



Report to Middlesbrough Council

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PLANNING AND COMPULSORY PURCHASE ACT 2004

SECTION 20

REPORT ON THE EXAMINATION INTO THE
MIDDLESBROUGH CORE STRATEGY
DEVELOPMENT PLAN DOCUMENT

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1 Introduction and Overall Conclusion

- 1.1 Under the terms of Section 20(5) of the Planning & Compulsory Purchase Act 2004, the purpose of the independent examination of a development plan document (DPD) is to determine:
 - (a) whether it satisfies the requirements of s19 and s24(1) of the 2004 Act, the regulations under s17(7), and any regulations under s36 relating to the preparation of the document; and
 - (b) whether it is sound.
- 1.2 This report contains my assessment of the Core Strategy DPD in terms of the above matters, along with my recommendations and the reasons for them, as required by s20(7) of the 2004 Act.
- 1.3 My role is to consider the soundness of the submitted Core Strategy DPD against each of the tests of soundness set out in PPS12. In line with national policy, this DPD is presumed to be sound unless it is shown to be otherwise by evidence considered during the examination. The changes I have specified in this binding report are made only where there is a clear need to amend the document in the light of the tests of soundness in PPS12. None of these changes should materially alter the substance of the overall plan and its policies, or undermine the sustainability appraisal and participatory processes already undertaken.
- 1.4 The required changes include reference to a number of "Proposed Changes" put forward by the Council and identified as "PC1, PC2" etc. These either clarify the meaning of the DPD or respond to emerging national or regional guidance. The Council's Proposed Changes have been formally advertised and the responses have been taken into account. For ease of reference, those of the Council's Proposed Changes which I endorse and which should be incorporated into the DPD are listed in Annex 1 to this report.
- 1.5 My report firstly considers the procedural tests, and then deals with relevant matters and issues considered during the examination in terms of the tests of conformity, coherence, consistency and effectiveness. My overall conclusion is that the Core Strategy DPD is sound, provided it is changed in the ways specified. The report sets out all the detailed changes required, including those suggested by the Council, to ensure that the plan meets all the tests of soundness.

2 Procedural Tests (tests i – iii)

Test i: Accordance with the Local Development Scheme

- 2.1 The Core Strategy DPD is contained within the Council's Local Development Scheme (LDS) of March 2007 [Doc.LO4]. The content of the DPD is consistent with that set out in the LDS, which shows it as having an examination date of November 2007. Test i of para.4.24 of PPS12 is met.

Test ii: Compliance with the Statement of Community Involvement (SCI) or with the Regulations where no SCI exists

- 2.2 The Council's SCI has been found sound by the Secretary of State and was formally adopted by the Council in December 2005 [Doc.LO40]. It is evident from the documents submitted by the Council, including the Regulation 28 and 31 Statements [Docs.LO41 & LO42] and its Self Assessment Paper of May 2007, that the Council has met the requirements as set out in the Regulations. The Council's Proposed Changes were initially advertised for a 2 week period but have now been re-advertised for a 6 week period to accord with the advice of PPS12.
- 2.3 A number of representations have criticised the consultation processes carried out by the Council over a number of years in relation to the local Housing Market Renewal initiatives. However, the relevant test is that the community engagement carried out in respect of this DPD, and the response thereto, is in accordance with the SCI. I have seen no compelling evidence which would lead me to conclude that this test has not been met.

Test iii: Sustainability Appraisal

- 2.4 Alongside the preparation of the DPD it is evident from a series of submitted documents between June 2005 and May 2007 that the Council has carried out a parallel process of sustainability appraisal in a thorough manner.
- 2.5 Although the Teesmouth and Cleveland Coast SPA/Ramsar Site and the North York Moors SPA/SAC are not within the District boundary, they are close enough for the impact of the DPD proposals to be taken into account. In accordance with the Habitats Directive, I am satisfied that an Appropriate Assessment has been undertaken and that there would be no significant harm to the conservation of these important sites as a result of the policies and proposals within this DPD.
- 2.6 Accordingly, I am satisfied that the procedural tests i, ii and iii have all been satisfied.

3 Conformity Tests (tests iv - v)

Test iv: (a). A spatial plan which has regard to other relevant plans, policies and strategies

- 3.1 The DPD brings together and integrates policies for the development and use of land with other policies and programmes which influence the nature of the District and how it can function. It provides a clear vision for the future pattern of development, sets out objectives for achieving that vision and strategies for delivery and implementation. It is clear that a wide range of source documents and consultees have been used to help analyse the

needs and problems of the community. I am aware of no significant inconsistency between the DPD and other relevant plans and strategies produced by the Council, or with the programmes of utilities and agencies providing services in the area. I am satisfied from the Council's self-assessment of May 2007 and other evidence that the DPD is a spatial plan which has regard to other relevant plans, policies and strategies.

Test iv: (b). Consistency with national planning policies.

- 3.2 It is not appropriate for a DPD to simply repeat national planning policy and the Core Strategy appears, for the most part, to have successfully followed this principle. Where there is a degree of repetition of national policy, I am satisfied that this is kept to a minimum and only to the extent that it is necessary for the subsequent production of Supplementary Planning Documents; as pointed out in PPS12, these must relate to policies in a DPD. At the same time, I have found no evidence that the DPD is inconsistent with national planning policy in a material way, a view shared by the Government Office for the North East (GONE).

Test iv: (c). General conformity with RSS.

- 3.3 The Regional Spatial Strategy (RSS) is currently the Regional Planning Guidance for the North East (RPG1) of 2002. It is now somewhat dated and is at an advanced stage of being superseded. The Secretary of State's Proposed Changes to the Submission Draft RSS of June 2005 were published in May 2007. I am advised that, following consultation on further proposed changes, the RSS is likely to be published in Spring 2008.
- 3.4 The DPD has been prepared in parallel with the emerging RSS, in order to reflect the most up to date regional policy. That appears to me to be a sound approach and consequently is the approach I have followed in my report. Hence, when I refer to "RSS" in this report, this should be taken to mean the May 2007 document. The North East Assembly has confirmed that the DPD is in general conformity with RSS and has explicitly commented that the DPD's vision and spatial objectives are consistent with the objectives of regional planning policy.
- 3.5 Although the Council has made every effort to ensure that the DPD is as up to date as possible, it is not realistic to expect the DPD to be continually modified to react to each successive stage of the RSS process. Therefore, I am satisfied that this test has been met as far as is practicable. The Council has proposed changes (PC5 & PC15) which would allow the (as yet unknown) finally published RSS housing figures to be inserted into Policies CS1 and CS9. However, it is not appropriate to provide for such an open-ended change to a DPD, without prior appraisal or consultation. Therefore, an early review of the DPD may be necessary in the event that the figures in the finally published RSS vary so

significantly from those in the May 2007 version as to extend beyond the significant degree of flexibility which is already built into the DPD.

