# Item 5

REPORT TO CABINET

29 September 2005

REPORT OF DIRECTOR OF NEIGHBOURHOOD SERVICES

Portfolio: Regeneration

VIEW: SHAPING THE NORTH EAST - REGIONAL SPATIAL STRATEGY SUBMISSION DRAFT

#### 1 SUMMARY

- 1.1 The Submission Draft Regional Spatial Strategy (RSS) sets out a long-term strategy for spatial development in the North East to 2021. 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 Submission Draft takes forward the RSS process following the public consultation exercise on the Consultation Draft RSS between November 2004 and February 2005. The commonality between the documents is that they are aspirational, seeking to reduce the economic disparities between the North East and the rest of England. At the consultation draft stage, the Borough Council made comments on 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.
- 1.3 The Borough Council's response to the Submission Draft focuses on the Tees Valley City Region, Housing Provision and Employment issues.

#### 2 RECOMMENDATION

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

#### 3 THE SUBMISSION 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. The Consultation Draft RSS was unable to fully explore these issues due to the timing of the documents' release. This has been rectified in the Submission Draft RSS.
- 3.2 The Submission Draft RSS seeks to develop an Integrated Tees Valley City Region, focussing its locational strategy on future development opportunities within 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. Newton Aycliffe is further recognised for its important employment contribution to the City Region, as is NetPark in Sedgefield. Newton Aycliffe, Spennymoor and Shildon are recognised as key communities where regeneration should be prioritised. Full recognition is now given to the Housing Market Renewal initiatives within the Borough. The additional paragraphs and expansion of the Policy for the Tees Valley City Region concept is therefore broadly welcomed.
- 3.3 However, the Submission Draft RSS needs to fully explore and recognise the potential of the Newton Aycliffe-Darlington axis to act as an important location within, and gateway to, the Tees Valley City Region and which takes advantage of the employment land and transport accessibility offered by these major communities. Moreover, the Borough has long been established as part of the central corridor in County Durham where development should be promoted. Given that the Tyne & Wear City Region extends south to include Durham City (which lies to immediate north of the Borough), some additional text could be included to recognise the development opportunities offered by the Borough where development cannot be accommodated within Durham City because of the City's major environmental constraints.

#### **Housing Provision**

- 3.4 The Submission Draft RSS continues the housing policy themes of the consultation draft, seeking 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. The Submission Draft however recognises the need for County Durham to maintain a stable population and not be subject to population decline. This new policy stance is welcomed and supported.
- 3.5 The outcome of this strategy for Sedgefield Borough is a housing allocation sufficient to deliver sustainable communities and helps promote physical renewal of the Borough's housing stock and communities. The Borough Council has been allocated 4,000 new

dwellings between 2004-2021. It is clear that the proposed additional dwellings contained in Policy 30 have taken into account social, economic and environmental policy drivers, as well as population trend projections. Sedgefield Borough provides a major source of employment opportunities in the County. For example, Newton Aycliffe Industrial Park is the second largest concentration of employment land in the North East Region. Furthermore, the Borough's regional profile will be strengthened by the development at NetPark (acknowledged by the Submission Draft RSS as a regional important employment hub). It is important for the development of sustainable communities that new housing development takes place in communities that are easily accessible to employment hubs to reduce the potential for transport growth in the Region.

3.6 The Submission Draft RSS recognises that to deliver sustainable communities, there needs to be a more balanced mix of housing type, size and tenure in the Region. The Submission Draft further recognises that the former Durham Coalfield area has a high proportion of high density, terraced housing stock. This housing type is more prevalent in areas of low demand and disadvantage. The Regional Housing Aspirations Study clearly demonstrated the property types that people do and do not aspire to. Terraced properties are low in peoples' aspirations of places to live. It is vitally important that the local authorities in the Region recognises these issues and tackles them positively. Failure to address this housing issue will lead to greater number of empty properties throughout the Region. The Submission Draft therefore prioritises development within identified housing market renewal initiatives, one of which is the former 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.

#### **Employment**

- 3.6 The Submission Draft 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 now fully recognised as a regionally significant prestige employment location, both within the City Region and employment sections of the Submission Draft RSS. At the Consultation Draft RSS stage, it only anticipated the development of 15 hectares of land by 2021. This related solely to the current site. The Borough Council questioned this situation. The Submission Draft RSS takes account of the Borough Council's comments to maintain momentum and build a critical mass of development necessary to create a regionally significant and self-sustaining location for scientific and technology based business development. The Submission Draft RSS has allocated 77 hectares of development at NetPark, to be brought forward through the Local Development Framework process. This is to be fully welcomed and supported.

#### **Other Matters**

3.8 The Submission 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.
- 5.2 The current timetable for preparing the RSS is for a Public Examination in March 2006, following this consultation. Final approval by the Secretary of State of the RSS is expected in the spring of 2007.

