in realising investment and development opportunities. The Council therefore wishes to see the RSS strategy for County Durham amended to provide for a stable population level in the County over the period to 2021 in line with other sub regional areas.

The RSS recognises the formal status of the Newcastle Gateshead Pathfinder and other renewal areas, such as the Durham Coalfield. This is strongly welcomed. It will however be important that in this regional context, the priority for Housing Market Restructuring in County Durham is maintained and not weakened to aid the promotion of similar conurbation based programmes. The Durham Coalfield Housing Market initiative equally supports the RSS’s strategy to achieve more sustainable communities, and is particularly important because of its contribution towards settlement renewal and physical regeneration in areas facing economic restructuring.

**Sedgefield Borough Council objects to the RSS’s current housing strategy for County Durham as its implementation will effectively mean a planned decline in the County’s population which will have an adverse impact upon the renewal and economic potential of the Borough as well as the wider area of County Durham and the role the County could play in contributing to the renaissance of the North East.**

**The support expressed in the RSS for the Durham Coalfield Housing Market Renewal Programme is welcomed and this support should be maintained as it supports the RSS’s strategy to achieve more sustainable communities, and is particularly important because of its contribution towards settlement renewal and physical regeneration in areas facing economic restructuring.**

### Employment

The fact the RSS recognises NetPark as a regionally significant prestige employment location is welcomed. However, Policy 20 as drafted only anticipates the development of 15 hectares of land by 2021. This relates solely to the current site with planning permission and where development is underway. It is expected that this initial phase of development will be significantly committed by 2007. In order to maintain momentum and the critical mass of

development necessary to create a regionally significant and self-sustaining location for scientific and technology based business development; there is a need for the RSS to allocate additional land to support the development of NetPark.

The NetPark Development Framework anticipates a gross site area of some 77 hectares with development zones being created within a framework of structural landscaping that is to be laid out in advance of development demand to enable this structural infrastructure to mature and provide a high quality environmental setting.

It is therefore recommended that the RSS should identify a land allocation for NetPark (including the Phase 1 site area) of 77 hectares (gross) to encompass the area to the north of the present site bounded by the A177 and B1257 roads with the River Skerne forming the northern boundary. Within this area it is anticipated that developable sites of some 49 hectares could be provided within the period of the RSS up to 2021.

The diversification of the economic base in the region should be seen as paramount to the Region's long-term success. An essential element of this diversification is to provide a basis within which Small and Medium sized Enterprises (SMEs) can flourish and develop. It is important that the RSS provides the policy framework to high quality manufacturing companies to develop, as these companies will be less susceptible to changes in the world economy.

The RSS recognises that an important component of the employment portfolio of the Region is the provision of reserve sites for strategic inward investment. Identification of Heighington Lane West, Newton Aycliffe as one of the three such sites in the Region is welcomed and this helps to further strengthen the employment offer available in the Tees Valley City region area.

Table E1 provides a sub-regional breakdown of the supply of employment land. Within this table, there is a section on the proposed reduction of supply of employment land through the de-allocation of land. This table states that 35 hectares of employment land in County Durham (all of which is in Sedgefield Borough) is to be de-allocated out of a regional total of 515 hectares. This is not viewed as deliverable in the context of the review of the Borough's local development plan work.

It is recommended therefore that this Policy be amended to require Local Planning Authorities to critically review their existing industrial allocations as to their continuing requirements. This would accord with guidance ODPM has recently released for Local Authorities to assess the supply and demand of land for employment uses. The outcome of these studies will be used to quantify the extent of employment land to be de-allocated via Local Development Frameworks.

**Sedgefield Borough Council welcomes the designation of NetPark as a regionally significant prestige employment location. However, given the evidence provided by the Masterplan work to produce a NetPark Development Framework, Policy 20 should be changed to provide a gross development area of 77 hectares with 49 net hectares of developable land to be developed by 2021.**

**The Borough Council further seeks the deletion of part of Table E1 that identifies the quantity of employment land to be de-allocated. This is an issue purely for Local Development Frameworks. Instead, some additional text should be included to request**

**local authorities to critically review their existing industrial allocations as to their continuing requirements. The outcome of these studies will be used to quantify the extent of employment land to be de-allocated in Local Development Frameworks.**

**The allocation of Heighington Lane West as a reserve employment site is welcomed.**

#### Transport

The support given to the sustainable growth and expansion of Newcastle International and Durham-Tees Valley Airports for airport-related development is welcomed. However, it is important that the somewhat arbitrary restrictions placed on the growth Durham-Tees Valley airport in terms of passenger numbers should not unduly hamper the employment and economic potential of the Tees Valley City Region. The Region requires dynamic airports able to respond to opportunities. The RSS should therefore remove the anticipated growth in passenger numbers from Policy 23. It is however important that the growth in demand and economic activity associated with the airport is managed effectively in terms of the environmental and transportation impacts. There is a need for the Regional Transport Strategy and Local Transport Plans' to provide an integrated transport framework that enables the airport's economic growth potential to be realised in a manner that enables the employment opportunities created to be accessed across the City Region area.

The Borough welcomes the importance given to provide an effective regional transport network that ensures that the benefits offered by good transport links are secured by all socio-economic groups through accessibility to jobs, learning and other key public services. It is also important that the RSS encourages the delivery of goods from the South East of England by means other than heavy goods vehicles, such as by air, sea and rail. This could have a significant impact on the congestion levels experienced on the Region's motorways. It is important that the RSS provides a policy framework to enable this change in delivery pattern to occur. To some extent, the consultation draft RSS achieves this aim through the policies supporting development at the Region's airports and seaports. However, the RSS is currently weak on rail issues and it is therefore important that the RSS recognises the benefits offered by, and commits to the proposed Tursdale Road-Rail Freight Interchange, close to Durham City and to the north of the Borough.

**Sedgefield Borough Council welcomes the support given to the sustainable growth and expansion of Newcastle and Durham-Tees Valley Airports' but that this expansion should be managed by reference to environmental and transport impacts, rather than by reference to passenger numbers.**

**In order to provide a balanced transport network, the Borough seeks the allocation of the proposed Tursdale Road-Rail Freight Interchange in the RSS.**

#### Tourism

The tourism section within the consultation draft RSS is weak. It is important that the tourism policies are pro-active and encourages tourism opportunities. Examples of internationally/nationally known tourist attractions, such as the Alnwick Gardens, Hadrian's Wall, the cultural vibrancy of Newcastle/Gateshead (e.g. Sage Gateshead), Durham Castle and Cathedral, and Locomotion – National Railway Museum in Shildon could be placed in the supporting text to highlight the North East Region's tourist assets. The tourism industry contributes about 10% of the employment opportunities in the North East Region and this



figure is rising. Policy 19 and its supporting paragraphs should reflect the growing importance of this sector to the regional economy and seek to promote these cultural and tourist assets.

**Sedgefield Borough Council requests that Policy 19 and its supporting text are changed to take full account of the Region's cultural and tourism assets and its importance to the regional economy and quality of life.**

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