Test v: Regard to the authority's Community Strategy

- 3.6 The DPD shares the vision of the Community Strategy and sets out the relationship between the two documents. I have seen nothing that would lead me to doubt that this soundness test has been met.
- 3.7 Accordingly, I conclude that procedural tests iv and v have been satisfied.

4 Coherence, Consistency and Effectiveness Tests (tests vi - ix)

- 4.1 In this section I deal briefly with tests vi – ix before going on to examine whether the DPD has dealt soundly with a number of issues.

Test vi: Coherence and consistency within and between DPDs prepared by the Council and by neighbouring authorities, where cross boundary issues are relevant

- 4.2 The DPD is a coherent document, which is founded on substantial research into the nature of the area, its problems and aspirations. To address these, it follows a logical pattern of setting out the spatial vision and objectives relevant to Middlesbrough and the preferred strategy for responding to these. The spatial strategy is set out for the District as a whole before more detailed policies provide the basis for the development of the strategically important sites and for the various District-wide topics which it is appropriate for a Core Strategy to address. The Council is now aware of a number of editorial inconsistencies which can be readily addressed by way of Proposed Changes nos.3, 7 & 17.
- 4.3 As the Core Strategy is the prime document, it is for subsequent DPDs to ensure consistency with this DPD. To my mind, the Core Strategy forms a clear and sound basis to guide the preparation of the subsequent DPDs listed in the Local Development Scheme.
- 4.4 The Core Strategy has been prepared in the context of a number of background studies covering the Region, and more specifically the Tees Valley Sub-Region. These include the Northern Way, the Regional Economic Strategy and the Regional Housing Strategy, which identify the Tees Valley as a city region which will be the focus of growth. Middlesbrough, along with Stockton, is the heart of the city region and the Stockton/Middlesbrough Initiative has been developed jointly with Stockton Council to produce a stronger economic centre for the Tees Valley. Widespread consultation has taken place with other nearby authorities. I have found no evidence of significant inconsistency with either the larger and more strategic studies or with the DPDs of neighbouring authorities. The

issue regarding connectivity with the adjoining District of Redcar & Cleveland is dealt with in paras.4.64 – 4.67 of this report. Therefore, I am satisfied that this soundness test has been met.

Test vii: Appropriate strategies and policies

- 4.5 In addressing this test, I briefly consider the spatial strategy in general terms and go on in para.4.16 onward to consider a number of further issues arising.
- 4.6 The spatial strategy has evolved from the background of strategic documents referred to in para.4.4 above and the Community Strategy. Four quite distinct options were tested against the national and regional policy background and against sustainability considerations. These were 1. development led by the market; 2. development focused on renewal of existing communities; 3. development focused on one large, mixed use community with a mix of dwelling types; and 4. development focused on the provision of dispersed mixed use development. In addition, it was clear that the development of one or more strategic locations was needed to achieve the RSS housing requirement. These options included the regeneration of Middlehaven, the regeneration of Inner Middlesbrough and a sustainable urban extension to the south of the urban area.
- 4.7 The preferred option is largely based on option 2. To the north of the town, regeneration and new development is focused on the Town Centre and the areas adjoining the Tees:- Riverside Park Industrial Estate and Middlehaven. In Inner Middlesbrough, regeneration concentrates on creating sustainable communities in the housing market renewal areas of Gresham, Whinney Banks, North Ormesby and Grove Hill. To the south of the town, a new mixed use urban extension is proposed at Hemlington Grange, coupled with the regeneration of the adjacent Hemlington estate.
- 4.8 I am satisfied that the strategy is consistent with national and regional strategic guidance, which emphasises the need for the regeneration of the Tees Valley City Region. Together with the suite of policies contained within the DPD, the chosen strategy provides a locally distinctive and sound basis for the effective and sustainable regeneration of Middlesbrough, alongside Stockton at the hub of the Tees Valley. The variety of approaches to regeneration, including renovation, redevelopment and new development following the sequential approach appears to me a particular strength of the strategy. The evidence base demonstrates the sustainability of the chosen approach. I have seen no convincing evidence from representors that a significant variation from the preferred option would offer any overriding benefit.

- 4.9 The DPD provides clear guidance for subsequent DPDs and, subject to the changes which I set out later in this report, I conclude that the DPD meets this soundness test.

Test viii: Implementation and monitoring

- 4.10 The DPD sets out in Chapter 13 an implementation framework, which makes it clear how the strategy will be implemented, and by whom. It includes reference to future DPDs, which will be an essential part of implementing the strategy. There is evidence of widespread and detailed consultation with the relevant delivery agencies. The framework appears perfectly adequate for a high level strategic document such as this. I would expect that, in turn, the later DPDs would include more detailed indicators, as appropriate.
- 4.11 Chapter 14 of the DPD sets out a monitoring framework, which will enable the progress of the strategy to be measured during the 3 phases of the DPD, extending from 2004-2023. Essential indicators include the housing trajectory, the previously developed land housing trajectory and the employment land requirements. These will be monitored in the Annual Monitoring Reports, which form part of the Local Development Framework. Importantly, the reasoned justification for Policy CS9 includes detailed and effective measures for managing the five year supply of housing land, including the 'trigger mechanism' for future land release.
- 4.12 Subject to minor changes PC26 & PC27, which update and make clear the latest position, I am satisfied that this test has been met.
- 4.13 ***The following changes are required to make the DPD sound:***
i. Change Chapter 13 in accordance with PC26; and
ii. Change Chapter 14 in accordance with PC27.