#### 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 None

#### 8 LIST OF APPENDICES

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

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Ward(s)

ΑII

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 Submission Draft RSS Background Technical Papers (10) Sustainability Appraisal of the Submission 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	$\overline{\checkmark}$	
2.	The content has been examined by the Councils S.151 Officer or his representative	$\overline{\checkmark}$	
3.	The content has been examined by the Council's Monitoring Officer or his representative	$\overline{\checkmark}$	
4.	The report has been approved by Management Team	$\overline{A}$	П



### Appendix 1

# RESPONSE OF SEDGEFIELD BOROUGH COUNCIL TO THE SUBMISSION 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, which 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.

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. The "birth of the railways" heritage theme should not just link Shildon to Stockton. There is potential to extend this theme further to include the Weardale railway, further into the Durham Dales.

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 supports the Tees Valley City Region concept (Policy 7 and paragraphs 2.77-2.125) but requests that additional text is included to fully address the opportunities offered within the Newton Aycliffe-Darlington area of the City Region, linking employment opportunities with transport accessibility.

#### **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.

The outcome of this strategy for Sedgefield Borough is a housing allocation that will help maintain a stable population, and helps to promote local objectives to deliver sustainable communities and support physical renewal of the Borough's housing stock and communities. It is clear that the proposed additional dwellings contained in Policy 30 have taken into account social, economic and environmental policy drivers, as well as population trend projections. It is important for the development of sustainable communities that new housing development takes place in communities that are easily accessible to employment hubs to reduce the potential for transport growth in the Region.

The Submission Draft RSS recognises that in order to deliver sustainable communities, there needs to be a more balanced mix of housing type, size and tenure in the Region. The Submission Draft further recognises that the former Durham Coalfield area has a high proportion of high density, terraced housing stock. This housing type is more prevalent in areas of low demand and disadvantage. The Regional Housing Aspirations Study clearly demonstrated the property types that people do and do not aspire to. Terraced properties are low in peoples' aspirations of places to live. It is vitally important that the local authorities in the Region recognises these issues and tackles them positively. Failure to address this housing issue will lead to greater number of empty properties throughout the Region. The Submission Draft therefore prioritises development within identified housing market renewal initiatives, one of which is the former 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 supports the RSS's housing strategy for Sedgefield Borough as its implementation will help to positively support the housing market renewal initiatives and economic role the Borough 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 as this 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 Submission Draft RSS recognises NetPark as a regionally significant prestige employment location is strongly supported. 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 Submission Draft allocates 77 hectares of land to come forward through the Borough's Local Development Framework. Again, this is strongly supported as this will help diversify the Borough's economic base.

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 supported and this helps to further strengthen the employment offer available in the Tees Valley City region area.

Table 1 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 provides an indicative figure for de-allocation of employment land in County Durham (35 hectares) but importantly does not identify where this land is. Policy 18 does however recommend that Local Authorities undertake local employment land assessments, and that this should be used to assess the need to protect employment land from redevelopment, and examine the potential of existing employment allocations to be reallocated to other uses or be de-allocated. This policy approach is to be supported.

Sedgefield Borough Council supports the designation of NetPark as a regionally significant prestige employment location and the new allocation of gross development area of 77 hectares with 49 net hectares of developable land to be developed by 2021.

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 potential arbitrary restrictions placed on the growth of Durham-Tees Valley airport in terms of passenger numbers in the Consultation Draft RSS have been removed as they could have unduly hampered the employment and economic potential of the Tees Valley City Region. The Region requires dynamic airports able to respond to opportunities. Policy 21 is therefore supported. 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 Submission Draft RSS achieves this aim through the policies supporting development at the Region's airports and seaports. However, the RSS continues to be 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 supports 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.

In order to provide a balanced transport network, the Borough seeks the allocation of the proposed Tursdale Road-Rail Freight Interchange in the RSS rather than rely purely on air and port freight facilities in the Region.

#### Culture & Tourism

The tourism section within the consultation draft RSS was weak. The Submission Draft RSS provides greater detail on the growing importance of this sector to the regional economy and seeks to promote these cultural and tourist assets.

Paragraph 3.21 lists some regionally important tourist and cultural facilities. However, Locomotion: The National Railway Museum is not one of them. The museum is the first national museum in the North East of England, a joint venture between Sedgefield Borough Council and the National Railway Museum and houses more than 60 vehicles from the national collection. The opening of the museum is the first stage of the Locomotion 'journey' with many expansions planned for the future, including an apprenticeship scheme in partnership with South West Durham Training Centre to offer skills training, whilst renovating vehicles saved for the national collection, as well as digitised archives and further renovation of important railway buildings on the site.

Visitor numbers for the first year of operation were anticipated to be 60,000 and to date; in less than a year visitors' figures have reached over 200,000. An economic impact model was commissioned before Locomotion was operational which anticipated a £1 million effect upon the local economy in its first operational year. The model is to be rerun following completion of the first year in order to make a comparison between actual and projected figures.

Locomotion has already become an award winning attraction. It has won a National Museum and Heritage Award; an environment award for the new collection building was a finalist in the Gulbenkian Museum of the Year Awards and is a contender for European Museum of the Year to be announced in the autumn. Having now reached the 200,000 visitors' mark within its first year Locomotion is now in the elite list of museums in the country for volume.

The Culture and Tourism section of the RSS should be amended to reflect the importance of Locomotion to the regional economy and its importance as a nationally recognised tourist facility.

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