Test ix: Flexibility

- 4.14 A broadly based strategic document such as this inevitably contains a degree of flexibility to allow the forthcoming Regeneration and Environment DPDs to select the most appropriate detailed site allocations. The monitoring framework provides the basis for responding to changing circumstances. At present, the indication is that the RSS housing requirement is likely to be raised by 20 dwellings per annum over the last 5 years of the RSS period to 2021; the DPD should be able to adapt to such a modest variation. Should the published version of the RSS differ substantially from present expectations, an early review of the DPD may be necessary.
- 4.15 I shall deal in more detail with the flexibility of the DPD to respond to changing circumstances with regard to housing provision in para.4.26 onward. However, I am content that this test of soundness has been met.

Issue 1 – Whether the spatial vision and objectives are appropriate and sustainable

- 4.16 The spatial vision is a logical response to the careful analysis which has taken place of the problems of the District and, just as importantly, its assets and opportunities. The vision has taken proper account of the regional and sub-regional strategic planning background and of the Community Strategy.
- 4.17 In turn, the spatial objectives indicate how the vision will be delivered and guide the formulation of the Core Strategy. I am content that the 14 objectives cover an appropriate range of matters and have at their heart the principles of sustainable development
- 4.18 I accept that the Council's PC.4 clarifies the need for connectivity with the sub-regional centre and key facilities.
- 4.19 ***The following change is required to make the DPD sound:
i. Change Spatial Objective 8 in accordance with PC4.***

Issue 2 – Whether the DPD will lead to a competitive business infrastructure

- 4.20 The DPD competently analyses both the existing problems and the future opportunities available in the District. Then, having regard to the Community Strategy and national and regional guidance, it puts in place a robust policy framework to ensure that Middlesbrough can provide a competitive business infrastructure, appropriate for the sub-regional centre of the Tees Valley City Region. The functional linkage of the town's economy with those of neighbouring Districts is properly recognised.
- 4.21 The DPD provides for the quantitative employment requirement set out in the RSS of 85 ha of general employment land and 100 ha of brownfield mixed use land, the latter to be provided in Greater Middlehaven. The general employment land will be provided mainly in Riverside Park, Greater Hemlington, the Town Centre and East Middlesbrough, supplemented by other smaller sites. I am satisfied that the strategy provides for a good range of size and type of site, with the focus on sustainable locations.
- 4.22 Additionally, Policy CS8 would resist the loss of existing employment sites, many of which are well located to serve the needs of the local communities and to assist in the regeneration of deprived areas. I strongly support this policy, recognising that such sites are important in both quantitative and qualitative terms to meet the needs of the District. The policy is appropriately flexible in that it contains a suitable range of criteria for assessing exceptions to the underlying principle of the policy.

- 4.23 The Hemlington Grange site is around 58 ha in size and is predominantly (around 85%) greenfield; it has been allocated as a large employment site for very many years. However, the high cost of providing infrastructure has prevented, and looks likely to continue to prevent, its development. The present scheme is to allocate 15 ha of the original site as employment land as part of a large, mixed use urban extension in which the housing component would, for the most part, finance the early provision of the employment infrastructure. In practical terms, I regard this as a gain to the District's employment portfolio of 15ha, rather than the loss of a larger employment site. The urban extension is compatible with the sequential approach to development.
- 4.24 I find the employment strategy to be well founded, clear and consistent. The DPD contains broad allocations, phasing and implementation details to guide the Regeneration DPD and appears sufficiently flexible to cater for changes in circumstances. I accept that the Council's Proposed Changes 13, which I have edited, and 14 are needed to clarify Policy CS8 and to make the DPD sound.
- 4.25 ***The following change is required to make the DPD sound:***
i. Change Policy CS8 in accordance with PC13 (as edited) and PC14.

Issue 3 – Whether the DPD will encourage a balanced and flexible housing market

- 4.26 The evidence base underpinning the analysis of the housing needs of the District is found in a number of regional, sub-regional and local studies, listed in the Council's Topic Paper 4 [Doc.LO51]. Middlesbrough's population has been in long term decline since 1971, albeit more slowly in recent years and with a slight increase in 2004/05. Middlesbrough suffers a net loss of households to the neighbouring Districts. The housing stock has a high proportion of pre-1919 terraced houses in the inner areas, many of which are at risk of low demand. It appears that these are being by-passed by first time buyers, resulting in the loss of the young and economically active from these areas. There is evidence of a mismatch between the existing housing stock and the aspirations of the community, with a shortage of good quality 3-4 bed detached and semi-detached houses.

Housing Regeneration

- 4.27 It seems clear that, if sustainable communities are to be achieved, the current failing neighbourhoods need to be transformed into areas in which the next generation of residents aspire to live; these neighbourhoods include the areas of older terraced housing and the monolithic former council estates. Tees Valley Living is supporting the housing market renewal strategies of the Tees Valley Districts, with substantial public funding. The strategy is to address obsolete

housing through improvement and, where necessary, clearance. In addition, the complementary aim is to provide more aspirational housing in high quality environments.

- 4.28 RSS sets out a number of broad policy matters with which the DPD should be consistent. It sets out the sequential approach to development, with priority to previously developed land in urban areas. It gives priority to the regeneration of the urban core and supports the housing market renewal programmes; an integrated package of measures should be used to address low demand and abandonment, including increasing the rate of demolition and considering replacement at lower densities to improve the living environment and housing mix. Policy 30 sets out the annual net housing requirement for Middlesbrough of 440 for 2004-11, 465 for 2011-16 and 280 for 2016-21. In the Tees Valley, the target for housing development on previously developed land is 70%.
- 4.29 The housing strategy sets out to ensure that Middlesbrough's housing output is increased to meet the RSS requirement. It is not a matter for me to re-examine and question the derivation of the RSS requirement, including its approach of not requiring the 100% replacement of demolished properties. As the RSS requirement is a net figure, an estimate of demolitions is needed to calculate the gross housing provision. The Council has made a best estimate of future demolitions, based on its 2005 formal adoption of a strategic approach to all 11,500 terraced properties. The choice of an 80% replacement rate is consistent with RSS and appears to have been derived from the occupancy rate at the time the clearance programme was identified. This compares with an occupancy rate of around 97% in a healthy housing market.
- 4.30 During the hearings, the Council introduced a further basis for the 80% replacement rate. This was based on an indication of the actual design capacity of the cleared sites, bearing in mind the aim to achieve a better mix of housing. This indicated that the cleared properties in Gresham would be replaced at 50% but that in Grove Hill replacement at some 120% would be likely. The overall figure of 80% would not be significantly affected. Whilst this was lacking from the original evidence base, in practice I see little evidence that the adoption of an 80% approach is unsound or inconsistent with the evidence base or the RSS approach.
- 4.31 The principle of including demolition as part of the essential process of achieving regeneration has been questioned. However, the intention to replace failing market housing with high quality housing has been part of national and regional policy for a number of years, backed by substantial public funding. Since 2005, it has formed part of adopted Council policy and the process of acquisition and demolition in preparation for re-development is well advanced. Evidence demonstrates that, in identifying properties to be demolished, proper regard has been had to the existing built fabric and to any historical or townscape importance. In the older

housing area, some 13% of the existing dwellings would be demolished, a figure rising to 20% in Grove Hill. Although the overall 80% replacement rate will require some replacement dwellings to be on greenfield land, the new dwellings will be far more energy efficient than those they replace and reclamation of building materials forms an integral part of the programme.

4.32 The evidence of past housing improvement schemes in Middlesbrough is that, in general, there has been little long-term beneficial change; it is apparent that a different approach is now needed. Demolition and redevelopment is only part of the strategy, with a primary aim of achieving a balanced community, which appears to have been the subject of widespread consultation. Alongside this, a whole raft of measures, including refurbishment and environmental improvement and neighbourhood management schemes, have been put in place. This holistic approach appears far more likely to succeed and, accordingly, I am satisfied that the DPD follows a well-researched, soundly based and rational strategy to achieve a balanced community in the Inner Middlesbrough areas. It forms a sound basis for the emerging Neighbourhood Action Plan, which will, in due course, become a Supplementary Planning Document.

Housing Provision: Quantitative

4.33 The DPD makes adequate provision in numeric terms to meet the RSS requirement by way of existing commitments, strategic housing allocations and non-strategic housing allocations; the last of these will be determined in the Regeneration DPD. As advised by PPS3, the provision does not include windfalls. There is projected to be a surplus of provision of over 300 dwellings in the first phase of the DPD from 2004-11, which ensures that a modest degree of slippage from the 3 strategic sites should be able to be accommodated. The wide range of provision of strategic and non-strategic sites should add to the confidence that the strategy is not over-reliant upon any one site.

4.34 The Council has discounted a number of committed sites whose deliverability is debateable, as per the advice of PPS3. It has also allowed for suitable phasing of longer-term sites. I am satisfied that they have been fairly assessed, without undue optimism. However, I need also to be satisfied that the deliverability of the 3 strategic housing allocations is realistic.

4.35 **Inner Middlesbrough:** The process of acquisition in preparation for the partial redevelopment of both Gresham (c.750 new dwellings) and Grove Hill (c.500 new dwellings) is well advanced and on schedule. The measures for providing the new dwellings appear to be on course and to have suitable financial commitment in place. Paradoxically, any delay in acquiring properties in Gresham will reduce the gross housing requirement because of the

less than 100% replacement rate. The Council's projections for the output from the inner areas appear reasonable.

- 4.36 **Greater Middlehaven:** This has already been the subject of a reclamation scheme and Phase 1 of the mixed use redevelopment around the restored dock basin is already under way in the form of offices and the new £68m Middlesbrough College. Outline planning permission has been granted for 766 dwellings, 150 of which have full planning permission and are programmed to commence in early 2008; these should therefore be delivered in the programmed timescale. Preliminary work is ongoing on Phases II and III and outline planning permission has also been granted for Phase II.
- 4.37 This development is undoubtedly creating a new housing market for Middlesbrough and no-one can say with certainty that the intended high quality urban living will be successful here. The fact that the Council has extended the time limit on certain of the planning permissions to give the developers greater flexibility appears to relate to leisure facilities, rather than housing provision. The extent of the present downturn in the housing market and its impact on this substantially flatted development site remains unknown; that is a factor that could equally apply to other sites, albeit that most would have less reliance on flatted development. However, on the other hand, there is evidence of demand for the proposals. Furthermore, the environment of the area, and its linkage with the town centre, are shortly to be substantially improved by way of a whole range of initiatives to upgrade the character, appearance and wellbeing of the area. This has the backing of substantial funding and is committed to start in early 2008.
- 4.38 There is a very high level of commitment to Greater Middlehaven both in regional and local policy terms, and in practical and financial terms, from a range of public bodies and private developers. In these circumstances, the envisaged output from 2008/09 onward, indicated in Appendix 1 of the Council's Topic Paper 4, does not appear unrealistic, certainly in the early years. I deal with any slippage in para.4.50 below.
- 4.39 **Hemlington Grange:** This has been chosen as the location for a strategic mixed use urban extension; such a strategic release is needed to help meet the RSS requirement for both housing and employment land. It is also intended to ensure there is a range of house types and locations to meet the aspirations of the community and to help stem the trend of outward migration to surrounding villages. It is intended to be complementary to the other strategic regeneration initiatives.
- 4.40 Hemlington Grange was one of three broad locations considered for an urban extension. The chosen option was based on sustainability criteria and the ability of the site to meet the strategic objectives. The strategy containing this preferred option has been the subject of sustainability appraisal and Strategic Environmental Assessment.

In addition, a Strategic Urban Extension Study [Doc.LO27] has been carried out to compare the chosen site with other locations for an urban extension promoted in representations. There has been criticism of the methodology used in the sustainability matrix used in comparing the merits of the alternative locations. However, the exercise has been re-run in an alternative form, with broadly similar results. In any event, the matrix was only part of the evidence base which underlay the choice of the preferred option.

- 4.41 There is little doubt in my mind that Hemlington Grange is a sound and appropriate location for an urban extension. It is of the required size to achieve its aims and is located close to a range of key facilities which can reduce the need to travel and can encourage the use of alternative modes of transport; as such it is well integrated with the existing urban framework. In sequential terms it also benefits from containing a proportion (c.15%) of previously developed land. The site would not appear unduly intrusive in the wider landscape and is capable of providing a range of dwelling types to which the local population would aspire. Importantly, the site would have wider benefits in stimulating the planned regeneration of the neighbouring Hemlington Estate and of providing the infrastructure for some 15 ha of employment land to be developed.
- 4.42 None of the alternative sites suggested in the representations offer the same combination of attributes and I have found none to be preferable to Hemlington Grange. My conclusion in this respect is based on a range of factors, including sustainability appraisal, their contribution to the aims of the strategy and my own site inspections.
- 4.43 The Council has already started feasibility work for Hemlington Grange in parallel with the Regeneration DPD, including preparation of a design framework and a planning application and identifying potential partnership and delivery arrangements. The first 75 dwellings are anticipated in 2009/10, which appears achievable, if possibly a little optimistic. The subsequent projected annual output of 75 dwellings appears realistic for a site of this size. On balance, I regard the Greater Hemlington site as deliverable, albeit with the possibility of a slight delay to its commencement.
- 4.44 The Regeneration DPD will allocate further non-strategic sites and the Core Strategy provides a sound basis for this. I am satisfied that the DPD is not over-reliant on strategic sites, such that the deliverability of the strategy might be at risk.
- 4.45 Overall, I am content that the DPD provides for a rolling 5 year supply of housing and meets the RSS requirement, without the need for the release of a further (or alternative) strategic greenfield site. The plan, monitor and manage approach appears completely appropriate here, where there are particular issues of regeneration to address. It does not appear to be in the public interest to

provide for further peripheral greenfield development which could potentially jeopardise the vast amounts of public investment that have gone into the regeneration sites. And nor would it be consistent with the aim of providing 70% of housing on previously developed land.

Housing Provision: Qualitative

- 4.46 In qualitative terms, the strategy provides for a suitably wide range of dwelling types and locations. This is consistent with the prime objective of creating a balanced and sustainable community. The 3 strategic sites are of quite differing character and, although each sets out to achieve a suitably mixed community, they should appeal to different sectors of the market. The neighbourhood strategies for the 6 broad areas of the District are designed to achieve a wide range of dwelling types.
- 4.47 Greater Hemlington, along with the non-strategic sites is anticipated to provide the greater proportion of the required 3 and 4 bedroom dwellings in the middle and upper end of the market. Doubts have been cast as to whether the DPD adequately provides for the 'executive' market. However, I feel sure that the needs of this sector can be met by way of appropriate commitments and/or non-strategic releases via the Regeneration DPD. The requirement for 'executive' housing must inevitably be only a modest proportion of the total requirement and I see no justification for a strategic release to meet any such qualitative deficiency.
- 4.48 PPS3 requires the local planning authority to set out its approach to affordable housing in Local Development Documents, taking into account information from the Strategic Housing Market Assessment. Here, the Core Strategy sets out the underlying approach in Policy CS11, with the intention that the Regeneration DPD will determine the detailed approach, including the targets. This appears to be a sensible approach, given that the Strategic Housing Market Assessment has yet to be finalised.
- 4.49 In the meantime, the requirement for affordable housing in Greater Middlehaven and Greater Hemlington is set at 10% in Policies CS2 and CS3, to reflect the Council's existing Supplementary Planning Guidance.

Flexibility

- 4.50 One test of the effectiveness of the housing strategy is how it could respond if there was a delay in bringing forward one or more of the strategic sites. The DPD includes a modest surplus of housing over and above the RSS requirement. Although windfalls are not included, as per the advice of PPS3, evidence indicates that they have come forward at a significant rate in recent years; output was 73 in 2004/05, 200 in 2005/06 and 348 in 2006/07. There is little reason to doubt that they will continue to come forward at a

significant rate, to add additional flexibility to the supply. I have already referred to the competent monitoring and management measures attached to Policy CS9 and am content that this process should be able to properly manage the housing provision. Even if the RSS requirement should increase in the last phase of the Plan period, as referred to in para.4.14 above, the DPD appears sufficiently flexible to cope with any presently envisaged increase.

Other Matters

- 4.51 The DPD appears to be on course to help achieve the target of 70% of housing on previously developed land in the Tees Valley Sub-Region, as set out in RSS. Proposed Change 16 would add this requirement to Policy CS9 and is supported.
- 4.52 Policy CS12 is a criteria-based policy which provides a strategic basis for Gypsy and travelling show people sites to be identified in the Regeneration DPD. However, there is inadequate regard to the sequential approach to site selection and this would be rectified by way of PC19.
- 4.53 I find the housing strategy to be founded upon a competent and credible evidence base and to demonstrate the most appropriate response to the needs and aspirations of Middlesbrough. The Core Strategy provides a sound basis for the preparation of the Regeneration DPD. It is sufficiently flexible to deal with changing circumstances and has clear mechanisms for monitoring and management.
- 4.54 ***The following changes are required to make the DPD sound:***
i. Change Policy CS9 in accordance with PC16; and
ii. Change Policy CS12 in accordance with PC19.

Issue 4 – Whether the policies will provide for the retail and leisure needs of the community

- 4.55 The RSS recognises Middlesbrough's role as the largest retail centre in the Tees Valley and a major cultural and service employment centre serving the city region. The Core Strategy responds to national and regional guidance and to other evidence, such as the Middlesbrough Retail Study (2006), by proposing extensions to the town centre boundary to include Cannon Park, part of Middlehaven and part of the University area. The extended town centre is indicated on the Key Diagram and will be defined in greater detail in the Regeneration DPD; it will accommodate the majority of new retail, office, leisure and cultural floorspace.
- 4.56 The retail hierarchy is set out in both Table 8.1 and in Policy CS13. However, the attempt to relate this to the definitions in PPS6 is confusing and the clarity of the DPD would be significantly improved by the omission of table 8.1 and the accompanying text in para.8.9.

The DPD would also be clarified and made consistent with RSS by including a reference to the Sub-Regional role of the town centre in Policy CS13. The first sentence of this policy also appears to mistakenly omit reference to "local" centres.

- 4.57 The reasoned justification to Policy CS13 reflects the evidence of need for a large convenience food store and for some 42,000 sq.m. of comparison goods floorspace to be provided by 2016. Reference to this floorspace is also made in the Monitoring Framework but is not included in the policy itself; the details are intended to be determined in the Regeneration DPD. Whilst I recognise that this approach increases the flexibility of the DPD, it is clear that the policy has been driven by the text and the omission of the figures from the policy itself reduces the clarity of the DPD and the value of the monitoring. I appreciate that the market is a key driver of expansion and can change rapidly. However, the figures are unlikely to become outdated too rapidly and any revision of them ought to be dependent upon monitoring and an updated evidence base. Accordingly, I consider the clarity of the DPD requires the inclusion of reference to the additional floorspace in Policy CS13. I am well aware that, in examining the neighbouring Redcar & Cleveland Core Strategy, I gave greater weight to flexibility in determining a similar issue. However, in that case, the size of the proposed new District Centre appeared to be more flexible, as it had the potential to be influenced by the future of the nearby South Bank retail store.
- 4.58 The Core Strategy makes appropriate provision for leisure development in the town and district centres; beyond that, the sequential approach will be applied to development. The DPD indicates that a number of town centre uses, including leisure, may be accommodated within Greater Middlehaven and the Green Blue Heart. Development in these locations is capable of conflicting with the sequential test of PPS6 and of affecting the viability and vitality of Middlesbrough town centre and of other nearby centres. However, the DPD is clear that the Green Blue Heart is to be limited to leisure development complementary to the greenspace and waterspace based uses proposed, as per the guidance of the RSS. Aside from the expanded town centre, any such uses in Greater Middlehaven will need to be subject to the sequential approach. I am satisfied that the Regeneration DPD is the appropriate place for the resolution of the detailed uses in the Green Blue Heart and in Greater Middlehaven.
- 4.59 The Casino Advisory Panel concluded that Middlesbrough is a suitable location for a large casino; this should assist regeneration, including the development of other linked uses. Policy CS15 makes provision for this to be accommodated either in the town centre or in Greater Middlehaven. Either option would require good linkages between the 2 areas to ensure that complementary uses were easily and conveniently linked. In my view, the DPD sets out the appropriate criteria for the broad location of a casino, recognising

that there *may* not be sites of a suitable size in the town centre. This is consistent with the sequential approach and is a matter on which the Regeneration DPD will be able to provide further detail.

4.60 With the changes that I set out below, I consider the DPD adopts a sound approach to the retail and leisure needs of the community.

4.61 ***The following changes are required to make the DPD sound:***
i. Omit Table 8.1;
ii. In para.8.9, replace "five" by "four" in the first sentence and delete the second sentence;
iii. In Policy CS13, insert ", local" after "district" in the first sentence;
iv. In Policy CS13, insert "Sub-Regional" before "role" in the text beneath "Middlesbrough town centre" and replace the final sentence of this paragraph with "By 2016, the town centre will accommodate a large convenience store and will be the focus for the additional 42,000 sq.m of comparison floorspace proposed to be accommodated in the District."

Issue 5 – Whether the policies will provide for the educational and other social needs of the community

4.62 I am satisfied that the DPD makes proper provision for the needs of the community in a manner consistent with the Community Strategy, save for reference to mental health. The Council's Proposed Change (PC21) would suitably address this deficiency and is supported.

4.63 ***The following change is required to make the DPD sound:***
i. Change the DPD in accordance with PC21.

Issue 6 – Whether the DPD will provide for the internal and external connectivity of Middlesbrough

4.64 The DPD makes proper provision for a more sustainable transport network within Middlesbrough and for the connectivity of the town with other areas, notably Stockton, as part of the Stockton/Middlesbrough Initiative.

4.65 However, there is a lack of clarity within the DPD regarding the status of the East Middlesbrough Transport Corridor; it is not made clear whether it is a protected line or a concept. The RSS Proposed Changes version of May 2007 refers to "protecting the line of the East Middlesbrough Transport Corridor, primarily for development as a public transport link"; this is the subject of representations by the neighbouring Redcar & Cleveland Council, whose Core Strategy does not protect a line, but promotes public transport improvements. The final RSS wording remains a matter for the Secretary of State. However, PPS12 advises that, to avoid blight,

policies regarding infrastructure should be realistic and likely to be implemented during the plan period. As para.10.12 of the DPD acknowledges that there are no firm proposals for the corridor, the Council agrees that reference to a protected line should be deleted from this paragraph in accordance with PC30. Policy CS17 does not require amendment.

4.66 I accept that the Council's Proposed Changes to Policy CS18 would make the policy clear in relation to the source of parking standards and as up-to-date as possible in relation to transport assessment. Subject to the required changes, I conclude that the issue of connectivity has been soundly dealt with in the DPD.

4.67 ***The following changes are required to make the DPD sound:***
i. Change para.10.12 in accordance with PC30; and
ii. Change Policy CS18 and para.5.16 in accordance with PC22 and PC28.

Issue 7– Whether the DPD will promote and maintain a quality environment

4.68 Regard for the natural and built environment is an essential element of the sustainability of the DPD. The importance of taking account of the impact on the natural environment is underpinned by Spatial Objectives 10, 11, 12 and 14 and reinforced in Policies CS4, CS5, CS18, CS20, CS21 and DC1. The achievement of sustainable development is a requirement of the Core Strategy and an important contribution to this is the active promotion of renewable energy generation and energy efficiency. The Council's Proposed Change PC11, which I have edited to achieve greater consistency with PPS9, would be consistent with RSS Policy 39 in achieving a minimum of 10% of their energy supply from renewable sources. It is open to subsequent revisions of the Core Strategy to seek a higher figure should this be able to be justified by a suitable evidence base.

4.69 The Council's PC12, which I have also edited, would add a fitting reference to the Code for Sustainable Homes and is suitably worded to cover the transitional period until, as envisaged, the Code becomes mandatory. These 2 changes would be consistent with the aims of national policy and would render the DPD sound.

4.70 A number of the Council's Proposed Changes (PC2, 10, 20, 23 & 24) clarify aspects of the DPD relating to the natural environment and biodiversity and are supported.

4.71 I am content that the DPD takes proper account of the historic environment by reference to Spatial Objective 4, Policy CS4 (k), Policy DC1(b) and the Monitoring Framework.

4.72 ***The following changes are required to make the DPD sound:***

- i. Change Policies CS4 and CS5 in accordance with PC11 and PC12 (as edited); and*
- ii. Change the DPD in accordance with PC2, PC10, PC20, PC23 & PC24.*

Issue 8 – Whether the Development Control policies are appropriate for a Core Strategy

- 4.73 Support for the inclusion of generic development control policies in a Core Strategy is found in para.2.28 of PPS12. However, the original inclusion of a suite of 32 development control policies in the first version of the Preferred Options was not consistent with this guidance; it has now been reduced to 2. The intention is to include the omitted policies in a Supplementary Planning Document (SPD), founded upon Policies CS4 and CS5.
- 4.74 Policy DC1 is a general development policy which appears to cover an appropriate range of criteria for a core strategy. The Council's Proposed Changes (PC1 & PC25) would make the DPD sound by introducing reference to the need for flood risk assessment in appropriate areas.
- 4.75 Policy DC2 on telecommunications does not sit comfortably in a core strategy. The guidance found in the Appendix to PPG8: *Telecommunications* is extremely detailed and appears to me to cover all the matters set out in this policy. As Policy DC2 does not add any local dimension to national guidance, it is inappropriate in a core strategy and fails test vii.
- 4.76 ***The following changes are required to make the DPD sound:***
i. Change the DPD in accordance with PC1 and PC25;
ii. Delete policy DC2, its reasoned justification and the applicable section of the Monitoring Framework.

5 Minor Changes

- 5.1 The Council's Proposed Changes include several minor changes to the submitted DPD in order to clarify, correct and update various parts of the text. These changes do not address key aspects of soundness and I make no individual reference to them in this report. However, I endorse them on a general basis in the interests of clarity and accuracy. For completeness, these changes, along with the more significant changes proposed by the Council which I explicitly endorse in this report, are shown in Annex 1.

6 Overall Conclusions

- 6.1 I conclude that, with the amendments I recommend, the Middlesbrough Core Strategy DPD satisfies the requirements of s20(5) of the 2004 Act and the associated Regulations, is sound in

terms of s20(5)(b) of the 2004 Act, and meets the tests of soundness in PPS12.

B.S.Rogers
INSPECTOR

ANNEX 1

Schedule of those Proposed Changes (PC) put forward by the Council which I endorse. NB: PC11, PC12 & PC13 have been edited.

PC1.	<p>Chapter 1: Background - Add a new section at the end of the chapter as follows:</p> <p>Strategic Flood Risk Assessment</p> <p><u>In accordance with Planning Policy Statement 25: Development and Flood Risk, the Tees Valley Strategic Flood Risk Assessment (2007) has been prepared. This will enable a sequential test to be undertaken to ensure that land use allocations in the Regeneration DPD are located in areas of least probability of flood risk. The SFRA will also inform the application of the exceptions test in those circumstances where the wider sustainability benefits of a development are considered to outweigh the flood risk. The above tests will be assessed through the sustainability appraisal for the Regeneration DPD.</u></p>
PC2.	<p>Add a new paragraph before 1.26 to read as follows:</p> <p><u>To the east, the Teesmouth and Cleveland Coast Special Protection Area (SPA) is a significant environmental resource. The SPA is a wetland of international importance due to its breeding, wintering and migrant bird populations. The SPA comprises intertidal sand and mudflats, rocky shores, sand dunes, saltmarsh and freshwater marsh, which provide nesting, feeding and roosting habitats. Areas outside the designated site are used by SPA species for feeding and roosting birds.</u></p>
PC3.	<p>At paragraph 3.10 replace PPG3 with <u>PPS3</u></p>
PC4.	<p>Spatial Objective 8 - Insert a new bullet point to read as follows:</p> <ul style="list-style-type: none"> • <u>Improving accessibility from rural areas to the sub-regional centre and key facilities such as the James Cook University Hospital</u>
PC6	<p>Amend paragraph 5.16 to read as follows:</p> <p><u>Phasing of the provision of these facilities and those required for the provision of utilities/services infrastructure such as water, sewerage, and electricity will be informed by the requirements of the service providers.</u></p>
PC7.	<p>CS3 - Amend the table to read as follows:</p>

	<table border="1"> <tr> <td></td> <td>2004-11</td> <td>2011-16</td> <td>2016-23</td> </tr> <tr> <td>Residential (dwellings)</td> <td>290 <u>190</u></td> <td>375</td> <td>145 <u>215</u></td> </tr> <tr> <td>Employment (sq.m floorspace) (Ha)</td> <td>5,000 <u>1.5</u></td> <td>25,000 <u>7.5</u></td> <td>20,000 <u>6</u></td> </tr> </table>		2004-11	2011-16	2016-23	Residential (dwellings)	290 <u>190</u>	375	145 <u>215</u>	Employment (sq.m floorspace) (Ha)	5,000 <u>1.5</u>	25,000 <u>7.5</u>	20,000 <u>6</u>
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PC9.	<p>CS4 - Amend criterion (g) as follows:</p> <p>Reliance on the private car must be reduced or minimised; <u>and the use of sustainable forms of transport encouraged;</u></p>												
PC10.	<p>CS4 - Amend criterion (j) as follows:</p> <p>ensuring that biodiversity assets, <u>geodiversity assets</u>, wildlife species, natural habitats and, <u>water resources, landscape character, green infrastructure, air quality, and water quality;</u> within and outside Middlesbrough are protected. Where possible such assets should be enhanced;</p>												
PC11.	<p>CS4 - Amend criterion (p) as follows [NB: edited from the original]:</p> <p>Incorporating <u>within developments of 10 dwellings, or a floorspace of 1,000 sq.m, or more</u> onsite renewable energy facilities or energy saving technologies (for example combined heat and power systems, photovoltaic cells, and wind turbines) <u>that provide as a minimum 10% of energy requirements. Provided that there is</u> There should be no demonstrable harm to biodiversity interests or on visual or residential amenities or by way of pollution generation, or it can be demonstrated that. <u>Where such harm is likely it will be necessary to demonstrate that this is outweighed by the</u> benefits contributing to diverse and sustainable energy supplies and reducing carbon emissions; provision should be made to mitigate or compensate for any such harm.</p>												
PC12.	<p>CS5 - Amend criterion (j) as follows [NB: edited from the original]:</p> <p>EcoHomes rating of <u>very good or excellent</u>, and all new non-residential developments should be completed to a Building Research Establishment Assessment Method (BREEAM) rating of <u>very good or excellent. Development should also meet the Energy Efficiency Best Practice Standard, and conform to the Code for Sustainable Homes.</u></p>												
PC13.	<p>CS8 - Amend criterion (b) as follows [NB: edited from the original]:</p> <p>to unacceptable environmental or traffic problems <u>accessibility problems particularly for sustainable modes of transport, or</u></p>												
PC14.	<p>CS8 - Add the following text at the end of the policy:</p>												

	<u>In all cases the proposed alternative use should not undermine the economic strategy (CS7)</u>
PC16	CS9 - Add a new criterion (f) as follows: <u>seeking to accommodate a minimum of 70% of new housing development on appropriate, previously developed 'brownfield' housing sites.</u>
PC17.	Delete the following figures from the table in policy CS9: 928 2,250 1,630
PC19.	CS12 - Amend the opening paragraph of the policy as follows: Where a demonstrable need cannot be met by existing provision sites will be identified <u>having regard to a sequential approach for site selection and</u> provided that they
PC20.	Add the following text to the end of paragraph 8.11: <u>Recreational development associated with the River Tees, particularly watersports, has the potential to cause disturbance and displacement to birds associated with the Teesmouth and Cleveland Coast SPA. Such development should be of an appropriate nature and scale to ensure that there are no adverse effects on the SPA.</u>
PC21.	Add the following text to the end of paragraph 9.6: <u>Proposals to replace St Luke's Hospital with a modern purpose designed mental health and learning disabilities facility are well advanced. This along with the Health Trust's facilities at West Lane will help to deliver a modern mental health service to the people of Middlesbrough and wider area.</u>
PC22.	CS18 - Add the following to the end of criterion (i): <u>as included in the Tees Valley Highway Design Guide</u>
PC23.	Add a new paragraph after 11.2 to read as follows: <u>An important environmental resource outside, but close to, the boundaries of Middlesbrough is the Teesmouth and Cleveland Coast SPA. The River Tees has an important role to play in the maintenance of SPA habitats, and there is a consequent need to ensure that riverside development respects the integrity of the designated site.</u>
PC24.	CS21 - Add the following text to the end of criterion (d): <u>, including the interest features of the Teesmouth and Cleveland</u>

	<u>Coast SPA.</u>
PC25.	<p>Add a new paragraph after 12.3 as follows:</p> <p><u>Planning applications will be required to include a Flood Risk Assessment (FRA) for all development:</u></p> <p>a) <u>within the Environment Agency's Flood Zones 2 and 3;</u> b) <u>within catchments where there are known local drainage issues downstream; and/or,</u> c) <u>greater than 1 hectare in size within the Environment Agency's Flood Zone 1.</u></p> <p><u>The FRA should be submitted at the same time as the planning application. The detail included in the FRA should follow the FRA pro-forma in Appendix C of Development and Flood Risk: A Practice Guide Companion to Planning Policy Statement 25. Guidance is also available on www.pipernetworking.com, in CIRIA Report C624 <i>Development and Flood Risk – Guidance for the Construction Industry</i> (2004) and in the Tees Valley Strategic Flood Risk Assessment (2007) on www.middlesbrough.gov.uk.</u></p>
PC26.	Chapter 13 - Add the Highways Agency as a lead agency to policies CS1, CS2, CS3, and CS21
PC27.	Chapter 14 - Amend the monitoring framework as shown overleaf:
PC28.	<p>Amend paragraph 5.16 by adding to the end, the following text:</p> <p>When considering development proposals, and the potential for impact upon the highway network, it will be necessary to comply with the provisions of policy CS18 (Demand Management), of this Core Strategy.</p>
PC29.	<p>Amend policy CS18, criterion (f) to read as follows:</p> <p>f. requiring travel plans and transport assessment for all major development proposals that will generate significant additional journeys in accordance with the provisions of DFT Circular 02/2007, and the requirement in the Guidance on Transport Assessment. These will need to demonstrate that the strategic road network will be no worse off as a result of the development.</p>
PC30.	<p>Amend paragraph 10.12 to read as follows:</p> <p>A line has been protected in earlier development plans for the implementation of an East Middlesbrough transport corridor. The proposed uses of this corridor have ranged from a dual carriageway general purpose road to a guided bus only road. Whilst there are no firm proposals for its use at present the potential for this corridor to be used for transport in the future should not be prejudiced. It has great <u>The corridor has the potential to contribute to improved</u></p>

	connectivity and accessibility, particularly in conjunction with a park and ride scheme to the south of the Marton Road area. It will be necessary to undertake further feasibility work to assess the potential for the corridor.
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**Proposed Number Change 27 –
Amend the monitoring framework as shown below.**

INDICATOR	TYPE OF INDICATOR	CORE STRATEGY POLICIES	SPATIAL OBJECTIVES	TARGET	EXISTING BASELINE (WHERE APPROPRIATE)	SOURCE
<p>Greater Middlehaven:</p> <ul style="list-style-type: none"> Number of dwellings permitted Number of dwellings under construction Number of dwellings completed <u>Number of affordable units as a percentage of total new build</u> 	Local	CS2 CS9	3, 5, 6	2004-11 500 completions 2011-16 1015 completions 2016-21 1265 completions <u>10% of new build will be affordable</u>	1,336 dwellings permitted (outline consent). <u>733 units in phase 1 have planning permission, without affordable housing requirement</u>	Planning applications/ completion certificates
<p>Greater Hemlington:</p> <ul style="list-style-type: none"> Number of dwellings permitted Number of dwellings under construction Number of dwellings completed <u>Number of affordable units as a percentage of total new build</u> 	Local	CS3 CS9	3, 5, 6	2004-11 190 completions 2011-16 375 completions 2016-21 215 completions <u>10% of new build will be affordable</u>	N/A	Planning applications/ completion certificates
Housing on PDL	Core	CS9	5, 11, 12	<u>70% of new build</u>	N/A	Planning applications/ completion certificates